
**CITY COUNCIL REPORT
 COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT**

1. The Draft 2013-2017 Consolidated Plan Update

- a. Revise the updated charts, tables and maps that provide updated data to include the two-year extension through the 2019 CDBG program year.
- b. Provide any recommended updates to the goals and/or strategies outlined in the 2013-2017 Consolidated Plan Update.

2. The Draft 2018 CDBG Annual Action Plan

The Action Plan describes how funds will be used and identifies associated activities the City proposes to undertake in the 18-month 2018 program year. The CDBG program year is currently April 1 – March 31 through will be updated to reflect the extension and starting in 2019 and continuing in subsequent years will be October 1 – September 30.

The 2018 program award was in the amount of \$242,460. There was \$117,205.59 in unexpended funds from 2017 largely due to \$98,905.59 in program income from the rehab loan program. Available for allocation is \$359,665.59.

In 2017, the Finance Committee approved a pre-award cost from the 2018 and 2019 program years for the Chelan Avenue Sidewalk project. In 2018, the Finance Committee approved the addition of supplemental funds to reduce the amount of the pre-award cost to be reimbursed by CDBG. The details from this approval are still being finalized and therefore the budget provided reflects a full reimbursement from CDBG. If the final reimbursement is equal to or more than 25 percent of the identified amount, a substantial amendment will be made to the Annual Action Plan and conducted as outlined in the Citizen Participation Plan.

The Planning Commission accepted public testimony and considered the proposed Draft 2013-2017 Consolidated Plan Update and the 2018 Annual Action Plan at a public hearing on June 20, 2018. The Planning Commission recommended approval of the plan as presented with the following updates to be included in the final update:

- Page 73: Change “Seattle – Chicago” to say “Burlington Northern”
- Ensure recommendations referencing urban areas such as Seattle are relative to the Wenatchee Valley

NOTE:

- Program Admin and Planning is limited to 20% of federal award
- Public Services is limited to 15% of federal award + prior year’s program income

Project and Activity		Allocation
1.	Program Admin & Planning	\$48,492
2.	Public Improvement: Engineering for Chelan Avenue	\$133.01
3.	Public Improvement: Chelan Avenue Pre-Award Reimbursement	\$237,971.58
4.	Public Improvement: Code Enforcement	\$36,700
5.	Public Service: Literacy Council	\$35,000
6.	Public Service: Debris Removal	\$1,369
TOTAL		\$359,665.59

**CITY COUNCIL REPORT
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II. ACTION REQUESTED

Motion to:

1. Conduct a public hearing.
2. Approve and authorize the Mayor to sign Resolution 2018-28 amending the 2013-2017 Housing and Community Development Consolidated Plan and the 2014 Annual Plan.

III. FISCAL IMPACT

The amendment of the 2013-2017 Consolidated Plan impact does not have a financial impact. Adoption of this plan enables the City to continue applying for annual CDBG funds from the U.S. Department of Housing and Urban Development. The proposed plan includes budget amounts specifically targeted to cover direct and indirect costs of the city of administering the CDBG program and for carrying out grant-funded projects (including sidewalks, Code Enforcement and neighborhood grants).

The 2018 Annual Action Plan includes a pre-award reimbursement for the Chelan Avenue Sidewalk project. The general fund will be fully reimbursed at project completion. Final details related to the Transportation Benefit District funding reimbursement are not yet available as aforementioned on Page 2, Section 2, Paragraph 3.

IV. REFERENCE(S)

1. City of Wenatchee Resolution 2018-28
2. City of Wenatchee CDBG 2013-2017 Consolidated Plan Amendment
3. City of Wenatchee 2018 Annual Action Plan

V. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Allison Williams, Executive Services Director
Glen DeVries, Community Development Director
Brad Posenjak, Finance Director
Rob Jammerman, Public Works Director

RESOLUTION NO. 2018-28

A RESOLUTION, amending the City of Wenatchee 2013-2017 Housing and Community Development Consolidated Plan.

WHEREAS, the City of Wenatchee is an entitlement jurisdiction for the Community Development Block Grant (CDBG) program through the U.S Department of Housing and Urban Development; and

WHEREAS, the City of Wenatchee passed resolution 2013-12 adopting the 2013-2017 Consolidated Plan; and

WHEREAS, the City of Wenatchee passed resolution 2014-57 adopting amendment #1 to the 2013-2017 Consolidated Plan; and

WHEREAS, on June 17, 2017 the U.S. Department of Housing and Urban Development approved a request to extend the 2013-2017 Consolidated Plan by two years in order to align planning efforts with the City of East Wenatchee and the Housing Authority of Chelan County and the City of Wenatchee; and

WHEREAS, the extension requires the goals, strategies and data to accurately reflect the goals, strategies, and data related to the CDBG program over the extended two-year period; through 2019; and

WHEREAS, a duly advertised 30-day public comment period for this amendment to the City of Wenatchee 2013-2017 Consolidated Plan occurred between June 8, 2019 and July 12, 2018; no public comments were submitted; and

WHEREAS, the Planning Commission held a public hearing on June 20, 2018 and received no public comments. The Planning Commission recommended to the City Council approval of the amendment with a content correction on page 73 where “Seattle-Chicago” should read, “Burlington Northern” and a recommendation to ensure that recommendations that references highly urbanized areas such as Seattle are done so only if relative to the Wenatchee Valley; and

WHEREAS, the City Council held a duly advertised public hearing on July 12, 2018.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE as follows:

SECTION I

The City of Wenatchee 2013-2017 Housing and Community Development Consolidated Plan is hereby amended and shall be known as the 2013-2019 Housing and Community Development Plan as set forth in Attachment “A” attached hereto and incorporated herein as though fully set forth.

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, at a regular meeting thereof, this _____ day of _____, 2018.

CITY OF WENATCHEE, a Municipal Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

CITY OF WENATCHEE

2013-2019

**HOUSING & COMMUNITY DEVELOPMENT
CONSOLIDATED PLAN**

APRIL 1, 2018

ACKNOWLEDGEMENTS

The following are thanked and acknowledged for their contributions in the development of the City of Wenatchee 2013-17 Consolidated Plan:

Mayor

Frank Kuntz

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Mayor

Frank Kuntz

Wenatchee City Council

Jim Bailey
Keith Huffaker
Linda Herald
Lyle Markhart
Mark Kulaas
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OVERVIEW

State and local governments receive annual block grants for community development and affordable housing from the U.S. Department of Housing and Urban Development (HUD). These grants include the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), the Emergency Solutions Grant (ESG), and the Housing Opportunities for Persons with AIDS Grant (HOPWA). The City of Wenatchee currently only receives CDBG funds. A key feature of these grants is the grantee's ability to choose how the funds will be used. For each program, HUD describes a broad range of eligible activities. The state or local governments determine which of the eligible activities will best serve the needs of their community. In order to determine the most pressing needs and develop effective, place-based market-driven strategies to meet those needs, HUD requires grantees to develop a Consolidated Plan.

When developing a Consolidated Plan, a grantee must first analyze the needs within its jurisdiction and then propose strategies to meet those needs. The Consolidated Plan is designed to help grantees with this process. First, the needs assessment and market analysis outline levels of relative need in the areas of affordable housing, homelessness, special needs, and community development. This information is gathered through a number of methods, including consultation with local agencies, public outreach, a review of demographic and economic data sets, and a housing market analysis. Once finished, the needs assessment portion of the Consolidated Plan forms the basis of the Strategic Plan. The Strategic Plan details how the grantee will address its priority needs. The strategies must reflect the current condition of the market, expected availability of funds, and local capacity to carry out activities.

EXECUTIVE SUMMARY

CITIZEN PARTICIPATION PROCESS

Citizen participation began with the announcement of the Consolidated Plan process, and continued with extensive outreach to community organizations and individuals. Outreach included meetings with professional associations, community organizations, service providers, business partners, and individuals and families struggling with housing and employment issues. To ensure inclusion of the city's Hispanic/Latino residents, these focus groups included the Wenatchee School District's Migrant Parent Advisory and the North Central Hispanic Chamber of Commerce. Input from all of the above stakeholders was gathered through one-on-one interviews and focus groups.

In addition, the City hosted several public meetings in the Wenatchee Community Center, with simultaneous translation provided, to solicit from residents their specific concerns, needs, and ideas for potential strategies. Participants in these meetings were of all ages and included active participation from youth. Invitations for input were announced on the City of Wenatchee website. City staff was interviewed on local radio about the project and a video-taped interview was posted on the website of the region's largest newspaper; those interviews included invitations for citizen participation.

Three key committees were formed as consultative entities to inform and guide the process:

- Homeless Housing Task Force, comprised of Chelan-Douglas service providers who work directly or indirectly with homeless and at-risk of homeless persons; members include formerly homeless residents.
- Homeless Steering Committee, comprised of elected officials and community leaders who were provided with quantitative and qualitative data regarding key aspects of homelessness in our community and who provided guidance and direction for identifying strategies and allocating funds.
- Consolidated Plan Advisory Group, comprised of elected officials and community leaders who studied the housing, environmental, and economic indicators, provided expertise and insight, and helped guide the development of strategies and allocation of funds.

As this process moves forward, inclusion of citizens from the many diverse sectors will be included in an ongoing effort to ensure strategies and activities are implemented successfully and achieve the desired outcomes.

POPULATION PROFILE

Wenatchee has been growing at a similar rate to the state in recent years, around 1% annually. The city is the center of growth in the area, contributing 70% of Chelan County's population

growth in the last decade. Growth is predominantly the result of natural increase from births rather than migration and is projected to continue at a similar pace. Small households of 1-2 people are the most common size, making up an estimated 60 percent of all households. The number of total households has declined at approximately 1 percent annually; the same rate that households representing 3-persons continues to decrease.

Current demographic trends suggest that Wenatchee will continue to see an increase in the Spanish speaking population in the years to come. Though estimated net population increases have been steady over the last few years, drastic variances have existed in the Hispanic/Latino and Non-Hispanic/Latino populations. Compared to Washington State at 12 percent, the makeup of Wenatchee's Hispanic/Latino population is 32 percent (29 percent in 2013) and on average accounts for over 90 percent of the annual net population increases. In Wenatchee, approximately 13 percent of the population is foreign born and of these, only one out of three are United States citizens (~8.5 percent of Wenatchee's population is undocumented).

Wenatchee's working age population (16 years and up) is a smaller percentage of our population compared to Washington State due to larger youth and senior populations; a total difference around 6 percent. As additional baby boomers reach retirement age, the share of Wenatchee's working age population is expected to dip to just above 50 percent by 2030 from the 60 percent it is currently at.

Since 2010 the mean household income has increased from \$57,111 to \$64,262 (+\$7,151) through the number of household earning an income at or near this amount has decreased from 25 percent to 20 percent. This indicates that more households are finding themselves in the lower-income brackets despite greater average earnings for Wenatchee households. Continuously since 2010, one-quarter of all households earn less than \$25,000 annually and over one-half of the households earn less than \$50,000. Over the last decade average incomes have failed to keep up with inflation, suggesting a considerable share of Wenatchee households have less buying power than they did in 2010.

The estimate of 3,900 people living in poverty has increased in 2016 to an estimated 4,400. Of these, almost 40 percent of them are under the age of 18. Children are especially impacted by poverty with approximately one in five children in Wenatchee living in a household experiencing poverty. Of these homes, over 70 percent are a married-coupled household; indicating that children of all household types (married or single-parent) are at risk of living in poverty. The rate of poverty among Hispanics/Latinos in the city is lower than the state average but they are still disproportionately impacted by poverty in the city, particularly Hispanic/Latino children who make up approximately 50 percent of children in poverty.

Almost one-half of the housing in Wenatchee is renter-occupied. Of the households that are living in poverty with a single-parent, two-thirds of them are renting. Almost 50 percent of all renters are paying 30 percent or more of their monthly income on rent. This indicates the availability of

affordable rentals is a critical piece in preventing homelessness and especially the availability of affordable rentals for families is essential to preventing entire families from becoming homeless.

Wenatchee provides support services for individuals throughout Chelan and Douglas counties. It is estimated that 11,000 people are living in poverty around the two-county region and are likely to access these local services.

The Self-Sufficiency Standard provides a look into what is required to meet a family's basic needs in Chelan County. A family must be at approximately 230 percent of the federal poverty level; earn between 120 percent (two-parents) and 210 percent (single-parent) of minimum wage; and earn approximately 85 percent of the median family income. These percentages indicate that a significant amount of households struggle just to meet their basic needs that are not identified by a poverty rate statistics (at or below poverty level, working minimum wage, below 80 percent of the area median income).

Data suggests that persons with disabilities make up a disproportionate share of those living in poverty. Those with a disability (visual, hearing, cognitive, physical, etc.) make up about 12 percent of Wenatchee's population. Almost one-half of those living with a disability are 65 years of age or older. In 2013, ages 35 to 64 accounted for almost 40 percent of those living with a disability; in 2016 that percentage has decreased to just over 30 percent while ages 18-34 have seen an increase from almost 12 percent (2013) up to almost 18 percent (2016).

ECONOMIC DEVELOPMENT

A region's economy is recognized as the primary driver of social health. The Consolidated Plan Advisory Group spent considerable amounts of time discussing the importance of economic development. Yet the group also recognized the small amount of CDBG funds allocated to the City could not likely be effectively used directly in economic development projects. Therefore, the objective of the economic market analysis is to consolidate as much meaningful information possible, draw insights from the information, and distribute widely to the community and economic development professionals. The coordination and sharing of information is the primary strategy to promote effective economic development efforts amongst organizations within the community.

The economic development market analysis section of this plan contains a comprehensive review of data important to commerce. Several key findings resulted from the data provided in this market analysis. One of the key findings of the data review is the fact that non-wage income make up 43% of all the total \$3.95 Billion in personal income in the MSA. Transfer payments largely in the form of social security, Medicare, and income support, totaled \$885 Million in 2011. Investment income including rental income totaled \$800 Million in 2011. The magnitudes of these two components of personal income far exceed the largest wage paying sector of

Government (\$400 Million). An analysis of primary sectors by differing metrics resulted in the discovery that the biggest sectors include Government followed by Health Care, Agriculture, Rentals and Real-Estate, and Retail Trade in terms of Gross Domestic Product and total wages paid.

Within the City of Wenatchee, an analysis of business size demonstrated the region's dependence on small business. Approximately 84% of the businesses located within the City of Wenatchee have 5 or few employees. Economic Development Organizations recognize the importance of entrepreneurial based businesses. Efforts to support small business were identified as a continuing need.

An extensive analysis for the retail trade sector was provided given that the City of Wenatchee and surrounding area is a retail hub for North Central Washington and portions of Canada. The centrality Wenatchee in the state provides the opportunity for great capture for shopping and professional services. Additionally, the region performs very well in the tourism market based on the successes of the resort towns of Leavenworth and Chelan. The Wenatchee Valley recognizes the opportunity to expand upon tourism to bolster the local economy with the infusions of dollars from neighboring larger metropolitan areas. In addition to tourism, the future of the City of Wenatchee in terms of growth sectors will likely be in the areas of Health Care and Professionals Services. The City lends itself well for this type of growth based on livability qualities such as outdoor recreation opportunities, strong sense of community, access to public amenities, weather, just to name a few.

The economic market analysis also includes a list of intangible and physical resources to facilitate asset based economic development. One of the biggest challenges and opportunities the city faces is a lack of new vacant land both for commercial and residential growth. This deficiency may be responsible for high housing costs as well high commercial property values. The lack of land drives the need for pursuing redevelopment strategies to make better use of the limited space available. The City of Wenatchee has a considerable amount of underutilized commercial that could be redeveloped creating jobs and additional living units.

Another significant challenge the region faces is low education attainment and lack of skilled labor. This trend is largely driven by the high volume of direct farm production jobs. Low graduation rates add to the problem and the net result is low wages amongst a significant portion of the population. The Consolidated Plan Advisory Group recognized the combination of a growing youth population and retiring baby boomer population may create a significant skilled labor shortage problem. It is recognized that working with industry to improve skill levels and attract higher paying employment opportunities is necessary to improve the economic health of the region.

Finally, the need for coordination and consolidation of scarce resources to develop and implement effective economic strategies was a key finding amongst the Advisory Group. It is the

intent of this plan to provide awareness and incentives to promote coordinated economic development efforts in the Wenatchee Valley.

HOUSING PROBLEMS

Housing cost burdens are the most common housing problems, affecting the largest number of households. A cost burden is present when the household pays more than 30% of their income toward housing costs. **The area median income (AMI) for Wenatchee is \$45,606 whereas the median household income for those that rent is only \$33,965; compared to the \$60,043 owner-occupied median income. Even though those renting receive a lower income and are spending a greater portion on housing, both owner- and renter-occupied households experience a housing cost burden. An estimated 3,210 (~64%) renter-occupied households are below Wenatchee's AMI, compared to an estimated 2,311 (~35%) owner-occupied households.**

Elderly households are more affected by housing cost burdens and an estimated more than 1,200 elderly households face cost burdens in the city. Elderly households make up approximately 45% of renter and owner households with cost burdens of more than 30-50% of household income and an estimated 52% of renter households and 59% of owner households with severe cost burdens (more than 50%). Small families are also a significant share of those with housing cost burdens, making up around one-third of households with cost burdens.

Substandard housing affects a smaller estimated number of households, approximately 150 low- and moderate-income households in total. More renter households are affected and most of these households are estimated to have the lowest incomes between 0% and 50% of AMI. There are a relatively small estimated number of overcrowded low- and moderate-income households in the city. Overcrowding also affects more renter households than homeowners, especially those that are low income. Out of the estimated 152 households facing overcrowding in the city 125 of them are renter households and all of these have incomes of less than 50% of AMI. It is noted that this data does not necessarily mirror some of the problems City code enforcement sees. The definition of what constitutes substandard housing deserves some attention at the local level to ensure safe housing. Code enforcement commonly finds problems with egress, fire separation, electrical, and sanitation. While there is little evidence of disinvestment or abandonment of properties, many of the problems encountered are associated with unpermitted single family home conversions to multifamily units. At the same time, the city recognizes these units are important to the overall supply of affordable housing. The city needs a strategy to find the appropriate balance to address these problems.

In general, low-income Hispanic/Latino households have somewhat higher estimated levels of housing problems and cost burdens than the city's population as a whole but most income groups do not have a disproportionate need as defined by HUD. Non-family households, which generally have lower incomes, are also estimated to have higher rates of housing problems and make up a disproportionate share of households with problems.

HOUSING MARKET ANALYSIS

Review of available housing in light of current and trending demographics provides a glimpse into the issues the City will need to address in strategic planning. The data indicates a mismatch between the availability and affordability of housing in relation to needs. This holds true for both renter and homeowner situations.

Renter vacancy rates have continuously fallen from 2000 and even more quickly since 2010. In 2016, the for-sale-housing had a vacancy rate of 1.4 percent while the multifamily housing saw a rate of only 1 percent. Approximately 1000 additional units are necessary in order to see the vacancy rates for both owner (675) and renter occupied housing (252) to increase to 5 percent.

Recovering strongly from the last economic recession, the Wenatchee area has seen single family median home prices increase by 5.7 percent to \$264,550. Provided a household can afford the 20 percent down payment, approximately 58 percent of households can afford to be homeowners. Estimates indicate a 6.5 percent rise in median rents since 2012 and possibly 15 percent annually in more recent years. For households to afford a median rent of \$1,300, they must be earning approximately 90 percent of the area median income. This is a drastic 206 percent increase from an estimated \$630 in 2010.

Single family homes with three or more bedrooms make up two-thirds of the housing stock. Although approximately 60 percent of household are made up of one or two members, only 11 percent of the housing is a studio or one bedroom. Multifamily buildings with 20 or more units are the next most common housing type followed closely by "Plex" housing with 2-4 units. Almost 75 percent of the total housing stock was constructed before 1990 and less than 3 percent being constructed since 2010. With an older housing stock, lead-based paint is a public health concern due to the risk of lead-based paint poisoning in children. In contrast to post-housing crisis years, construction of new units has been steadily increasing. Multifamily developments have seen a healthy increase from 0 permits in 2015 to 7 in 2017. Assuming other factors (land availability) remain stable, this trend is expected to continue.

PUBLIC HOUSING

Given the high percentage of low-income residents, access to affordable housing is a critical need and one that for many can only be met with public housing. Wenatchee does not have an actual public housing project. Instead, Chelan County and City of Wenatchee Housing Authority provides subsidized housing through multi-family low income units and Section 8 tenant vouchers for qualifying clients. Housing Authority-owned low-income housing is available to seniors and agricultural workers. Their administration reports that the greatest need is for low-income clients who are not working in the agricultural industry; when there is no wait list for agricultural worker housing, some of these individuals/families may be issued a waiver and granted access to multi-family housing. **Since 2013, the waiting list for Section 8 vouchers has increased from around 300 to 542 at the beginning of 2108. Recent data indicates that families are waiting approximately five months to be contacted. In addition, the waiting list was closed for the last two years only opened for new applicants in September, 2017 for a period of two weeks. Section 8 vouchers are being sought out for a multitude of reasons, many of which include lack of income, disability, or chronic health issues.**

The majority of applicants on the Section 8 wait list simply lack adequate income to meet the local cost of housing. A certain percentage of applicants are disabled and/or have a chronic health issue that may necessitate long-term housing assistance; most tenants and prospective tenants simply need higher wages. For those who merely need a stop gap, rent assistance is an effective alternative. For those experiencing long-term unemployment and/or financial hardship, participation in a self-sufficiency program is recommended by Housing Authority management, but has proven to be a hard sell as residents' resources – including time – are stretched thin.

A particular need cited by Housing Authority administration is the need for ESL classes for residents with limited English. A strong community program to teach language and literacy would empower many Housing Authority renters to improve job skills and become more self-sufficient. As tenants become better able to manage independently it would potentially alleviate some of the strain on public housing.

Age and condition of the current public housing stock is a concern. The age of the units ranges from **21-32** years, and preventive rehabilitation efforts would be more cost-effective than the repair-as-needed approach the Housing Authority currently takes due to budget constraints.

HOMELESSNESS

Homelessness is a concern on a social and human service level, and also as an indicator of the health and vitality of a community. **Chelan and Douglas Counties have seen a slight decrease in homelessness as recovery from the recession continues. On average, an estimated 300 households are living without a home, as defined by the U.S. Department for Housing and Urban**

Development (HUD). The Wenatchee School District identifies around 450 students each year without stable housing, as defined by the U.S. Department of Education. Of these, over 65 percent are doubled up, almost 25 percent are in shelters and over 10 percent are either unsheltered or living in a hotel or motel. Annual point in time (PIT) counts help to provide a snapshot of how many people are struggling with finding permanent housing. The PIT counts provide a consistent measuring tool though it falls short in identifying the “invisible” homeless, such as students, individuals temporarily living with friends or family, those in jail or rehabilitation programs and a large portion of the Wenatchee Valley migrant workers who are not in the area during January for the count.

Of particular concern is the fact that households with minors made up of over 50 percent. It is well documented that children who experience homelessness are more likely to experience homelessness as an adult. Local shelters, social service providers and faith-based agencies report an increasing number of families with children. Emergency shelters report that they invariably have beds available for adults, with a lesser capacity for families. The greatest unmet need is available shelter for adolescent males, including those with families and those who are unaccompanied. Unaccompanied homeless youth of both genders make up a key portion of the “invisible” homeless as reported anecdotally by public transit drivers, youth service agencies and the local teen center.

Wenatchee is home to the region’s only confidential emergency domestic violence shelter. Since 2013, just over 750 individuals were seeking services as a result of domestic violence. Another specifically tracked population are the veterans in our community. Between 2013 and 2017, over 350 individuals that were seeking service self-identified as a veteran. Currently, Chelan County has a full-time Veteran’s Service Officer that is in place to provide positive life changes to veterans and their families while also coordinating with other veteran programs in the valley.

In numbers that include some duplication, well over one thousand Hispanic/Latino individuals and families are served annually who are homeless or at risk of homelessness. Wenatchee has an agricultural community that draws in large numbers of migrant farmworkers - seasonal farm worker jobs go from approximately 10,000 in the winter to 28,750 in July, according to Employment Security. Although some farmworker housing is available, it is inadequate for peak needs and shelters report that they experience peak demand in June. The risk of homelessness is high for migrant farmworkers and can extend to longer-term risk as an increasing number of Hispanic migrant workers settle in the valley.

Individuals and families at risk of homelessness are largely at risk because they have such scarce financial resources and the opportunity for living wage jobs is equally scarce. Although agriculture accounts for 23 percent of the jobs though only makeup 15/5 percent of the payroll in Chelan County. The combination of barriers to affordable housing and adequate employment create the most difficult challenge to solve. A local faith-based agency reports that they are seeing a surge of people who are at risk of eviction and relying on food banks, simply because they are not able to find employment adequate to meet basic needs. The severe housing cost burden leads to many

families experiencing unemployment or reduced employment and/or benefits placing them at risk of losing their stable home. All local agencies report the appearance of an increasing number of families, rather than individuals, at risk of homelessness.

While it is necessary to have emergency shelter available to those in crisis, it is not a long-term solution to the issue of homelessness. For most of the chronically homeless the root cause is a complex combination of life history and, most often, a struggle with mental health and/or substance abuse disorders. Though there is now permanent supportive housing options for those most vulnerable, there is still inadequate permanent supportive housing options for chemical dependency clients. There is a clear need to support chemical dependency and mental treatment services in our community, as well as to provide prevention services.

SPECIAL NEEDS

The City of Wenatchee is impacted by a high percentage of the population with special needs during an economic period that has brought about reduced resources to serve them. According to administration and staff with our local Department of Social and Health Services and Workforce Development Council, the majority of persons with disabilities have a mental health and/or substance abuse diagnosis.

This is frequently cited as an impediment to stable employment and housing. Disability challenges can be particularly intense for veterans. Disabled veterans face unemployment and housing challenges, and frequently struggle with Post-Traumatic Stress Disorder (PTSD) and oftentimes with substance abuse issues.

It is also important to not overlook the physical disabilities of low-income members of the community. In particular, infrastructure and transportation issues significantly impact low-income residents with mobility and access issues. Wenatchee has a high and growing senior population some of whom are in wheelchairs trying to navigate roads with no sidewalks. Elderly residents may become socially isolated because they are unable to drive, they use a walker, and/or do not have access to safe streets or public transit.

Another sub-population of concern is the number of residents who are victims of domestic violence. Wenatchee is home to the only 24-hour confidential emergency shelter for domestic and sexual violence in our region. Obstacles to transitioning to stable housing include legal and safety issues; most shelter residents have no employment or source of income. For recent immigrants, there are language and cultural barriers and - for those who may be undocumented - fear of immigration authorities. Re-entry for these shelter residents can be dangerous and complicated, and cannot be accomplished in a short period of time. This is a clear example of Wenatchee serving as the "hub" for services.

Language and literacy barriers continue to be a challenge for Wenatchee residents. The City has a lower education level than the state, and the school district has an alarming dropout rate. The community college reports a large number of students who require remedial intervention prior to enrolling in college-level coursework. Overcoming language and literacy barriers is an important step in achieving educational success and acquiring employment-related skills. Programs that offer literacy, language, education and job training report active participation and successful outcomes; most are threatened by lack of funding.

Success in addressing the multiple special needs of the Wenatchee community will require effective coordination and a broad range of interconnected partnerships.

EVALUATION OF PAST PERFORMANCE

The City of Wenatchee became an entitlement community in 2005. Since then we have received a total \$3,633,626.00 in award funding from the U.S. Department of Housing and Urban Development (HUD). Working to improve the quality of life for those in our community, CDBG funds have been invested in the following ways:

- \$1,192,313.90 was provided for pedestrian infrastructure projects that included sidewalk construction, lighting installation, art creation, landscape elements and more.
- \$820,944.58 was provided for a housing fund that included program administration, acquisition and rehabilitation.
- \$321,350 was provided for Code Enforcement staff to dedicate time and efforts into improving the identified CDBG Target Area.
 - \$3,330.39 was provided to homeowners that needed financial support in order to comply with the city code.
- \$217,028.34 was provided to enhance the park environment within the City through park structure improvements and acquisition.
- \$214,226.68 was provided to support employment training and literacy services.
- \$99,914.12 was provided to various organizations or groups to support community revitalization or service efforts. Some of which included facility upgrades to a local homeless shelter, South Wenatchee neighborhood improvements, and monetary support for local agencies providing social services to community members in need.
- \$15,917.44 was provided to update City facilities into ADA compliance
- \$544,931.49 was utilized in administrative and planning efforts to manage the CDBG program and all of the aforementioned activities and projects.

The City has seen success with leveraging CDBG funds to perform public infrastructure improvements, particularly sidewalks, as well as improved neighborhood property conditions through increased code enforcement efforts. Conversely, the City has experienced increasing difficulty with carrying out CDBG-funded Housing Rehabilitation projects since the City's Housing Rehabilitation Program was started in 2005 with a State CDBG grant.

Common Problems included:

- Lack of qualified contractors participating
- HUD lead-based paint compliance
- General cost of rehabilitation projects
- Performing interior work
- Decreased number of households being served
- Substantial structural/weatherization needs of homes
- Government regulation communication barriers
- Construction contract relationships and the City's role

The CDBG Rehab Home loan program was completed in 2010 as annual award amounts decreased and program focused shifted towards pedestrian infrastructure. Many of the loans provided are still active and program management continues.

PUBLIC COMMENTS

No official comments were received during the 30-day Public Comment period. A high level of community input was received during the development of the Consolidated Plan, which informed the identification of priorities and strategies.

STRATEGIC PLAN

In the process of gathering and analyzing quantitative data and community input, a pattern of community needs and challenges surfaced. The Consolidated Plan Advisory Group explored this pattern in depth and identified the following goals as the core of the Strategic Plan:

1. REDUCE HOUSING COST BURDEN
2. PRESERVE & IMPROVE NEIGHBORHOODS
3. REDUCE HOMELESSNESS
4. SUPPORT PUBLIC SERVICES
5. DEVELOP ECONOMIC OPPORTUNITY

In addition, geographical priorities have been determined. The characteristics observed within the geographic priority area includes higher levels of crime; housing stock in a state of deterioration; lack of public facilities such as sidewalks, lighting and parks; high levels of code enforcement issues; and signs of potential blight such as graffiti, junk vehicles, and substandard structures. Previously, the CDBG target areas were identified as South Wenatchee, Tacoma Street and Central Wenatchee neighborhoods. An Amendment in October 2014 was adopted to consolidate these areas based on the inter-relationships between neighborhoods in terms of access to public facilities (k-12 schools and the Wenatchee Valley Community College), commercial areas, grocery stores and medical or government facilities. In the acknowledgement

of the mix of income levels of this area, geographic-based activities will be targets to those portions of the area where there is greatest benefit to low- and moderate-income individuals consistent with the 2013-2019 Consolidated Plan update.

The Strategic Plan outlines specific measures to implement Consolidated Plan goals, and identifies appropriate entities to carry out activities and projects. To achieve desired outcomes, the Plan is designed with an expectation of coordinated and collaborative efforts on the part of government, business, nonprofits and the faith community. It is through this type of collaboration that the City hopes to achieve the ultimate goal of improved circumstance for our most vulnerable residents, and a thriving and vital community as a whole.

THE PROCESS

One of the most important responsibilities of an entitlement jurisdiction is to involve the community in the establishment of priorities for use of the CDBG funds. The City of Wenatchee is committed to involving the community’s residents in the decision-making process regarding the use of Community Development Block Grant (CDBG) funds. This involvement includes participation in the development of the Consolidated Plan, Annual Action Plans, and review of the City’s progress in carrying out the projects and activities described in these plans.

The *City of Wenatchee Citizen Participation Plan* lays out the multiple avenues in which local residents can voice their opinions and concerns about the CDBG Program. Specifically, local residents are notified regarding the CDBG allocation the City anticipates receiving each year, the types of projects and activities the City is allowed to carry out using CDBG funds, the proportion of each Annual Action Plan’s efforts that benefit low- and moderate-income persons, and the methods the City will employ to minimize the displacement of local residents if applicable. The *Citizen Participation Plan* also describes the ways residents can provide input on the Consolidated Plan and Annual Action Plans, including their invitation to at least one public hearing during the development of each plan, and the City’s commitment to review and consider all comments submitted regarding draft plans.

LEAD & RESPONSIBLE AGENCIES

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
Lead Agency	City of Wenatchee, WA	Community Development

The Community Development Department of the City of Wenatchee serves as lead agency for the Community Development Block Grant (CDBG) program. The Planning Division, under the umbrella of Community Development, administers the CDBG program. The Planning Division works closely with other City Departments including Engineering, Public Works, Parks and Recreation and the Mayor’s office in implementation of CDBG activities. Planning Commissioners and City Council members were engaged in the planning process, as were multiple community partners. Community partners, including government and non-profit agencies, will also be engaged in implementation of specific projects as outlined in our Strategic Plan and Action Plan.

Consolidated Plan Public Contact Information:

City of Wenatchee
Community Development Department
Brooklyn Holton, Housing & Community Planner
1350 McKittrick Street, Suite A
Wenatchee, WA 98801
509-888-3258
bholton@wenatcheewa.gov

CONSULTATION

Activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

The City does not have public housing but does work closely with the Housing Authority of the City of Wenatchee and Chelan County, which operates multi-family housing and administers Section 8 tenant vouchers. The City also works closely with local nonprofit agencies that manage homeless shelters/transitional housing, and/or provide rental assistance, mental health, social services and charitable care. This includes hosting meetings of Chelan-Douglas Homeless Housing Task Force, comprised of representatives of partner agencies including administration and staff. Additionally the City convenes a Homeless Steering Committee comprised of local elected officials and community leaders. In between meetings, staff maintains regular contact via phone conferences and email to share information and gather input. The size of the Wenatchee community is conducive to coordination of services; however the challenge of navigating systems has been identified in the Needs Assessment and addressed in the Strategic Plan.

Coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

City of Wenatchee is the lead agency for the Chelan-Douglas Homeless Plan. This entails working with the State of Washington Department of Commerce regarding the Balance of State Continuum of Care that includes the bi-county region. The Homeless Housing Task Force is comprised of local providers who serve the homeless, including chronically homeless individuals and families, veterans, and unaccompanied youth. Task Force members also include service providers whose clients are at risk of homelessness, and members who have been homeless themselves.

Consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City of Wenatchee does not receive ESG funds. It is part of the "Balance of State Continuum of Care", and participates in HMIS for programs with homeless grant funding. The City is in

process of updating the Chelan-Douglas Ten Year Plan to End Homelessness, working closely with key partners, providers, and stakeholders to identify priority strategies that guide funding allocations for the Chelan-Douglas Consolidated Homeless Grant, Homeless Housing funds, and City of Wenatchee Low-income Housing funds. In developing the Consolidated Plan, goals and strategies addressing homelessness have been aligned with the identified priorities of the Chelan-Douglas Homeless Plan.

Table 2 – Agencies, Groups, Organizations Consultation

Agency/Group/Organization	Type	Description	Section of Plan addressed
Chelan-Douglas Partnership for Children & Families	Regional Organization	Non-profit: membership consists of administrators from multiple social service agencies	Non-homeless Special Needs Anti-poverty strategy
Interagency Network	Regional organization	Facilitated networking of over 40 social services agencies; meets monthly	Non-homeless Special Needs Anti-poverty strategy
Mental Health Stakeholders Group	Regional organization	Representatives from various entities that work with the mental health population, including co-occurring disorders	Homeless Needs – Chronically Homeless Non-homeless Special Needs
Local Policy Alliance	Regional Organization	Regional alliance of representative from agencies involved in workforce education, training, and job search	Market Analysis Other – Economic Development
Housing Authority	Housing PHA	Local HUD-affiliated housing for low-income	Housing Need Assessment Public Housing Needs Homelessness Strategy
Community Action	Housing Services-Housing	Non-profit providing multiple services including low-income housing, rent assistance, energy assistance, food bank & related services	Housing Need Assessment Homelessness Strategy
Women’s Resource Center	Housing Services-Housing	Non-profit providing emergency & transitional shelter to homeless men, women & families; food bank.	Homelessness Strategy Homeless Needs – Families with Children
YWCA	Housing Services-Housing	Nationally affiliated non-profit providing emergency & transitional shelter for women.	Homelessness Strategy
Hospitality House/Haven of Hope	Services-Homeless	Faith-based emergency shelter for men; recently opened Haven of Hope emergency/transitional	Homeless needs – chronically homeless Homelessness Strategy

	Services-Housing	shelter for women. Also serves meals to non-shelter clients.	
Solomon's Porch	(Other) Services-unaccompanied youth	Faith-based day center for homeless youth, in process of opening overnight shelter for youth up to age 21.	Homeless needs – unaccompanied youth
Lighthouse/Grace House	Services-Homeless	Faith-based soup kitchen for homeless, recently opened shelter for women & planning new shelter for men/women/children.	Homeless needs – chronically homeless Homelessness Strategy
Midpoint Place	Services-Homeless	Faith-based men's shelter located in East Wenatchee; may serve Wenatchee clients	Homeless needs – chronically homeless Homelessness Strategy
Columbia Housing Association	Housing	Land-trust model for first-time homebuyers	Housing needs assessment
Habitat for Humanity	Housing	Nationally affiliated home-building in partnership with selected low-income families.	Housing needs assessment
Volunteer Chore Services	Services-Elderly Persons Services-Persons with Disabilities	Non-profit affiliated with Catholic Family Services; provides house/yard maintenance to low-income residents unable to perform tasks themselves.	Non-homeless special needs Anti-poverty strategy
Vets Helping Vets	Services-veterans	Organization of veterans who volunteer to help other veterans struggling with employment, housing, related issues.	Homeless needs - veterans
Rebuilding Together	Services-Elderly Persons Services-Persons with Disabilities	Nationally affiliated non-profit that provides skilled home repair to low-income homeowners.	Housing needs assessment
SAGE	Services-Victims of Domestic Violence Services-Homeless	Non-profit providing regional domestic violence assistance, including emergency shelter.	Other – homeless domestic violence
Dept. of Social & Health Services	Other Gov't - State	Local office of state public assistance agency, including	Non homeless special needs

		Medicaid, food stamps and related public assistance to qualifying participants.	
Regional Support Network	Other gov't - county	Regional agency, oversees state-funded mental health services	Non homeless special needs Homeless needs – chronically homeless
Recovery Innovations	Publicly funded System of Care	Non-profit providing adult mental health services, including PORCH program to work with landlords of tenants with serious mental health diagnosis.	Non homeless special needs Homeless needs – chronically homeless
Center for Alcohol & Drug Treatment	Publicly funded System of Care	Publically funded center for alcohol/drug treatment; includes detox center & residential for adults; out-patient-only for adolescents.	Non homeless special needs Homeless needs – chronically homeless
Catholic Family & Child Services	Other-mental health and social services	Affiliate of Catholic Charities, serving low-income families; provides childcare resource/referral, volunteer chore services, therapeutic family counseling.	Non-homeless special needs Anti-poverty strategy
Children's Home Society	Services – children Publicly funded System of Care (foster care)	Nationally-affiliated non-profit providing family counseling, foster care management, adoptive support services.	Non-homeless special needs Anti-poverty strategy
Salvation Army	Services - homeless	Faith-based, nationally affiliated service for low-income and homeless, including food, hot meals, rent assistance, related services.	Non-homeless special needs Anti-poverty strategy
Aging Adult Care	Services – elderly persons	DSHS-affiliated agency providing information, support and services to aging population.	Other – non homeless elderly
Head Start	Services – children Services - education	National school-readiness program serving low-income parents.	Anti-poverty strategy
North Central Educational Service District	Services - education	Regional educational district providing administrative &	Anti-poverty strategy

		support services to local school districts; includes addressing needs of homeless students.	
Wenatchee School District	Services – education Services - homeless	Public school district serving Wenatchee area including some residential areas just outside City limits. Only regional school district with a full-time Homeless Student Liaison. Has team of bi-lingual/bi-cultural Family Advocates to work closely with families with high needs; includes home visits.	Homeless needs – families with children Homeless needs – unaccompanied youth Anti-poverty strategy
Wenatchee Valley College	Services – education Services - employment	Community College serving three-county region; there is no four-year college in the region. Provides GED, Adult Basic Skills, & vocational certificate programs as well as transfer academic degree.	Anti-poverty strategy Non-housing community development strategy
Literacy Council	Services – education	Non-profit providing literacy services utilizing volunteer tutors; serves adults 16 & over.	Anti-poverty strategy
Skills Source	Services – education Services - employment	Workforce training focused on youth at risk & low-income adults in need of high school equivalency & employment-related skills.	Homeless Strategy Anti-poverty strategy
Work Source	Services - employment	Local agency of state employment service; includes unemployment benefits, job listings & assistance with job search.	Homeless Strategy Anti-poverty strategy
Service Alternatives	Services – employment Services - Disabilities	Non-profit providing vocational-rehabilitation services to disabled clients in partnership with local employers.	Homeless- special needs Non-homeless special needs
Opportunity Industrialization Center	Services - employment Services - education	Non-profit serving agricultural workers who struggle with unemployment, intermittent employment and/or underemployment; provides classes, job training.	Homeless Strategy Anti-poverty strategy
Wenatchee Valley Chamber of Commerce	Business Leaders	Local chapter; promotes local economy through networking and advocacy.	Homeless Strategy Anti-poverty strategy

North Central Washington Hispanic Chamber of Commerce	Business Leaders	Regional Chamber for Hispanic business owners/professionals; culturally sensitive approach to promoting economy.	Homeless Strategy Anti-poverty strategy
Wenatchee Downtown Association	Business Leaders	Association of downtown business owners/managers, promotes a vital downtown core that attracts local and tourist business.	Anti-poverty strategy
NCW Economic Development District	Business Leaders	Regional economic association focused on long-term strategy to encourage economic growth	Anti-poverty strategy
Rental Association of Wenatchee Valley	Housing	Professional association of rental industry	Housing needs assessment Homeless Strategy
SCORE	Business leaders	Nationally-affiliated non-profit; provides free & confidential counseling to business owners	Anti-poverty strategy
Stemilt Growers	Major Employer	Largest employer in Wenatchee Valley with over 3000 employees; agri-business leader; family-owned, civic-minded.	Housing needs assessment
Washington Growers Clearing House	Business leaders	Information clearing house on agricultural sales; advocates for agricultural issues including farmworker housing.	Housing needs assessment
LINK Transit	Other-transportation	Public Transit system, on which many of our low-income residents rely for transportation.	Non-homeless community development strategy
North Central Regional Library	Other – computer lab	Regional library with Main Branch in Wenatchee; considered “safe zone” for homeless during day; has computer lab which for many low income is only Internet access as well as opportunity to practice job-related skills and/or do school work.	Non-homeless community development strategy
Wenatchee Police Dept.	Other – law enforcement	Local law enforcement.	Non-homeless community development strategy
Regional Justice Center	Other government – County	County jail located in Wenatchee; Community Recovery program provides	Homeless strategy Homeless Special Needs

	Publically Funded System of Care	supportive housing/case management to inmates upon release from jail.	
Juvenile Justice	Other government – County Publically Funded System of Care	County juvenile justice service/detention center; includes services to runaway youth some of whom are homeless.	Homeless strategy Homeless Needs – unaccompanied youth
Northwest Justice Project	Service – Fair Housing	Legal services and housing advocacy for low-income clients.	Housing needs Anti-poverty strategy
CASA (Court Appointed Special Advocates)	Services - Children	Non-profit providing trained volunteers to advocate for children and youth separated from parents; stable housing is one of the requirements for reuniting families.	Homeless strategy
Chelan-Douglas Health District	Health Agency	Provides public health services, including outreach and education in emergency shelters for the homeless.	Homeless Strategy Homeless needs – chronically homeless
Columbia Valley Community Health	Services - Health	Local community health clinic; provides medical care to low-income clients on sliding-scale fee structure. Includes children’s dental & children’s behavioral health. Serves large migrant/bilingual population; majority of staff are bilingual.	Non-homeless special needs Homeless special needs Homelessness strategy
Chelan-Douglas Family Planning	Services - Health	Local provider of family planning services, health education & outreach, and preventative care.	Non-homeless special needs Homeless special needs Homelessness strategy
Community Choice	Services - Health	Regional consortium focused on access to health care.	Non-homeless special needs
Central Washington Hospital	Services - Health	Located in Wenatchee, serves all of Central Washington. With no mental health hospital locally, provides temporary hospitalization for local mental health emergencies. Impacted by homelessness when patients	Homeless special needs Non-homeless special needs

		cannot be discharged because they have no home to go to.	
VA Health Clinic	Services – Health Services - Veterans	Health center serving veterans only; counselor/case manager once/week to serve homeless veterans with housing & related issues.	Homeless needs - veterans
Community Farm Connection	(Other) Food Bank	Local farm-to-table consortium; gleaning project to provide produce to local food banks & low-income families; seed project to encourage low-income families to grow own food &/or initiate community gardens	Homeless needs Assessment Anti-poverty strategy Non-housing community development strategy
Wenatchee Community Center Food Bank	(Other) Food Bank	Weekly food bank at Community Center located in residential area with high percentage of low-income individuals and families.	Homeless needs Assessment Anti-poverty strategy Non-housing community development strategy
Junior Service League	Civic Leaders	Organization of women committed to volunteer service; local League has chosen to direct efforts at addressing homelessness.	Homeless needs Assessment Anti-poverty strategy
Serve Wenatchee Valley	(Other) Faith-based charitable assistance	Faith-based non-profit: collaboration of a number of area churches; provides social service including food, furniture, short-term assistance to families in need.	Homeless needs Assessment Anti-poverty strategy
United Methodist Church	Services - homeless	Faith-based charitable outreach includes one-time short-term-stay hotel vouchers for homeless individuals & families.	Homeless needs Assessment Anti-poverty strategy
Grace Lutheran	Services – homeless Services - children	Faith-based charitable outreach program: “Packing Friendship”, that “stuffs” backpacks of homeless students weekly with food donations.	Homeless needs Assessment Anti-poverty strategy
St Joseph’s Catholic Church	Services – elderly Services- disabled (Other)	Small-scale food bank; Knights of Columbus provides no-cost medical equipment to those in need.	Homeless needs Assessment Anti-poverty strategy

	Faith-based charitable assistance		
Ministerio Hispano	Services – homeless (Other) Faith-based charitable assistance	Faith-based outreach serving Spanish-speaking families; assists mono-lingual homeless immigrants, some of whom are undocumented and do not access traditional services for fear of deportation.	Homeless needs Assessment Anti-poverty strategy

How Agency/Group/Organizations consulted and anticipated outcomes for improved coordination

Each Agency/Group/Organization listed above was consulted in person. This included one-on-one interviews, conducting focus groups, attending regular meetings, and – with some organizations - all of the above. Input from these organizations informed the Consolidated Plan in several ways: 1. identifying concerns and needs unique to a specific sub-population; 2. identifying common concerns as patterns emerged across all sectors; 3. identifying resources that can be accessed in implementing strategies. The process expanded the network of stakeholders and engaged them in efforts to improve coordination as well.

Key reoccurring themes included: 1) urgent need for affordable housing; 2) need to improve access to housing by those with barriers, primarily related to background checks; 3) need to facilitate supportive housing, particularly for residents with mental health and substance abuse disorders; 4) need to improve access to living-wage jobs through education/job training and recruiting/retention of employers offering living-wage jobs, 5) need to improve built environment to prevent neighborhood blight in both residential and commercial locations; 6) need to raise community awareness and understanding of the root causes of local poverty and homelessness ; 7) need to improve information sharing and system navigation.

Identify any Agency Types not consulted and provide rationale for not consulting

None identified.

Table 3 – Other Planning Efforts Considered

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Imagine South Wenatchee American Institute of Architects Sustainable Design Assessment Team Report	City of Wenatchee	This plan is still in process; report of the AIA team at this point in the process has informed the City's Strategic Plan, particularly in relation to strategies around the built environment.
NCW Comprehensive Economic Development Plan	Economic Development District (EDD)	EDD identified four areas that align with the City's strategic plan: networking, resources, education/training and mentorship.
Partnership for Children & Families Community Needs Assessment	Chelan Douglas Partnership/United Way	The Partnership identified four areas that align with the City's strategic plan: strong network of human services, access to transitional housing, support veterans & their families, facilitate job training & micro-enterprise
Community Health Needs Assessment	Community Choice Healthcare Network	This assessment has just begun and specific goals are yet to be determined; overarching goal is to improve health access and health care in the community.
Wenatchee Urban Area Comprehensive Plan	City of Wenatchee	The goals of the Comprehensive Plan are broader and deeper in scope than the Consolidated Plan. The City's strategic plan aligns most closely with Comprehensive Plan goals for Housing Affordability, Housing Equity, Coordination with Non-profits and advocates, entrepreneurial support and enhancement of the built environment.

Chelan-Douglas Homeless Plan	City of Wenatchee	Wenatchee is currently in process of updating the bi-county Homeless Plan. The WA State Homeless Performance Goals align with the City’s CDBG goals: reduce the number of homeless persons, reduce the amount of time they are homeless, increase the number who move to permanent housing, and reduce the number who recede back into homelessness. In addition, initial priority challenged identified through the current state of the Chelan-Douglas Plan update include: navigating the system, affordable, accessible housing, employment & educational opportunities, and meeting the needs of the “new face” of homelessness as well as the needs of chronically homeless.
2011 South Wenatchee Code Enforcement Emphasis Report	City of Wenatchee	Recommendations in the 2012 Code Enforcement report included supporting neighborhood revitalization, promoting voluntary compliance, and conducting evaluation to measure results. These recommendations were incorporated into the City’s Consolidated Plan.
2012 South Wenatchee Non-Motorized Assessment	City of Wenatchee	Key recommendations of the Non-Motorized Assessment that were incorporated into the City’s Consolidated Plan include sidewalks and crossings that improve livability and safety.

Cooperation and coordination among the state and any units of general local government in the metropolitan area in the implementation of its Consolidated Plan

Wenatchee is the largest city in four counties, and therefore a regional hub for housing, economic development and public services. Leaders in the public and private sector collaborate to share information, and whenever possible integrate strategies as well as leverage resources. Key state partners include the Washington State Department of Transportation and the Washington State Department of Commerce, for implementing built environment strategies and addressing homelessness, respectively. The City partners on affordable housing projects through the Low-Income Housing Tax Credits, Housing Trust fund and McKinney-Vento. Wenatchee also partners locally with the City of East Wenatchee, an important partnership as the two cities are just across the river from each other and together comprise the core of what is often referred to as “the Greater Wenatchee Area”. The City works closely with both Chelan and Douglas counties. Unlike most other counties in the State, Chelan and Douglas are often considered one bi-county entity

in terms of services, as for instance with Chelan-Douglas Health District, Chelan-Douglas Community Action, Chelan-Douglas Land Trust, and numerous agencies and non-profits that serve the area.

CITIZEN PARTICIPATION

The first step in citizen outreach was to identify key stakeholders from across the spectrum and contact them for interview appointments and/or focus groups. Community outreach continued over a period of months. Another critical initial step was to form a Consolidated Plan Advisory Group made up of key City and community stakeholders, including 2 City Council members, and a representative from the Community Center Advisory Board, Diversity Council, and Planning Commission. The Advisory Group met throughout the course of this year to provide additional guidance for the Consolidated Plan update with input from the broader community.

Table 4 – Members of the Consolidated Plan Advisory Group

NAME	POSITION	ORGANIZATION	NOTES
Allison Williams	Executive Services Director	City of Wenatchee	
Steve King	Director, Planning/Public Works	City of Wenatchee	
Monica Libbey	Planning Manager	City of Wenatchee	
Marilyn Dold	Contractor	City of Wenatchee	
Karen Rutherford	Council Member	City of Wenatchee	Elected official, community leader, serves on multiple boards
Tony Veeder	Council Member	City of Wenatchee	Elected official, community leader, rental property owner
Jean Speidel	Commissioner	City Planning Commission	Board member, Chelan Douglas Land Trust
Bob Shepard	Executive Director	Serve Wenatchee Valley	Coalition of local churches; serve those in need
Dulce Farias-Negrete	Past-president	Hispanic Chamber	Financial Representative, Country Financial
Amy Hefner	Board Member	City Community Center	Community Relations, Sound Path Health
Renee Hunter	Executive Director	Together for Drug Free Youth	Chair, Partnership for Children & Families

Marlen Mendez	Outreach Supervisor	Community Health	Member, "Emerging Latino Leaders"
Jim Richardson	President	Wenatchee Valley College	Board member, Chamber of Commerce
Tom Robbins	Chief	City of Wenatchee Police	Board member, Columbia River Task Force
Eleanor Sellers	Director	WSD Career & Technical Ed	Member, NCW Healthcare Skills Panel
Gary Taylor	Board Member	Chamber of Commerce	Senior Account Executive, Comcast
Jennifer Korfiatis	Administrator	Economic Development Dist.	Adjunct professor, Wenatchee Valley Coll.
Stephanie Sanford	Board Member	Wenatchee Downtown Assoc.	VP, Branch Manager Peoples Bank WA
Ernesto Radillo	In-coming President	NCW Hispanic Chamber	Attorney, serves on WA State Hispanic Affairs Commission

Table 5 – Citizen Participation Outreach

Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons
Focus Groups & one-on-one interviews	Homeless Housing Task Force Members: includes publicly funded Housing Authority & Community Action; also multiple non-profit & faith partners serving the homeless, at risk of homeless, and/or residing in or in need of affordable housing.	Multiple Meetings over 6-month period, attended by 12-40 housing-related service providers	Needs are up and resources are down; challenge to serve chronically homeless as well as “new face” resulting from Great Recession; need for coordination of information; need for improved employment opportunities.	All comments listened to; those not incorporated into planning were either outside the scope of the Plan’s purpose and/or were suggestions that are not feasible
Meeting with Board members	Rental Association of Wenatchee Valley	Eight Board members as well as City Councilman who is Association member & serves on CDBG Advisory	Recognize low vacancy rate and need for affordable housing; very concerned about financial and property security regarding tenants with poor background checks.	NA

<p>Phone interviews, focus groups, surveys, “chalk board” suggestions</p>	<p>Imagine South Wenatchee community meetings as part of the AIA Design Team visit to work with the City on a long-range plan for revitalizing a large neighborhood with a high density of LMI residents.</p>	<p>Multiple focus groups comprised of residents, business owners, interested community partners; 129 written surveys submitted as well as suggestions written by citizens on large Chalk Boards available throughout the three day AIA Design Team visit, including at our local Farmer’s Market, Migrant Parent Advisory Council, and meetings/forums at the Wenatchee Community Center.</p>	<p>Strong expression of: desire for inclusion, celebration of large Hispanic population in this part of the City; structural improvements to increase safety & well-being (Sidewalks & Lighting most frequently mentioned); commercial improvement such as a grocery store; improved transportation/access to commercial area and public services.</p>	<p>Rare but occasional expressions of disgruntlement with the increasing Hispanic population and Latino flavor of the neighborhood, inappropriate comments such as “they need to speak English”. It is part of our City’s mission to “welcome, value and celebrate” diversity.</p>
<p>Association Meeting as well as one-on-one interviews.</p>	<p>Local Policy Alliance, consisting of administrators of multiple organizations providing employment services and workforce training.</p>	<p>Fifteen members participated in meeting; in addition, one-on-one interviews were held with four of those members as well as two others not able to attend.</p>	<p>Consensus that needs are up in the recession, and these needs are diverse: from those who “never needed help before” to those with long term struggles. Need “partner employers” willing to work with disabled, and more opportunities for living wage jobs/career ladders.</p>	<p>NA</p>

Regular monthly meetings	Interagency Network, a group of over 40 public and non-profit social service providers and educators. Many of the members are Hispanic/bi-lingual.	Attended monthly meetings, invited input from all members via phone, email, in person site visits. Fully a third of the membership were interviewed &/or visited.	Needs up dramatically while resources are down, both from government budget cuts & reduction in voluntary donations. Clear need for "clearinghouse" for information/navigation of services.	NA
CDBG Advisory Group Meetings	Broad Community Representation	The City formed a Consolidated Plan Advisory Group made up of key City and community stakeholders, including 2 City Council members, and a representative from the Community Center Advisory Board, Diversity Council, and Planning Commission.	The Advisory Group met throughout the course of 2012 to provide additional guidance for the Consolidated Plan update which has been incorporated throughout this Plan.	NA
Public Meetings	Non-targeted/broad community	Public Hearings with City Planning Commission and City Council.	No public comments received.	NA
Newspaper Ad	Non-targeted/broad community	Public Notice to review and comment on Draft 2013-2017 Consolidated Plan	No written public comments received.	NA

POPULATION PROFILE

OVERVIEW

This section provides a comprehensive overview of Wenatchee's population, including growth trends, age, race/ethnicity, and income levels. Detailing Wenatchee's population profile will help assess the level of potential need over the next five years of this Consolidated Plan. This section is organized into the following subsections:

1. Metropolitan Statistical Area
2. Population Growth Trends
3. Households
4. Age
5. Race and Ethnicity
6. Income
7. Poverty
8. Additional Measures of Economic Hardship

Wenatchee has been growing at a similar rate to the state in recent years, around 2% annually. The city is the center of growth in the area, contributing 70% of Chelan County's population growth in the last decade. Growth is predominantly the result of natural increase from births rather than migration and is projected to continue at a similar pace. Current demographic trends suggest that Wenatchee will be an increasingly diverse city in the years to come. Increases in the Hispanic/Latino population accounted for most of the city's net population increase in the last decade. Wenatchee's working age population is smaller than the state average due to a higher share of children and seniors in the city. As more baby boomers reach retirement age the share of the city's population that is working age is expected to dip even further by 2020.

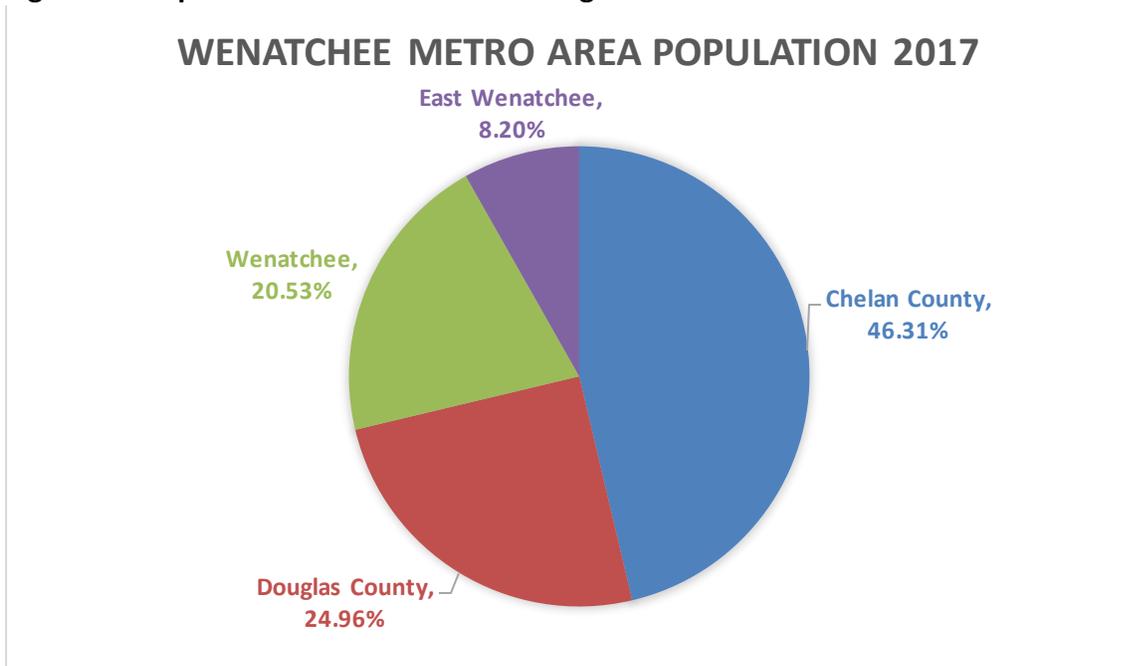
Wenatchee has a larger share of its population with lower incomes resulting in an average income that is below the state and national averages. Approximately one-quarter of all households in the city are estimated to have less than \$25,000 in annual income. The city's median income is estimated to be \$45,606. Over the last decade average incomes have failed to keep up with inflation, suggesting a considerable share of Wenatchee households have less buying power than they did in 2000.

Children are uniquely impacted by the effects of living in poverty. Of those living in poverty, over 35 percent are below the age of 18. The rate of poverty among Hispanics/Latinos in the city is lower than the state average but they are still disproportionately impacted by poverty in the city, particularly Hispanic/Latino children.

METROPOLITAN STATISTICAL AREA

The Wenatchee Metro Area includes all of Chelan and Douglas counties and was previously referred to at the Wenatchee-East Wenatchee Metropolitan Statistical Area (MSA). The 2017 population estimate is at 118,250. The Wenatchee urbanized area which includes Wenatchee, East Wenatchee, Rock Island and the Sunnyslope area is home to just under 60 percent of the population. The remaining 40 percent reside in areas comprised of rural county or small towns. The Wenatchee urban area is the only high density population core within the MSA and all of North Central Washington. As a result, the cities of Wenatchee and East Wenatchee serve as an urban services hub for the region. Additional MSA and regional context of the Wenatchee Valley is described in the Economic Development Market Analysis section of the Consolidated Plan.

Figure 1 – Population Shares of Chelan Douglas MSA



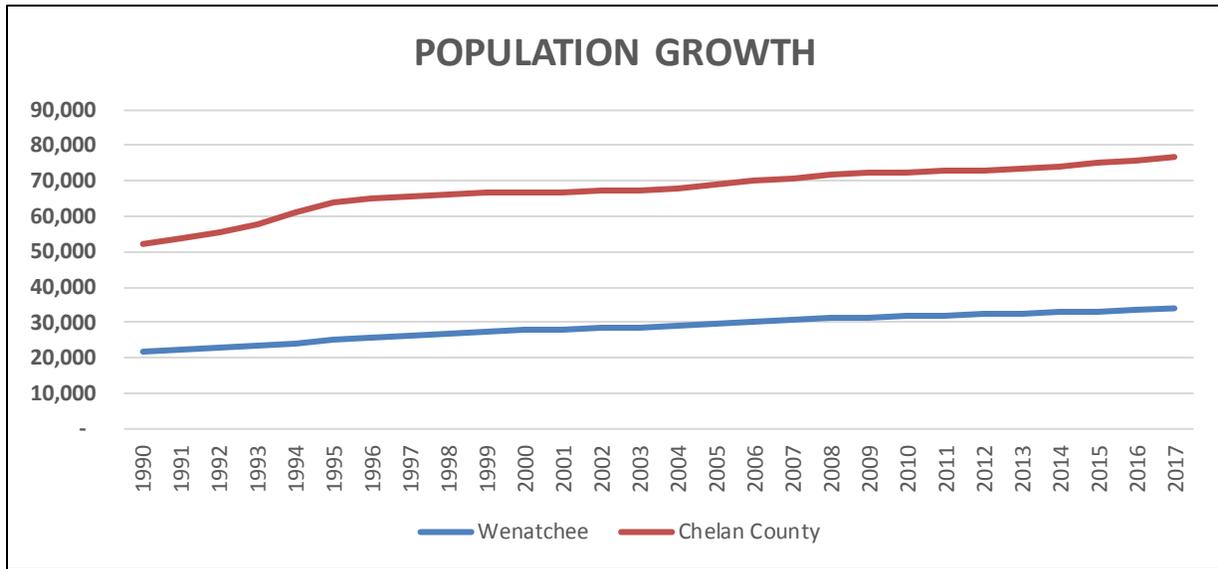
(Source: Chelan-Douglas Trends, 2018)

With a total population estimate of 118,250 in the Wenatchee Metro Area, Chelan County provides the largest share of the population at 42,760 followed by Wenatchee (34,070), Douglas County (41,420) and then East Wenatchee (13,600).

POPULATION GROWTH TRENDS

With an average annual growth rate of over 2 percent between 1975 and 2010, Wenatchee’s population just about doubled over the period. The city’s growth rate slowed somewhat at the beginning of the 21st century and has been growing at an approximate rate of **1.3 percent** annually between **1997 and 2017**. This growth rate was in line with the statewide average rate during this period and growth has been relatively evenly distributed among age groups in the population.

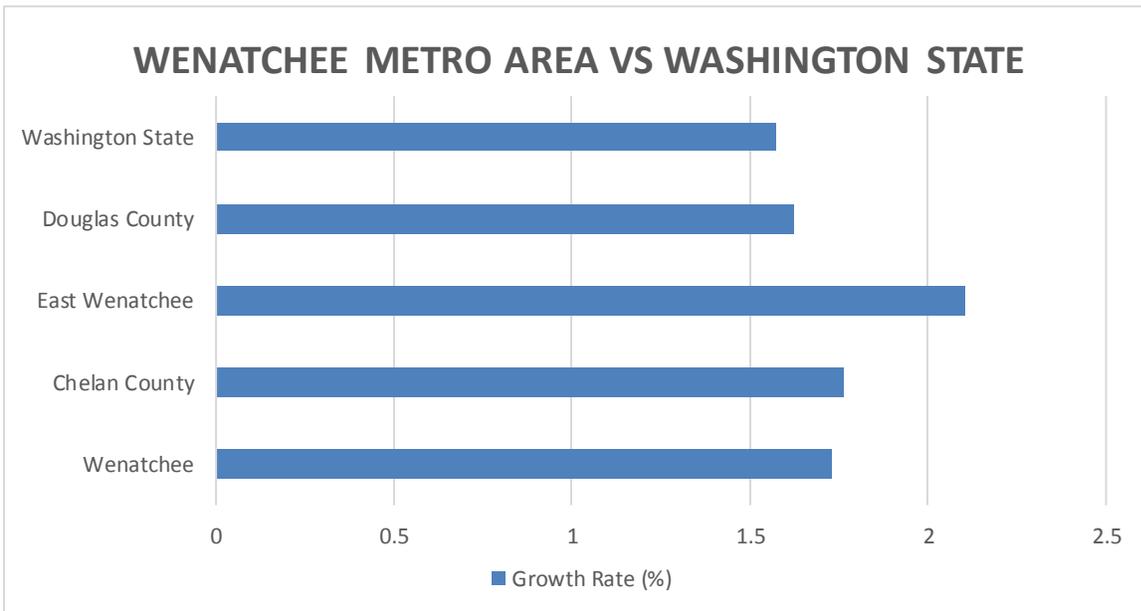
Figure 2 – Comparing Population Growth Between Wenatchee and Chelan County 1990-2017



(Source: Chelan-Douglas Trends, 2018)

Historically Wenatchee has seen more rapid growth than Chelan County and is the largest contributor to growth in Chelan County. While 44 percent of Chelan County’s population resides in Wenatchee, the City accounts for an average 56 percent of the growth; almost 60 percent of the last decade.

Figure 3 – Comparing Rate of Population Change Between 1990-2017



(Source: Chelan-Douglas Trends, 2018)

In 2013, the population growth in Chelan County shifted from being attributed to Natural Increase (the difference between births and deaths) to Net In-Migration; characteristic of the years during the early 1990's.

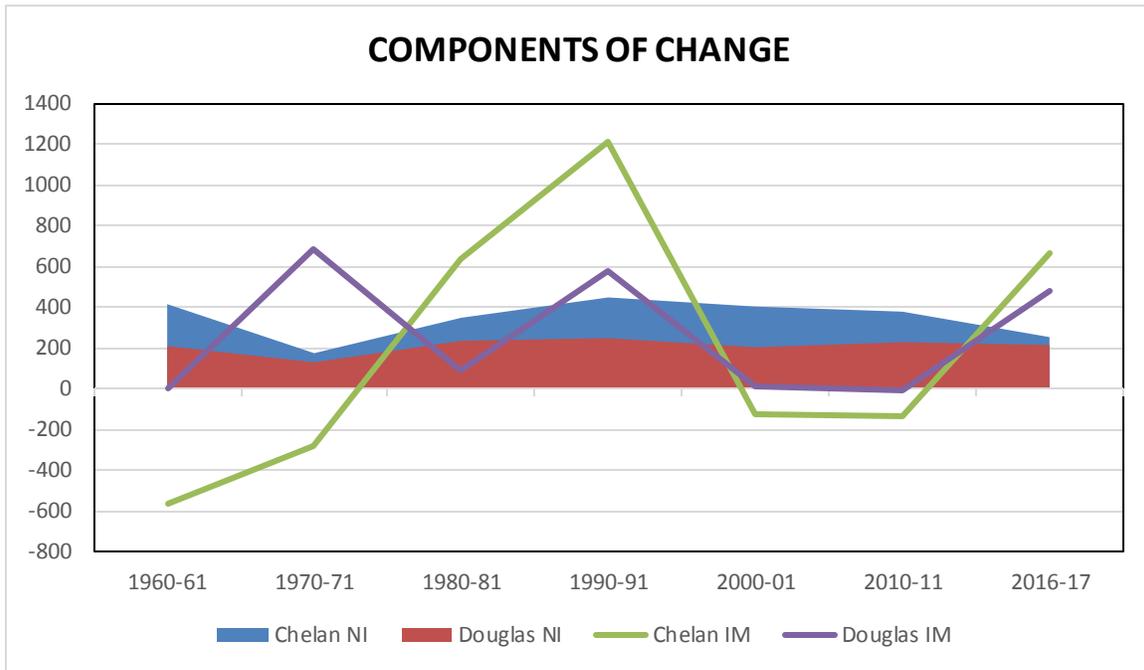
Table 6 – Chelan County Population Changes 1990-2017

Year	Total Change	Components of Change			
		Births	Deaths	Natural Increase	Net In-migration
1990-91	1,667	984	535	449	1,218
1991-92	1,754	938	538	400	1,354
1992-93	2,262	969	560	409	1,853
1993-94	3,044	1,002	517	485	2,559
1994-95	2,862	982	570	412	2,450
1995-96	1,055	944	583	361	694
1996-97	1,042	997	559	438	604
1997-98	475	969	552	417	58
1998-99	502	1,035	564	471	31
1999-00	-297	984	533	451	-748
2000-01	280	960	556	404	-124
2001-02	504	966	566	400	104
2002-03	107	881	571	310	-203
2003-04	506	906	609	297	209
2004-05	950	907	543	364	586
2005-06	932	944	591	353	579
2006-07	878	971	570	401	477
2007-08	1,026	1,049	625	424	602
2008-09	386	1,064	636	428	-42
2009-10	268	1,033	614	419	-151
2010-11	247	983	604	379	-132
2011-12	500	931	665	266	234
2012-13	400	909	680	229	171
2013-14	700	899	674	225	475
2014-15	730	957	710	247	483
2015-16	880	941	702	239	641
2016-17	920	922	668	254	666

(Source: State Employment Security Department, Chelan County, 2018)

Population migration is influenced by cyclical economic changes and regional job markets, making gains and losses more volatile from year to year. The Great Recession reduced mobility and slowed and even reversed migration patterns around the country. This trend was true in Chelan County as well.

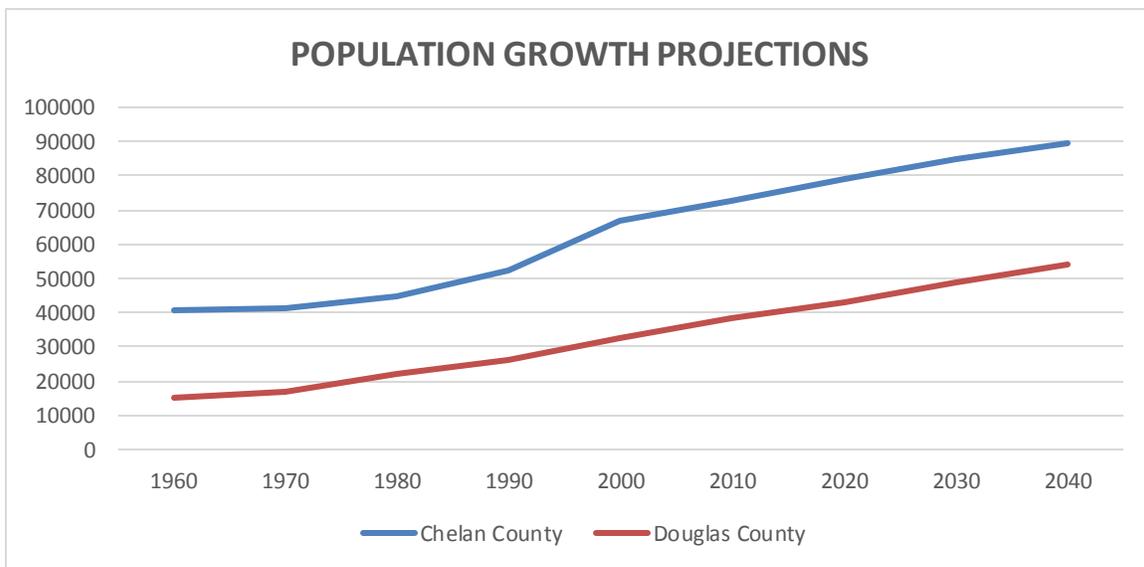
Figure 4 – Impacts on Population Change by Component for Chelan and Douglas Counties



(Source: State Employment Security Department, Chelan and Douglas County, 2018)

Chelan County is expected to continue population growth at a similar pace in both the metro and rural areas. It is projected that population will reach just under 90,000 by 2040; extended in comparison to the 2013 estimate of 90,000 by 2030.

Figure 5 – Trends of Population Change for Chelan and Douglas Counties



(Source: State Employment Security Department, Chelan and Douglas Counties)

HOUSEHOLDS

Table 7 – Wenatchee Demographic Summary Statistics

Demographics	Based Year: 2010	Most Recent Year: 2016	Percent (%) Change
Population	31,925	34,070	6.71
Households	12,379	12,768	3.14
Median Income	\$44,156	\$45,606	3.28

(Source: U.S. Census 2010; 2012-2016 American Community Survey, ACS)

A household is defined as one or more people living in a residence. **There has been an estimated increase in households by almost 400 between 2010 and 2016.**

The HUD Adjusted Median Family Income (HAMFI) is the median family income calculated by HUD for jurisdictions in order to determine Fair Market Rents (FMRs) and income limits for HUD programs. These calculations vary from other sources (such as Census summaries) due to a series of adjustments that are made with CHAS data (Comprehensive Housing Affordability Strategy). In addition to household income and cost burdens, the data measures housing problems (incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30 percent) and severe housing problems (incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50 percent).

Table 8 – Estimated Number and Types of Wenatchee Households based on the HAMFI data

Income Distribution Levels	0-30%	30-50%	50-80%	80-100%	100+%	TOTALS
Total Households	1,010	1,260	2,260	1,030	6,025	11,585
Homeowners	210	570	815	635	4,285	6,515
Homeowners with at least 1 of 4 housing problems	170	325	485	315	645	1,940
Homeowner with at least 1 of 4 severe housing problems						815
Renters	800	690	1,445	395	1,740	5,070
Renters with at least 1 of 4 housing problems	655	570	775	190	210	2,400
Renters with at least 1 of 4 severe housing problems						1,290

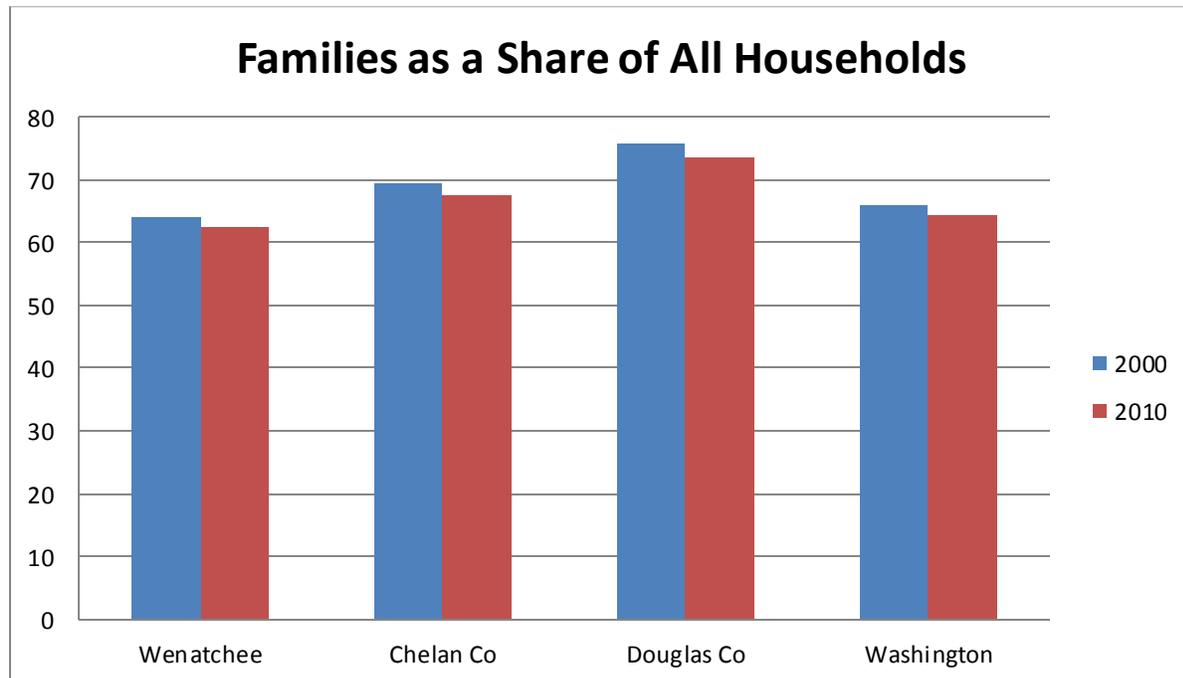
Data Source: 2006-2014 Consolidated Planning/CHAS Data

FAMILIES

Under the U.S. Census Bureau definition, family households consist of two or more individuals who are related by birth, marriage, or adoption, although they also may include other unrelated people. Non-family households consist of people who live alone or who share their residence with unrelated individuals.

Family households are a strong majority of the population in the region, making up 62.4% of all households in 2010. Throughout the region, families as a share of all households decreased somewhat between 2000 and 2010, down from 64% in 2000. This trend began in the middle of the decade and continued through 2010. Female-headed households were the only group of family households that saw an increase in their share of all households, beginning in the middle of the decade. The number of female-headed households was up from to 1,098 in 2000 to 1,477 in 2010. (Census 2010 and Census 2000, DP-1)

Figure 6 – Families as a Share of All Households



(Source: Census 2010 and Census 2000, DP-1)

Following regional and national trends, the share of husband and wife married couples in Wenatchee has been on the decline. In 2000 married couples made up 49.4% of the city's population. By the middle of the decade their share dropped to an estimated 47.3% and then slipped further to 44.6% by 2010. This trend was seen throughout Washington State and in Chelan and Douglas Counties as well. (Census 2010 and Census 2000, DP-1) Non-family households are a larger share of households in Wenatchee than in the county and state and their

number increased 21% over the 10 years. Nonetheless, the average size of households remained stable over this ten year period. (Census 2010 and Census 2000, DP-1)

FAMILY SIZE

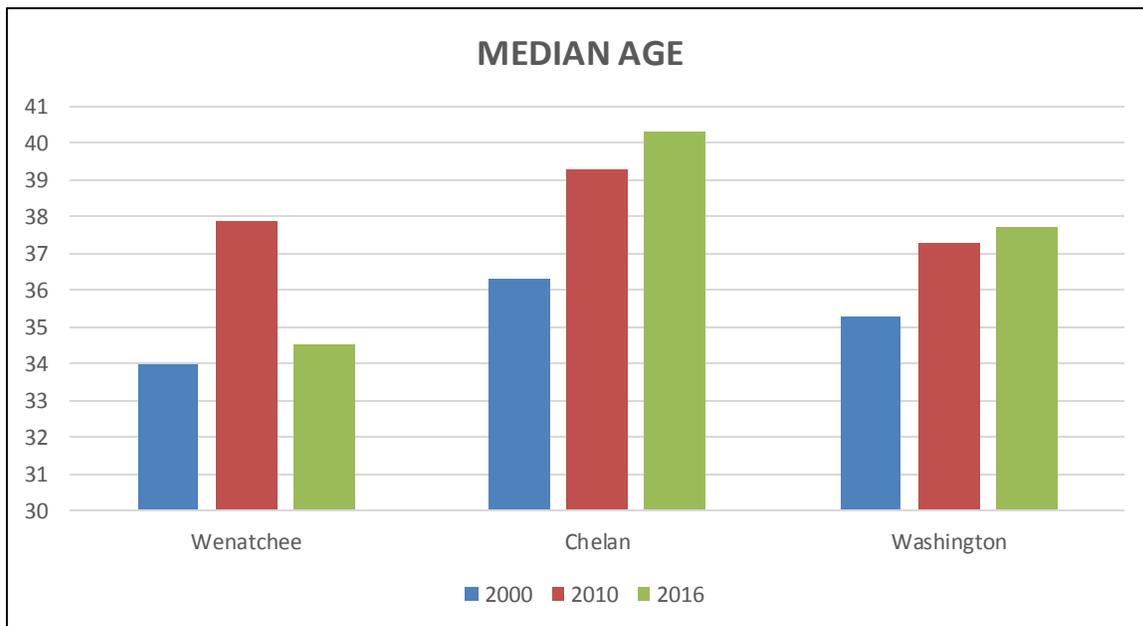
As illustrated in the previous Table 8 small family households make up an estimated 63% of all family households in the city. Small related families are defined by HUD as family households with two to four related members. The majority of these 4,855 families have incomes over 80% of the Household Area Median Family Income (HAMFI) (3,215 families). However, there are 660 small family households at the lowest income levels (between 0% and 50% of HAMFI). An estimated 1,640 families have less than 80% of HAMFI, an estimated 13% of all households (Table 8, Number of Households Table).

By contrast, large family households with less than 80% of HAMFI make up just 7% of households in Wenatchee, a total of 850 families (Table 8, Number of Households Table). The share with the lowest incomes between 0% and 50% of HAMFI is less than 1% of all households.

AGE

Unlike the decade before 2013, the median age for Wenatchee has gone down by 3.4 years from 37.9 to 34.5 years. For ages below 40, there has been an overall average increase in population by 2,397 since 2010 whereas for ages above 40, there has been an overall average decrease in population by 313. (U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimate)

Figure 7 – History and Projections for Local, County-Level and Statewide Ages

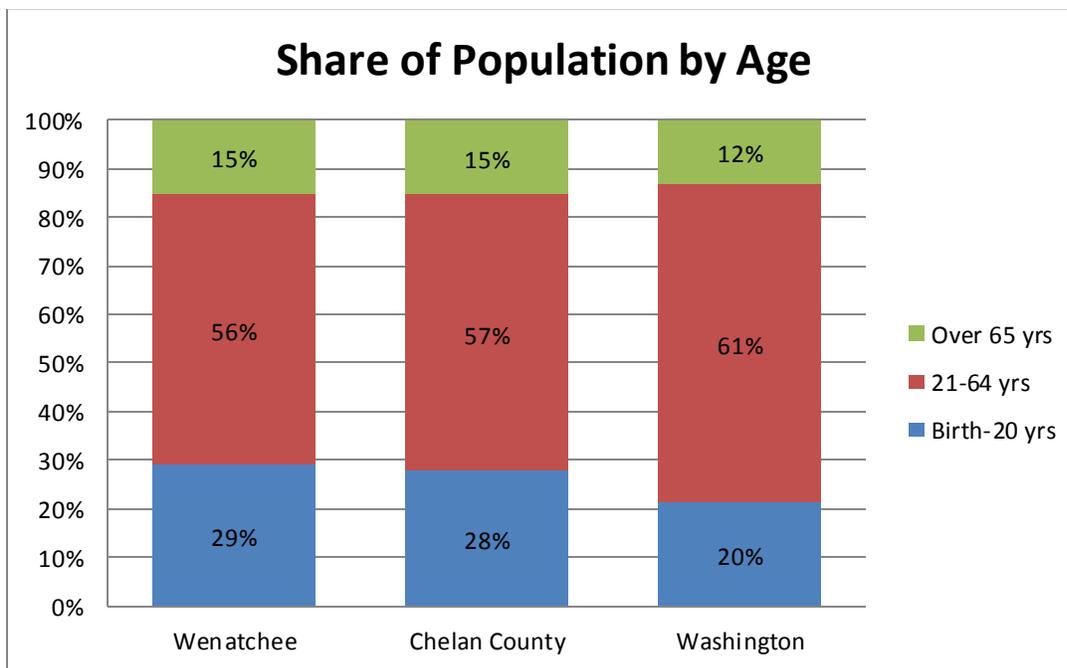


(Source: Chelan-Douglas Trends, 2018)

As illustrated in the following two figures, a larger share of youth contributed to Wenatchee’s lower median age compared to the County and State. Children and young adults under age 20 comprise 29.1% of the population, roughly 9 percentage points more than the state average. This is in part because Washington experienced a decline in children and youths between 2000 and 2010. By contrast, Wenatchee saw a growth of more than 800 children in the city during the decade. (Census 2010 and Census 2000, DP-1)

Wenatchee’s younger median age is not the result of a younger workforce, however. Working age adults (aged 20 to 64 years) in Wenatchee makes up a smaller share of the city’s population compared to the state (55.7% vs. 61.4%) (Census 2010, DP-1). As more baby boomers reach retirement the population projections for Chelan County anticipate that the working age adult population will shrink to 52.6% of the population by 2030. (Washington Office of Financial Management, U.S. Bureau of Economic Analysis)

Figure 8 – Share of Population by Age

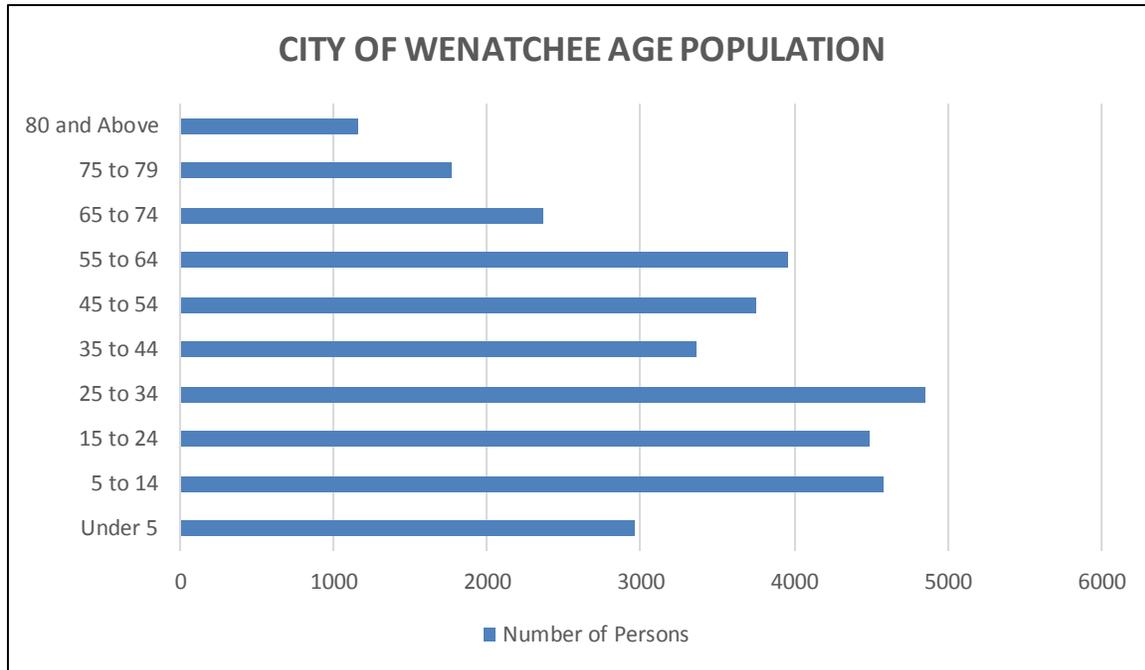


(Source: Census 2010, DP-1)

Seniors over 65 are already a larger share of the population in Wenatchee than the state and county. Additionally, 44% of Wenatchee’s population over the age of 65 years old, an estimated 2035 persons, is disabled. Fully 50% of seniors above age 75 are disabled. The share of seniors that are disabled in Wenatchee is 6% greater than in the state as a whole. Currently one in seven disabled seniors in the city are living in poverty and as the senior population grows the need for

affordable and accessible housing and services are expected to increase. (ACS 3 year estimates, 2008-2010, B18130)

Figure 9 – Wenatchee Residents Identified by Their Age Group



(Source: 2006-2010 and 2012-2016 American Community Survey 5-Year Estimate)

RACE AND ETHNICITY

The racial and ethnic groups most represented in Wenatchee are non-Hispanic/Latino Whites and Hispanic/Latinos. Non-Hispanic whites are a strong majority of the population but make up a smaller share of the population in Wenatchee than in Chelan and Douglas Counties and Washington State as a whole. In 2010 Non-Hispanic Whites totaled 66.4% of the city's population compared to 72.5 percent in Washington, 70.7 percent in Chelan County and 69.7 percent in Douglas County. (Census 2010 DP-1) It is estimated that the non-Hispanic/Latino representation in the City of Wenatchee has decreased from 72.5 percent to 67.9 percent in 2016.

Table 9 – Wenatchee Racial and Ethnic Groups

Wenatchee Racial and Ethnic Groups				
Race	2000 Population	2000 Share	2010 Population	2010 Share
White	22,543	80.9%	24,490	76.7%
Non-Hispanic White	20,815	74.7%	21,198	66.4%
Other	3,897	14.0%	5,538	17.3%
American Indian	315	1.1%	368	1.2%
Asian	264	0.9%	350	1.1%
Black	109	0.4%	142	0.4%
Native Hawaiian	36	0.1%	51	0.2%
Ethnicity	2000 Population	2000 Share	2010 Population	2010 Share
Hispanic or Latino	5,996	21.5%	9,388	29.4%

(Source: Census 2010 and Census 2000, DP-1)

The Hispanic/Latino community is fast growing in Wenatchee accounting for an average estimate of 95 percent of the City’s growth since 2013; up from 83 percent between 2000 and 2010 (Census 2000 and Census 2010). Compared to Wenatchee’s average population growth rate of 1 percent since 2013, the Hispanic/Latino community has seen an average growth rate of 3.2 percent; both rates have slowed in comparison to the rates between 2000 and 2010.

Hispanic/Latino residents make up a larger share of the population in Wenatchee than the state overall. During 2016, 12.4 percent of Washington State’s populations was Hispanic whereas 29 percent of Wenatchee’s population was Hispanic; an increase from a difference of 11 percentage points in 2010 to 16.6 percentage points (Chelan Douglas Trends, 2018). Of the children and youth in Wenatchee, Hispanic/Latino individuals under the age of 20 are estimated to make up 33 percent. In 2010 it was estimated that almost 45 percent of students enrolled in Wenatchee Public Schools are Hispanic/Latino.

The following Figure shows the percent of Hispanic/Latino population by block group in 2010, illuminating areas of the city with higher and lower concentrations of Hispanic/Latino residents. Primary concentration areas include southeastern section of Wenatchee as well as downtown, and to a lesser extent in central and northern residential neighborhoods.

Approximately 4,500 Wenatchee residents are foreign born (not born in the United States, Puerto Rico, U.S. Island areas or abroad to American Parent(s)).

- Europe 261
- Asia 227
- Africa 45
- Americas 7,565
 - o Central: 3,500
 - o Latin: 3,649
 - o North: 267
 - o South: 149

When entering the country, immigrants face significant challenges such as limited English proficiency, adjusting to a different role of government, and the difficulties of adapting to a new culture, lifestyle, food, climate and customs. Furthermore, recent immigrants often find their job skills incompatible with the local job market. Vocational training and English language classes can be supportive efforts to integrate these populations into the local economy.

LANGUAGES SPOKEN AND LINGUISTIC ISOLATION

Language barriers can impact the earnings of households and limit economic opportunities that keep families out of poverty. Whether new to the country or longer-term residents, people with limited English-language skills face barriers in accessing services and understanding important life transactions. This includes such things as comprehension of legal rights, understanding how to qualify for and buy a home, communicating with health-care professionals, and more routine day-to-day activities. Linguistic isolation can be a critical barrier in emergencies.

Of the residents that are 5 years of age and above, around 28 percent of them speak a language other than English. Of these, approximately 41 percent indicate that their ability to speak English is less than “very well”. There are an estimated 11,660 households in Wenatchee, of these, an estimated 2,589 are Spanish speaking. This is an increase from 18 to 22 percent compared to the 2010 estimates. Correlated with Wenatchee’s larger share of Hispanic/Latino residents, the city has a higher share of households who speak Spanish than both the County (18.6 percent) and State (7.5 percent). During the 2016-2017 school year, the Transitional Bilingual Instruction Program (TBIP) had approximately 25 percent of students enrolled in comparison to 20 percent during the 2009-2010 school year. (WA State School District Profile) The TBIP program addresses the unique needs of students who come from linguistically and culturally diverse backgrounds by developing language proficiency that enables meaningful access to grade level curricula and instruction.

RACE

Compared to Washington State, Wenatchee has a smaller population representation of Black/African Americans (0.83 to 3.63 percent), Asian (0.90 to 7.8 percent) and Native Hawaiian/Pacific Islander (0.12 to 0.63 percent). In contrast, Wenatchee has a greater American Indian/Alaska Native population that the state with 1.95 percent compared to 1.33 percent. Although the Wenatchee population is majority White, minority populations continue to represent a larger percent while White representation continues to hold or slightly decrease in overall percentages. This is also reflected statewide and indicates a trend towards more diversity and suggests that Wenatchee will have an increasingly diverse population in the future. (U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates)

INCOME

Household incomes in Wenatchee are generally lower than the national, state and county averages. Wenatchee’s mean (average) income of \$64,262 is estimated to be more than \$19,750 less than the state average and more than \$13,600 less than the national average. Unlike 2000-2010 when Wenatchee’s mean income increase paled in comparison to the State and the Nation, between 2010-2016 Wenatchee’s mean income increase has been on par with Washington and even above the Nation’s.

Table 10 – Mean Income 2010-2016 (estimates)

Mean Income 2000-2010								
US			Washington			Wenatchee		
2010	2016 <i>estimates</i>	Increase	2010	2016 <i>estimates</i>	Increase	2010	2016 <i>estimates</i>	Increase
\$70,833	\$77,866	10%	\$74,331	\$84,022	13%	\$57,111	\$64,262	12.5%

(ACS 5 year estimates, 2012-2016).
 Figures are not adjusted for inflation.

The median income is the midpoint of all incomes and measures the point at which an equal number of households have incomes above and below that amount. Because median income is the true center of the income spectrum it better reflects incomes in the middle than the average (or arithmetic mean) which can be skewed by incomes at the extremes. Estimates for Wenatchee’s 2016 median income (\$45,606) is significantly below the State (\$62,848) and the Nation (\$55,322).

Table 11 – Comparing Average Household Incomes

Mean and Median Household Incomes		
Household Type	Mean	Median
Wenatchee	\$64,262	\$45,606
Chelan County	\$67,915	\$51,845
Washington State	\$84,022	\$62,848
United States	\$77,866	\$55,322

(ACS 5 year Estimates, 2012-2016)

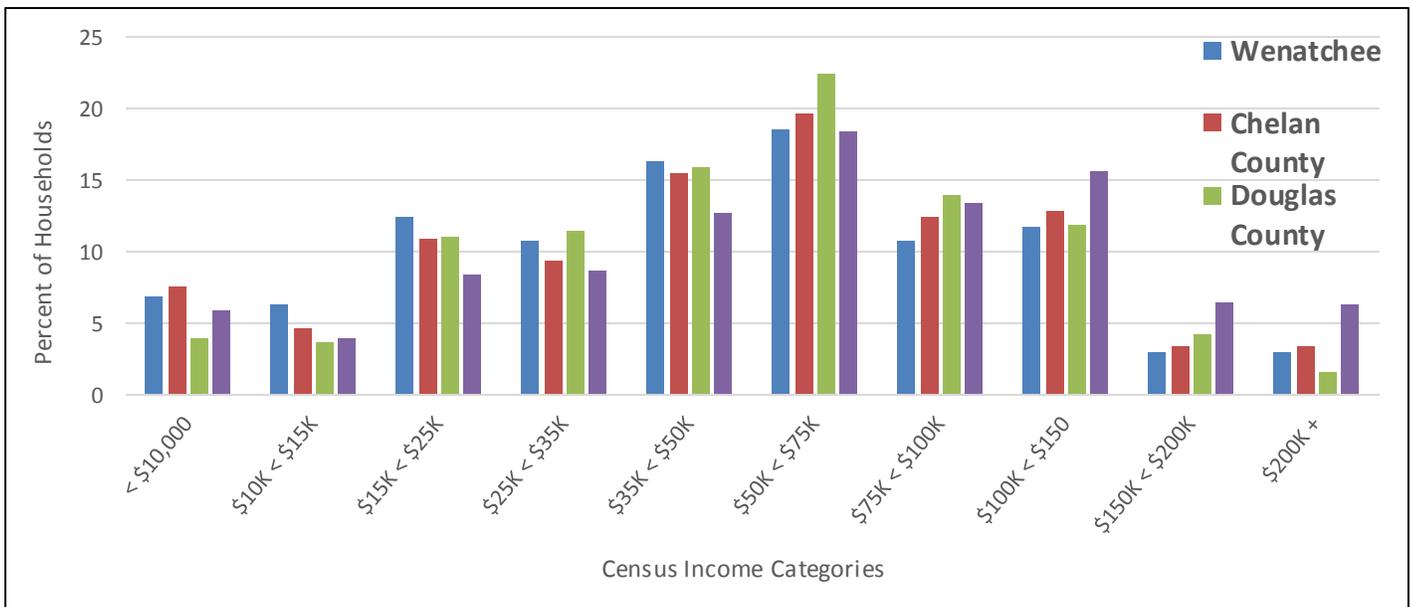
Both the mean and median incomes for Wenatchee lag behind the County, State and Nation. Wenatchee’s more modest median income is the result of a difference in the balance of households at the top and bottom of the income scale. Wenatchee has a larger share of lower income households and a smaller share of higher income households than the state and county. Wenatchee exceeds the County (23 percent), State (18 percent) and the Nation (22 percent) with almost 26 percent of its population with incomes below \$25,000.

Table 12 – Mean Household Income in Wenatchee

Mean Income by Household Type	
Household Type	Wenatchee
All Households	\$59,530
Family Households	\$70,324
Households with Supplemental Security Income (SSI)	\$10,161
Households with retirement income	\$22,631

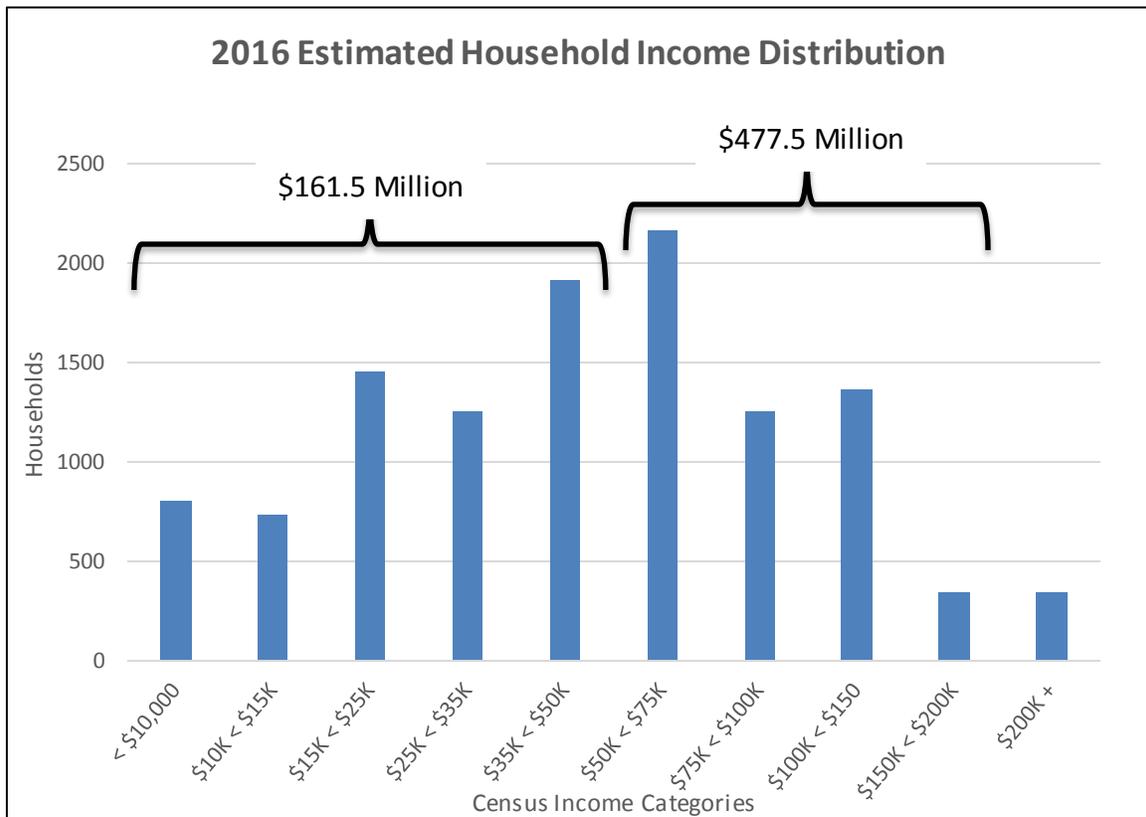
(Source: ACS 5 year estimates, 2011-2013)

Figure 11 – Households by Share of Income



(Source: ACS 5 year estimate, 2006-2010, B19001)

Figure 12 – Households by Share of Income (Estimated Total Income)



Almost 53 percent of Wenatchee households earn below \$50,000 and only account for \$161.5 million of area income while 44 percent of households earn between \$50,000 - \$200,000 and account for \$477.5 million of area income; an amount 3 times greater with almost 10 percent less contributing households. Three percent of households earn more than \$200,000. The share of households in Wenatchee with more than \$50,000 in income lags the county and state, particularly among households at the highest income levels over \$100,000. The above figure illustrates the total estimated incomes below \$50,000 and between \$50,000 - \$200,000. Compared to 2011 estimates, the income share for households below \$50,000 has decreased from \$193 million to an estimated \$161.5 million while households \$50,000 < \$200,000 saw an increase from \$342 million to an estimated \$477.5 million. Approximately 6,200 households have an income below \$50,000 while almost 3,700 households earn greater than \$50,000.

Over one quarter of all households in Wenatchee are estimated to have less than \$25,000 in annual income, 3,000 households in total. This is nearly 7.5 percentage points higher than the estimated state average. (ACS 5 year estimates, 2012-2016)

Table 13 – Share of Households at Lowest Income Levels

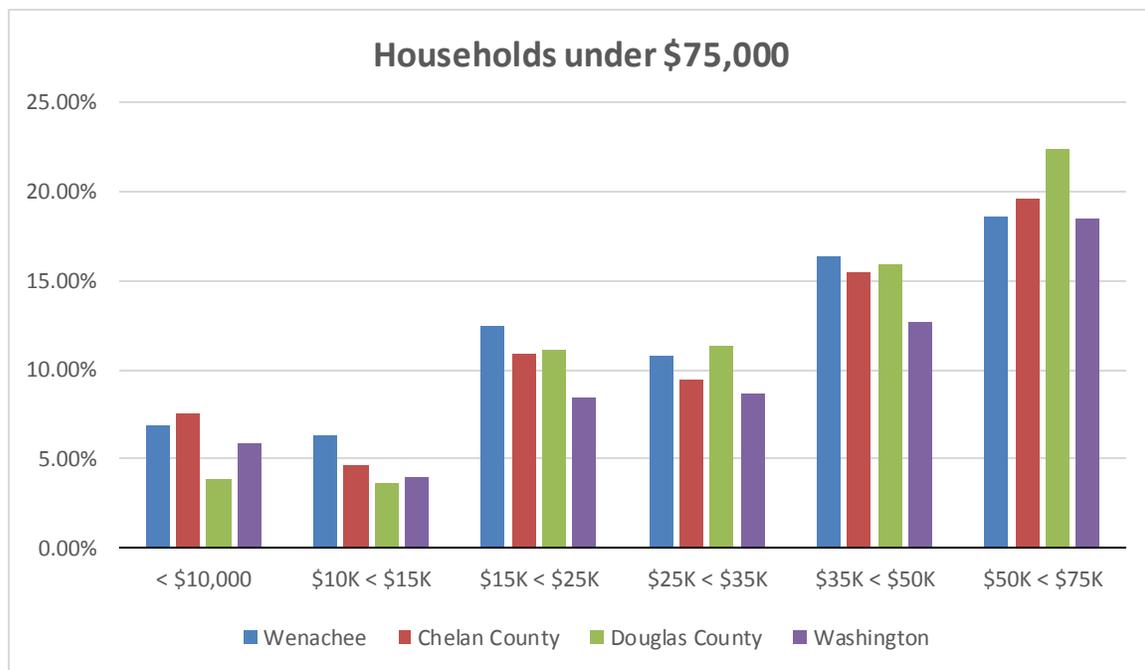
Share of Households at Lowest Income Levels				
Income	Wenatchee	Chelan County	Douglas County	Washington
Less than \$10,000	6.9%	7.61%	3.9%	5.91%
\$10,000-\$14,999	6.3%	4.7%	3.7%	4%
\$15,000-\$24,999	12.5%	10.91%	11.09%	8.41%
Total Below \$25,000	25.7%	23.22%	18.69%	18.32%

(Source: ACS 5 Year Estimates, 2012-2016)

The Chelan-Douglas region has an estimated 2,627 households with less than \$10,000 and another 1,810 between \$10,000 and \$14,999 in income. In total, approximately 11% of households in the two-County region are estimated to have less than \$15,000 in income.

Given that 53% of Wenatchee’s households make less than \$50,000 a year, a more detailed breakdown of households by income under \$75,000 is provided below.

Figure 13 – Share of Households by Income Under \$75,000

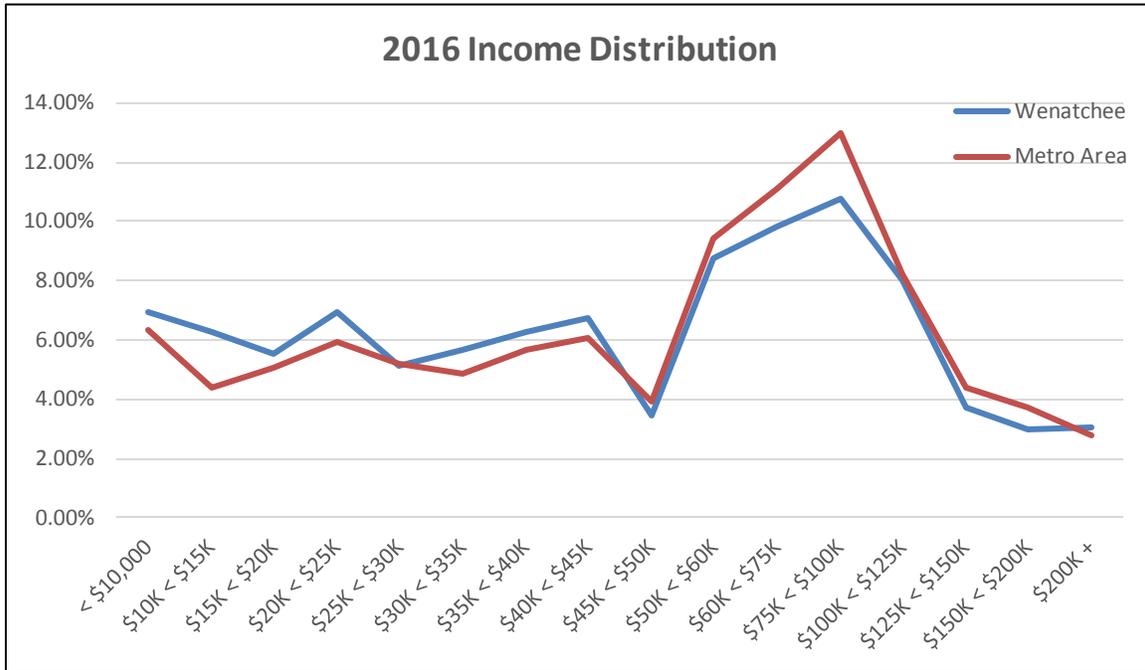


(Source: ACS 5 year estimate, 2012-2016)

Comparing the City of Wenatchee income distribution to the Urban Area also reveals insights regarding the where certain income households live. As shown in the following figure, a great percentage of lower income households live inside the city limits. In addition, fewer households

earning approximately the median household income live within the city limits. These trends intuitively make sense given the housing makeup of the city versus the urban area.

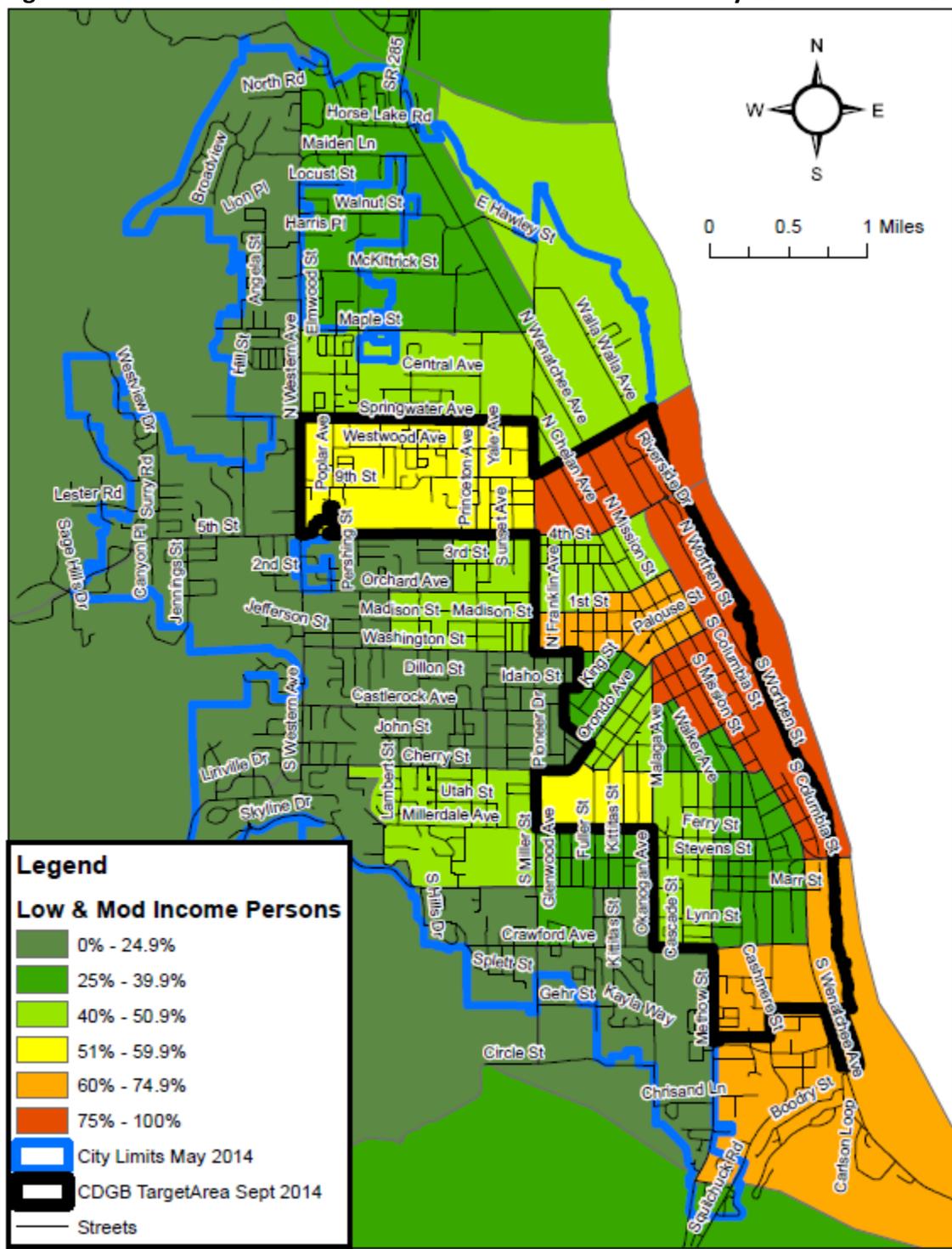
Figure 14 – City of Wenatchee and Wenatchee Metro Area 216 Income Distribution



Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-year Estimates

The following Figure shows the estimated percent of low- and moderate-income households in Wenatchee by block group according to HUD’s 2006-2010 ACS 5-Year Estimates and Moderate Income Summary Data (LMISD). Areas with the highest concentration of low- and moderate-income households are located in the eastern and southeastern sections of Wenatchee, as well as in a northern residential pocket area. Areas with the lowest concentration of low- and moderate-income households are located in the more westerly sections of Wenatchee along the urban growth area boundary.

Figure 15 – Percent of Low- and Moderate-Income Households by Census Block Group

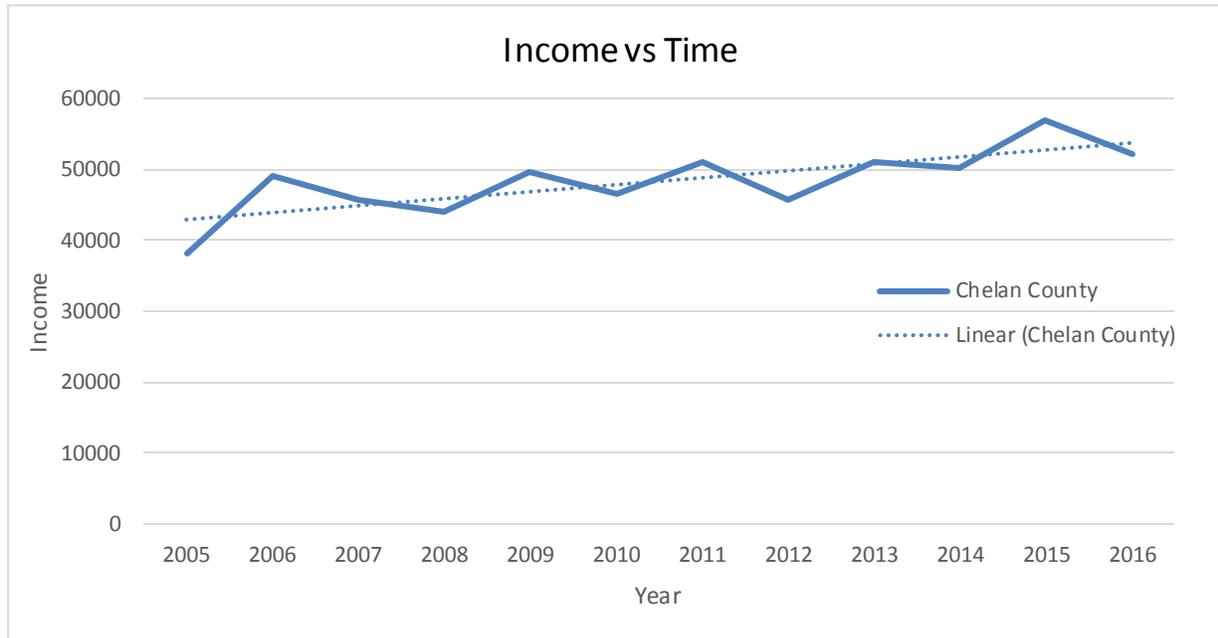


City of Wenatchee, Community Development, August 2014
 Income data are from the Low/Moderate Income Summary Data (LMISD) from the US Department of Housing and Urban Development. These data are created using the US Census Bureau's American Community Survey 2006-2010 5 year Estimates.

INCOME TRENDS

After returning to pre-recession highs by 2009, the median income in Chelan County has continued to follow an upward trend from 2010 (\$48,674) through 2016 (\$51,845). Wenatchee has seen a similar pattern with median increases from \$44,156 in 2010 to an estimated \$45,606 in 2016.

Figure 16 – Chelan County Median Income 1989-2011



(Source: Chelan Douglas Trends, 2018)

INCOMES BY HOUSEHOLD TYPE

Out of all household types, family households have the highest estimated median income. Family households in Wenatchee earned just over \$60,000 in 2016, compared to a state average of over \$76,500. Wenatchee has seen a 1.3 percent greater income gain for family households compared to Chelan County and only 1.15 percent below Washington State. In contrast, Wenatchee has seen a 2.28 percent smaller income gain for non-family households compared to Chelan County and a 2.92 percent greater income gain than Washington State. Though changes in income for family or non-family are within a close percentage with Chelan County and Washington, for overall households, the income gain for Wenatchee was only 3.28 percent between 2010 and 2016 compared to Chelan County at 6.51 percent and Washington at 9.79 percent.

Table 14 – 2016 Median Household Income

Median Household Income			
Family Type	Washington	Chelan	Wenatchee
All Households	\$62,848	\$51,845	\$45,606
Families	\$76,507	\$62,428	\$60,034
Non-Families	\$39,131	\$30,141	\$29,418

Female headed households for both family and non-family households have the lowest incomes among all household types and subtypes. In 2016, female headed family households showed a median income of \$28,547; \$31,487 below the family household median income. Similarly, female headed non-family households had a median income of just \$21,878 which is \$7,540 below the median income for non-family households and \$13,867 below that of male headed non-family households. (Source: U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates)

Table 15 – Median Income by Family Type

Wenatchee Median Income by Family Type				Washington
Family Type	2010	2016	Change	Change
Families	\$ 54,976	\$ 60,034	9.2%	10%
Married-Couples	\$ 60,789	\$ 69,664	15%	11%
Female Householder	\$ 35,455	\$28,547	-19.5%	13%
Male Householder	\$ 43,533	\$ 41,619	-4.4%	7%
Non-Family	\$ 26,619	\$ 29,418	11%	8%

(Source: U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, S1903)

INCOME BY AGE

Of the three income age groups for which data is available, (25-44, 45-64 and 65+) the 45-64 year olds had the highest estimated median income at \$58,285. A similar pattern is seen across Chelan County and Washington State though income values are great for each; \$62,186 and \$76,189, respectively. Across each age group, Wenatchee is the lowest. Those 65 and older are most sensitive to the income gap with a difference from Chelan County of \$4,365 and Washington State of \$10,052.

POVERTY

An estimated 14,648 people live below the poverty level throughout Chelan and Douglas counties. As the urbanized center of the two-county region, many residents receive services in Wenatchee/East Wenatchee. In Chelan County, 12.6 percent of the population are living below the poverty line compared to 13.4 percent in Douglas County. Within the City of Wenatchee, 13.5 percent (4,398) residents are below the poverty level; an increase from 12.8 percent in 2010. Unlike the decreasing rates in WA, Chelan County and Douglas County, Wenatchee's poverty rate increased from 2012 to 2016 by almost 1 percent; national rate increased approximately 0.2 percent. (U.S. Census Bureau, 2008-2012 and 2012-2016, S1701).

The poverty threshold, commonly referred to as the poverty line, is the income determined to be necessary to meet a household's most basic needs. The poverty line is a national standard based upon the size and composition of households and is not designed to be a complete assessment of what families need to survive. The threshold is based upon income prior to taxes, excluding capital gains and the value of any noncash assistance such as food stamps, and is adjusted for family size and number of related children under 18 years old. As an example, the poverty threshold for a household consisting of two adults and two children is \$24,858 annually.

FAMILIES IN POVERTY

Female householders make up almost 42 percent of families living below the poverty level compared to the 12 percent of male householders below the poverty level; married/couple households make up the remaining almost 46 percent. Out of all family households (below, at or above poverty level), female householders make up only 15 percent and almost count for the majority (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B17014). This is higher than the county estimates at 43 percent in Douglas and only 39 percent in Chelan. In total, an estimated 1,070 female-headed households in Chelan and Douglas Counties are living in poverty, a decrease from 1,128 in 2010. Eight out of ten female-headed households in Wenatchee rent housing, making the availability of affordable family rental housing essential to keeping these families from becoming homeless.

GENDER AND POVERTY

Of those living in poverty, females make up almost 60 percent. The only age group where males make up a significant difference is for those living in poverty under the age of 5 years (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B17001). Seen in table 16, women of a young or senior are considerably more likely to face poverty than their male counterparts.

CHILDREN IN POVERTY

Children are disproportionately impacted by poverty in Wenatchee with nearly one in five children in the city estimated to be living in poverty. Children make up nearly 40% of those in poverty in Wenatchee.

Table 16 – Poverty by Sex by Age

Poverty by Sex and Age					
Age	TOTAL	Male	Share (%)	Female	Share (%)
Poverty Population	4398	1,831	41.6	2,567	58.4
Age	Share of Poverty Population (%)	Male	Share (%)	Female	Share (%)
<17 years	36.2	757	47.6	835	52.4
18-34 years	29.1	488	38.2	790	61.8
35-54 years	14.4	173	27.4	459	72.6
55-74 years	11	216	44.5	269	55.5
75+ years	9.3	197	47.9	214	52.1

(U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B17001)

HISPANIC/LATINOS IN POVERTY

Hispanic/Latinos also make up a somewhat disproportionate share of those in poverty. There are an estimated 2,221 Hispanic/Latino residents living in poverty in Wenatchee, of which 1,166 are under the age of 18. Hispanic/Latino persons are estimated to make up slightly more of the population living in poverty than their share of the population overall. Over 50 percent of those living in poverty are Hispanic/Latino and of these, more than 25 percent are below the age of 18. Those above the age of 18 years are represented almost evenly by Hispanic/Latino men (24 percent) and women (26 percent). Small sample sizes do pose a challenge for the reliability of Hispanic/Latino poverty rates. In contrast to 2010 when Hispanic/Latino residents of Wenatchee had higher rates of poverty compared to the state, 2016 data shows Wenatchee at 21 percent (decrease of 4 points) while Washington has increased by 7 points up to 23 percent (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B17001).

Language barriers among Hispanics/Latinos can be an impediment to ending poverty, as households with language barriers make up a disproportionate share of those in poverty. Spanish-speaking children between the ages of 5 and 17 years make up 71.5 percent of the youth in poverty; increase from 40 percent in 2013. Spanish-speaking adults make up almost 40 percent of the adults (18+ years) living in poverty. The data suggests that poverty among Spanish speaking households is more pronounced in Wenatchee than the state and county, however, small sample sizes make it difficult to accurately determine the extent of this difference.

In total, an estimated 46 percent of all residents living in poverty are Spanish-speaking, a disproportionate share (vs. 27 percent of all residents) and notably higher than the estimated averages for the state and county. (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B16009).

EMPLOYMENT AND DISABILITY AMONG THOSE IN POVERTY

The prevalence of low wage and part-time agricultural and service work in the region means a considerable number of households with working members have earnings that fall below the poverty line. Among the 770 families estimated to be in poverty, almost 67 percent have had one or more workers in the home (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B17014). Unemployment and the inability to work are also contributing factors for why some households are in poverty. An estimated one in five of the population above the age of 16 who did not work in the previous year had incomes below the poverty level. (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, S1701).

Disability is another contributing factor keeping some households from earning enough to stay above the poverty line. Small sample sizes make data about disability and poverty imprecise but suggest that individuals with disabilities make up a disproportionate share of those in poverty and face poverty at higher rates than the general population. In Wenatchee, an estimated 18 percent of working age adults (age 18-64) living with a disability were also living in poverty (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B23024, B18130). This is a significant figure, and may reflect the large number of low-income workers who have been employed in jobs that are physically demanding and have higher rates of occupational injuries. Agriculture has been identified as the most dangerous occupation in Washington State, according to the Washington Department of Health Center for Health Statistics. In addition, the local Division of Vocational Rehabilitation reports that a majority of clients have a mental health diagnosis, which in many cases was preceded by an injury that led to unemployment and subsequently to the client's depression and/or substance abuse.

Because disabilities limit many individuals' ability to work, the majority of these disabled adults in poverty were not in the labor force. The data suggests that as many as one in seven may be in the workforce but either unemployed or working but not earning sufficient income to avoid poverty. (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B23024). The data also suggests that disabled middle-age individuals are particularly impacted and the City's poverty rate among these residents is estimated to be higher than the County and State averages.

TENURE

Just under three out of four households living in poverty are renter households, making the availability of affordable rental housing critical to avoiding homelessness. The affordability of rental housing in the city will be discussed in more detail in following sections. (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B17019).

ADDITIONAL MEASURES OF ECONOMIC HARDSHIP

SELF-SUFFICIENCY STANDARD

The Self Sufficiency Standard is a measure of the income necessary to meet a family's basic needs in a given region and is determined for various family compositions. It is a more comprehensive measure of necessary minimum income than the poverty standard because it accounts for additional necessary expenses such as health care, child care, transportation and taxes. The Standard is calculated by adding expenses and taxes and subtracting tax credits as detailed in the following table.

Table 17 – Chelan County Self-Sufficiency Standard, 2017

	Adult	Adult Preschooler	Adult Infant Preschooler	Adult Preschooler School-age	Adult School-age Teenager	2 Adults Infant	2 Adults Infant Preschooler	2 Adults Preschooler School-age
MONTHLY COSTS								
Housing	\$609	\$807	\$807	\$807	\$807	\$807	\$807	\$807
Child Care	\$0	\$661	\$1,354	\$1,220	\$559	\$693	\$1,354	\$1,220
Food	\$286	\$433	\$568	\$654	\$758	\$694	\$816	\$898
Transportation	\$231	\$238	\$238	\$238	\$238	\$457	\$457	\$457
Health Care	\$115	\$384	\$400	\$406	\$433	\$448	\$460	\$467
Miscellaneous	\$124	\$252	\$337	\$333	\$280	\$310	\$389	\$385
Taxes	\$200	\$430	\$623	\$609	\$381	\$490	\$650	\$635
Earned Income Tax Credit (-)	\$0	(\$45)	\$0	\$0	(\$155)	(\$0)	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$60)	(\$100)	(\$100)	(\$120)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$167)
SELF-SUFFICIENCY WAGE								
Hourly	\$8.89	\$17.14	\$23.06	\$22.73	\$17.13	\$10.70	\$13.26	\$13.07
						per adult	per adult	per adult
Monthly	\$1,564	\$3,017	\$4,059	\$4,000	\$3,015	\$3,765	\$4,667	\$4,602
Annual	\$18,771	\$36,201	\$48,711	\$48,001	\$36,181	\$45,182	\$56,007	\$55,227
Emergency Savings Fund (Monthly)	\$47	\$109	\$144	\$142	\$134	\$65	\$84	\$83

*The "Taxes" row includes federal and state income taxes (including federal taxes) and payroll taxes.

** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

*** The hourly wage for families with two adults represents the hourly wage that each adult would need to earn, while the monthly and annual wages represents both parents' wages combined.

Note: Totals may not add exactly due to rounding

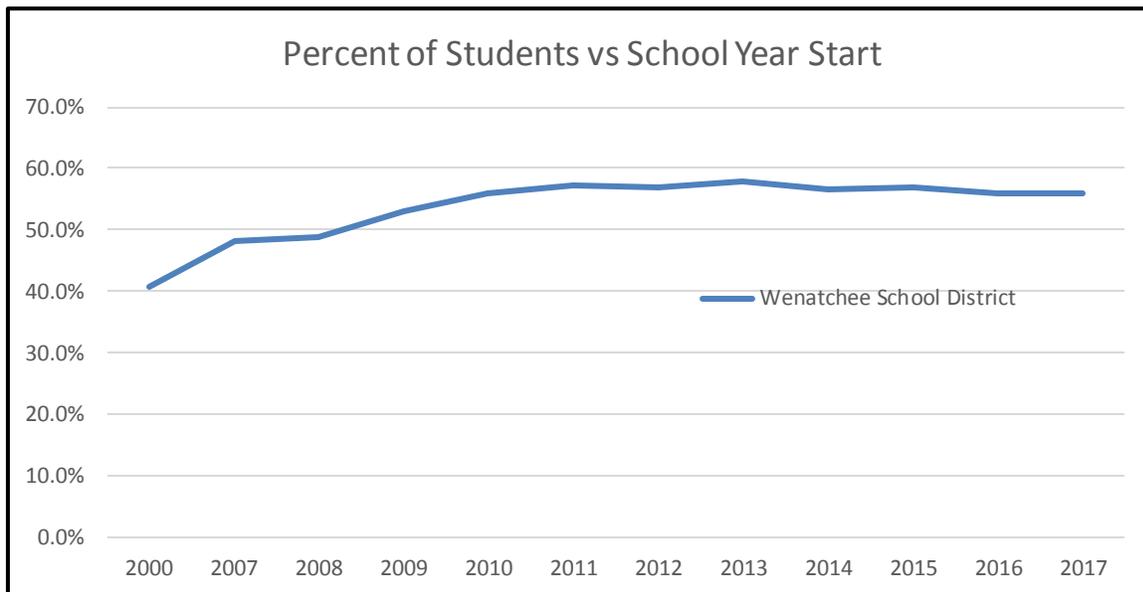
	SELF-SUFFICIENCY STANDARD FOR ONE ADULT + ONE PRESCHOOLER + ONE SCHOOL-AGE				SELF-SUFFICIENCY STANDARD FOR TWO ADULTS + ONE PRESCHOOLER + ONE SCHOOL-AGE			
	Annual Self-Sufficiency Standard	As Percentage of:			Annual Self-Sufficiency Standard	As Percentage of:		
		Federal Poverty Guidelines	Minimum Wage	Median Family Income		Federal Poverty Guidelines	Minimum Wage	Median Family Income
Chelan County	\$48,001	235%	207%	85%	\$55,227	224%	119%	88%

The Self-Sufficiency Standard is a more accurate measure of need in Wenatchee because it is based on the cost of living in Chelan County, unlike the poverty threshold which is a national figure. The Self-Sufficiency Standard in Chelan is roughly twice the poverty threshold suggesting that a significantly greater number of households are likely to be struggling to meet their basic needs than are measured by the poverty rate. It is notable that the Self-Sufficiency Standard - the income necessary to meet a family’s basic needs - for a family composed of two adults and one preschooler and one school age child is higher than the city’s median income.

STUDENTS ELIGIBLE FOR FREE AND LOW-COST LUNCHES

The number of students eligible to receive subsidized lunches in school is another measure of need in the community. In **May 2017, 54.7 percent of the 7,726 students** in the Wenatchee School District were eligible for free or reduced cost school lunches. The majority of students, (over 3,650) qualified for free lunches. The schools with the greatest percentages of eligible students include Columbia (87), Mission View (80.1), Abraham Lincoln (78.8), and Lewis & Clark (75.6). (*Office of Superintendent of Public Instruction, Washington State Report Card*)

Figure 17 – Students eligible for free and reduced lunch.



(Source: Office of Superintendent of Public Instruction Child Nutrition)

FOOD STAMPS/SNAP

Supplemental Nutrition Assistance Program (SNAP), commonly referred to as Food Stamps, is provided to qualifying low-income households to provide additional resources for food. Families and individuals eligible for food assistance must be low income (gross income below 130% of the poverty limit or net income after allowable deductions of less than 100% of the poverty line). There are also resource limits (savings and assets) of around \$2,000, with some exceptions. Recipients who are not elderly or disabled may also be required to register for work or participate in job training through social services, or may only be issued assistance for three months.

Because recipients are required to be low-income, food stamp benefits are another measure of economic need within the community. An estimated 11% of Chelan County and over 15% of Douglas County family households are receiving SNAP food assistance, an estimated 2,822 households. Married-couple families are estimated to be the majority of households in Chelan County receiving SNAP.

The struggles of families working but unable to earn sufficient income in Wenatchee are evident in the number of working families receiving food assistance. Data suggests that the estimated share of families receiving SNAP who have one or more workers in the household is very high, although small sample sizes make the exact figures unreliable. (U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates, B22007).

HIGH SCHOOL COMPLETION

Wenatchee School District has an on-time high school completion rate of 79 percent (Chelan-Douglas Trends, 2010-2011 School Year), which is concerning. Input from Wenatchee educators, parents and students indicate that socio-economic factors are the greatest barrier to successful completion. An interview with the Executive Director of Student and Support Services provided significant insight into what are considered the greatest factors influencing the district's dropout rate:

- **Poverty**

The school district has the second highest migrant population in the state, and over half of the total student population qualifies for free and reduced lunch. The actual percentage is likely higher, as eligible high school students frequently choose not to participate in free and reduced lunch even when they qualify, because they feel a stigma. Parents of children in poverty are often employed in part-time, temporary, or intermittent jobs that mean odd hours and/or working away from the family home for periods of time. The stress of survival supersedes school concerns such as homework or parent meetings, even though teachers and administrators report a high level of concern on the parents' part to have their child(ren) succeed in school. Often, older students are working to help the family, which impacts their available time and attention for school.

- **Mobility**

Student Support Services report that fully 15% of high school students move 5 times in a school year. This is not a move from one house to another; it is often to another school

altogether. In addition, parents may stay in Wenatchee but work as far away as Moses Lake or Yakima. Parents are “chasing work” in order to survive, which disrupts parental engagement both at home and at school. Additionally, Wenatchee has a number of families who have transitioned here from nearby rural areas. District staff reports that many families have had professionals in their previous community advise them to move to Wenatchee, because this is where the services are that those families need. As mentioned, Wenatchee is the hub for social services.

- **Health**

Families in poverty are often without healthcare, and many children in poverty miss school frequently due to illness, or come to school when they are ill and therefore not able to fully participate. Health issues are exacerbated by the stress of poverty – stress in itself affects the immune system – and also the greater likelihood of food insecurity and/or a healthy and safe living environment.

An additional factor cited by school administration is the challenge of meeting Washington State graduation guidelines, which have been changing annually. One administrator described how the four grade levels in high school have four unique sets of graduation requirements - including both academic credit and testing requirements. Even so, the socio-economic factors are still considered the greater barrier to student academic achievement.

It is important to note what has *not* been identified as a barrier: the large number of students who come from families where English is not the first language and/or have monolingual parents. The district has a strong ESL program, bi-lingual classrooms, and one highly regarded dual language elementary school. There is a team of Family Advocates who are bi-lingual and make home visits. Research has shown that students who learn English as a second language actually have an asset, not a deficit, both academically and later in the workforce.

Parental motivation is also not a barrier with Hispanic/Latino families who have children in Wenatchee schools. Reaching these parents, and sometimes reaching the students, is a challenge. This is primarily due to the working and living circumstances and schedules of the families, not a lack of motivation for the youth to succeed in school. On the contrary, the district reports that the most active group of parents is the Migrant Parent Advisory Council, which meets on Friday nights when one could reasonably expect a low turnout.

To address parent and student engagement in a manner that engages parents in poverty, the school is moving away from traditional expectations such as having parents come to the school for meetings and to help out in classrooms. The school is using technology to stay connected. Examples of this include automatic phone calls that repeat at all hours until a parent is reached; online classes that students may participate in when out of town; a web-based system for paying school fees and buying lunch tickets; a Facebook page that keeps parents and students informed; and regular radio time in English and Spanish, covering such topics as how parents can help with homework.

The City of Wenatchee and community stakeholders of all types have a key role to play in supporting the education and well-being of students in order to help break the cycle of generational poverty.

ECONOMIC DEVELOPMENT MARKET ANALYSIS

OVERVIEW

A region's economy is recognized as the primary driver for social health in the context of this Consolidated Plan. Many elements of this plan are directly related to the economic viability of the individuals who are in need of social service assistance. Wenatchee has some unique characteristics that present both significant challenges and some inherent advantages relative to other metropolitan areas within the state. This market analysis is not only intended to serve the purpose within the Consolidated Plan, but to also be a catalyst for economic development discussion in the community as the goals are one in the same. The Consolidated Plan Advisory Group who helped develop this plan spent considerable time discussing economic development and its role of improving the health of the community. While CDBG funds are not a likely source for economic development activities, growth in the economy is the greatest priority.

The objective of this economic development market analysis is to provide a comprehensive overview of our local economy. Not only does this help in the development of strategies for the upcoming five years for which this Consolidated Plan is intended to address, but the information can help facilitate the emergence of new strategies and opportunities in the private sector and with other organizations. **It is the hope of the city that the Consolidated Plan can be distributed universally amongst the development community as well as economic development organizations to be used as a resource. The sharing and coordination of information is the primary strategy of this plan in promoting the development of effective economic development efforts in the region.** Additionally, this analysis provides a benchmark for moving forward as our economy adjusts from the Great Recession that really hit bottom in Wenatchee in 2010, later than the rest of the state and nation.

In order to meet these objectives and maintain simplicity, this analysis is organized into the following subsections with the intent of first establishing an understanding of our current economy through analysis of sector data and then identification of resources, assets, and deficiencies impacting economic growth:

1. Wenatchee-East Wenatchee Metropolitan Statistical Area Overview
2. Personal Income and Primary Sectors Overview
3. Primary Sectors by Number of People Employed
4. Business Activity
5. Primary Sectors by Total Wages Paid
6. Analysis of Non-wage Income
7. Top Sectors by Gross Domestic Product
8. Taxable Retail Sales Analysis
9. Small Business Analysis
10. Capture Area and Leakage

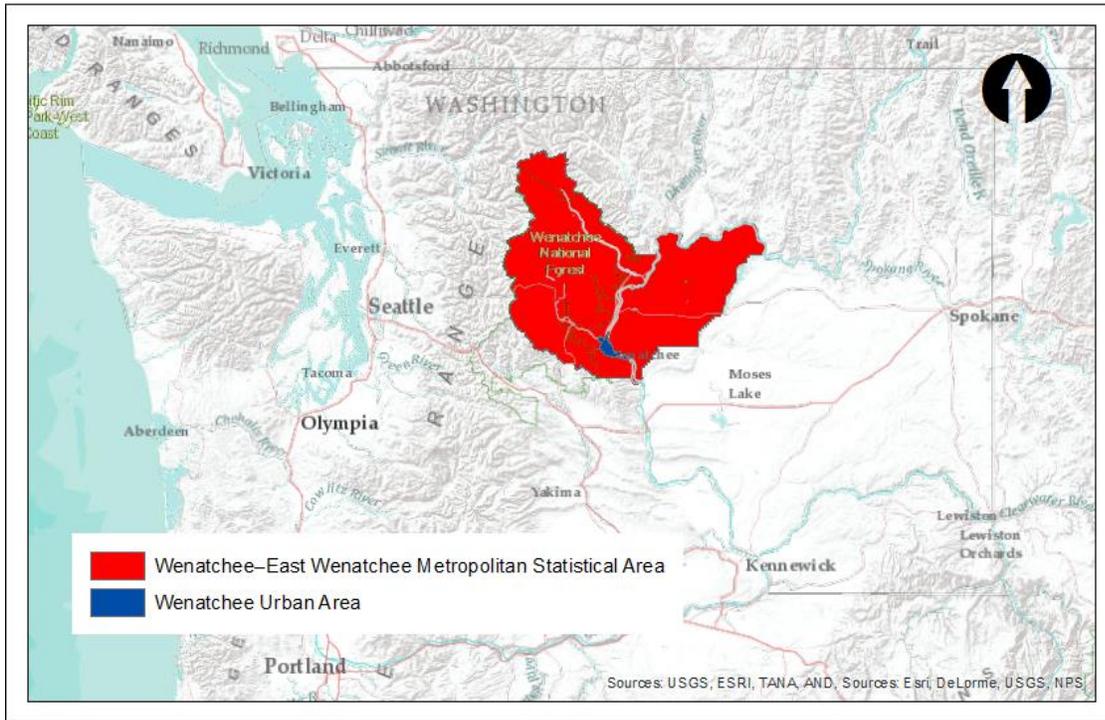
11. Tourism
12. Concentrated Industries and Growth Sectors
13. Intangibles
14. Physical Resources
15. Analysis of Non-wage Income
16. Labor Resources
17. Labor: Education, Age, and Skills
18. Economic Development Organizations
19. Summary of Significant Points and Insights

WENATCHEE METROPOLITAN STATISTICAL AREA OVERVIEW

The availability of data and the accuracy of data are highly dependent on the type of information available and the geographical area being analyzed. Analyzing the Wenatchee Valley and surrounding area is a little more complicated than many cities due to the presence of two cities and two counties within a federally designated urban area. Furthermore, Chelan and Douglas Counties are designated a metropolitan statistical area which has the greatest level of information available. This report tends to focus on the larger metropolitan statistical area. However, sometimes the report focuses specifically on the City of Wenatchee when data is available and relevant.

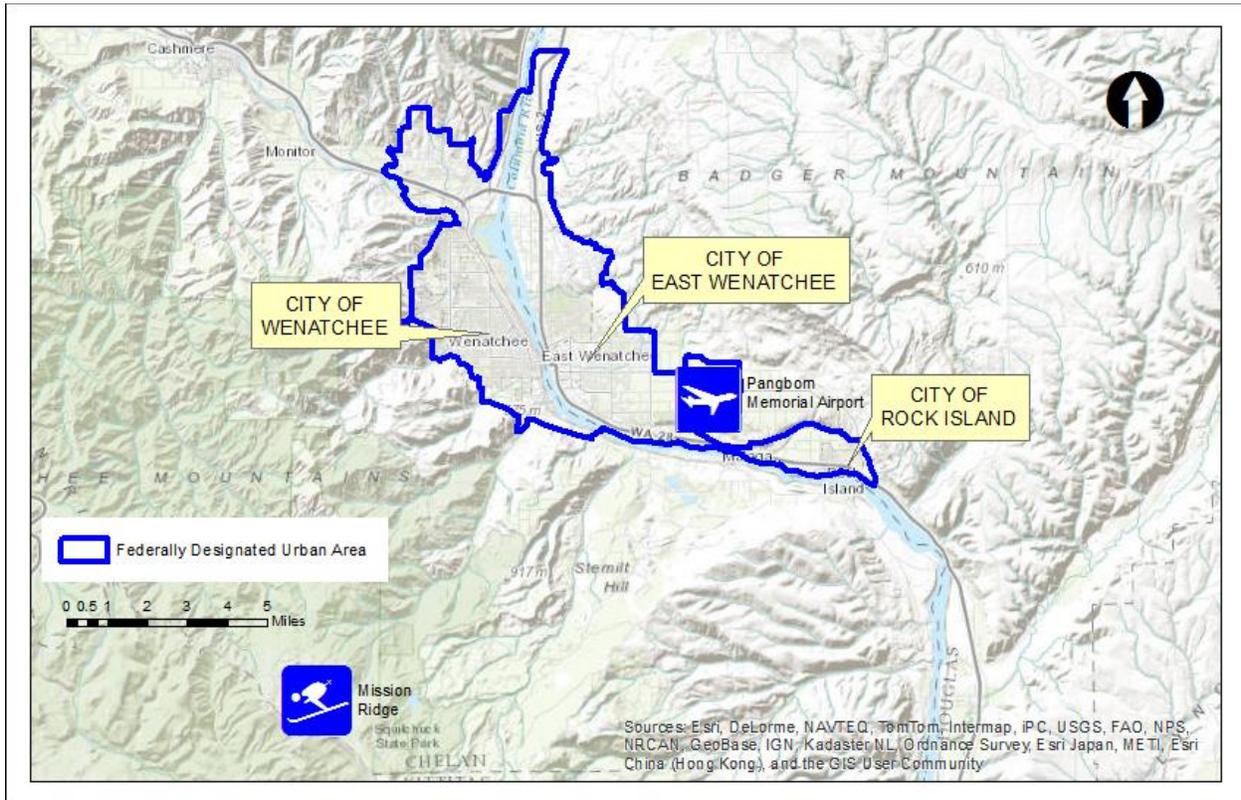
The Wenatchee-East Wenatchee Metropolitan Statistical Area (MSA) is entirely comprised of Chelan and Douglas Counties. A MSA is a federally designated geographical region with a relatively high population density at its core and close economic ties throughout the area. The official name for the region is often replaced with the Chelan/Douglas MSA. The 2011 MSA population estimate is approximately 118,250 of which 65% of the population resides within the urban core immediately around the cities of Wenatchee and East Wenatchee. Additional demographic data is available in the preceding sections of the Consolidated Plan. The remainder of the MSA is comprised of largely rural counties with several small towns. Chelan County is comprised of 78% publically held lands while Douglas County is largely privately held agricultural lands. The following figure illustrates the location of the MSA within the State of Washington.

Figure 18 – Wenatchee MSA Location



The Wenatchee urban area is the only high density population core within the MSA and all of North Central Washington. As a result, the cities of Wenatchee and East Wenatchee serve as an urban services hub for the region in terms of retail trade, governmental, and professional services. Although in recent years outlying communities have developed some big box retail, Wenatchee still is a regional retail hub serving the expanded area defined as North Central Washington (255,378 people residing in Chelan, Douglas, Okanogan, and Grant Counties). The following figure provides a sense of the centrality of the Wenatchee Valley relative to other major metropolitan areas of Seattle, Spokane, Yakima and Tri-Cities within the state and relative to Canada in terms of drive time.

Figure 20 – Federally Designated Urban Area



DEVELOPMENT HISTORY

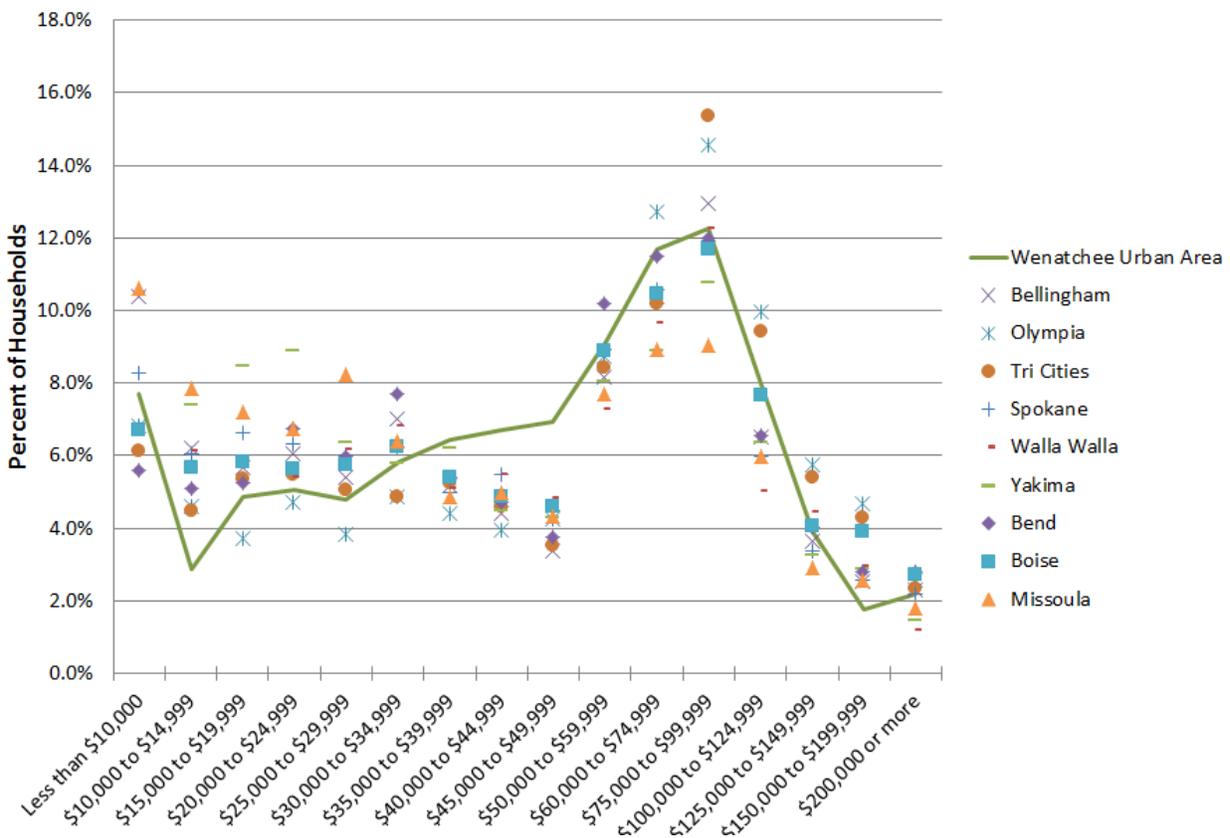
The City of Wenatchee was developed around the Seattle – Chicago Railroad line, the first transcontinental rail line in the United States. This access to rail at the turn of the 20th century allowed the development of fruit production and more importantly the export of fruit by rail. This access to rail combined with the optimum apple growing environment of North Central Washington was the impetus of rapid growth within the City of Wenatchee in the early 1900's with an intense commercial core serving the growing fruit industry and serving as the service hub for North Central Washington. Between the 1930's and 1970's, the development of hydroelectric power on the Columbia River provided another major industry adding to the economic strength of the region. The development of hydroelectric projects brought very affordable power to the region and industries like Alcoa followed. Most recently data centers have capitalized on low power rates. While the industries of agriculture and hydroelectric power are still very large drivers of the Wenatchee economy today, noticeable diversification has occurred giving rise to opportunities for economic growth.

PERSONAL INCOME AND PRIMARY SECTORS OVERVIEW

One of the most commonly accepted method of gaging a city’s economic health is to review the household income distribution and the median household income of its populous. In addition, disposable income is generally very critically reviewed by prospective new businesses in their market analyses. The Wenatchee Urban Area income distribution illustrates significant strength comparatively to other cities located in the Northwest. As illustrated below, the Wenatchee Urban Area has fewer low income households and more of higher income households than the comparison cities.

Figure 21– 2011 Urban Area Household Income Distribution

2011 Household Income Distribution Comparisons

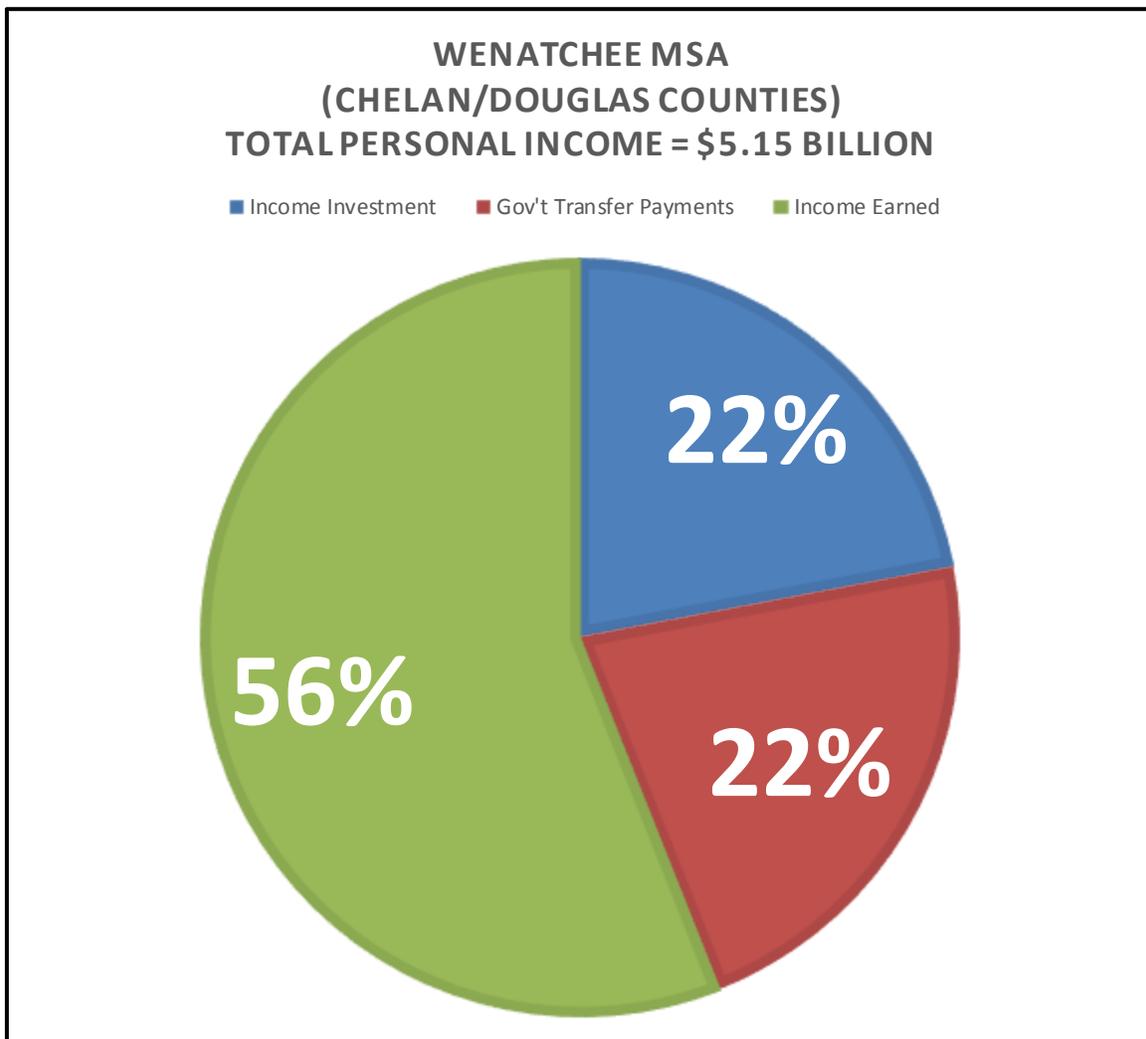


Source: ACS 2011 – 3 Year Est.

Developing an understanding of which sectors currently drive a region’s economy helps provide insights to the above income distribution and ultimately the current status of social and economic health in a region. This knowledge is also critical for understanding existing successes, opportunities, and challenges associated with business retention and economic growth. Typically a sector analysis pertains directly to the part of the local economy that is tied to employment. Prior to analyzing employment information, it is important to understand how

people are impacted directly by employment and by non-wage income which includes transfer payments from the federal and state governments and investment income. Examples of transfer payments include Medicare, Social Security, Unemployment benefits, Veterans programs, and other public assistance programs. Examples of investment income include rental income, dividends, and interest earnings. Investment income shown here does not include capital gains. The figure below illustrates 44% of personal income in the MSA is not tied to wages. The portion of personal income tied to transfer payments and investment income is greater in our MSA compared to other metropolitan areas and is on the rise which is a significant consideration to be discussed in greater detail under the analysis of non-wage income.

Figure 22 – 2016 Personal Income in Wenatchee MSA



Source: Bureau of Economic Analysis

With the understanding 56% of the total personal income comes from earned income (\$2.89 Billion in direct wages), the impact of industry sectors on the economy can be evaluated in the

context of labor. The impact of primary sectors to a region’s economy can be measured in a number of ways. The most common practice is to rank industry size by the number of locally employed people. However, this approach alone fails to recognize inherent truths about our economy. Therefore, this plan also attempts to evaluate sectors using other methods in an effort to better quantify impacts to the economy other than simply number of jobs. Some sectors within the region may have greater impacts to economic health than commonly expected and therefore additional data is provided following the typical ranking of sectors by the number of jobs.

The sector analysis in this plan provides information according to the Wenatchee-East Wenatchee MSA first and then refines the data to smaller subsets for the County and City when good data is available. Another important point about the following analysis is that Sectors are defined by the North American Industry Classification System (NAICS) codes. Often, the businesses that fit within these broad titles are not intuitive. However, this classification system is the most commonly used way to associate economic activity with specific industries. Table 18 provides a list of 17 industry sectors most commonly used with readily available data along with some context as the industry sector relates to Chelan and Douglas Counties. These industries are also made up of a number of subsets. More information on what each industry sector includes can be found on line at http://www.census.gov/eos/www/naics/2012NAICS/2012_Definition_File.pdf

Table 18 – NAICS Sector Descriptions

Code	NAICS Sector	Clarifications for the MSA
11, 21	Agriculture, Forestry, Fishing and Hunting/Mining	Includes direct crop production. Very Seasonal in nature. Excludes Warehousing and Food Processing.
23	Construction	Includes civil site and building construction
31-33	Manufacturing	Includes food processing, wineries, breweries, packaging manufacturing, equipment manufacturing
42	Wholesale Trade	Includes fresh fruit wholesalers, farm supply wholesalers, wholesale brokers
44-45	Retail Trade	Wen. Valley is a regional shopping hub
48-49	Transportation and Warehousing	Includes fruit storage, airports, freight companies, public transportation
51	Information (Media)	Wen. Valley is the home of most media companies for the region
52	Finance and Insurance	Includes banking, investment brokers, and insurance agencies and carriers
53	Real Estate, Rental, and Leasing	Includes property management, equipment rentals, real estate agents

Code	NAICS Sector	Clarifications for the MSA
54	Professional, Scientific, and Technical Services	Includes lawyers, accountants, engineers, veterinary, env. consultants, advertising agents, etc. The City of Wenatchee is home to many of these companies in the Region.
56	Administrative and Support and Waste Management and Remediation Services	Includes support services, temporary help, answering services, credit bureaus, travel agencies, cleaning services, solid waste collection and landfills, etc.
61	Educational Services	Includes specialized training facilities and technical education services. This category excludes gov't.
62	Health Care and Social Assistance	This is very big for the City of Wenatchee since it is the home for the region's medical center. Also includes dentists, youth services, shelters, residential care facilities, etc.
71	Arts, Entertainment, and Recreation	Includes skiing, museum, spectator sports, fitness and recreation centers, theaters, etc.
72	Accommodation and Food Services	Predominantly in the Wen. Valley, Leavenworth, and Chelan
81	Other Services (except Public Administration)	Includes, beauty salons, equipment/auto repair, religious organizations, pet care, laundry services, etc.
92	Government (Public Administration)	Includes utilities, federal, state, local agencies and public education. This sector very large in the Wen. Valley as it is home to agencies like the Forest Service, WSU Tree Fruit Research Center, two counties and three cities.

PRIMARY SECTORS RANKED BY NUMBER OF PEOPLE EMPLOYED

Purely looking at number of people employed, the importance of agriculture to the MSA is very evident. Agriculture has a long history in Wenatchee and the region is still a significant contributor to Washington's agricultural employment and exports. **In Chelan and Douglas counties, agriculture accounts for almost 24 percent of employment compared to just over 3 percent in Washington State (Chelan Douglas Trends, 2018).** The concentration of agricultural employment in the region far surpasses any other sector as shown in Figure 20 and Table 19. This employment base has been a large driver for migrant labor and the recent growth in the permanent Hispanic population (27% in 2011 for the MSA). Additionally, the agricultural industry has experienced significant diversification in terms of fruit varieties, viticulture, and value added agriculture. This has resulted in a longer seasonal employment periods which historically only were a few months long during the fall. The second largest sector is government having 17% of

the jobs. The government sector is particularly large in the Wenatchee Valley due to the existence of public power, federal agencies like the Forest Service, and state agencies. Additionally, the valley is split by the Chelan Douglas county line, creating the two cities and two counties government structures primarily located in the Wenatchee Valley. The third and fourth largest sectors in the MSA by number of jobs are health care at 11% and retail trade at 11%. (Washington Employment Security Department, U.S. Bureau of Labor Statistics).

It is noteworthy to combine sectors generally making up professional services and office related business professions since they generally require advanced training. Combining sectors 51-61 results in 7.7% of the total number of jobs in the MSA. The vast majority of these office related jobs are located within the cities of Wenatchee and East Wenatchee. Finally, it is very important to recognize data is not readily available concerning self-employment. Rough estimates based on unemployment data suggest that undocumented self-employment may represent up to 5% of the workforce. Self-employment can cover all sectors and can be significant in terms of small business and entrepreneurial efforts particularly during recessionary periods.

Figure 23 – 2011 Jobs Makeup by Industry Sector

**2011 Jobs Makeup by Industry Sector (NAICS)
 Ave. of 49,700 Jobs in the Wenatchee MSA**

Source: WA Employment Security Department

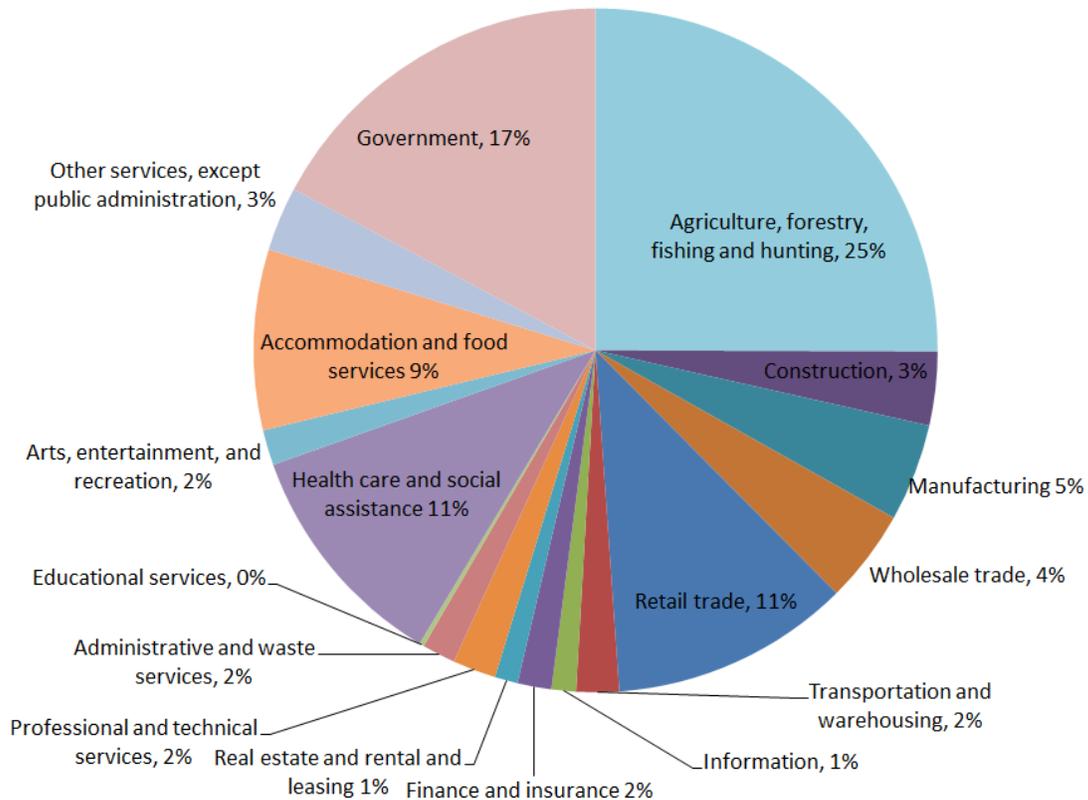


Table 19 – Average 2011 Job and Firm Numbers by Sectors

Industry Sector	Ave. No. of Firms	Ave. No. of Employees
Agriculture, forestry, fishing and hunting	869	12,449
Government	158	8,540
Retail trade	398	5,625
Health care and social assistance	233	5,449
Accommodation and food services	318	4,239
Manufacturing	114	2,292
Wholesale trade	132	2,198
Construction	486	1,726
Other services, except public administration	861	1,511
Professional and technical services	193	1,016
Transportation and warehousing	85	1,004
Arts, entertainment, and recreation	65	830
Finance and insurance	111	798
Administrative and waste services	163	785
Information	29	572
Real estate and rental and leasing	124	539
Educational services	25	110
NOT ELSEWHERE CLASSIFIED	15	58
Totals	4,364	49,683

Source: Washington State Department of Employment Security.

Based on the aforementioned distribution of jobs, it is not surprising to see the largest employers are associated with the fruit industry, government, and healthcare. Large employers are also prevalent in education, retail, and manufacturing. The six largest employers of full-time positions are Stemilt Growers, Inc., Wenatchee Valley Medical Center, Chelan County PUD, McDougall & Sons, Inc, Wenatchee School District, and Central Washington Hospital together contributing approximately 5,400 full-time jobs to the area or approximately 10% of the total number of jobs in the MSA depending on how seasonal jobs are counted. These employers also provide a significant share of part time jobs estimated at approximately 3,400 jobs annually. (Source: Port of Chelan Large Employers List, 2011).

It should be noted that this list does not include jobs available a short 30 minute drive away in Quincy, located in Grant County. Large agricultural employers such as Simplot and ConAgra Foods provide a number of food processing jobs for Wenatchee Valley residents. Additionally, the large expanse of agricultural lands in the Columbia Basin provides a number of seasonal direct farm production jobs associated with vegetable and fruit production. The impact of the Quincy

area can be easily seen by traffic volume seasonality on Highway 28 between Wenatchee and Quincy as reported by the Washington State Department of Transportation. July traffic volumes peak at 9.63% of the year's total volume compared to only 7.01% in January.

Table 20 – Large Employers List for Chelan and Douglas Counties

LARGE EMPLOYERS LIST FOR CHELAN AND DOUGLAS COUNTIES				
Company	Product/Service	Full-Time	Part-Time	Total # Employees
Stemilt Growers, Inc.	Agriculture	1538	1486	3024
Wenatchee Valley Medical Center	Healthcare	1462	235	1697
Chelan County PUD	Utilities	631	9	640
McDougall & Sons, Inc.	Agriculture	604	296	900
Wenatchee School District	Education	581	446	1027
Central Washington Hospital	Healthcare	570	886	1456
Crunch Pak	Processing	500	0	500
ALCOA	Manufacturing	465	0	465
Eastmont School District	Education	434	176	610
Chelan County	Government	423	23	446
WA State Department of Transportation	Transportation	253	6	259
Pacific Aerospace & Electronics	Manufacturing	218	1	219
Cashmere Valley Bank	Finance	207	6	213
Northern Fruit Co. Inc.	Agriculture	200	150	350
Douglas County PUD	Utilities	196	0	196
Wenatchee Valley College	Education	190	158	348
City of Wenatchee	Government	176	4	180
Columbia Valley Community Health	Healthcare	160	43	203
Lake Chelan Community Hospital	Healthcare	158	70	228
Columbia Fruit Packers	Agriculture	143	6	149
Douglas County	Government	141	33	174
Walmart #2187 Wenatchee	Retail	140	145	285
Wal-Mart Chelan	Retail	132*	49*	181*
Tree Top	Manufacturing	138	0	138
Dolco Packaging	Manufacturing	127	1	128
Lake Chelan School District	Education	117	50	167
Colonial Vista Care Center	Healthcare	116	17	133
Keyes Packaging Group	Manufacturing	113	0	113
Link Transit	Transportation	111	12	123
Cashmere School District	Education	105	58	163
VanDoren Sales	Manufacturing	102	2	104

LARGE EMPLOYERS LIST FOR CHELAN AND DOUGLAS COUNTIES				
Company	Product/Service	Full-Time	Part-Time	Total # Employees
Orondo Fruit Company	Agriculture	100	0	100
Custom Apple Packers	Agriculture	97	400	497
Highline Care Center	Healthcare	97	52	149
Mission Ridge Ski Area	Recreation & Fitness	96	141	237
Cashmere Convalescent Center	Healthcare	96	20	116
U.S. Castings 14351	Manufacturing	95	0	95
Costco Wholesale	Retail	94	85	179
Cascade Medical Center	Healthcare	76	87	163
Cascade Auto	Retail	75	0	75
Fred Meyer	Retail	73	124	197
Wenatchee World	Media	73	24	97
Town Toyota Inc.	Retail	70	3	73
Weinstein Beverage Co.	Distribution	69	7	76
Local Tel / Computerland	Communications	65	5	70
Wapato Point Resort	Resort	62	25	87
Van Well Nursery	Agriculture	60	60	120
Executive Flight, Inc.	Transportation	59	4	63
Marson & Marson Lumber	Retail	58	4	62
Campbell's Lodge Inc.	Resort	56	244	300
Eye & Ear Clinic of Wenatchee, Inc.	Healthcare	53	19	72
North Central ESD	Education	51	23	74
Chelan Fresh Marketing	Agriculture Marketing	51	0	51
Food Pavillion	Retail	50*	22*	72*
KB Alloys, Inc.	Manufacturing	50	1	51
Blue Star Growers	Agriculture	49	356	405
Home Depot	Retail	49	48	97
Olive Garden	Food Service	49	26	75
Town Ford Lincoln	Retail	48	2	50
Wenatchee Safeway	Retail	46*	93*	139*
Frontier NW Communications	Communications	46	4	50
Blue Bird, Inc.	Agriculture	45	235	280
Sleeping Lady Mountain Retreat	Lodging	45	35	80
Jerry's Auto Supply	Retail	45	16	61
City of East Wenatchee	Government	45	6	51
JCPenney	Retail	40*	90*	130*
East Wenatchee Safeway	Retail	40	80	120
Liberty Orchards	Manufacturing	40	62	102

LARGE EMPLOYERS LIST FOR CHELAN AND DOUGLAS COUNTIES				
Company	Product/Service	Full-Time	Part-Time	Total # Employees
C & O Nursery	Agriculture	36	241	277
Central WA Grain Growers	Marketing & Storage	36	49	85
Colonial Vista Retirement	Retirement & Assisted Living	34	23	57
Peshastin Hi-Up	Agriculture	30	170	200
Shopko	Retail	26	42	68
Target	Retail	23*	77*	100*
Coast Wenatchee Center Hotel	Lodging	22	71	93
Albertsons	Retail	22	70	92
Icicle Inn Best Western	Lodging	20	59	79
Red Lion Hotel	Lodging	20*	40*	60*
YMCA	Recreation & Fitness	17	90	107
Gold's Gym (Confluence Fitness Partners)	Recreation & Fitness	16	53	69
Sears	Retail	15	46	61
Red Robin Gourmet Burgers	Food Service	15	45	60
Independent Warehouse, Inc.	Agriculture	12	75	87
* Indicates employment numbers reported in 2008. Updated 2011 employment numbers were not provided. (Source: Port of Chelan, December 2011)				

The data presented thus far includes seasonal agricultural related jobs. The Washington State Employment Security Department estimates the number of seasonal jobs fluctuate by as many as 15,000 over the course of a year with the peak months being July and August. Additionally, while no hard data exists, it is recognized that there could be a substantial number of additional undocumented seasonal jobs.

The majority of jobs in the MSA are located within the Wenatchee Valley (urban area) with the exception of direct farm labor. While refinement of the data to an individual city compared to the MSA or county is difficult at best, the following table provides overviews of the jobs located within the City of Wenatchee and the number of people living within the City of Wenatchee but employed outside the city. The total employed workforce in the City of Wenatchee is estimated at 13,000 (ACS, US Census). Table 21 provides a sense of job distribution inside the city and the types of workers residing in the city.

BUSINESS ACTIVITY

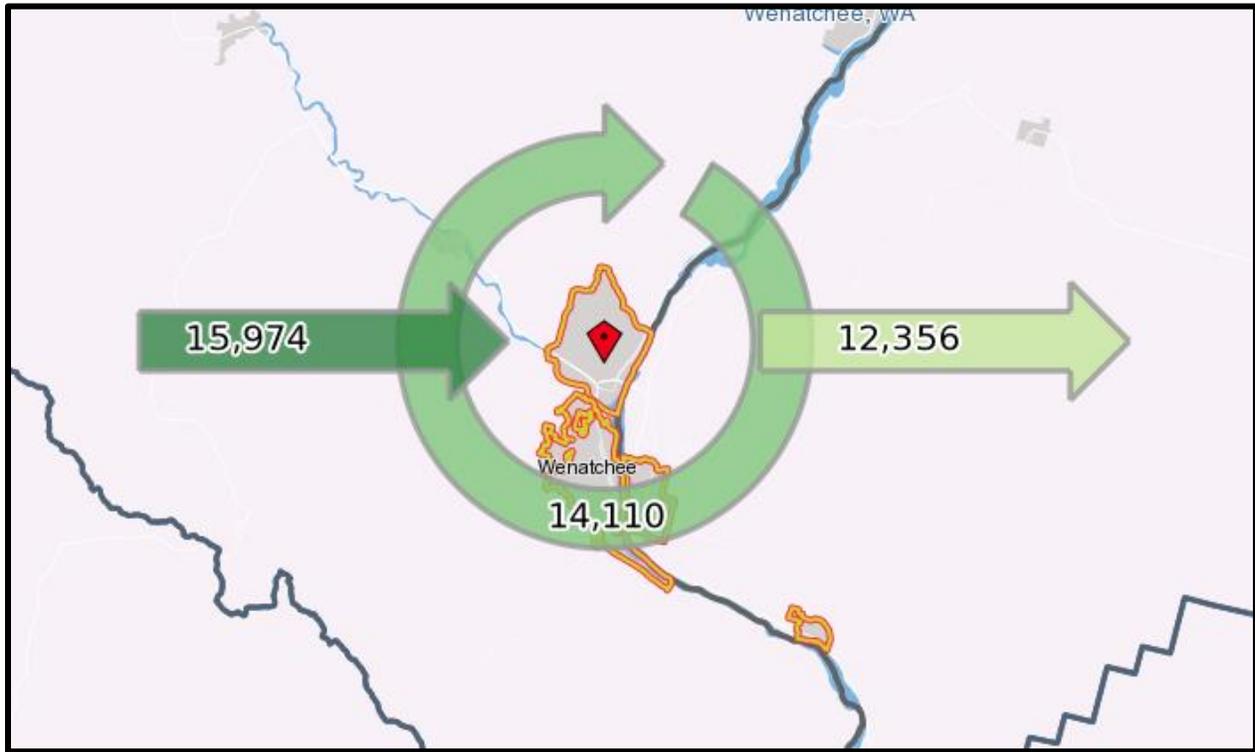
Table 21 – Wenatchee Business Activity by Sector

Business by Sector	Number of Workers within the City	Number of Jobs Within the City	Share of Workers % of Total	Share of Jobs % of Total	Jobs less workers
Agriculture, Mining, Oil & Gas Extraction	966	37	7%	0%	-7%
Construction	1,216	716	9	5	-4
Manufacturing	849	195	7	1	-5
Wholesale Trade	651	1,119	5	9	4
Retail Trade	1,490	2,768	11	21	10
Transportation and Warehousing	772	301	6	2	-4
Information	243	408	2	3	1
Finance, Insurance, and Real Estate	521	649	4	5	1
Professional, Scientific, Management Services	981	571	8	4	-3
Education and Health Care Services	3,241	2,901	25	22	-3
Arts, Entertainment, Accommodations	872	1,750	7	13	7
Other Services	410	813	3	6	3
Public Administration	802	936	6	7	1
Total	13,014	13,164	100%	98%	1%

Data Source: LED

This table really illustrates there is slightly more jobs in the City than workers. The imbalance of traffic patterns entering and leaving the cities during commuter peak hours demonstrates considerably more people entering the city than leaving for the work day. According to the Confluence 2030 Regional Transportation Plan, approximately 65% of city of Wenatchee residents work within the city limits. The remainder of the work force commutes into the city from Douglas and Chelan Counties. According to this table and based on observation, the majority of workers entering the City of Wenatchee fulfill jobs in the areas of retail trade, services, accommodations, public administration and professional services. Meanwhile, the people leaving the City destined for work are primarily working in agricultural, construction, warehousing, and manufacturing (fruit processing) sectors. These trends and characteristics become important in addressing the impacts of transportation costs on residents as well as the impacts of commuters on the transportation system. Anecdotally, the cost of transportation creates hardships on lower income workers and was a reoccurring theme in this research. The following figure illustrates that there is approximately 30,000 jobs in the Wenatchee Urban Area of which almost 16,000 commute into the Valley while over 12,000 commute out of the Valley.

Figure 24 – Wenatchee Urban Area Commute Trips



Source: 2015 US Census, “On the Map” and LEHD Origin Destination Employment Statistics

The above table and figure also help the understanding of where citizens live and work and their corresponding wage levels. As an example, if residents leave the city to work in the direct crop production occupations, then the income levels of residents would be expected to be on the lower end of the scale. With increasing fuel and transportation costs, there is more desire to develop employment centers close to residential areas to minimize cost burdens on households. Based on the number of jobs in the city and the average wages paid for each sector, there appears to be a fairly even distribution of income levels provided by jobs located within the city. The corresponding income levels to various occupations have a significant impact on the financial health of citizens and the city itself. The following table demonstrates the drastic variation in wages by sector.

Table 22 – Occupation by Median Earnings for 16+ Years of Age

Management, Business, Science and Arts	\$30,304
Service	\$21,633
Sales and Office	\$27,212
Natural Resources, Construction and Maintenance	\$24,088
Production, Transportation and Material Moving	\$30,011

U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates

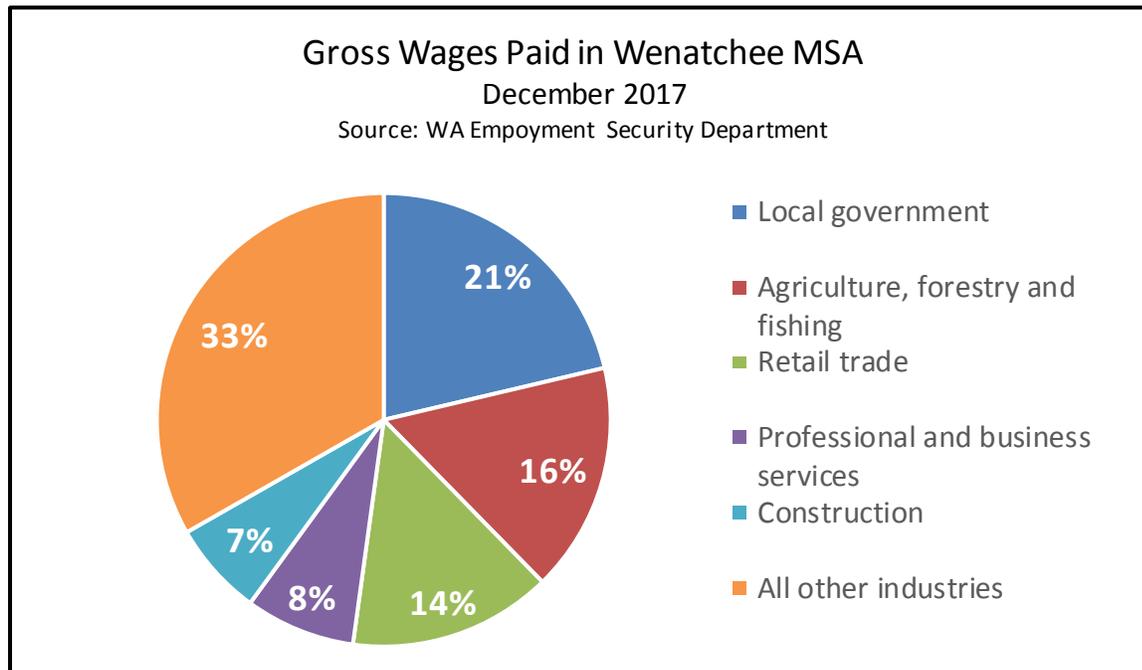
Not surprisingly, sectors including management, business and financial specialties provide the best paying occupations in the city. These occupations include health care, education and computer and engineering occupations. Taken together in this way they are the largest sector by number of jobs in Wenatchee and on average they pay more than twice what farming and forestry occupations pay. Construction, extraction, maintenance and repairs positions are the second-best paying in the city, followed by sales and office, which is the second largest employment sector. The service sector is the third largest sector by employment but the positions are among the lowest paying. (Source: U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates B24011)

The impact of wages on a city’s economic health is likely the most important factor in understanding what drives a local economy. The next section is dedicated to analyzing sectors in terms of the gross wages paid under each sector.

PRIMARY SECTORS BY TOTAL WAGES PAID

The preceding section focused on the impact of each sector by numbers of people employed. The fact that the Wenatchee-East Wenatchee MSA has a large seasonal agricultural sector warrants analyzing sectors by wages paid. This analysis provides recognition of the impact on the local economy through the infusion of wages in terms of the ability of people to pay for basic needs as well as the amount of disposable income. The following analysis illustrates how the agricultural sector associated with direct farm production, while still important, is less of a factor in the economy than commonly perceived. Figure 25 and Table 23 illustrate the share each sector contributes to wages paid. According to the Washington State Employment Security Department, approximately \$1.6 Billion in wage income was paid in the MSA in 2011. This compares fairly well to the \$1.7 Billion estimate provided by the Bureau of Economic Analysis.

Figure 25 – Sector Size by Gross Wages Paid



Industry Sector	Gross Wages Paid
GOVERNMENT	\$350,230,656
Health care and social assistance	\$345,077,102
Agriculture, forestry, fishing and hunting	\$251,294,046
Retail trade	\$126,606,815
Wholesale trade	\$113,954,910
Accommodation and food services	\$89,394,547
Manufacturing	\$87,492,107
Construction	\$73,045,153
Professional and technical services	\$35,717,390
Finance and insurance	\$33,832,939
Administrative and waste services	\$30,758,651
Other services, except public administration	\$22,695,303
Information	\$18,484,376
Transportation and warehousing	\$17,004,291
Real estate and rental and leasing	\$12,171,680
Arts, entertainment, and recreation	\$7,696,377
Management of companies and enterprises	\$3,039,800
Not elsewhere classified	\$2,425,342
TOTAL	\$1,622,701,480

Source: Washington State Department of Employment Security.

Using the above gross wages paid figures, the agriculture sector drops to third place behind Government and Health Care. This is somewhat intuitive as the Government and Health care sectors have substantially higher paying wages. However, the drastic change is noteworthy. The government sector produces almost \$100 Million in gross wages greater than agriculture with approximately 45 percent less jobs. Health care, with less than half of the number of employees, also surpasses agriculture.

Particularly interesting in the city is the combination of professional and technical services since they generally require advanced training. This sector results in just over two percent of the gross wages paid in the MSA.

This analysis of gross wages paid has a substantial impact on the community compared to other agriculturally based regions. The strength and stability of Wenatchee's economy relatively speaking lies within its diversity of government, health care, agriculture, and professional services. These higher wage sectors are substantial drivers of the service and retail industries located in the cities in terms of injection of wages into the local economy. This local base should be recognized as a local asset for business. Anecdotally, this is probably one of the main reasons that franchise or chain businesses tend to outperform market projections that are based on demographic analyses that rely on median wage.

Like gross wages paid, another factor impacting the local economy is the non-wage income discussed in the beginning of this chapter. Due to the large percentage of non-wage personal income, further analysis is provided here.

ANALYSIS OF NON-WAGE INCOME

Non-wage income makes up 41 percent of the total personal income in the MSA. Non-wage income represents \$1.1 Billion in personal income. Non-wage income includes government transfer payments and investment income. The following table provides the breakdown of government transfer payments in the amount of \$1.11 Billion.

Table 24 – 2011 Government Transfer Payments in the MSA

Category	Description	Payment Amounts (Millions)
Retirement and Disability	Social security, worker’s compensation, disability insurance	\$402.5
Medical Benefits	Medicare, Medicaid, public medical assistance	\$493.8
Income Maintenance	Supplemental security income, family assistance, nutrition assistance (food stamps)	\$101.5
Unemployment	State and Federal unemployment benefits	\$23.3
Veterans Benefits	Pension, disability, life insurance	\$26.7
Education Assist.	Higher education (Pell grants), job corps	\$24.4
Non-profit Transfer	Local transfer payments from non-profits, state and local governments	\$15.3
Individual and Business		\$14.6
Total		\$1,111.2

Source: Bureau of Economic Analysis, CA35 Personal Transfer Receipts, 2018

Over the last 16 years, government transfer payments have been on the rise as shown in Figure 26, unadjusted for inflation. The magnitude of transfer payments in terms of medical support, retirement, and income maintenance is alarming. The impact of these payments on the economy is tremendous as \$1.11 Billion far exceeds the largest sectors in terms of personal income. Concentration of these payments in Wenatchee supports the trend of Wenatchee becoming a medical hub and a destination for retirees. Another interesting trend shown in this graph is the magnitude of employer benefits which include contributions to pension programs and government social insurance such as social security and state occupational insurance (L&I). The employer contributions are not readily available for spending, but provide a delayed impact on the economy meaning the wages are held until needed upon retirement or injury/sickness. Finally, the relatively flat trend of proprietor income is likely a result of increased use of corporations by small business owners.

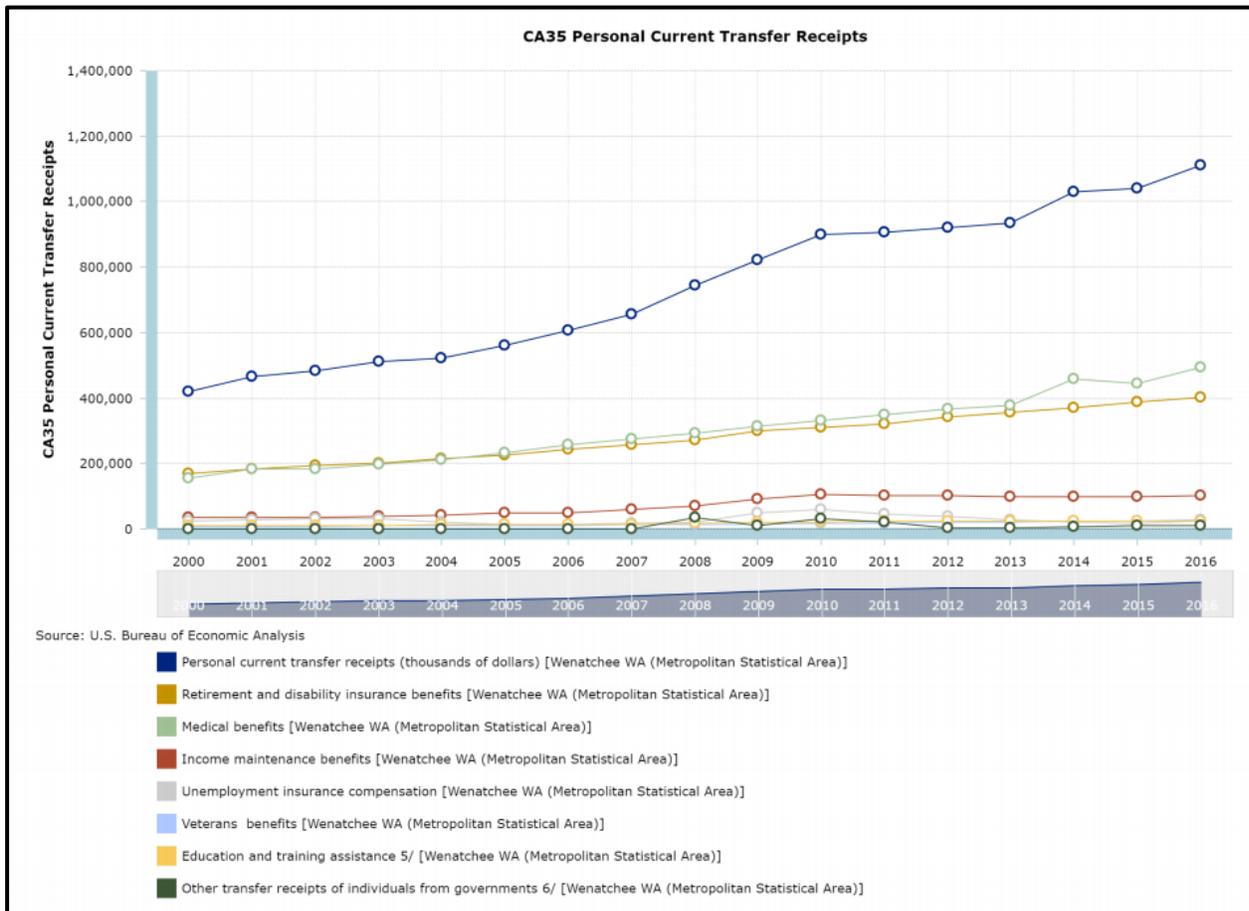


Figure 26 – Personal Income Distribution Trends in the MSA

The point of this discussion is that both investment income and government transfer payments have been on the rise and make up a significant portion of our local economy. This fact is often overlooked in economic analysis and should be recognized as both an asset in terms of disposable income and yet potential liability if state and federal government funding is reduced. Reduction of government funding has an additional potential impact on the region given that government is the largest sector in terms of wages paid as discussed in the preceding section of the analysis.

PRIMARY SECTORS BY GROSS DOMESTIC PRODUCT

Measures of gross domestic product (GDP) attempt to quantify the total amount of commerce occurring within a region. GDP is calculated with the attempt to capture all economic activity within a region. This provides yet another measure of sector size related to total output. Using GDP as a measure of economic activity according to sector will by default capture some of the economic activity associated with non-wage income. For example, notice that the sector of Real-Estate and Rental Leasing is 9.4 percent of the GDP in the MSA compared to making up less than 1 percent by gross wages paid. Figure 27 illustrates which sectors dominate the economy by

GDP. Again, government is the predominant sector in the MSA just over 18 percent, followed by Health Care and Social Assistance and Real Estate.

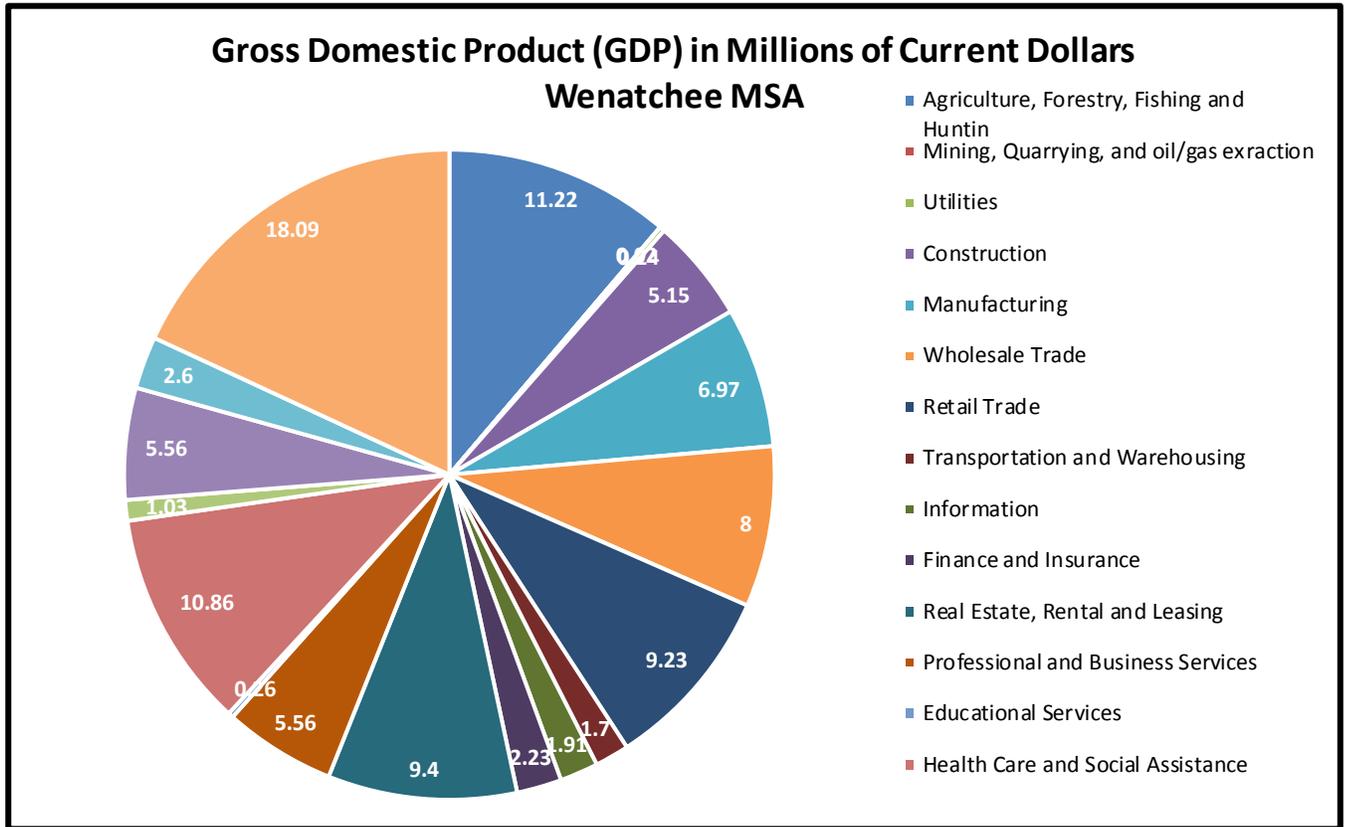


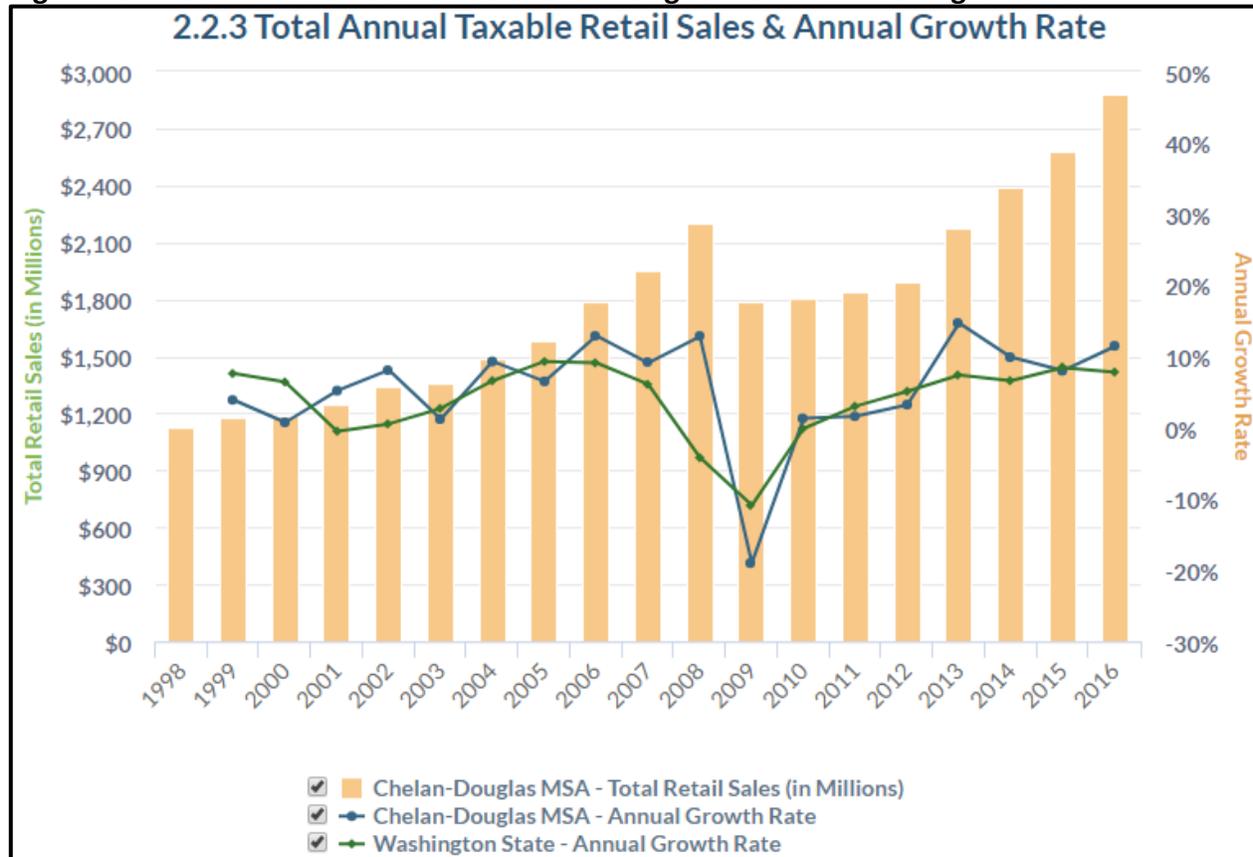
Figure 27 – Sector Size by Gross Domestic Product

Up to this point, this analysis has focused on identifying primary sectors starting with job numbers, then gross wages paid, and then lastly gross domestic product. All three analyses yielded different orders in terms of sector size. However, several common themes developed. First, government is an extremely important and most consistent component of the Wenatchee-East Wenatchee MSA economy. Second, agriculture has a very strong influence on the region; however, the impacts to the economy vary significantly depending on the analysis. Health care is also a very consistent and substantial portion of the local economy which is already supported by the larger share of older population residing in the region. This sector is expected to grow further as the baby boomers enter retirement age. This is indicative of a regional health care hub and is further supported by the level of government transfer payments in terms of retirement incomes and medical benefits. Another sector worth noting that adds considerable economy to the region is investment income of which a large portion is a result of rental income. The high volume of rental properties in the Wenatchee Valley supports this finding as well. Finally, the Wenatchee Valley is a retail hub which is consistently shown as another primary sector. The Retail Sales sector has the best data available compared to any of the other sectors and since this sector also is a measure of economic health in terms of disposable income, the next section of this report is dedicated to its analysis.

TAXABLE RETAIL SALES SECTOR ANALYSIS

As discussed above, retail sales is an extremely important measure of economic health and it also has direct impact on local government as it is the largest source of tax revenue for the provision of general governmental services. The gross retail sales in the Wenatchee-East Wenatchee MSA in 2016 totaled \$2.88 Billion. Figure 29 demonstrates the retail sales trends of the MSA compared to Washington State.

Figure 28 – Total Taxable Retail Sales Chelan-Douglas MSA and Washington State



Source: Chelan Douglas Trends, 2018

Within the MSA, the majority of retail sales occur within the cities of Wenatchee and East Wenatchee. The following figure provides a comparison of the two cities. Wenatchee had a spike in retail sales in 2010 due to the construction of a \$100 Million hospital addition. Removing this anomaly, the trend of retail sales growing in East Wenatchee compared to Wenatchee is evident. This is further supported by the relocation of auto dealerships from Wenatchee to East Wenatchee and the growth of big box stores such as Fred Meyer. This trend is likely to continue due to land availability in the East Wenatchee urban area and potentially differing tax rates. This trend is of concern to the City of Wenatchee as demand for services is sustained while revenue

declines. From a regional perspective, retail sales growth is on par with the State and the retail sector is expected to grow modestly as the economy turns.

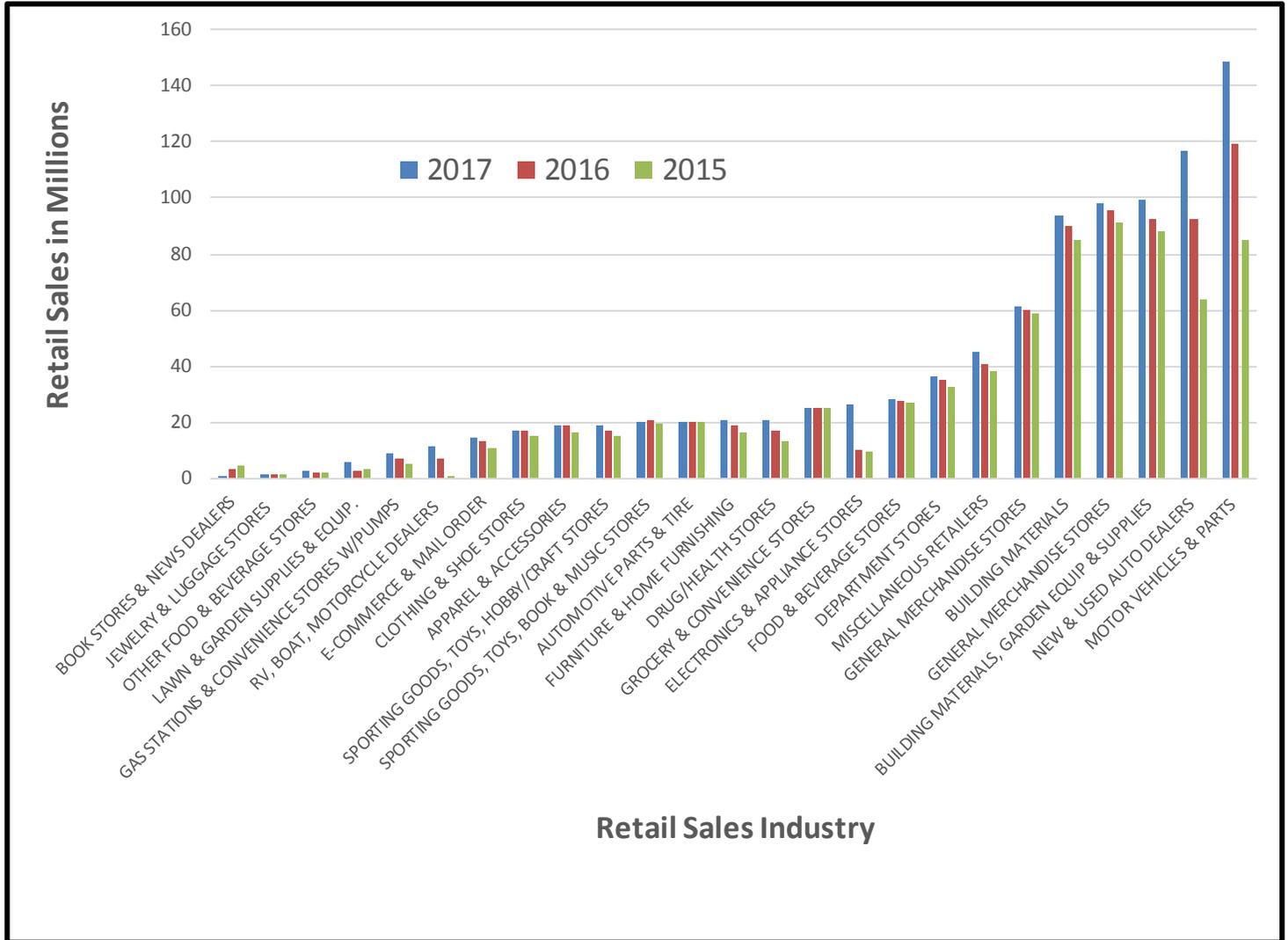
Table 25 provides a comparison of retail sales by NAICS sector for the City of Wenatchee compared to the MSA. Approximately 39% of all 2011 retail sales occurred within the City of Wenatchee. Figure 31 identifies the three largest retail sectors within the city in order as general merchandise, auto dealers/parts, and food services. Construction and building materials follow closely behind these sectors. The local economy is particularly boosted in these sectors since the Wenatchee Valley is a retail hub for all of North Central Washington. Retail dollars are brought in additionally through tourism particularly in the tourism based cities of Leavenworth and Chelan. Wenatchee’s share of retail trade associated with accommodations is 38% of the MSA. Predominantly, the food service sector has seen the most consistent growth in the city over the past several years.

Table 25 – 2017 Gross Taxable Retail Sales

Source: Department of Revenue, Quarterly Business Review 2017 Tables 3 and 4

INDUSTRY	NAICS	Chelan County	Wenatchee	Wenatchee % of Chelan County
Retail Trade	44-45	765,307,160	548,846,738	72
Agriculture, Forestry, Fishing	11	1,458,057	184,321	13
Mining	21	422,284	144,481	34
Utilities	22	1,300,221	146,819	11
Construction	23	443,265,600	156,097,506	35
Manufacturing	31-33	54,640,791	18,299,056	33
Wholesale Trade	42	164,331,882	94,181,945	57
Transportation & Warehousing	48-49	8,520,437	2,055,697	24
Information	51	73,856,124	47,972,676	65
Finance, Insurance	52	6,007,518	4,139,343	69
Real Estate, Rental/Leasing	53	58,277,573	27,627,571	47
Professional, Scientific & Technical Services	54	40,072,507	25,627,517	64
Management, Education & Health Services	55-62	53,676,405	18,909,363	35
Arts, Entertainment & Recreation	71	22,066,754	5,548,261	25
Accommodations & Food Services	72	281,817,810	119,368,238	42
Other Services	81	49,717,842	30,952,748	62
Public Administration, Other	92,00	323,415	284,361	88
TOTAL ALL INDUSTRIES		2,025,062,380	1,100,001,056	54

Figure 29 – City of Wenatchee Top Gross Retail Sales Trades



SMALL BUSINESS

The importance of entrepreneurial efforts to an economy is tremendous in terms of providing diversity and a solid base of businesses with the city. It can be argued that this broad base of small businesses provide stability to the economy. While there are large numbers of small businesses both entering and exiting the market, the total number of businesses and the gross economic impact remains roughly the same. The number of people self-employed and the number of small businesses in a region are difficult to quantify. However, Table 20 in the analysis of sector by number of people employed provides a comprehensive list of large employers. The thousands of remaining businesses excluded from this list are relatively small and make up the vast majority of the job base. It is assumed based on city business license data that a majority of small businesses are located within the city. According to the City of Wenatchee business license

database, 12,414 employees worked at 2,553 firms in 2011. The following figure provides a histogram of the total number of licensed businesses within the City of Wenatchee based upon the City's business license database. This figure illustrates that 81 percent of the businesses in the city have less than 5 employees.

Figure 30 – City of Wenatchee 2018 Firm Size by Number of Employees

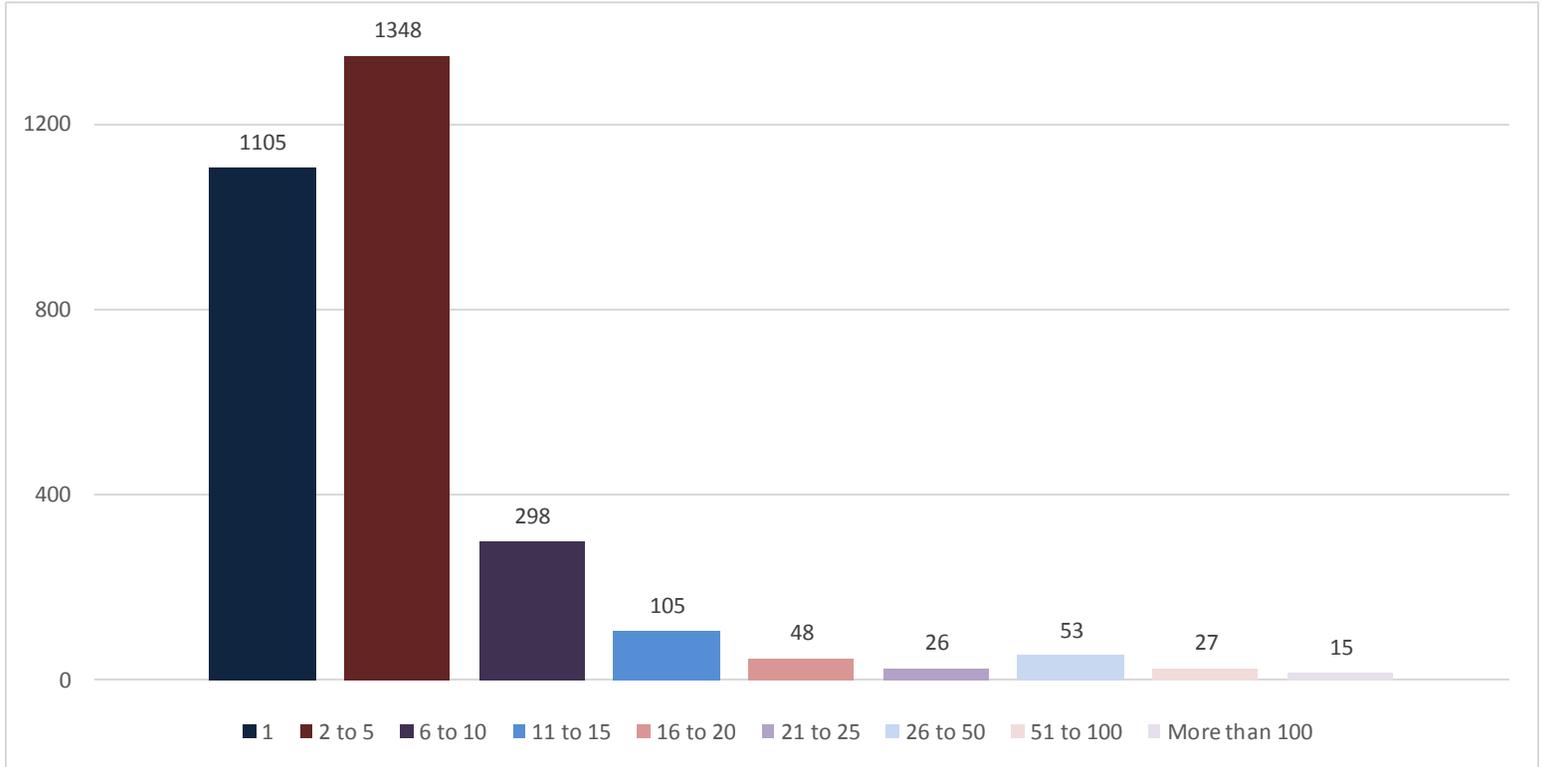


Table 26 – Business Size

Classification	Business Size Criteria			2010	2011
	Gross Sales	Between	Gross Sales	No. of Firms	No. of Firms
Out of town/streamline	\$ -	Between	\$ 25,000	3,792	5,403
Out of town, Hobby, Self Employed	\$ 25,000	Between	\$ 300,000	1,086	1,268
Small - Stage 1 and 2	\$ 300,000	Between	\$ 1,000,000	260	260
Med. - Stage 2	\$ 1,000,000	Between	\$ 5,000,000	111	120
Large/ Const. - State 3/4	\$ 5,000,000	Between	\$ 100,000,000	18	19
			Totals	\$ 5,267	\$ 7,070

(Source: City of Wenatchee Sales Tax Data, Dept. of Revenue)

Over one-half of the gross retail sales produced within the city came from only 48 firms. This figure alone demonstrates the importance of large retailers to this economy, but it also equally demonstrates the importance of small retailers.

The value of small business is recognized in the region and efforts have been made to support business startups by a number of economic development organizations, especially the North Central Washington Economic Development District and the Wenatchee Valley College. The need to continue to expand support for small business was brought forth as a priority during the development of this plan.

CAPTURE AND LEAKAGE

Capture means that people come from outside the valley and spend money on products and services within the valley (equivalent to dollars imported). Leakage means that people from within the valley purchase products or services outside of the valley (equivalent to dollars exported). Typically, when a site selector performs a market analysis for a business, they focus on a leakage analysis. The leakage analysis provides information about the existing demographics within the specified drive time or capture area to see if there is inherent demand for a certain business.

The capture area of the Wenatchee Valley is much larger than typically expected in marketing analysis within a metropolitan area. Typically site selectors use a 5-10 minute drive time to define capture areas. However, the Wenatchee Valley is unique due to its density and topographical constraints. Since urban sprawl is virtually non-existent, capture areas defined by a 15 minute drive time generally describes the entire MSA of 118,250 people. Furthermore, given that the Wenatchee Valley is the only urban area within North Central Washington, capture areas often extend to a 60 minute drive time which includes a population base of 180,000.

Businesses serving all of North Central Washington including Chelan, Douglas, Okanogan, and Grant Counties address a population base of 255,378 people. This region is generally defined by a 2 hour drive time.

All of these capture areas have a potential impact on economic development depending on the business type. The fact that the valley serves as a retail, professional service, and medical hub, brings people from even further distances to do business than typically expected.

A preliminary retail leakage analysis was performed in 2012 with a capture time of 15 minutes by Buxton for the City of Wenatchee. The analysis indicated that there may be opportunities to expand business in the areas of Food Services, Health Care stores, and Clothing Stores. The analysis demonstrates the regional nature of Wenatchee showing that sales surpass what would be expected solely from the local population.

Anecdotally, there is a concern in the community that Wenatchee consumers travel to Western Washington to purchase higher quality merchandise due to the lack of availability locally. Based on the sector analysis by gross wages paid, this concern could be validated with a more extensive market analysis and may be worth pursuing to attract higher end retailers in an effort to reduce leakage.

TOURISM

Tourism is a growing sector within the MSA. The already established tourism based areas of Leavenworth and Chelan continue to do well with the assets of the Bavarian Village and beautiful Lake Chelan. Within the Wenatchee Valley tourism may be one of the industries with the greatest opportunity for near term growth as the assets of the valley become better developed and marketed. The impact of tourism on a local economy is substantial as dollars are imported into the region. The challenge with tourism is to develop the industry in balance with other sectors of the economy to improve diversification. A great example of diversification is growth of ag-tourism within the historically dominant apple production industry. Wineries have are growing quickly in the region adding a new asset based industry to the region.

Target tourism markets commonly include Western Washington, North Central Washington, and British Columbia. The good weather and natural amenities make the region attractive to recreationalists especially desiring to escape the wet weather of the major metropolitan areas of Seattle, Tacoma, Bellingham, Olympia, and Portland. Visitors from North Central Washington and even South Central Washington often make the Wenatchee Valley a destination for shopping and organized sporting events whether it is a softball tournament or a bike ride. Anecdotally, there is a general understanding that considerable numbers of people from British Columbia either come to the Wenatchee Valley to shop or stop here for further travels originating from the Highway 97 corridor. Recently, the North Central Washington Economic Development District entered into a Memorandum of Understanding (MOU) with the Thompson Okanogan Tourism

Association serving all of the Okanagan Valley of British Columbia. This MOU recognizes the mutually advantageous relationship of North Central Washington and Southern BC from a partnering and marketing perspective (visit www.totabc.org for more information). The intent of this partnership is to leverage resources to draw more visitors to the region for the multitude of and complimentary recreational opportunities offered in both areas.

The Port of Chelan County performed a visitors survey entitled “Chelan County Visitor Research 2009-2010” (which can be downloaded at www.ccpd.com). The results of the study offered the following conclusions concerning visitors:

- Chelan County offers a rich variety of outdoor activities and general recreation.
- Friends and family/word of mouth are critical drivers of visitation.
- Demographics of visitors represent a broad range of age and income.
- The geographic draw is relatively narrow, a potential limitation in the short term but an opportunity to expand that reach in the medium term.
- A possible opportunity exists with the airport to bring in more flights with visitors from more diverse locations.
- Many of the websites could use some updating to provide greater functionality.
- Wineries appear to offer potential for increased visitation, and would add diversity to the County’s offerings.
- The high likelihood to recommend suggests positive word of mouth, encouraging for continued tourism.
- Satisfaction with lodging and dining are generally strong, with shopping exhibiting some room for improvement (particularly for prices and variety).

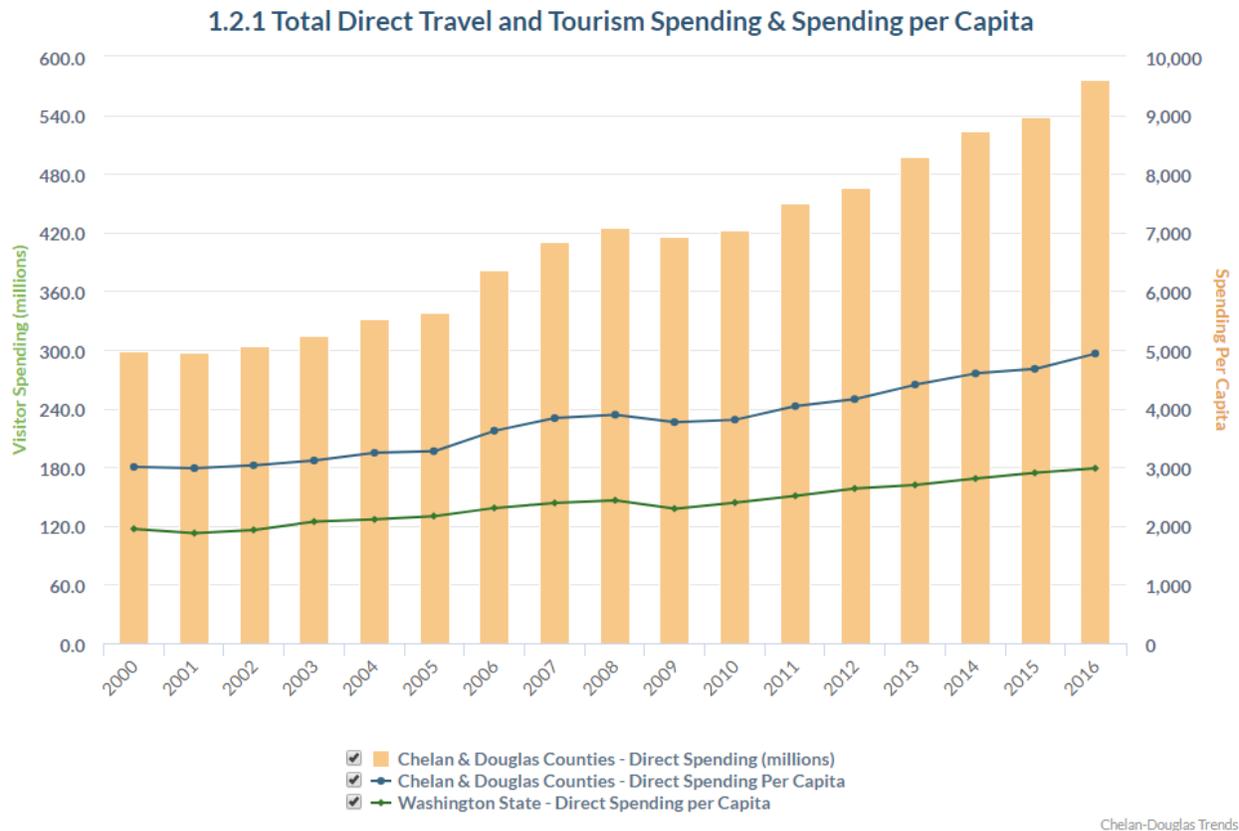
These findings are consistent with efforts being employed to improve visitation to the region. The effort to improve tourism visitation to the cities of Wenatchee and East Wenatchee has been in the forefront of discussion. Recent decisions to consolidate tourism marketing between the Chamber of Commerce and the Wenatchee Valley Visitor’s Bureau is based on recognition that business and economic development goes hand in hand with tourism. Some of the assets that draw tourists are also what makes Wenatchee an attractive place to live. Tourism is recognized as an effective way to draw talented people to the valley on a permanent basis. Below, Table 27 provides a listing of some of the key attractions in the Wenatchee Valley. Also visit www.visitchelancounty.com for tourism attractions in the region.

Table 27 – Wenatchee Valley Key Tourism Attractions

Tourism attractions in the Wenatchee Valley include the following in no particular order:	
Food and Wine (Local)	Foothills Trails (Hiking Trails)
Skiing (Mission Ridge)	Mountain Biking
Organized Sports (Soccer, Hockey, Softball)	Historic Downtown Wenatchee (Shopping)
Bike Rides and Races	Convention Center (Gov't. favorite)
Columbia River (Paddling, Fishing, Water Skiing)	Town Toyota Center (Multi-purpose Arena)
Parks (Ohme Gardens, Riverfront Park)	Shopping Centers (Malls)
Apple Capital Loop Trail (11 mile loop)	Destination Retailers (Costco, Fred Meyer)
Wenatchee River (Rafting, Fishing)	Sunshine
Pybus Public Market	Ag-Tourism
Arts and Culture (Music Theater and Arts on the Ave)	Performing Arts Center
Wenatchee Valley Museum and Cultural Center	Little Railroad
Highway 2 Vehicle Electrification Corridor	Proximity to Chelan and Leavenworth

The following figure depicts overall tourism dollars directly spent in Chelan and Douglas counties (MSA) grew **by 36% from 2010 to 2016**. Additionally, the graph provides the tourism spending per capita in Chelan and Douglas counties compared to the state average. The MSA fares considerably better than the state average meaning that there is a considerable amount of tourism dollars spent in the MSA to help the local economy relative to other communities.

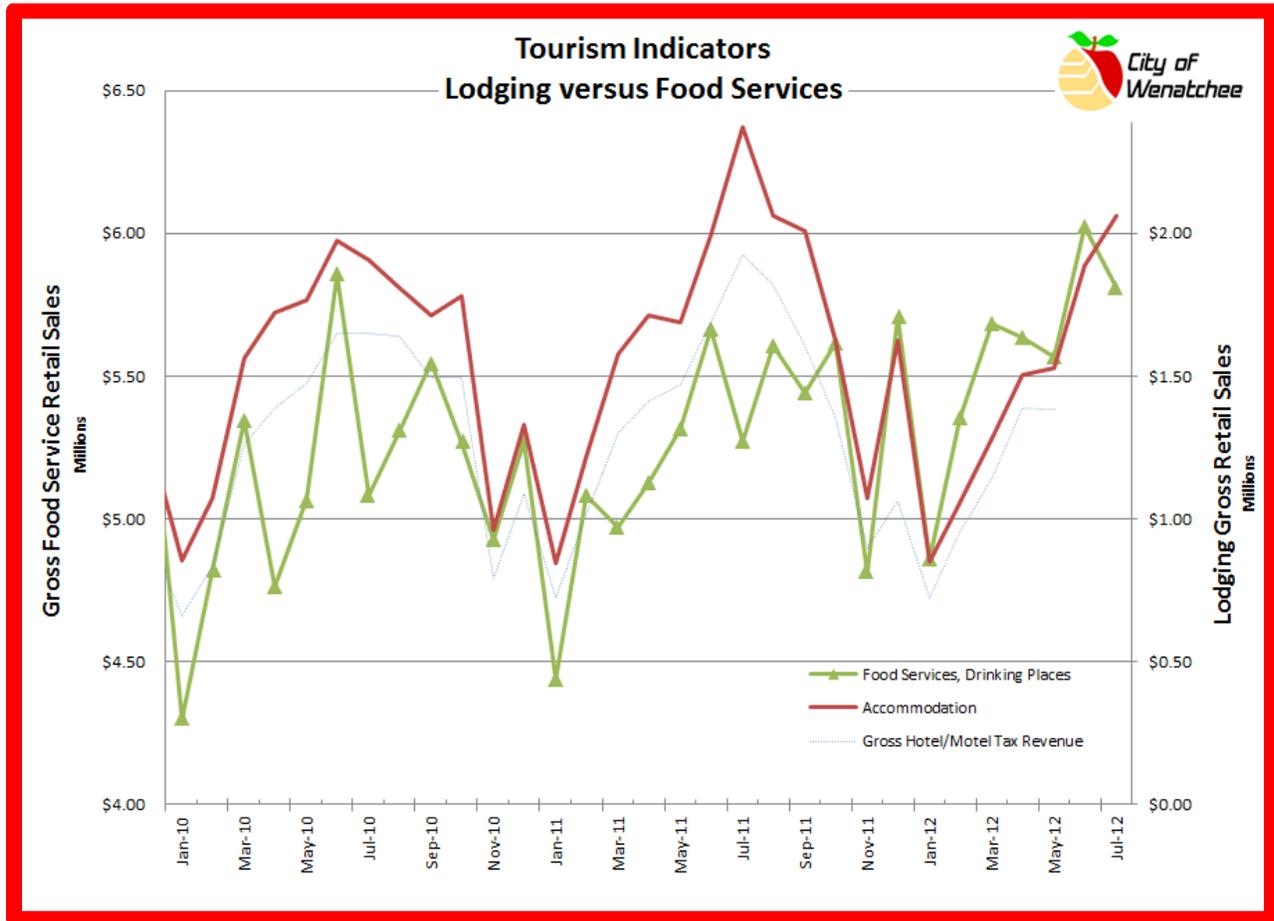
Figure 31 – Tourism Expenditures in Chelan-Douglas MSA



Source: Chelan Douglas Trends, 2018

Another measure of visitor activity is the number of lodging room nights. According to data presented on the Chelan Douglas trends website, during 2016, there was a total \$497,000 in state-shared hotel/motel lodging tax redistributions; a 74 percent increase from 2006. The 2016 hotel/motel redistribution for the City of Wenatchee increased to \$14.80 from \$9.39 per capita in 2006. Hotel/Motel activity is highly seasonal. Figure 34 illustrates the cyclic nature of accommodation activity in the City of Wenatchee in 2010 and 2011. The opportunity to improve occupancy is particularly evident in the off seasons as many hotels reach capacity during the summer months. Efforts continue to be made to increase occupancy especially in January and February including promotion of Mission Ridge Ski Area and the Town Toyota Center arena. The Wenatchee Convention Center is a tremendous asset in providing room nights in both the spring and fall. The convention center is highly desired based on the centrality of Wenatchee within the State. Note the both good and poor correlations in comparing lodging to food services. The poor correlations where lodging occupancy is high and food service is low represent opportunity amongst restaurants to improve sales to visitors.

Figure 32 – Wenatchee Retail Sales: Lodging versus Food Services



CLUSTERS AND GROWTH SECTORS

Chelan County has several strong industries that are significantly more concentrated in the County than in the state and nation. These concentrated industries make up a greater share of employment in Chelan County and can indicate industries where the County may have a competitive advantage. “Concentrated” industries are identified through a ratio known as a location quotient which compares the industry’s share of regional employment with its share of employment in a reference area(s), in this case the state and nation. Concentrated industries are important because they are generally “export-oriented” and expand the local economy by bringing revenue into the region from outside the area (i.e. agricultural exports and tourism). Concentrated industries can also indicate clusters, or regional specializations that foster a network of related support businesses.

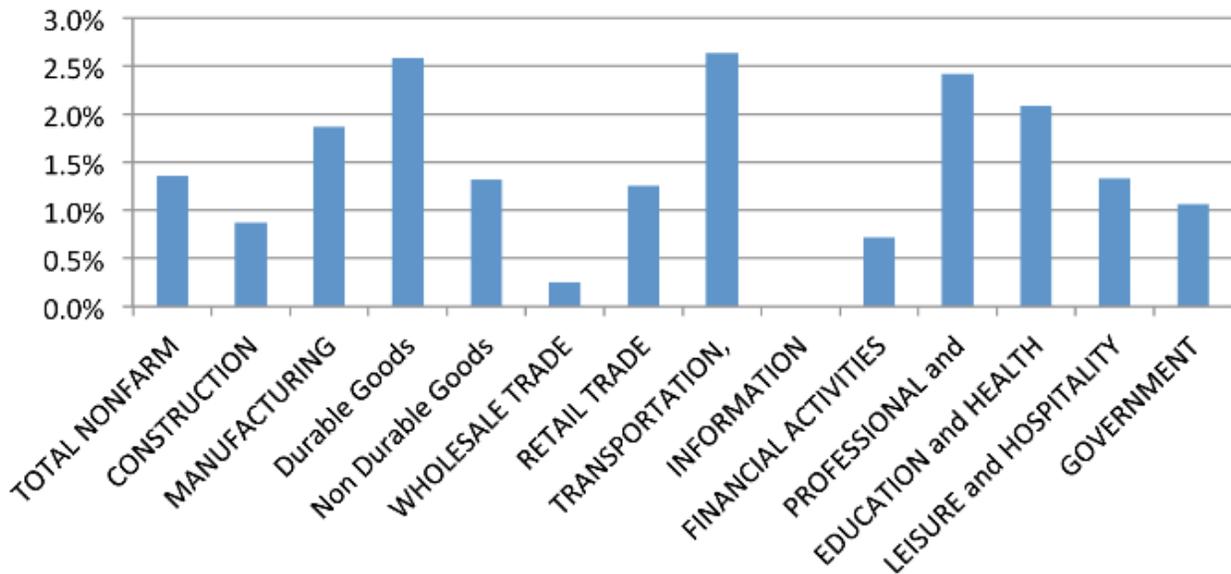
Table 28 – Most Concentrated Industries in Chelan Co. 2010

Most Concentrated Industries in Chelan Co. 2010				
Sub-Industry	NAICS Code	Industry	Average Industry Wage	Projected Annual Growth Rate 2009-2019
Crop production	111	Agriculture, Forestry, Fishing, Hunting	\$19,097	N/A
Primary metal manufacturing	331	Manufacturing	\$45,844	0%
Beverage and tobacco manufacturing	313	Manufacturing	\$45,844	1.3%
Accommodations	721	Accommodation and Food Services	\$15,431	1.3%
Merchant wholesalers, nondurable goods	424	Wholesale Trade	\$40,080	0.2%
Broadcasting (except internet)	515	Information	\$38,373	0%
Miscellaneous store retailers	453	Retail trade	\$24,786	1.3%
Building material and garden supply stores	444	Retail trade	\$24,786	1.3%
Motor vehicle and parts dealers	441	Retail trade	\$24,786	1.3%

(Washington Employment Security Department, U.S. Bureau of Labor Statistics, Employment for Jobs Covered by Employment Insurance, Average Annual Wage by Industry, and Annual Average Nonagricultural Wage and Salary Employment, 2010)

The North Central Washington Economic Development District provides estimated growth rates per sector for the period 2009-2019 illustrated in the following figure. Additional data can be found and <http://ncwconnect.squarespace.com/ncw-business-forecast/>.

Figure 33 – Growth Sectors 2009-2019



Source: NCWEDD

INTANGIBLES

Many characteristics of a region or a city are not as tangible as much of the data presented in this analysis. Community characteristics that define who we are such as attitude, business environment, taxes, resiliency, religion, political tendencies, and others are important to business and business success. This section of the analysis attempts to identify some of the characteristics inherent to the Wenatchee Valley.

First, in broad terms Wenatchee is often compared to other cities as being similar in nature such as Washington communities of Walla Walla, Bellingham, and Olympia. Wenatchee is also very similar to Missoula, MT, Boise, ID, and Bend, OR in various respects. Obviously, not all of the characteristics fit, but in general the look, feel, and general environment are similar.

One way to understand a city's characteristics in terms of the attitudes of people who live there is to look at the media and radio stations. Wenatchee is fortunate enough to have a local newspaper. The Wenatchee Daily World has played a very important part in Wenatchee's history. Having a local daily paper provides a sense of community and closeness in terms of being in touch with the local news. Additionally, Wenatchee is the center for radio broadcasting for the region. The following list of radio stations provides a sense of what the market supports with good coverage in the areas of pop/rock, Spanish language, news/information, Christian, and Country.

Table 29 – Radio Stations

Call Sign	Frequency	Format
KLUW	88.1	Christian Contemporary
KAWZ	89.5	Religious
KPLW	89.9	Christian Contemporary
KLWS	90.3	Public Radio
KNWR	90.7	Public Radio
KXTG-AM	92.1	Sports
KPLW	92.5	Christian Contemporary
KZML	92.9	Regional Hispanic
KCSY	93.9	Oldies
KKRT-AM	94.3	Sports
KZAL	94.7	Country
KZML	95.9	Regional Hispanic
LPFM	96.3	Variety
KYSN	97.7	Country
KEYG	98.1	Classic Rock
LPFM	98.7	Religious
KQBG	99.5	Hot AC
KMLW	100.7	Religious
KOHO	101.1	Adult Contemporary
KPQ	102.1	Classic Rock
LPFM	102.9	Religious
KWWW	103.9	Top-40
KKRV	104.7	Country
KKRV	105.1	Country
KORE	105.9	Variety
KKWN	106.7	Talk
KWDR	107.5	Smooth Jazz
LPFM	107.9	Spanish Christian
KPQ	560AM	News/Talk
KTBI	810 AM	Religious
KKRT	900 AM	Sports
KYSP	1340 AM	Sports

A region’s resiliency is a relatively new concept that has been researched at the national level. The University of California Berkley has developed a resiliency capacity index to measure a regions ability to rebound after a significant stressor like a natural disaster or economic decline. The Wenatchee-East Wenatchee MSA ranks 204th out of 361 MSAs nationwide. Wenatchee out performs Bellingham, Yakima, and Missoula, but falls behind Olympia, Bremerton, and Bend.

Wenatchee's strong suit in this analysis is associated with community connectivity which is based on infrastructure, urban stability, homeownership, and voter participation. City staff interviewed the lead researcher, Dr. Kathryn A. Foster from the University at Buffalo Regional Institute regarding the project. Dr. Foster's comment is that a region's resiliency also depends upon how well local governments work together to solve problems and that cannot be measured. This is particularly important in urban areas that are comprised of multiple local agencies or in some cases states.

Politically, the region has been typically conservative based on election results and governmental policies. The region has also been proactive in the area of environmental stewardship by proactively addressing laws like the Clean Water Act and pursuing initiatives such as electric vehicle development (Port of Chelan County and Link Transit). Additionally, a fantastic effort by the city, local Land Trust, and the community has been made to purchase the majority of the foothills surrounding the city to preserve the environment, views, and recreational opportunities. Policies in the city tend to support private property rights and a business friendly environment.

Taxes and user fees in the region are generally lower when compared to state averages as reported by the 2016 Association of Washington Cities Tax and User Fee Survey. The aggregate sales tax in the City of Wenatchee is 8.4% which is considerably below the highest tax rate of 10% levied (Department of Revenue, 2018). Property taxation rates are controlled by an allowance of only 1% increase in total collections per year. With this growth restriction, the current aggregate levy rate of approximately \$10 per \$1,000 of assessed value is steadily declining over time. Real Estate Excise tax is 1.78%. User fees in the region are very inexpensive compared to other Cities as there is no growth management related impact fees associated with development.

Low cost utilities may be one of the biggest assets of the region. Local power rates are the lowest in the nation due to the abundant supply of hydroelectric power. Additionally, the City of Wenatchee has very inexpensive water and sewer rates relative to state averages. The City water and sewer utilities also have significant growth capacity built into their core infrastructure to help ensure sustained low rates over the foreseeable future.

In general, Wenatchee Valley citizens are very community minded as demonstrated by very large participation levels in service clubs and active faith based organizations. Volunteerism is further demonstrated by the ongoing success of Make a Difference Day. This attribute is quite an asset in helping address social issues and shows tremendous pride and care for the valley. Frequently, public assets such as parks and programs are developed by the community through these organizational structures relieving service demands on local government.

Livability within the Wenatchee Valley rates very well. Extensive public amenities, low crime rates, low commute times, and many of the services that are found in a major metropolitan area, have resulted in many people moving to and retiring in the Valley in the last 10 years.

Finally, the City of Wenatchee is very business and development friendly. The objectives of the city are to support development from within and to bring people and businesses into the community. Improving the support network is a priority amongst development leaders. Wenatchee is known as a very friendly and welcoming community to visitors. Discussions amongst community members see the need to continue to grow this attitude in an effort to further develop opportunities.

PHYSICAL RESOURCES

The physical resources of the region may make the difference in businesses locating or expanding in the Valley. The Wenatchee Valley has some unique opportunities and challenges concerning some of its inherent physical resources. Over history, the physical resources of the Wenatchee Valley offered some of the greatest value to commerce and the overall economic and living environment. Some of these physical assets such as the railroad, hydropower, good soils, water, and centralized location helped drive the rapid and early development of the Valley. Some of these same resources fit well within the desired attributes in a changing economic environment.

In no particular order, some of the physical assets include:

- **Location:** The centrality and proximity of the Wenatchee Valley provides excellent access to just about anywhere in the State. More and more residents of the Wenatchee Valley work remotely to take advantage of the smaller city living environment.
- **Weather:** Approximately 10 inches of rain a year results in many sunny days. Temperatures range in the 90s in the summer to 30s in the winter with a couple weeks of extremes in both the summer and winter. Four distinct seasons also make the area desirable for those who enjoy variety.
- **Outdoor Recreational Opportunities:** The region is a mecca for outdoor enthusiasts. With the rivers, lakes, and mountains just about every outdoor sport is available to tourists and residents. Anecdotally, the number one comment from people who have recently moved to the area is enjoyment of the outdoor recreational opportunities
- **Arts and Culture:** The arts are alive and well in the region. Music is extremely valued especially amongst the youth. In addition, Wenatchee Valley College recently completed one of the finest Music and Arts Educational Centers around. The Stanley Performing Arts Center and Icicle Music Center and Theater are other popular facilities hosting performances.
- **Warehouses:** Given the history of fruit processing and warehousing, the Wenatchee Valley is full of warehouses in need of adaptive redevelopment. These warehouses offer relatively inexpensive space. Several redevelopment projects have shown successful conversions are attainable.
- **Historic Preservation:** The City of Wenatchee is a Certified Local Government meaning the City has the capacity to assist with Historic Preservation tax incentive and credit programs.

- **Waterfront:** Both the City of Wenatchee and East Wenatchee have extensive waterfronts publically owned along the Columbia River. The majority of Wenatchee’s waterfront is an urban park while East Wenatchee’s waterfront is more rural in nature. The Apple Capital Loop Trail is a popular paved 11 mile waterfront loop trail.
- **Foothills:** The majority of the foothills are publically owned providing great hiking opportunities as well as preservation of the natural scenery of the foothills of the Cascade Mountain Range.
- **Transportation:** Nearly 90% of all commuters have commute times less than 30 minutes. The majority of those trips are on the order of 15 minutes.

Table 30 – Travel Time

Travel Time	Number	Percentage
< 30 Minutes	11,247	85%
30-59 Minutes	1,584	12%
60 or More Minutes	432	3%
Total	13,263	100%

Data Source: 2012-2016, American Community Survey 5-Year Estimates, B08012

- **Biking and Walkability:** The City of Wenatchee rates very well in walkability with an extensive sidewalk network and relatively close proximity of the commercial and residential areas. Biking is also a growing trend in the Valley complimenting the outdoor recreation assets. There is a Bike Master Plan and a developing Pedestrian Master Plan.
- **Redevelopment Opportunity:** Due to the land use trends and lack of available vacant lands for both commercial and residential, the opportunity for redevelopment surfaces. The advantage of redevelopment is savings in costly infrastructure extensions. The disadvantages include demolition or conversion costs as well as potential environmental issues. Strategies and resources are needed to address redevelopment to encourage revitalization of some of the more underutilized portions of the City.

In addition to the physical resources available to business, labor resources can be equally important if not more. The history of the Wenatchee Valley revolves around dedicated and hardworking people. The next section of this analysis focuses on labor training and education.

LABOR RESOURCES

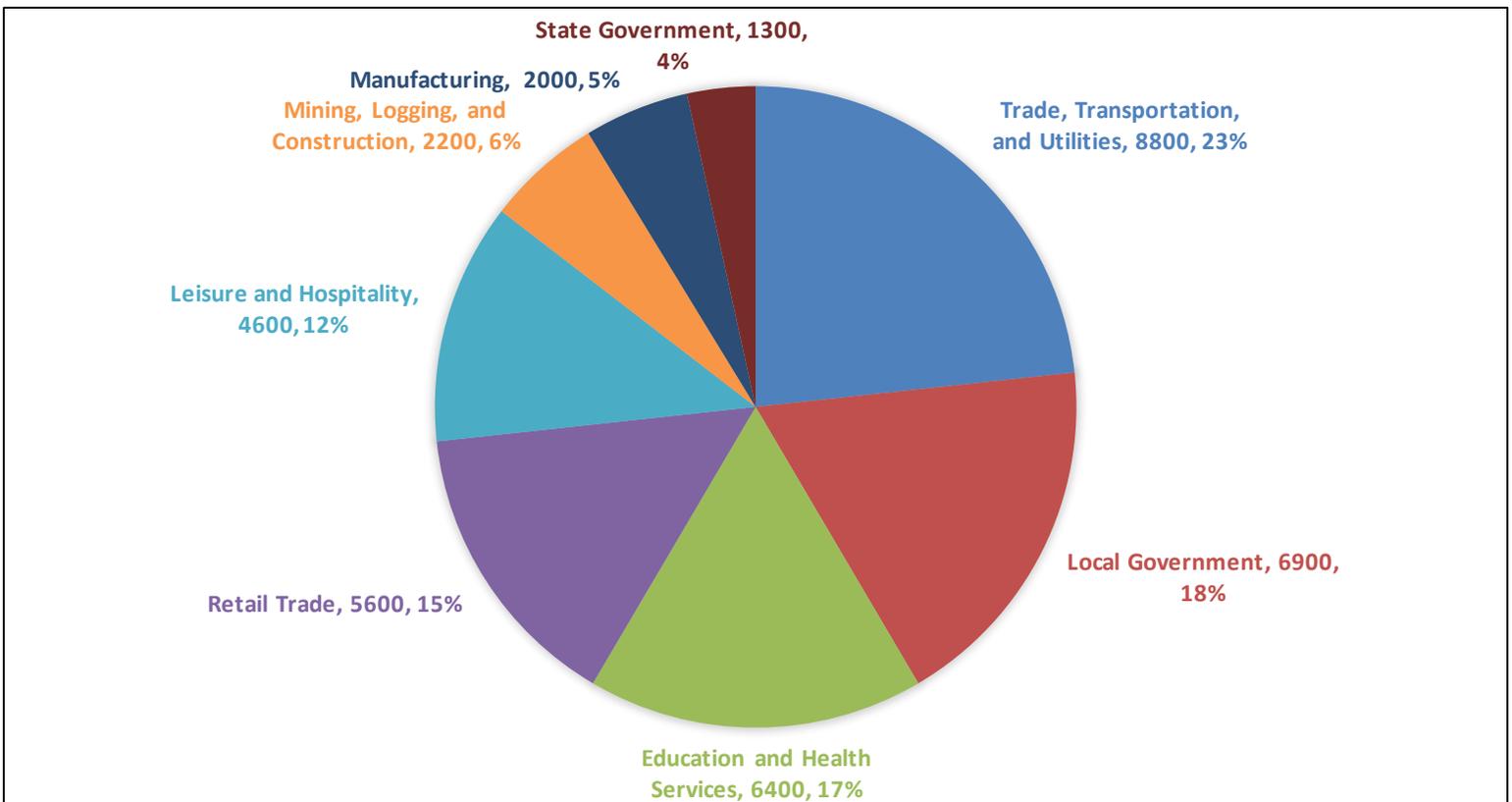
Labor as a resource has various implications to economic development and thus has been the focus of much discussion. This labor resource analysis attempts to identify key occupations existing in the region today as well as needs to improve labor skill sets necessary to attract and retain business. Ultimately a more skilled and educated labor force draws greater wages. Concerns are raised amongst community leaders when educated and skilled workers migrate out of the region. A common goal of the community is to improve labor availability along with the job base to support it.

Since occupations span many sectors, the following discussion is focused more on job types versus sectors. However, first a short review of prominent sectors by job numbers is provided. Our largest non-farm sectors are government, health care, and professional service. Many occupations within these sectors require advanced skills and professional training. On the other hand, the large sectors associated with agriculture and services provide opportunities for occupations requiring lower levels of training.

The employment base within cities of Wenatchee and East Wenatchee is primarily made up of non-farm jobs. Those working in direct crop production commute out of the urban area to nearby agricultural production areas including the Wenatchee River Valley, Chelan vicinity, the Columbia River valley, Wenatchee Heights, and the Columbia Basin near Quincy. It is noted that other agricultural related jobs such as food processing and warehousing are still included in the following analysis as they are generally housed in the urban areas.

Approximately 45,000 of the jobs in the MSA are non-farm jobs. The following figure illustrates the largest sectors by employee numbers made up on non-farm employment.

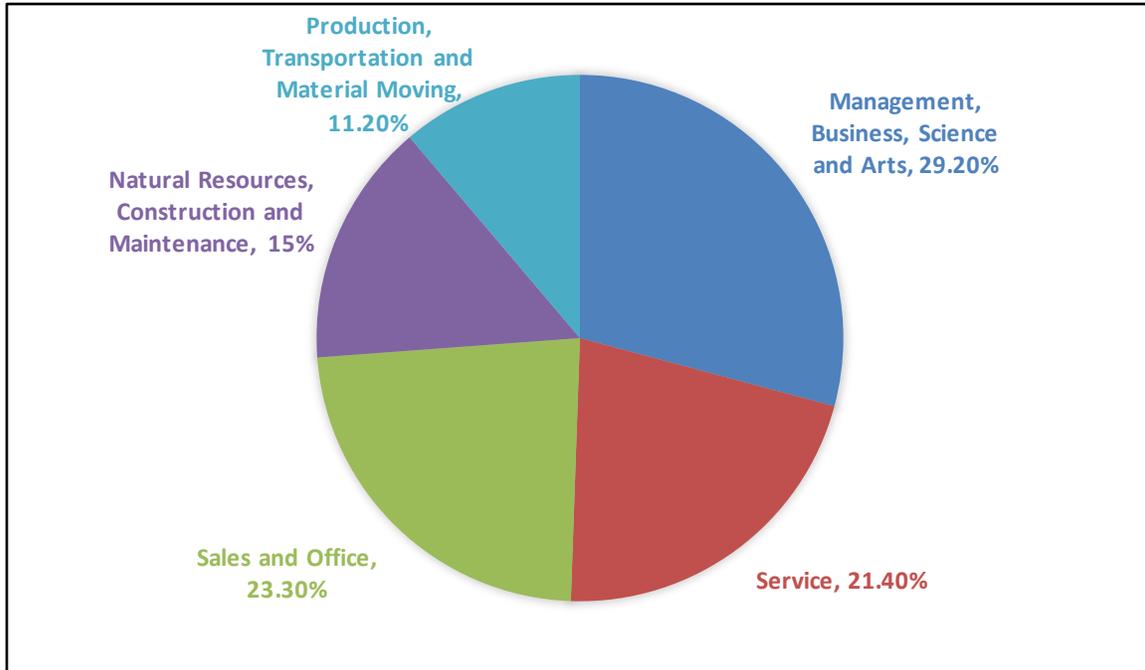
Figure 34 – Non-Farm Jobs Makeup by Industry Sector, 2015



Source: Washington State Department of Employment Security. <https://esd.wa.gov/labormarketinfo/unemployment-statistics> for Wenatchee MSA.

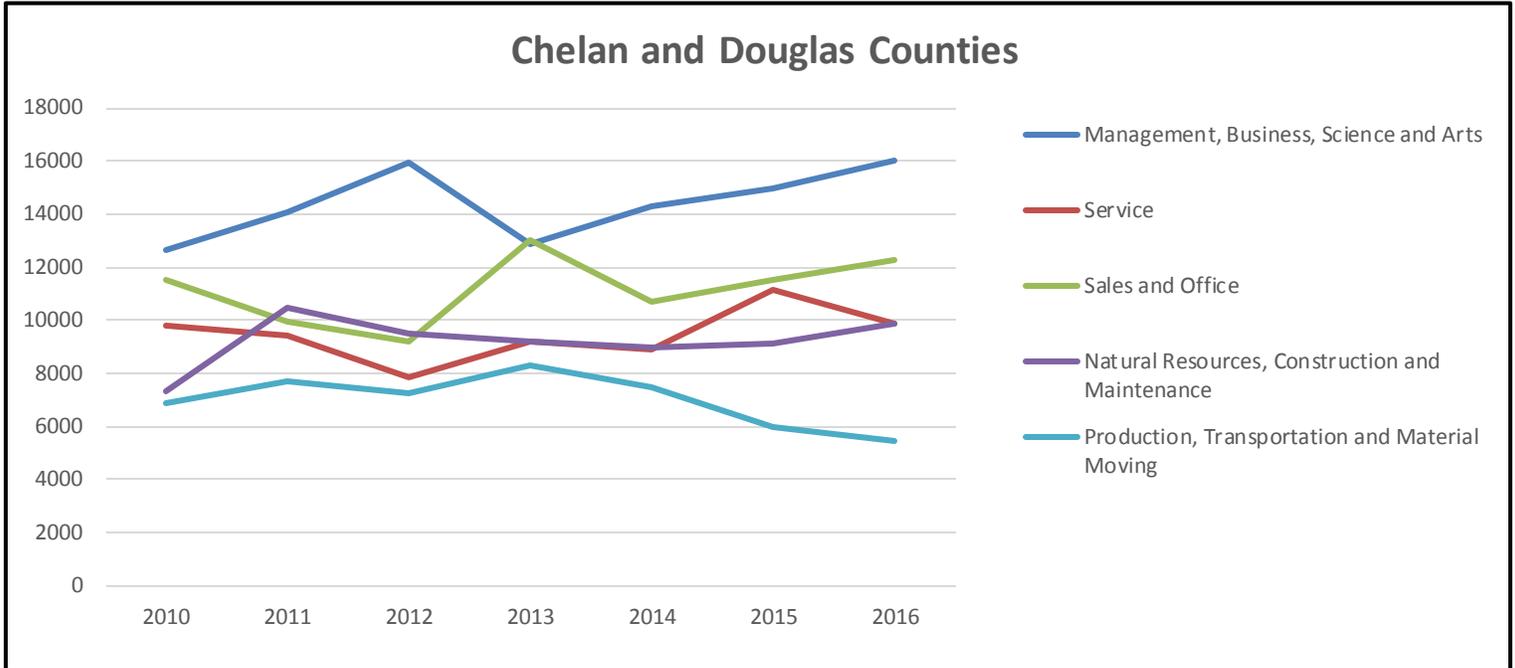
The below figure illustrates groupings of sectors that more closely match occupational groups.

Figure 35 – Share of Employment, Top 5 Non-Farm Occupational Groups in 2016



Management, Business, Science and Arts is the largest non-farm occupational group in Wenatchee. Sales and Office is the next largest followed closely by Service. Job growth in these occupational groups has been mixed with fluctuating job annual gains and losses since the recession. Since 2010, each occupation has steadily represented their respective portion of the Wenatchee employment. (Chelan Douglas Trends, 2018)

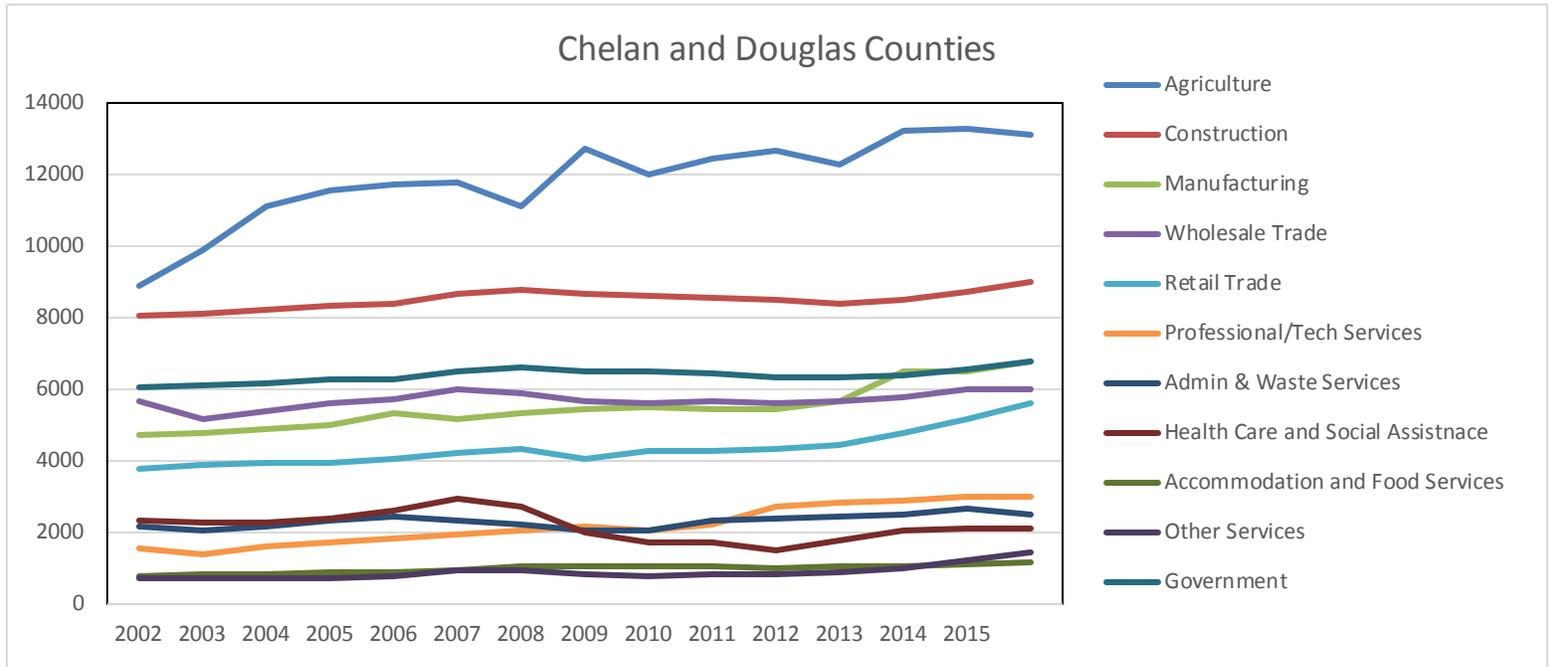
Figure 36 – Employment by Sector 2010 - 2016



(Source: Douglas-Chelan Trends, 2018)

The following figure depicts the growing importance of health care and government sectors as job-producing sectors in the Chelan-Douglas region in recent decades. While health care is projected to continue to grow nationally in the long term, budget cuts may stymie growth in the government sector. Leisure and Hospitality, and Retail Trade have also seen modest long-term growth trends. Following national trends, manufacturing has seen job losses over the three decades and job growth in Natural Resources and Construction, and Trade, Transportation, Warehousing and Utilities have remained relatively flat.

Figure 37 – Employment Growth by Sector 2002-2016

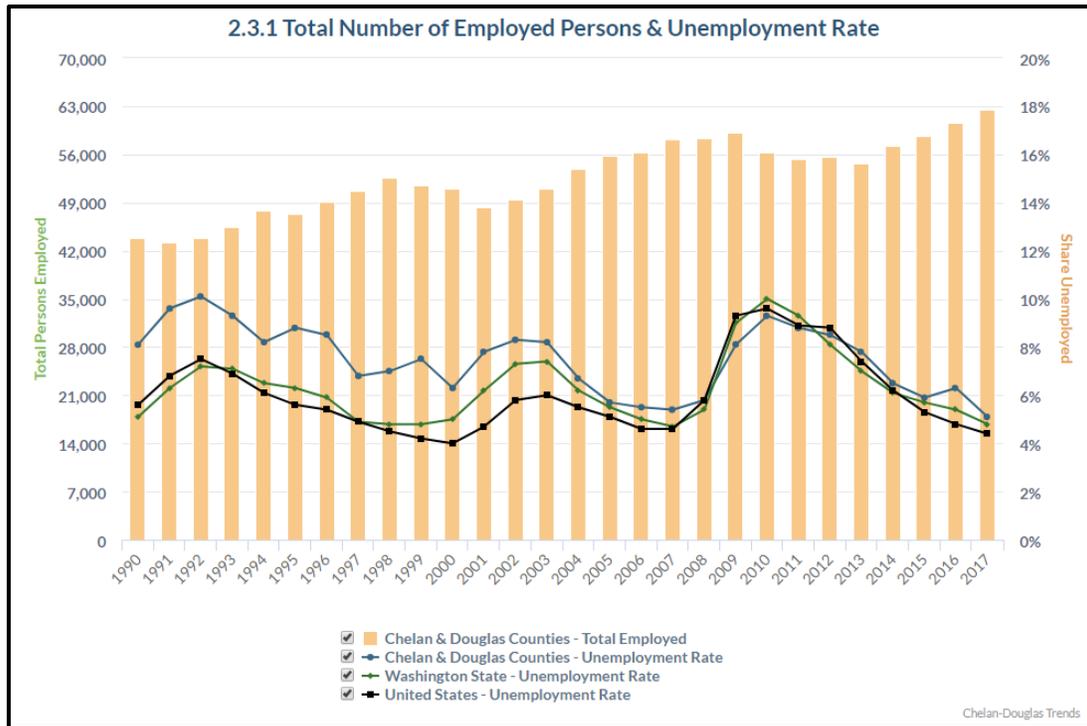


(Source: Douglas-Chelan Trends, 2018)

Out of the 55,250 jobs in Chelan and Douglas Counties, over 78 percent of them are in Chelan County. Chelan County’s civilian labor force is approximately 42,350 workers of which an estimated 4.9 percent are unemployed. The total population in the civilian labor force is the number of civilian workers plus those actively seeking employment. The unemployment rate is the number of persons actively seeking employment divided by the total labor force and does not include those who do not work but are not actively seeking employment.

The Chelan-Douglas labor market was significantly impacted by the Great Recession, but unemployment did not reach the national levels. Historically the county suffered from higher rates of unemployment than the national and state averages but its rate came into line with these averages just before the recession began. When the recession hit, unemployment rates rose quickly from an estimated low of 5.4 percent in 2007 to a high of 9.3 percent by 2010. After 2010, unemployment rates began declining and have since reached the an all-time low of 5.1 percent in 2017. Wenatchee was estimated to be 1% or more below state and national averages.

Figure 38 – Unemployment Rate, 1995-2010



(Source: Chelan-Douglas Trends, 2018)

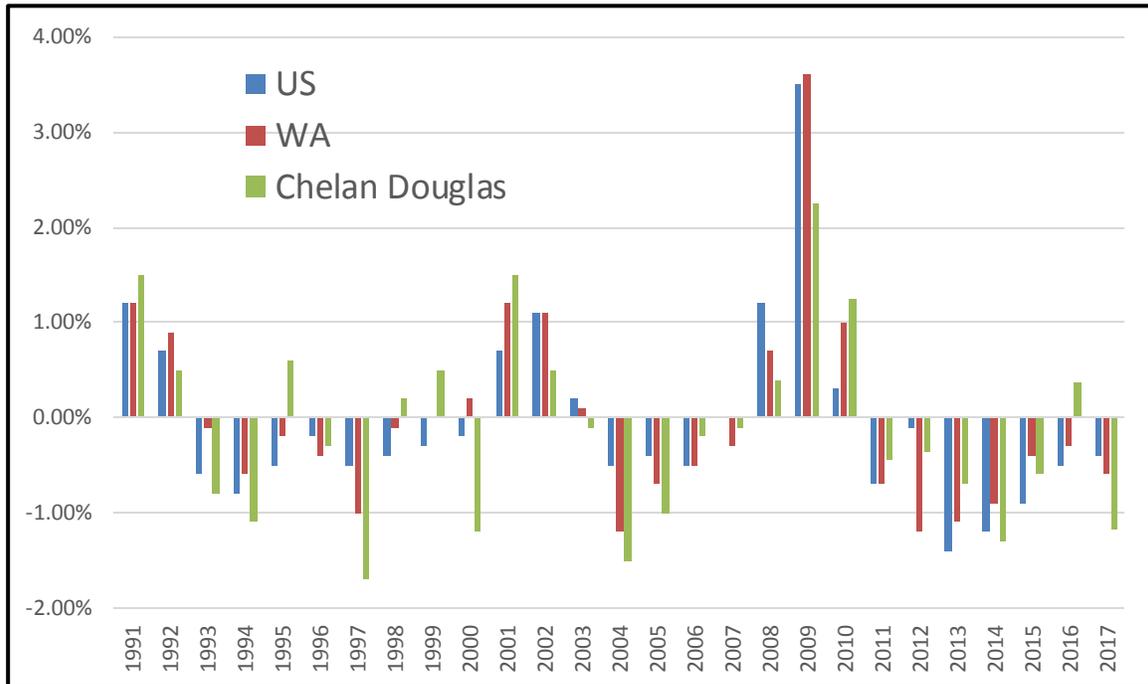
The labor force in Chelan and Douglas Counties during 2016 increased 22 percent from 1995; 52,508 up to 63,931. In 2017, the civilian labor force saw a slight decline as demographics continue to change with those 65 and older.

Table 31 – Labor Force

Total Population in the Civilian Labor Force	65,356
Civilian Employed Population 16 years and over	62,582
Chelan/Douglas Unemployment Rate	5.1%
Washington State Unemployment Rate	4.8%
United States Unemployment Rate	4.4%

(Source: Chelan-Douglas Trends, 2018)

Figure 39 – Annual Change in Nonfarm Unemployment Rates, 1991 - 2017



In the Chelan-Douglas region the increase in employment during the recession did not extend as long as it did nationally. Growth in non-farm labor peaked in 2007 and steadily saw unemployment spike thereafter. In 2011, employment began to rise and has continued a somewhat steady trend in the Chelan Douglas area.

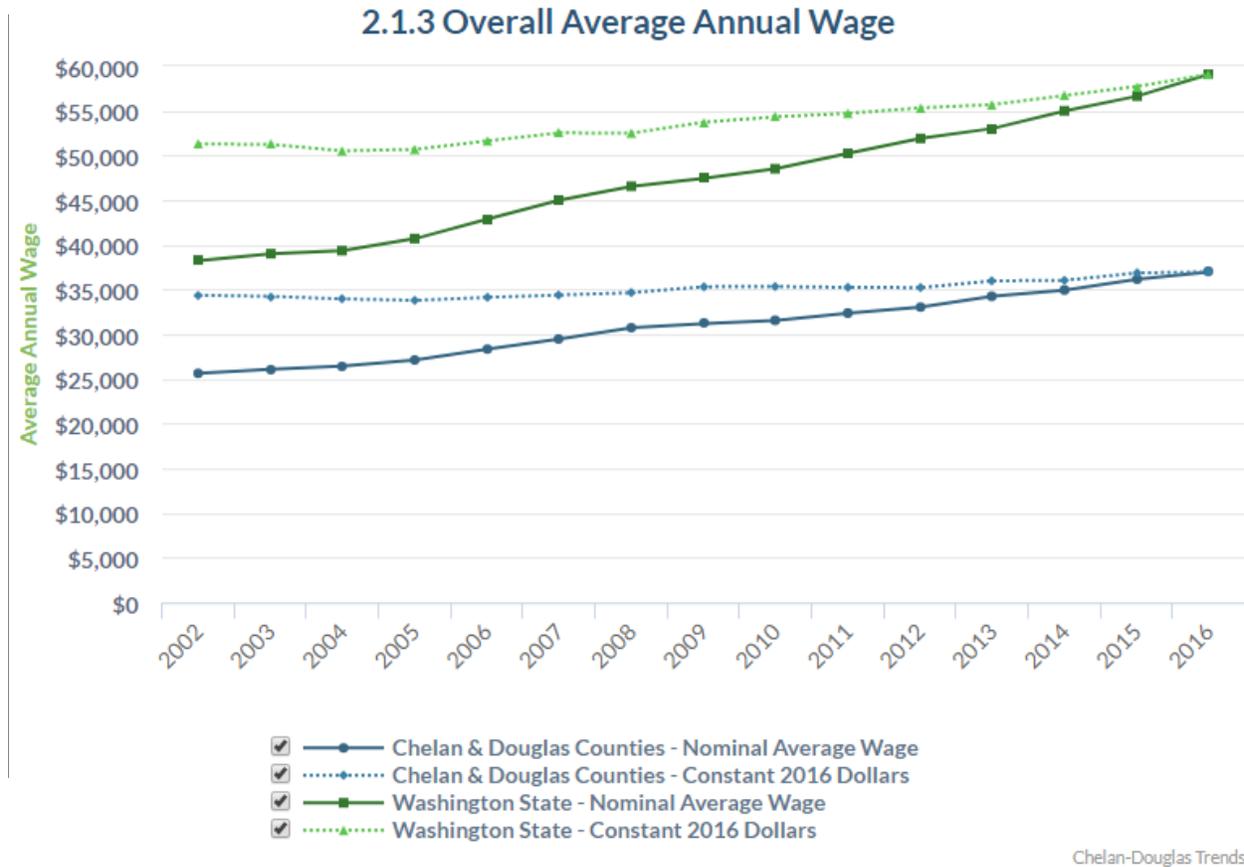
Table 32 – Chelan-Douglas Non-Farm Employment Growth Rates

Chelan-Douglas Non-Farm Employment Growth Rates												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	10 YEAR AVERAGE
Wenatchee MSA	3.57%	0.96%	-3.89%	-1.38%	0.90%	0.76%	1.4%	3.18%	6.04%	2.96%	1.39%	1.23%

(Washington Employment Security Department, 2018)

Opportunities for workers to increase earnings can be limited by high unemployment and slow growth. Wage increases in Wenatchee MSA have not kept up with statewide increases in recent years. Wages grew nearly over 31 percent statewide between 2010 and 2017 but only about 25.5 percent in Chelan and Douglas Counties over the same period. (Chelan-Douglas Trends, 2.1.3 Overall Average Annual Wage, 2018).

Figure 40 – Adjusted Average Wage, 2002-2010



(Chelan-Douglas Trends, 2018).

Among the top 20 occupations in the Chelan-Douglas region only 5 have median wages above the City’s median income (\$44,156) and these generally require or prefer a degree. These include Healthcare Practitioners and Technical Occupations, Management Occupations, Registered Nurses, Business and Financial Operations, and Protective Service Occupations. (WA Employment Security Department, Occupational Wage Survey, Chelan and Douglas Counties, March 2011) Many of these non-farm occupations also have median wages that are not sufficient to support the basic needs of a family without a second wage earner. As a result many jobs may be filled by either youth or those as another source of income. Anecdotally, comments have been received that many jobs are filled by retirees who supplement retirement benefits. Two-thirds of the top 20 occupations have median wages that fall below the Self-Sufficiency Standard for one adult and one preschool child in Chelan County (\$32,198). It is important to clarify self-sufficiency measures are only relevant to those who fit the profile for a household. In other words, living circumstances, family size, impact the dollar threshold for self-sufficiency significantly. The following table provides median wages by occupation type.

Table 33 – Wages in Top 20 Non-Farm Occupations, 2011

Wages in the Top 20 Non-Farm Occupations Chelan-Douglas Counties 2017		Median Wage	
Occupation	Employ.	Hourly	Annual
Total all occupations	45,710	\$16.77	\$44,630
Office and Administrative Support Occupations	5,900	\$16.48	\$37,460
Food Preparation and Serving-Related Occupations	5,230	\$12.05	\$27,980
Sales and Related Occupations	5,000	\$13.59	\$39,090
Education, Training, and Library Occupations	3,010	\$22.26	\$48,410
Healthcare Practitioners and Technical Occupations	2,770	\$34.99	\$80,170
Construction and Extraction Occupations	2,080	\$21.19	\$48,820
Installation, Maintenance, and Repair Occupations	2,010	\$22.32	\$51,130
Retail Salespersons	1,990	\$12.71	\$30,910
Building and Grounds Cleaning and Maintenance Occupations	1,910	\$13.63	\$30,940
Healthcare Support Occupations	1,800	\$14.62	\$33,590
Production Occupations	1,790	\$16.28	\$40,820
Management Occupations	1,630	\$41.47	\$94,830
Business and Financial Operations Occupations	1,420	\$28.54	\$65,340
Cashiers	1,220	\$12.59	\$26,190
Farming, Fishing, and Forestry Occupations	1,210	\$12.36	\$29,760
Personal Care and Service Occupations	1,210	\$17.12	\$35,600
Registered Nurses	1,160	\$37.35	\$77,690
Laborers and Freight, Stock, and Material Movers, Hand	980	\$16.50	\$34,310
Office Clerks, General	910	\$17.38	\$36,140

(WA Employment Security Department, Occupational Wage Survey, Chelan and Douglas Counties, May 2017)

LABOR: EDUCATION AND SKILLS

Of those over the age of 25, over 54 percent have at least some college education and over 33 percent have some form of degree (AA, Bachelors, Graduate, etc.). This also means that almost one-half of those over the age of 25 in Wenatchee have an education level of high school equivalent or less (9-12th grade or below 9th grade). These workers make up almost 50 percent of unemployed workers in Wenatchee and have higher rates of poverty at an average of 14.15 percent compared to 7.55 percent for workers with some college experience. Workers with a bachelor's degree earn more almost 60 percent more annually,

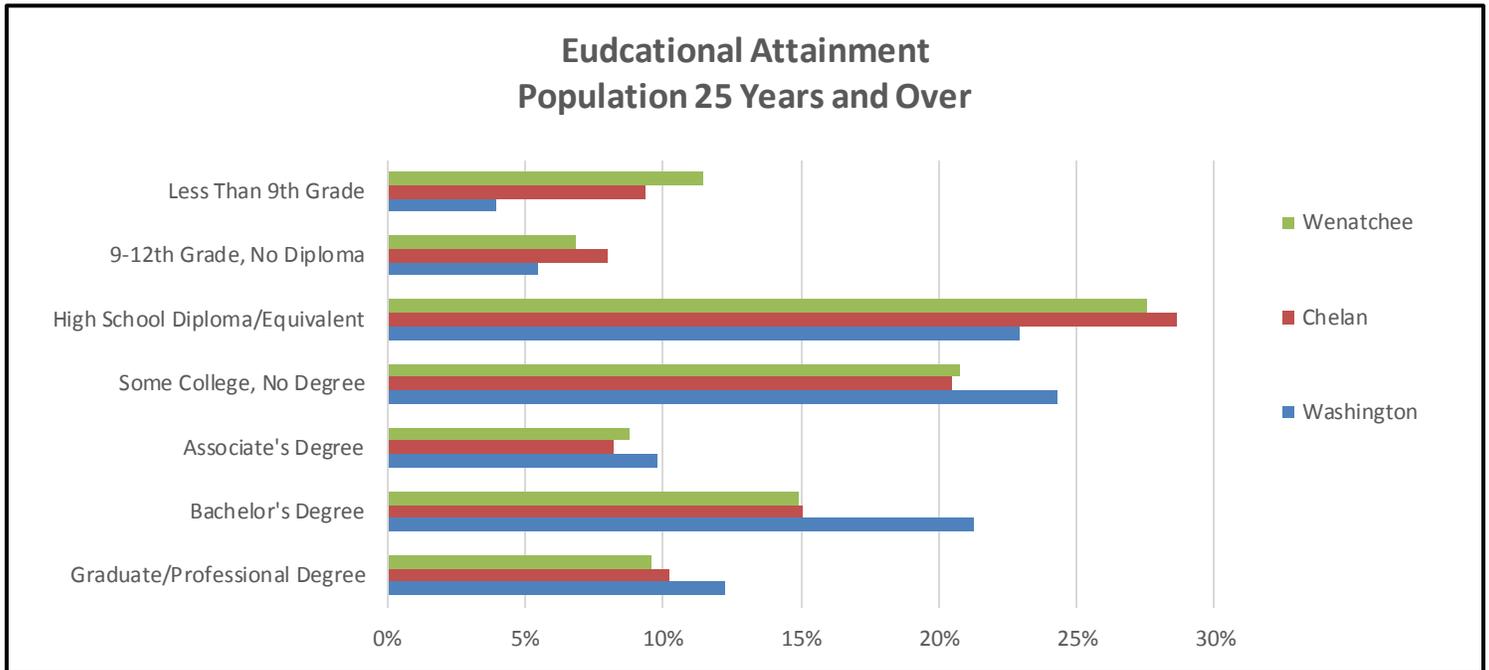
Table 34 – Educational Attainment by Employment Status (Population 25 to 64 Years)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	1,243	163	994
High school graduate (includes equivalency)	1,877	78	1,241
Some college or Associate's degree	2,886	177	1,063
Bachelor's degree or higher	3,029	80	436

Data Source: 2012 – 2016 American Community Survey 5-Year Estimates, S2301

A significant share of the Wenatchee workforce has low educational attainment levels compared to the State as shown in Figure 40. Less than five out of ten employed workers have a high school equivalent education or less. Workers with lower education levels earn less on average and face higher rates of job instability and unemployment.

Figure 41 – Educational Attainment (Population 25 and Older)

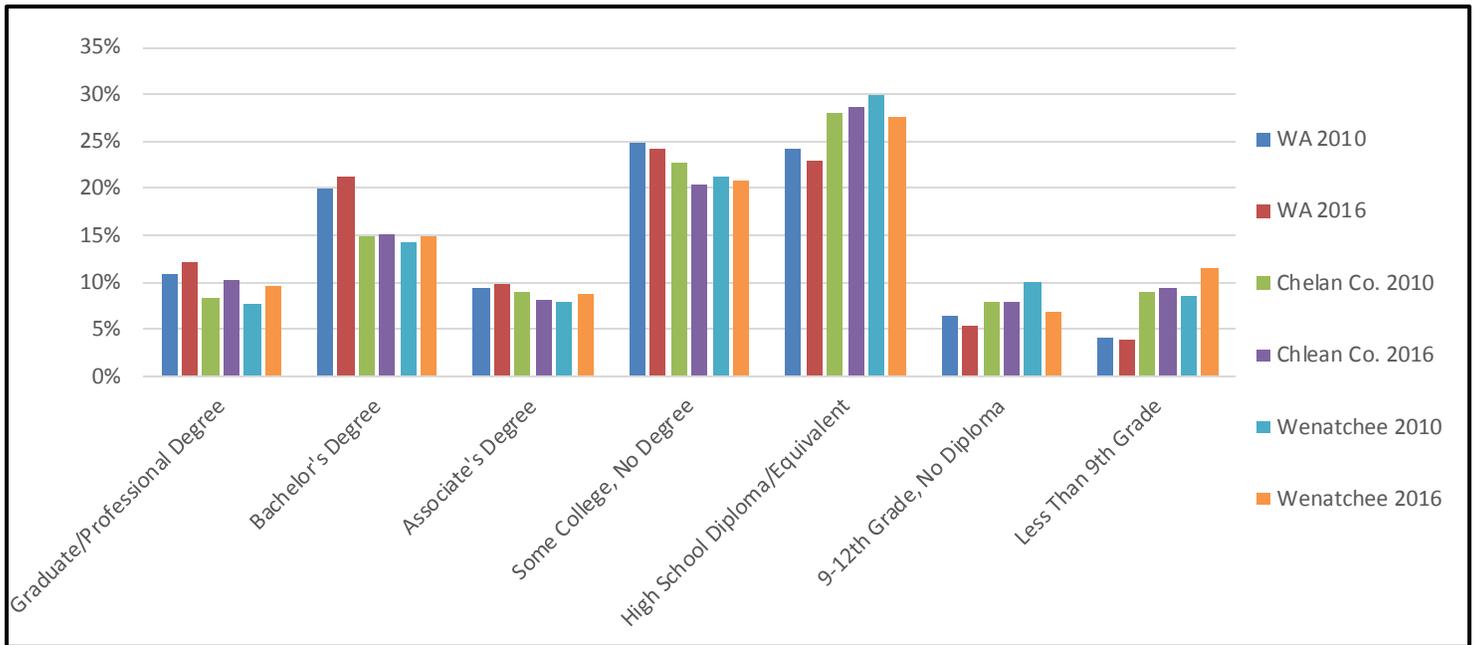


Source, 2012-2016 American Community Survey, 5-Year Estimates, S1501

Wenatchee area workers have lower levels of educational attainment than state and national averages. The region has a higher share of its population with lower education attainment and lags the state and nation in the share of the population with Bachelor’s and Master’s Degrees. The greatest gap is between the City and Washington state which has an above average share of its population with bachelor’s degrees and graduate/professional degrees.

Changes in educational attainment have been mixed in the last decade as shown in Figure 41. Between 2000 and 2010 Chelan County saw a decrease in the share of the population with the lowest education levels and an increase in the share with a high school diploma and some college education. Most notably the County saw an increase in the share of the population with Associates degrees. However, the share of the population with the highest education levels, Bachelor’s Degrees and Master’s Degrees, declined over this period.

Figure 42 – Educational Attainment, 2010 and 2016



Source, 2006-2010 and 2012-2016 American Community Survey, 5-Year Estimates, S1501

Younger Wenatchee residents (18-24 year olds) have higher high school graduation rates, but lower college attainment rates, which may also be the result of having not completed their education yet. This is indicated by the number having “some college, no degree” which is competitive with other age groups. The highest educational attainment is among 45-64 year olds, 28% of whom have a bachelor’s degree or higher, followed closely by those aged 65 years and older. Patterns show that the age group of 45-64 almost held the highest attainment when they were the 35-44 group. Similarly, the 65 and older group held the second highest rate of achievement when they were the 45-64 group. This indicates that the younger age groups are not achieving college level attainment at the same rate as their older generations.

Table 35 – Educational Attainment by Age in Wenatchee, WA

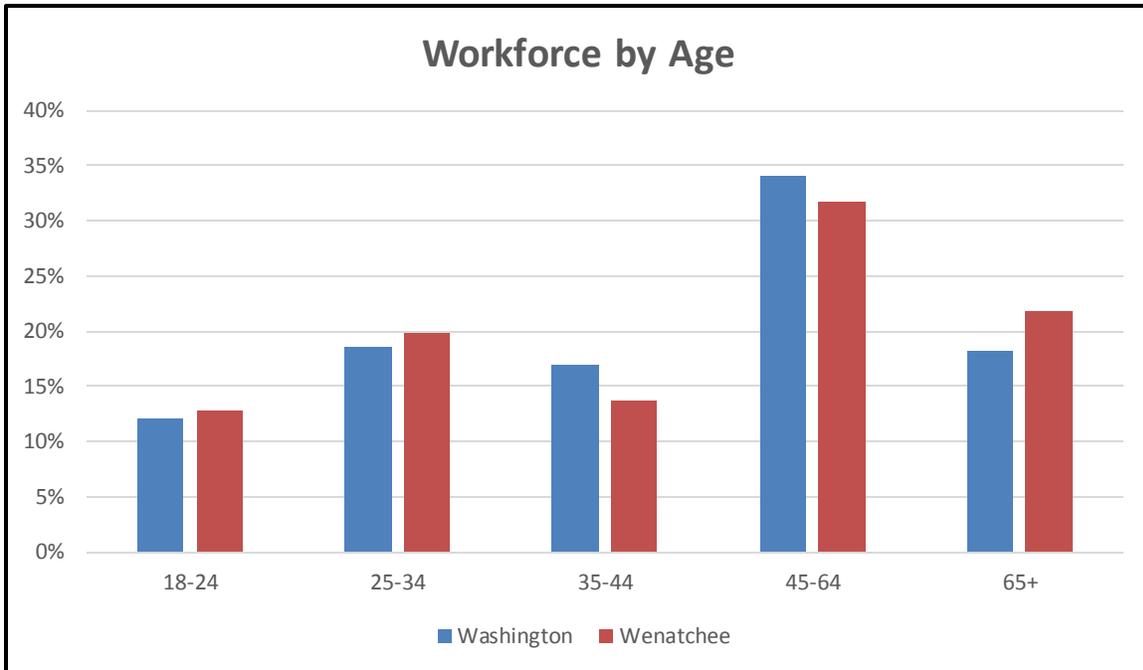
	Age (Years)				
	18–24	25–34	35–44	45–65	65+
Less than 9th grade	64	123	494	449	200
9th to 12th grade, no diploma	246	274	120	190	240
High school graduate, GED, or alternative	675	764	428	804	548
Some college, no degree	316	379	284	869	381
Associate's degree	73	257	238	286	143
Bachelor's degree	68	243	209	721	341
Graduate or professional degree	0	172	169	435	361

Data Source:

2012-2016 American Community Survey, 5-Year Estimates, B15001

Wenatchee lags in workers of prime working age between 25-44 years of age. Younger more mobile workers may be seeking employment and educational opportunities in other regions and in-migration has remained relatively low. Wenatchee has the greatest availability in the 18-24 and 45-64 age groups. The top three sectors for the youngest workers age 14-24 years old are hospitality and accommodations; arts, entertainment and recreation; and retail. For older workers age 55 and above the top industries were education and management of companies and enterprises.

Figure 43 – Workforce by Age between Wenatchee and Washington State in 2016



Source, 2012-2016 American Community Survey, 5-Year Estimates, B15001

Women (52.5 percent) have somewhat higher labor participation rates than men (48 percent) in Wenatchee and are concentrated in different occupations. Women are more represented in Information, Finance and Insurance, Real Estate and Professional, Scientific and Technical industries. To a large extent the occupational pattern matches state and national patterns, however, there are several industries where the concentration of one gender is higher than state averages. Chelan County has a higher share of men working in Public Administration, Administrative and Waste Management, Utilities, Arts, Entertainment, and Recreation than in the state overall. A greater share of women work in information, finance and insurance, professional scientific and technical services, real estate and rental and leasing, professional and wholesale trade than the state average. (Washington Employment Security Department, U.S. Census Bureau, 2010)

Table 36 – Educational Attainment – Median Earnings for 25 Years and Older

Educational Attainment	Median Earnings in the Past 12 Months (\$)
Less than high school graduate	24,033
High school graduate (includes equivalency)	23,761
Some college or Associate's degree	34,698
Bachelor's degree	37,869
Graduate or professional degree	57,014

Data Source: 2012-2016, American Community Survey, 5-Year Estimates, S2301

Educational attainment has a considerable effect on future earnings and the likelihood of experiencing poverty and housing hardships. Those with a bachelor’s degree earn more than twice as much on average as workers who do not have a high school diploma, an estimate \$13,836 more annually. Surprisingly, those with a high school equivalent earnings are slightly below that of individuals with below a high school education. Those with a high school diploma earn approximately \$14,108 less than those with a bachelor’s degree.

The poverty rate for those without a high school diploma or equivalency in Wenatchee is also estimated to be higher than for those with more education. Data suggests that in Wenatchee women with lower educational attainment have significantly higher poverty rates than their male counterparts. (ACS Estimates 5 year 2012-2016, B17003)

The region’s local labor economist, Don Meseck, has continued the process of analyzing unemployment data to better understand what skills are most predominantly missing amongst the work force. This understanding will help local education programs at the schools, college, and workforce skill centers focus on the needs of industry. Additionally, the Wenatchee Valley College is continuing to work towards better matching curriculum to match industry needs.

The Consolidated Plan Advisory Group reinforced the need to further skills development programs in the community and to develop a better understanding of what industry needs to employ locally.

ECONOMIC DEVELOPMENT ORGANIZATIONS

A number of economic development organizations provide resources to assist in business retention, startup, recruitment, and marketing. The following list of organizations and their websites are provided here as a resource. It is noted that the Consolidated Plan Advisory Group highly recommended a greater degree of collaboration amongst these economic development organizations and others interested in furthering the community.

Table 37 – Economic Development Organizations

Organization	Description
<p>NCW Economic Development District www.ncwedd.com www.NCWconnect.org</p>	<p>The North Central Washington Economic Development District (NCW EDD) is a federally designated economic development district for the NCW region covering Okanogan, Douglas, and Chelan counties and the Colville Confederate Tribes. The NCW EDD has been focusing on fostering entrepreneurship and has developed a new entrepreneur resource on their website NCWconnect.</p>
<p>Port of Chelan County www.ccpd.com</p>	<p>The Port of Chelan County is the county's principal economic development agency and operates as an independent government entity under the provisions of Title 53 of the Revised Code of Washington (RCW). 2008 marked its 50th year of dedication to supporting business environments, technological advances, consumer preferences, community amenities and infrastructure demands. The Port strategically invests in capital projects that create new jobs and diversify the economy of Chelan County and North Central Washington. The Port also works with economic development partners to strengthen the retention, expansion and recruitment of businesses. A key Wenatchee project has been the development of the Pybus Market project.</p>
<p>Port of Douglas County www.portofdouglas.org</p>	<p>As the primary economic development engine for the Douglas County, the Port of Douglas County has a simple focus: Facilitate healthy growth through partnerships, infrastructure investment and diversification. Both Ports work together on business recruitment, retention and expansion.</p>
<p>Wenatchee Valley Chamber of Commerce www.wenatchee.org</p>	<p>The mission of the Wenatchee Valley Chamber of Commerce is to strengthen the economic climate of the Wenatchee Valley.</p>
<p>Hispanic Chamber of Commerce www.ncwhcc.com</p>	<p>The NCW Hispanic Chamber organization has been in existence in this valley for more than twelve (12) years and has grown significantly; now able to award several scholarships each year to deserving</p>

Organization	Description
	students. Its mission is to support growth and development of Hispanic businesses and community.
Wenatchee Downtown Association www.wendowntown.org	The WDA is here to make sure that our historic downtown is healthy and vibrant and that its unique character and personality remain preserved. This is done in many ways including: <ul style="list-style-type: none"> • The Economic Restructuring Committee and the City of Wenatchee work to develop a comprehensive vision for downtown that meets the needs of downtown residents, business and property owners. • The Promotions Committee works to develop projects, events and materials that draw guests downtown to shop, dine, obtain services or open their own business! • The Design Committee works to make sure that downtown is a safe, clean, visually appealing and historically authentic destination for guests, residents, business and property owners. • The Officers and Board of Directors advocate for downtown businesses within our community and on state and national levels.
Quest Revolving Loan Fund www.questncw.org	An economic development lender that promotes new businesses, supports currently established businesses, and helps create jobs. Quest usually becomes involved when a potential borrower is rejected by an SBA Bank or is asked to participate in a loan with an SBA Bank. Quest works with SCORE and the SBDC in helping new businesses start and maintaining current business health.
SCORE www.centralwashingtonscore.org	SCORE is the Service Corp of Retired Executives — counselors to America’s Small Business. SCORE focuses on the pre and post start-up phase and on existing businesses where local expertise is matched to each business’ needs. www.centralwashingtonscore.org
GWATA www.gwata.org	The NCW Technology Alliance is a regional organization founded in 2000 to promote a vibrant technology-based economy benefiting the citizens and communities of the NCW Area. www.gwata.org

Organization	Description
Wenatchee Valley College www.wvc.edu	Wenatchee Valley College enriches North Central Washington by serving educational and cultural needs of communities and residents throughout the service area. The college provides high-quality transfer, liberal arts, professional/technical, basic skills and continuing education for students of diverse ethnic and economic backgrounds. WVC can design specialty programs for skilled training needs.
Confluence Technology Center www.ncwctc.com	The CTC is a state of the art facility that consolidates into one location: Meeting rooms with plug and play podiums, Workforce training , Videoconferencing, The County’s fiber optic network hub, Secure high-speed data service and storage, Class A office space, Entrepreneurial business incubator space, A fully equipped catering kitchen and on-site technicians.
WorkSource www.tourworksource.com	Aims to build workforce skills with business and one-stop partners to increase economic prosperity throughout North Central Washington and the Columbia Basin.
Chelan-Douglas Trends www.chelandouglastrends.org	The goal of Chelan-Douglas Trends is to create a more vibrant two-county area. Managed by Eastern Washington University and created by a consortium on North Central Washington leaders, the website holds updated information about North Central Washington. This is the most comprehensive site for the two-county area.
Skillsource www.skillsource.org	SkillSource teaches workplace basics in cooperation with school districts, community colleges and employers.
Community Farm Connection www.communityfarmconnection.org	Community Farm Connection is a non-profit 501(c)(3) organization committed to supporting small farmers and improving consumer access to locally grown food. We support sustainable agriculture, small diversified farms and our communities by bringing farmers new opportunities to get their bounty to the table, including training and networking at all levels. For those getting started in the local foods industry, CFC is a great resource.
Choose Washington www.choosewashington.com	State of Washington clearing house for Economic Development resources.

SUMMARY OF SIGNIFICANT POINTS AND INSIGHTS

Rather than preparing a conclusion to this analysis, the objective may be better served by preparing a list of significant points and insights to facilitate strategy development by professionals in the economic development fields. Restating the objective of the market analysis, **it is the hope of the city that the Consolidated Plan can be distributed universally amongst the development community as well as economic development organizations to be used as a resource. The sharing and coordination of information is the primary strategy of this plan in promoting the development of effective economic development efforts in the region.** This summary provides a review of key points that surfaced in the data. Taking into account these key points in the development of economic strategies will hopefully facilitate this objective thereby resulting in positive economic development accomplishments in the Wenatchee-East Wenatchee MSA (Chelan and Douglas Counties).

Please refer back to respective sections of this analysis for detail and data sources. The data is readily available through websites like the Chelan Douglas Trends, Bureau of Economic Analysis, US Census, Longitudinal Employer-Household Dynamics and others. Additionally cities and counties may have data specific to the area. Additional analysis is encouraged in any strategy development effort and to better understand the following key points.

1. While the median household income for the Wenatchee Urban area is below the State, the Wenatchee Urban Area household income distribution illustrates significant strength comparatively to other cities in the Pacific Northwest.
2. A growing 56 percent of the \$5.05 Billion of 2016 Personal Income in the MSA is non-wage income coming from either government transfer payments (\$1.1 Billion) or investment income (\$1.100 Billion). In terms of personal income, these two categories of non-wage income far exceed the largest wage paying sector of government (\$690 Million). These figures suggest that the Wenatchee Valley is highly dependent on 1) Accumulated wealth and 2) Government social programs and employment base.
3. Based on sector analysis by job numbers, gross wages paid, and gross domestic product it is clear that the primary income producing sector is Government especially for the Wenatchee Urban Area. Also, the sectors of Health Care, Agricultural Production, Retail Trade, and Rental/Real Estate are primary drivers of the current economy within the MSA. These primary sectors represent successes and assets. Development of associated industries may provide opportunities.
4. Based on the key industries listed above in #2, wages are higher in the Wenatchee Valley than typically seen in agricultural production dominated urban areas. The figures suggest greater wealth and opportunities than typically recognized using standard demographic market analysis. Opportunities to attract businesses based on marketing these inherent

strengths may be viable.

5. Retail Trade represents a key industry in terms of supporting government services as the current tax structure in Washington State continues to create greater reliance on sales tax compared to property and other tax mechanisms. The changing landscape between jurisdictions creates inconsistencies in local government revenue streams and competition amongst local agencies. This competition may impede successes in the region as a result of uncoordinated marketing efforts.
6. The City of Wenatchee governmental revenue streams are impacted by the conversion from retail to professional services as many retail establishments either locate or relocate to East Wenatchee where land is more readily available for large retailers. Recognizing these types of trends and developing strategies to sustain governmental services are necessary to maintain an economically vibrant community.
7. Small business is a huge driver of the local economy. Based on City of Wenatchee business license data, 82% of the businesses in the City limits employ 5 or less people. Conversely nearly one half of all gross retail sales are provided by half of the businesses within the City of Wenatchee. The loss of even one large retailer may have a noticeable impact on the region. Supporting entrepreneurial efforts has been a focus in the region. Development of improved support strategies may produce favorable outcomes.
8. The regional hub characteristic of the Wenatchee Valley offer great opportunities in terms of capture area. The actual number of people served by the Wenatchee Valley far exceeds the 110,800 people living within the federally designated urban area. It is commonly accepted that the Valley provides many urban services to 250,000 people located within a 60 minute drive time. (Chelan/Douglas Counties and portions of Grant and Okanogan Counties)..
9. While the capture area is larger in the Wenatchee Valley compared to most cities located in a metropolitan area, leakage is a concern in relation to upper scale amenities. Anecdotally, there is an understanding that higher end food and lodging establishments perform well in Wenatchee. The lack of higher end retail establishments may offer an opportunity for growth and loss of local retail dollars.
10. Great opportunity for growth in the tourism sector may exist as recognized by community leaders. The location and amenities, particularly outdoor recreation, make the region a destination for the Seattle, Tacoma, Bellingham, and Olympia metro areas. Consolidated marketing is expected to help growth in this sector. Additionally, recruitment of businesses is recognized as directly connected to tourism and the experience of visitors. January and February remain the most challenging period of the year which in turn may offer the greatest opportunity for growth.

11. Intangible qualities in the region may present some of the greatest assets and strengths of the region. The Wenatchee Valley is often compared to Missoula, Bend, Walla Walla, Bellingham, and Olympia in overall feel. The friendly and community minded population base is evident in the high participation levels in service clubs and faith based organizations. Additionally, the region is conservative in nature and is business friendly. These attributes are often not measurable but make a difference in business success. They also offer fantastic opportunities to attract labor. Marketing of these intangibles may produce better results than expected.
12. Adding to the aforementioned intangibles are the physical resources that exist in the Wenatchee Valley. The resources in a small city including inexpensive utilities, arts and culture facilities, a community college, outdoor recreation opportunities, and the centrality of the Wenatchee Valley both in the State and the MSA provide tremendous inherent advantages for the urban area. Brainstorming and exploiting these resources to provide businesses with a competitive advantage may assist in business recruitment.
13. The centrality of the Wenatchee Valley to the region provides an inherent demand on housing, especially as it relates to support of the agricultural related industries. Combined with the lack of raw land available for development, the cost of housing far exceeds comparable cities in eastern Washington. Development of infill strategies, such as multifamily incentives close to the city core, to mitigate the rising cost of housing may help with the recruitment of labor necessary to support economic development.
14. Land availability is the largest challenge for the Wenatchee Valley and yet may be an opportunity for redevelopment. Due to the surrounding mountainous topography, generally there is a shortage of new vacant undeveloped commercial and residential property. However, there is a surplus of vacant developed commercial property offering a great opportunity for redevelopment. Anecdotally, comments have been made to the effect that the City of Wenatchee looks tired. Additionally, the commercial intensity is fairly low relative to the past. The challenge of facilitating affordable redevelopment and removing barriers is significant. The opportunity associated with redevelopment in the Wenatchee Valley is the continued development of a unique and desirable community in Eastern Washington. Developing strategies to facilitate redevelopment is highly recommended.
15. Labor as a resource presents some of the greatest challenges to the region. The age distribution and education attainment levels present a compounding problem of a lack of skilled and educated labor force. High School dropout rates have been exceptionally high lately. Furthermore, the competition between the older workforce and the younger workforce for entry level jobs has resulted in high unemployment rates amongst youth. These factors also result in lower average wages in the region as compared to the State. Wage erosion continues to be a trend for the region. Local leaders emphasize that education and skills development should be a top priority in the arena of economic

development. As the youth bubble moves into the middle aged labor force and baby boomers retire, the importance of education and skills becomes even more critical to employers. Focusing on quality K-12 education and coordinating industry needs with advanced education efforts were a focal point of the Steering Committee.

16. The growing youth population and workforce is primarily Hispanic. Recognition of the strengths and weaknesses of the region's youth and developing strategies to address the needs of employers is critical to the future of the region's economy. Improving education and skills of the workforce needs to accompany the associated job opportunities to retain the investment of the community. Keeping educated and skilled labor here is recognized as a key outcome desired improving economic health.
17. Many organizations and governmental entities perform economic development in various degrees and with various objectives. The steering committee for the development of this Consolidated Plan reinforced the need to collaborate and share information. Strategies such as holding economic summits and joint marketing were suggested. Overall, many of the above mentioned opportunities and challenges are being addressed; however, there is room for improvement in coordination and consolidation of resources.

Other....

This summary is intended to be expanded as experts in many fields can provide various perspectives. It is recognized by the City that the area of economic development is extremely challenging and the data requires context in order to be valuable information. Hopefully, consolidating information and knowledge of our region will result in the improvement of existing effective economic development strategies as well as the creation of new strategies.

HUD SPECIFIC DISCUSSION

What are the major employment sectors within your jurisdiction?

Based on sector analysis by job numbers, gross wages paid, and gross domestic product it is clear that the largest income producing sector is Government. Also, the sectors of Health Care, Agricultural Production, Retail Trade, and Rental/Real Estate are primary drivers of the current economy within the greater MSA.

Describe the workforce and infrastructure needs of the business community:

Based on the best information available primarily from discussions with community members, concern over skills and education levels of the workforce may be the biggest need to be addressed. Within the City of Wenatchee infrastructure needs are minimal; however, better utilization of historic preservation incentive programs as well as assistance with redevelopment issues such as building code compliance and environmental contamination may help the business community. Due to the lack of land availability, redevelopment and infill are really the only

options for improving the business sector. Additionally, the City is exploring providing assistance with utility extensions to promote infill.

Describe any major changes that may have an economic impact during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create

The Wenatchee waterfront infrastructure development effort is nearly complete. Business growth and residential growth along the waterfront is expected in the coming years. Projects like the Pybus Public Market on the Wenatchee waterfront are an excellent example of private and public investment that impact jobs and business growth especially for small business startups. Small business startups are most prone to failure and thus need more technical support.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

Excluding the agricultural and retail workforce, the current City of Wenatchee workforce is primarily made up of professionals, health care providers, public administration officials, and skilled workers associated with government jobs. The workforce makeup suggests that opportunities exist in spin off or closely related fields associated with these sectors.

Wenatchee's low educational attainment poses challenges for the expansion of better paying jobs in the management, business and finance sector, including health care which has seen significant growth in recent years. The city continues to struggle to attract and retain educated younger workers who are concentrated in urbanized areas with greater job opportunities. Retooling the skills of workers in the natural resources and construction industry sectors that have seen decline in the last decade has also been a challenge.

The educational attainment of local workers is appropriate given the concentration of agricultural and warehousing/transportation occupations. The improvement in high school graduation and some college/associates degree attainment levels are appropriate for service, sales and office industries. However, the low wages in many of these occupations provides few avenues to advance the economic position of households in the city. Expanding Wenatchee's economic base into higher paying management, health care and engineering jobs will require improvements in educational attainment levels and specialized training that will make the workforce more competitive with other regions.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan

Skillsource, Worksource, the School District, and the Wenatchee Valley Community College are all involved in skills training. These programs are very beneficial and are in need of continued support.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

The City of Wenatchee is part of the North Central Washington Economic Development District.

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Small business support is a high priority at the EDD as well as support of the three county area including the Colville Confederated Tribes in coordination of economic development efforts.

HOUSING PROBLEMS

OVERVIEW

This Housing Problems section analyzes the number and types of households facing housing problems in the city of Wenatchee. The data for this analysis are based on HUD's custom tabulations of the American Community Survey estimates known as CHAS, Comprehensive Housing Affordability Strategy, which have varying degrees of reliability depending on the sample size. Because of this, CHAS figures, especially those involving small numbers of households may not be precise. Nonetheless the information is valuable in determining the areas of greatest need and relative frequency of housing problems among populations in the city.

Housing problems are defined by HUD as:

- **Substandard Housing:** Lack of complete kitchen or plumbing facilities
- **Cost burdened:** Defined when housing costs exceed 30 percent of the household income. Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payments, taxes, insurance, and utilities. A "severe cost burden" exists when a household pays more than 50% of their income toward housing costs.
- **Overcrowded:** Overcrowded is defined as more than one person per room, not including bathrooms, porches, foyers, halls, or half-rooms. A severely overcrowded household is defined as more than 1.5 persons per room, not including bathrooms, porches, foyers, halls, or half-rooms.

HUD defines low and moderate income households as those households earning less than 80% of the Area Median Income (AMI), adjusted for family size.

Housing cost burdens are the most common housing problems, affecting the largest number of households. **In total an estimated 3,210 renter-occupied households are low- to moderate-income** (with incomes less than 100% of AMI). **Approximately 50 percent of all rental households are burdened with housing costs above 30 percent of their income.** Cost burdens are also a significant problem among homeowner households in the city, impacting an estimated more than **2,300** families.

Elderly households are more affected by housing cost burdens and an estimated more than 1,200 elderly households face cost burdens in the city. Elderly households make up approximately 45% of renter and owner households with cost burdens of more than 30-50% of household income and an estimated 50% of households with severe cost burdens. Small families are also a significant share of those with housing cost burdens, making up around one-third of households with cost burdens.

In general, low-income Hispanic/Latino households have somewhat higher estimated levels of housing problems and cost burdens than the city’s population as a whole but most income groups do not have a disproportionate need as defined by HUD.

This section is organized into the following subsections:

1. All Housing Problems
2. Substandard Housing
3. Overcrowding
4. Cost Burdens
5. Housing Problems Discussion
6. Disproportionately Greater Needs

ALL HOUSING PROBLEMS

The most recent data estimates that nearly 3,000 households in Wenatchee face one or more housing problems. This represents an estimated 1,660 renter households and an estimated 1,395 homeowner households. (Plan Table 8, CHAS Table 1, 2005-2009 ACS Estimates) Approximately two-thirds of those estimated to have housing problems are households at these lowest income levels.

Table 38 – Wenatchee Housing Problems

Housing Problems (Households with one or more Housing problems: Lacks kitchen or bathroom, Overcrowding, cost burden)										
	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0- 30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
Having 1 or more of four housing problems	655	570	775	190	2190	170	325	485	315	1295
Having none of four housing problems	110	120	670	200	1100	40	250	335	325	950
Household has negative income, but none of the other housing problems	35	0	0	0	35	0	0	0	0	0

Data Source: 2010-2014-CHAS

Not surprisingly renters at income levels below 50% of AMI have the highest rates of housing problems. Approximately half of households estimated to have housing problems are those at the lowest income levels, below 50% of AMI. Also, non-family households, which generally have lower incomes, have high rates of housing problems and make up a disproportionate share of households with housing problems. (CHAS Table 1, 2010-2014 ACS Estimates).

Table 39 – Renter Households with Housing Problems

RENTER HOUSEHOLDS WITH HOUSING PROBLEMS		
Household Type	Share of households with housing problems	Share of Household Type
Family, No Spouse	19%	35%
Married	24%	32%
Non-Family	57%	47%

(Source: CHAS Table 4 2012-2016 ACS Estimates)

When housing problems are detailed by type as in the following table, it becomes clear that housing cost burdens are the most common housing problems, affecting the largest number of households. In total an estimated 3,210 renter households (with incomes less than 100% of AMI) in Wenatchee face a housing cost burden of more than 30% of their income and no other housing problems. Cost burdens are also a significant problem among homeowner households, impacting an estimated 2,310 households (with incomes less than 100% of AMI).

Table 40 – Housing Problems Detailed

HOUSING PROBLEMS (HOUSEHOLDS WITH ONE OF THE LISTED NEEDS)										
	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Substandard Housing - Lacking complete plumbing or kitchen facilities	45	50	0	15	110	30	0	0	10	40
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	0	0	0	0	0	0	0	0	0	0
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	65	30	0	0	95	0	0	25	10	35

HOUSING PROBLEMS (HOUSEHOLDS WITH ONE OF THE LISTED NEEDS)										
	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 50% of income (and none of the above problems)	595	225	65	15	900	155	130	155	80	520
Housing cost burden greater than 30% of income (and none of the above problems)	625	570	660	150	2005	170	325	425	285	1205
Zero/negative Income (and none of the above problems)	0	0	0	0	0	0	0	0	0	0

Data Source: 2010-200914HAS

SUBSTANDARD HOUSING

Substandard housing identified by housing problems established by HUD include incomplete kitchen facilities, incomplete plumbing facilities, (without hot and cold piped water, a flush toilet and a bathtub or shower, and kitchen facilities that lack a sink with piped water, a range or stove, or a refrigerator) more than one person per room, and cost burden greater than 30 percent. The table above includes estimates of the number of renter households and owner households living in substandard housing, according to available CHAS data.

More renter households are living in substandard housing than owner households. An estimated 2,400 renter households at all income levels (2,190 below 100 percent AMI) have at least 1 of the 4 problems listed above. Those living in substandard housing are also likely to be experiencing housing cost burdens. In particular, all of the estimated 570 renter households earning 30%-50% of AMI living in substandard housing also faced cost burdens of 50% or more. (CHAS Table 3, 2010-2012 ACS Estimates)

An estimated 1,935 owner occupied households at all income levels (approximately 1,290 with incomes less than 100% AMI) in Wenatchee are living in substandard housing that lacks plumbing and kitchen facilities. An estimated total of 170 owner occupied households at less than 30% AMI with a housing cost burden of 30-50% are in substandard housing. Additionally, an estimated 120 owner occupied households at 100% AMI with a cost burden of 30-50% live in substandard housing. The highest rates of those in substandard owner-occupied housing are among those

with no cost burden, including those with incomes of more than 100% AMI. (CHAS Table 3, 2010-2014 ACS)

Based on input gathered from social service providers, low-income legal aid services, and schools, there may be more substandard housing in the community than has been documented. Wenatchee's City Code Enforcement Officer has witnessed individuals and families living in structures intended as outbuildings, as well as in other converted living units in houses not built or redeveloped as multi-family housing. Commonly observed issues seen by code enforcement include, electrical issues, insufficient ingress/egress, and pest infestations. Homeowners who are struggling to make ends meet postpone or neglect repairs, and according to Rental Association of Wenatchee Valley, frequently create make-shift "dorm rooms" to bring in enough income to make their payments. Wenatchee's low vacancy rate creates a disincentive to report safety concerns, as tenants fear having their rent raised or being evicted. Concerns with eviction prevent tenants reporting substandard conditions to landlords and/or code enforcement. Wenatchee does not have any rental inspection requirements. While code enforcement has not found significant substandard housing, supporting code enforcement is a key tool for the City in preventing substandard housing and eventual neighborhood blight. Additionally, support for programs such as Volunteer Chore Services and Rebuilding Together, which provide no-cost home repair assistance to low-income residents, are an invaluable resource in addressing housing conditions and substandard housing issues.

Interviews conducted with the general community, including the business community, revealed two common misperceptions: 1) That low income neighborhoods are predominately Hispanic/Latino. In fact, large numbers of White/non-Hispanic families are living in substandard housing. 2) Hispanic /Latino families don't mind when a house is overcrowded due to doubling-up or tripling-up. The fact that many low-income Hispanic/Latino families live in overcrowded conditions is actually a reflection of both cultural values and economic reality. Cultural values create an expectation of helping and accommodating extended family; the economic reality is that most cannot afford a less crowded alternative. It is not an optimum situation, as is made clear by educators and case managers who visit those families. Families that may have had a chance at stability are put at risk because of crowded conditions that create safety and health issues. Additionally, the stress on these families affects members' ability to perform adequately at school and work.

An elementary school principal with a large migrant student population described families living in garages, R.V.'s, and/or sleeping in hallways because there were no more bedrooms. The local low-income legal service notes that many recent immigrants have safety issues in their home but do not report them. This is sometimes due to the presence in their extended family of one or more individuals who are undocumented. Even without immigration concerns, there can be reluctance to complain due to fear that they will be evicted and will be unable to find housing they can afford. Language and cultural barriers complicate these types of situations, and - as is common with any minority population - there is often a sense of being vulnerable to those perceived as being in power.

OVERCROWDING

According to American Community Survey CHAS data, overcrowding impacts a relatively small number of households in compared to other housing problems. Overcrowding is defined as households with more than 1 person per room excluding bathrooms, porches, foyers, halls or half-rooms.

All of the renter families that are living in overcrowded conditions are estimated to be single-family households (households containing one family) with the lowest incomes of less than 50% of AMI. An estimated 95 renter households with incomes below 100% AMI are living in overcrowded conditions. The data does not show any severely overcrowded renter households with more than 1.5 people per room with incomes below 100% AMI.

There are fewer owner households that are overcrowded; an estimated 130 owner households with incomes below 100% of AMI. Overcrowded owner households are both single family and multiple, unrelated family households that contain multiple, unrelated families living in a single unit. Unlike overcrowding in rental housing that was most common among households at the lowest income levels, overcrowding among homeowners occurred only among households with more than 50% AMI, including households with incomes more than 100% of AMI. The data does not show any severely overcrowded owner households with more than 1.5 people per room with incomes below 100% of AMI.

Table 41 – Overcrowding Information

Crowding (More than one person per room)										
	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Single family households	115	90	275	0	480	0	15	85	10	110
Multiple, unrelated family households	0	0	0	0	0	0	0	20	0	20
Other, non-family households	0	0	0	0	0	0	0	0	0	0
Total need by income	115	90	275	0	480	0	15	105	10	130

Data Source: 2010-2014 CHAS

In contrast to the ACS CHAS data, schools serving our low- and moderate-income families report significant concern about students in overcrowded households. School staff report families living in a garage or children sleeping on floors. Sometimes these situations are expected to be temporary as families take in other family members in an emergency; when the crisis is not

quickly resolved, overcrowding continues. The lack of affordable, accessible housing makes the community vulnerable to such situations. See the additional discussion regarding overcrowding indications in the above Substandard Housing subsection.

COST BURDENS

The two tables below display the number of low- and moderate-income households with housing cost burdens more than 30% and 50%, respectively, by household type, tenancy, and household income (expressed as a percentage of Area Median Income (AMI)).

Table 42 – Cost Burden more than 30% of Income

Cost Burden > 30% (including cost burdens >50% detailed below)								
	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	195	150	145	490	75	75	295	445
Large Related	30	30	0	60	0	15	80	95
Elderly	310	300	80	690	220	230	70	520
Other	135	145	25	305	4	20	30	54
Total need by income	670	625	250	1,545	299	340	475	1,114

Data

Source: 2005-2010 CHAS

An estimated 1,545 low- and moderate-income renter households face a cost burden of more than 30% of their income going towards housing costs. This amounts to an estimated 28% of all renter households in the city and 46% of all renters within the same income range (below 80% of AMI). An estimated 1,114 low- and moderate-income owner households face a housing cost burden, representing 39% of all low- and moderate-income homeowners.

By analyzing the figures in the below table, roughly 60% of low- and moderate-income renter households with housing cost burdens (versus only 37% of cost-burdened homeowners) are paying more than 50% of their income on housing costs.

Both tables also illustrate the prevalence of elderly low- and moderate-income households with housing cost burdens, particularly severe cost burdens (more than 50% of income on housing).

Table 43 – Cost Burden more than 50% of Income

Cost Burden > 50%								
	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	170	65	10	245	75	20	35	130
Large Related	30	0	0	30	0	0	0	0
Elderly	235	205	50	490	95	120	30	245
Other	125	40	0	165	4	20	15	39
Total need by income	560	310	60	930	174	160	80	414

Data Source: 2005-2009 CHAS

Several factors are contributing to the high cost burden of housing. Local leaders in the real estate, mortgage and banking industry report seeing homeowners who had financed a home with two incomes trying to manage it on one income, due to a spouse/partner’s unemployment. Employment security administration reports that a large number of local professionals who lost jobs in the recession have returned to work for much lower salaries, making the debt burden of their home mortgage a higher ratio than before. Wages are not keeping pace with inflation – although median rent has kept pace. In addition, we have few units available for singles and small families, creating a market where renters may pay more than they can afford for a unit that is larger than what they actually need. There is more discussion on housing costs in the Housing Market Analysis section of the Consolidated Plan.

HOUSING PROBLEMS DISCUSSION

MOST COMMON HOUSING PROBLEMS

Housing cost burdens are the most common housing problems in the city of Wenatchee, affecting the largest number of households. These cost burdens can create significant hardships for households by impacting their ability to meet other basic needs such as food, transportation and health care. A cost burden is present when the household pays between 30% and 50% of their income toward housing costs. A severe burden is present when a household pays more than 50% of their income toward housing costs.

For renters, housing costs include rent paid by the tenant plus utilities. In total an estimated 1,580 renter households in Wenatchee with incomes less than 100% of AMI face a housing cost burden of more than 30% of their income. This amounts to an estimated 29% of all renter households in the city. Not surprisingly, cost burdens are most prevalent among households with very low incomes when average rents are unaffordable. An estimated one half of low income renter

households with incomes of less than 50 percent AMI have a cost burden of at least 30 percent of their income. 60 percent of all the lowest income rental households (less than 30 percent of AMI) face a severe cost burden of 50 percent or more. Among renters with incomes of 30-50 percent AMI, four out of ten have a cost burden of 30-50 percent of their income and another four out of ten have cost burdens of 50 percent or more. Even among the moderately low-income renter households with incomes of 50-80 percent of AMI, 25 percent have a cost burden of more than 30 percent of their income.

For owners, housing costs include mortgage payment, taxes, insurance, and utilities. Overall, an estimated 1,440 homeowners with incomes less than 100 percent of AMI face housing cost burdens of 30 percent or more of their income. This amounts to an estimated 17 percent of all owner households in the city. As with renters, a greater share of lower income homeowners faces housing burdens. Two thirds of all households with incomes of less than 50 percent of AMI have housing cost burdens of at least 30 percent of household income. Nearly half of all homeowners with the lowest incomes (less than 30 percent of AMI) have severe cost burdens of more than 50 percent of their incomes and another third have cost burdens of 30 to 50 percent of their incomes. While cost burdens generally decrease for owners with higher incomes, a significant share of families with incomes of at least 50 percent of AMI still face cost burdens that could put them at risk of foreclosure if they encounter economic hardships.

POPULATIONS MORE AFFECTED

Elderly households make up the greatest share of households with housing cost burdens among subpopulations above. Elderly households are defined by HUD as households whose head, spouse or sole member is a person who is at least 62 years of age. Approximately 41 percent of renter and homeowner households with cost burdens of more than 30 percent are elderly (2,910 households). Even more alarming, elderly households account for an estimated 50 percent (totaling 1,455 households) with severe cost burdens of more than 50 percent. Most of the elderly households facing cost burdens are households with the lowest incomes. Approximately 1,715 elderly households with at least one of the four housing problems are below 50 percent of the AMI.

Reports from Aging and Adult Services, Catholic Family Volunteer Chore Services, and Rebuilding Together indicate that a large number of elderly wish to remain in their homes but lack the means or resources to maintain them properly. Qualifying low-income seniors may get help with routine repairs from these agencies, as well as help with basic maintenance such as snow shoveling in winter. Beyond such routine maintenance, there arises the question of whether it is feasible or realistic for the elderly to remain in their homes, and/or whether they can afford to rent the home in which they currently live. Given our demographic trend of an increasingly older population, it will be important for us to consider the need for senior citizen housing comprised of smaller units, located near services and/or public transportation.

There is a shortage of available assisted living for low-income elderly, according to the Area Agency on Aging and Adult Care. The facilities that accept Medicaid have waiting lists, making it difficult for low-income elderly to obtain an apartment. Private for-profit facilities have limited availability for Medicaid clients, as they receive less from Medicaid than from private pay. The majority of Title 19 clients in Chelan County – 66% - reside in Wenatchee, according to the agency's Third Quarter report. Case managers report visiting clients who live in substandard rental housing, and are timid about complaining. This reinforces the need for the city to support code enforcement.

Lack of housing for low-income seniors has sent a number of the area's elderly to neighboring Grant County, where low-income senior housing is plentiful. The agency reports 312 Medicaid Title 19 clients in Chelan County, 205 of which are in Wenatchee; by contrast there are 623 clients in Grant County. While the population of Grant County exceeds Chelan County by 124%, (US Census 2010) the Title 19 population exceeds Chelan County's by 200%.

A more detailed discussion of Wenatchee's elderly population, needs, facilities and services is included in the Non-Homeless Special Needs section.

AT-RISK HOUSEHOLDS

Lack of affordable single unit housing, low-income senior housing, and permanent supportive housing have increased instability and the risk of homelessness for many Wenatchee households. There is a need for housing for the extremely low income, some of whom find themselves over-housed and cost burdened, overcrowded, or in substandard housing due to the lack of suitable, affordable housing for their needs.

Individuals and families at risk of homelessness are largely at risk because they have such scarce financial resources and the opportunity for living wage jobs is equally scarce. Agencies report that inability to find work is the number one problem their clients face. A local faith-based agency reports that they are seeing a surge of people who are at risk of eviction and relying on food banks, simply because they are not able to find employment adequate to meet basic needs. All local agencies report the appearance of an increasing number of families, rather than individuals, at risk of homelessness. Because of the severe housing cost burden many of these families experience, unemployment or reduced unemployment and/or benefits places them on the edge of homelessness more quickly than had they had a more manageable situation prior to the immediate crisis.

Another sub-population of concern is youth who are at risk of homelessness, including both adolescents and young adults. Our high school graduation rate of **82.8 percent** (Chelan-Douglas Trends) indicates a large number of adolescents with no diploma, and therefore limited employment options. The local community college reports an increasing number of students sleeping in their cars. This increase has prompted concern on the part of college administration and the student body. The college plans, for the first time, to host its own Food Bank this

academic year. The supervisor for the region's Foster Care program reports that the majority of youth exiting the foster care system have no home to go to. Even with employment, the lack of affordable single-person rental property places these youth at risk of couch-surfing or living on the streets. All of this has been exacerbated by the lack of affordable housing, and the influx of persons seeking services and/or employment who have come to Wenatchee from outlying rural areas.

SINGLE HOUSEHOLDS

Single-person households are an **estimated 33 percent** of all households, **3,867** households in total. Among renters, one-person households comprise approximately **42.3 percent** of renters (ACS 3 year, 2012-2016, S2501). Single-person households have a median income at the lowest end of the income spectrum, estimated to be **\$26,573** (ACS 3 year, 2012-2016, B19019). An estimated **47 percent** of single-person households are seniors, while the balance is working age adults. There are approximately **1,540** studio and 1 bedroom housing units in the city which means that more than half of all single-person households are likely to be living in larger housing units which could impose a cost burden given their lower than average incomes.

DISABLED HOUSEHOLDS

Approximately **24 percent** of Wenatchee's civilian non-institutionalized population identifies as disabled, a total of approximately **7,709 people**, slightly below than the state average. Females are estimated to have higher rates of disability in the city at **14 percent compared to 11.5 percent** for males. **This is opposite from disability data in 2013.** There is also a notable difference in disability rates among Hispanic/Latino and non-Hispanic white residents, with non-Hispanic whites reporting much higher disability rates, **15 percent compared to 6 percent** although small sample sizes may exaggerate this difference.

Seniors have the highest disability rates, over **35 percent** of seniors in the city are estimated to be disabled. Seniors are most impacted by disabilities related to hearing, ambulatory and self-care difficulties. An estimated **1,984** working age adults aged 18-64 are disabled. They are most impacted by **independent living** and cognitive difficulties. (ACS 3 year estimates 2012-2106, S1810). A more detailed discussion of Wenatchee's disabled population, needs, facilities and services is included in the Non-Homeless Special Needs section.

VICTIMS OF DOMESTIC VIOLENCE

Wenatchee has experienced a spike in domestic violence incidents, as is typical during a recession and financial crisis. The regional shelter reports domestic violence services are up 32% since 2007; sexual assault is up 17%, and victims of crime up 74%. Shelter bed nights are up by 32%, average stay up by 18% and overall unduplicated clients are up by 14%. This creates an urgent housing need for victims and in most cases their children as well. More than half of the shelter's residents have no employment, and no other source of income. The majority of Hispanic/Latino clients are mono lingual, greatly hindering their ability to navigate services, seek employment, or pursue education.

DISPROPORTIONATELY GREATER NEED

It is important to understand whether some populations in Wenatchee are more impacted by housing problems. HUD uses the term “disproportionately greater need” to express whether a race or ethnic category of the population is experiencing housing problems at higher rates than others. HUD defines a disproportionately greater need as existing “when the members of racial or ethnic group at an income level experience housing problems at a greater rate (10% or more) than the income level as a whole” (eCon Planning Suite Desk Guide). In the following charts, the numbers of households listed as “No/Negative Income (Not Computed)” are households whose income is \$0 or negative due to self-employment, dividends, and net rental income. Assuming that households in this category have housing costs, the cost burden would be 100%. These households are not included in the other two categories or the calculations for disproportionately greater need.

Although the purpose of this subsection is to analyze the relative level of need for each race and ethnic category, the data also provides information for Wenatchee as a whole that can be useful in assessing overall housing needs.

HOUSING PROBLEMS

The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

Table 44 – Disproportionate Greater Need, Housing Problems

OWNER & have a housing problem 4750					RENTER & have a housing problem 3175				
Income	<30	30-50	50-80	80-100	Income	<30	30-50	50-80	80-100
White	445	655	885	1945	White	890	840	450	85
Black	0	0	0	30	Black	45	0	0	0
Asian	0	0	0	0	Asian	0	0	0	0
American Indian	0	0	0	15	American Indian	30	0	0	20
Pacific Islander	0	0	0	0	Pacific Islander	0	0	0	0
Hispanic	100	30	250	350	Hispanic	295	230	165	30
Other	0	45	0	0	Other	0	95	0	0
TOTAL	545	730	1135	2340	TOTAL	1260	1165	615	135
OWNER & no housing problem 12849					RENTER & no housing problem 4260				
Income	<30	30-50	50-80	80-100	Income	<30	30-50	50-80	80-100
White	135	550	1565	9410	White	115	145	1035	1885
Black	0	0	0	170	Black	0	0	0	0
Asian	0	0	25	140	Asian	0	0	0	0
American Indian	0	0	0	50	American Indian	0	0	0	0
Pacific Islander	0	0	0	0	Pacific Islander	0	0	0	0
Hispanic	0	15	110	529	Hispanic	45	130	410	435
Other	0	0	0	150	Other	0	10	50	0
TOTAL	135	565	1700	10449	TOTAL	160	285	1495	2320
OWNER & NA housing problem 80					RENTER & NA housing problem 730				
Income	<30	30-50	50-80	80-100	Income	<30	30-50	50-80	80-100
White	80	0	0	0	White	115	80	205	0
Black	0	0	0	0	Black	0	0	0	0
Asian	0	0	0	0	Asian	0	0	0	0
American Indian	0	0	0	0	American Indian	0	0	0	0
Pacific Islander	0	0	0	0	Pacific Islander	0	0	0	0
Hispanic	0	0	0	0	Hispanic	150	15	150	15
Other	0	0	0	0	Other	0	0	0	0
TOTAL	80	0	0	0	TOTAL	265	95	355	15

Source 2010-2014 CHAS, Table 1

Hispanic/Latino households with incomes of 0-30% percent of the Area Median Income have a disproportionately greater need with regard to housing problems. African Americans and American Indians also face disproportionately greater need as well; however, a very small population size makes this finding less reliable.

Among households with incomes of 30-50 percent of AMI there are no racial or ethnic groups that are disproportionately impacted by housing problems. An estimated 67 percent of all residents at this income level face one or more housing problems compared to an estimated 62 percent of Hispanic/Latino households and 66 percent of White households.

No racial or ethnic groups at 50-80 percent of Area Median Income are disproportionately impacted by one or more housing problems. An estimated 33 percent of households at this moderately low-income level face one or more housing problems, compared to 38 percent of Hispanics/Latinos and 32 percent of non-Hispanic whites.

Hispanic/Latino households with incomes between 80-100 percent of AMI are disproportionately impacted by one or more housing problems. An overall of 16 percent compared to an estimated 28 percent of Hispanic/Latino Households are facing one or more housing problems, and with 15 percent of White households at this income overall. Data suggest that African Americans are also disproportionately impacted; however, very small sample sizes make these figures less reliable.

SEVERE HOUSING PROBLEMS

Severe housing problems are defined as households with cost burdens of more than 50% of their income and overcrowded households with more than 1.5 persons per room, not including bathrooms, porches, foyers, halls, or half-rooms. A disproportionately greater need exists when the members of a racial or ethnic group at an income level experience housing problems at a greater rate (10% or more) than the income level as a whole. In the following charts, the numbers of households listed as “No/Negative Income (Not Computed) are households whose income is \$0 or negative due to self-employment, dividends, and net rental income. Assuming that households in this category have housing costs, the cost burden would be 100%. These households are not included in the other two categories or the calculations for disproportionately greater need.

The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

Table 45 – Disproportionate Greater Need, Severe Housing Problems

OWNER & a severe housing problem 1685					RENTER & a severe housing problem 1480				
Income	<30	30-50	50-80	80-100	Income	<30	30-50	50-80	80-100
White	340	405	290	390	White	730	390	75	40
Black	0	0	0	0	Black	45	0	0	0
Asian	0	0	0	0	Asian	0	0	0	0
American	0	0	0	15	American	0	0	0	0
Pacific Isa	0	0	0	0	Pacific Isa	0	0	0	0
Hispanic	100	30	30	85	Hispanic	200	0	0	0
Other	0	0	0	0	Other	0	0	0	0
TOTAL	440	435	320	490	TOTAL	975	390	75	40
OWNER & no housing problem 15910					RENTER & no housing problem 5930				
Income	<30	30-50	50-80	80-100	Income	<30	30-50	50-80	80-100
White	240	795	2160	10960	White	275	595	1410	1,925
Black	0	0	0	200	Black	0	0	0	0
Asian	0	0	25	140	Asian	0	0	0	0
American	0	0	0	50	American	30	0	0	20
Pacific Isa	0	0	0	0	Pacific Isa	0	0	0	0
Hispanic	0	15	335	795	Hispanic	145	360	575	440
Other	0	45	0	150	Other	0	105	50	0
TOTAL	240	855	2520	12295	TOTAL	450	1060	2035	2385
OWNER & NA housing problem 80					RENTER & NA housing problem 820				
Income	<30	30-50	50-80	80-100	Income	<30	30-50	50-80	80-100
White	80	0	0	0	White	115	80	205	70
Black	0	0	0	0	Black	0	0	0	0
Asian	0	0	0	0	Asian	0	0	0	0
American	0	0	0	0	American	0	0	0	0
Pacific Isa	0	0	0	0	Pacific Isa	0	0	0	0
Hispanic	0	0	0	0	Hispanic	150	15	150	35
Other	0	0	0	0	Other	0	0	0	0
TOTAL	80	0	0	0	TOTAL	265	95	355	105

Source, 2010-2014 CHAS, Table 2

Hispanic/Latino households with incomes between 0% and 30% of AMI are not disproportionately impacted by one or more severe housing problems. An estimated 58 percent of all households at this income level face severe housing problems compared to 50 percent of Hispanic/Latino households and 60 percent of non-Hispanic white households. Data suggest that

African American are also disproportionately impacted; however, very small population numbers make these figures less reliable.

No racial groups at 30-50% of AMI are disproportionately impacted by housing problems compared to all households at that income level. An estimated 29 percent of all households at 30-50 percent of AMI have severe housing problems, including 7 percent of Hispanic/Latino households and 35 percent of White households.

No racial group at either the 50-80 percent or 80-100 percent AMI income level is disproportionately impacted by severe housing problems. Less than 10 percent of households at this income level face severe housing problems.

HOUSING COST BURDENS

A disproportionately greater number of cost-burdened households exists when the members of a racial or ethnic group at an income level experience cost burdens at a greater rate (10 percent or more) than the population at the income level as a whole. A household has a cost-burden if they pay more between 30-50 percent of their income towards housing costs and a severe cost burden if they pay more than 50 percent of their income for housing. In the following charts, the numbers of households listed as “No/Negative Income (Not Computed)” are households whose income is \$0 or negative due to self-employment, dividends, and net rental income. Assuming that households in this category have housing costs, the cost burden would be 100 percent. These households are not included in the other two categories or the calculations for disproportionately greater need.

Table 46 – Disproportionate Greater Need, Housing Cost Burdens

OWNER 17680							
Race	White	Black	Asian	American Indian	Pacific Islander	Hispanic	Other
None (<30%)	11760	170	165	50	0	940	150
Moderate (30-50%)	2510	30	0	0	0	290	45
Severe (>50%)	1315	0	0	15	0	160	0
No/Negative Income (Not computed)	80	0	0	0	0	0	0
TOTAL	15665	200	165	65	0	1390	195
RENTER 8220							
Race	White	Black	Asian	American Indian	Pacific Islander	Hispanic	Other
None (<30%)	3380	0	0	0	0	1230	55
Moderate (30-50%)	865	0	0	50	0	290	95
Severe (>50%)	1195	45	0	0	0	200	0
No/Negative Income (Not computed)	465	0	0	0	0	350	0
TOTAL	5905	45	0	50	0	2070	150

DISPROPORTIONATE GREATER NEED DISCUSSION

HUD defines a disproportionately greater need as being present “when the members of a racial or ethnic group at an income level experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole.”

HOUSING PROBLEMS

In general, Low-income Hispanic/Latino households have somewhat higher levels of housing problems than the city’s population as a whole but most income groups do not have a disproportionate need as defined by HUD.

Hispanic/Latino households with incomes of 0-30% of the Area Median Income have a disproportionately greater need with regard to housing problems. An estimated 100% of low-income Hispanics/Latinos facing one or more housing problems compared to 90% for the households at that income level as a whole. African Americans also face disproportionately greater need as well; however, a very small population size makes this finding less reliable (100% of 10 families have housing problems). 42 percent of non-Hispanic whites at this income level face housing problems.

Hispanic/Latino households with incomes between 80% and 100% of AMI are disproportionately impacted by one or more housing problems. An estimated 28 percent of Hispanic/Latino Households are facing one or more housing problems, compared with 16 percent of households at this income overall. Data suggest that African Americans are also disproportionately impacted; however, very small sample sizes make these figures less reliable. Fewer White households at this level have housing problems, an estimated 15 percent.

SEVERE HOUSING PROBLEMS

Hispanic/Latino households with incomes between 0% and 30% of AMI are not disproportionately impacted by one or more severe housing problems. An estimated 58 percent of all households at this income level face severe housing problems compared to 50 percent of Hispanic/Latino households and 60 percent of non-Hispanic white households. Data suggest that African American are also disproportionately impacted; however, very small population numbers make these figures less reliable.

No racial groups at 30-50% of AMI are disproportionately impacted by housing problems compared to all households at that income level. An estimated 29 percent of all households at 30-50 percent of AMI have severe housing problems, including 7 percent of Hispanic/Latino households and 35 percent of White households.

No racial group at either the 50-80 percent or 80-100 percent AMI income level is disproportionately impacted by severe housing problems. Less than 10 percent of households at this income level face severe housing problems.

HOUSING COST BURDEN

African American households are disproportionately impacted by housing cost burdens; however, their small population makes this determination less reliable. No other racial or ethnic group has a disproportionately greater need.

Nearly 840 Hispanic/Latino renter households are estimated to be facing cost burdens of more than 30% of their income but they do not face a disproportionately greater need as defined by HUD. This is compared to only 450 Hispanic/Latino owner households. Approximately 17 percent Hispanic/Latino renters of all income levels are estimated to have cost burdens between 30-50 percent, compared to 16 percent of all renter households and 15 percent of white renter households. No other racial/ethnic groups have sufficient population size to accurately calculate disproportionate need among renters. (CHAS Table 9, 2010-2014, ACS Estimates) The majority (almost 60 percent) of Hispanic/Latino households are renters in the city (2012-2016, American Community Survey 5-Year Estimates, B25003I).

Among homeowners of all income levels Hispanic/Latino homeowners have a disproportionately greater need with cost burdens but not severe cost burdens. An estimated 21 percent of Hispanic/Latino homeowner households of all income levels have housing cost burdens of between 30-50 percent of their income. This is compared to an estimated 16 percent of all homeowners who face housing cost burdens of 30-50 percent of their income. (CHAS Table 9, 2005-2009 ACS)

Hispanic/Latino households reside throughout the City of Wenatchee; however there are areas of higher population concentrations according to the 2016 Census. A map illustrating the Percent of Hispanic/Latino Population by Census Block Group is located above in the Population Profile Race and Ethnicity subsection. The highest concentration of Hispanic/Latino residents is in South Wenatchee, ranging from 53-65 percent by Block Group.

HOUSING MARKET ANALYSIS

OVERVIEW

The purpose of the Housing Market Analysis is to provide a clear picture of the significant characteristics of Wenatchee's housing market, including the supply, demand, condition and cost of housing. In conjunction with other sections, the Housing Market Analysis provides a basis for the Strategic Plan.

This section is organized into the following subsections:

1. Number of Housing Units
2. Tenure
3. Length of Stay
4. Housing Vacancy
5. Building Permits
6. Assisted and Subsidized Housing
7. Cost of Housing
8. Housing Affordability
9. Condition of Housing
10. Age of Housing Units
11. Lead-Based Paint Hazards
12. Rehabilitation Needs
13. Housing Market Analysis Discussion

Renter vacancy rates decreased from 6.9 percent to 1 percent from 2000-2016. Multifamily survey data indicates rents may be rising as much as 15 percent annually in recent years. As of June 2016 the median multifamily rent is estimated to be nearly \$1,300. This rent is considered affordable to a household earning approximately 90 percent of area median income. However multifamily vacancy rates are very low at only 1%. Additionally, 10% of rental units are estimated to be overcrowded. This indicates supply is not keeping up with demand and there may continue to be upward pressure on rents in years to come. Production of 252 additional multi-family units is needed to increase the current vacancy rate to a healthy 5 percent level. More production will be necessary to accommodate continued population and employment growth.

The Wenatchee area housing market has recovered strongly from the downturn in the housing market during the last economic recession. Since 2012, single family median home sales prices have risen by 5.7 percent in the cities of Wenatchee and East Wenatchee. The current single family home median sales price of \$264,550 is affordable to approximately 58% of households, provided the household can afford a 20 percent down payment. While condominiums in the City of Wenatchee are more affordable (median sales price: \$171,450), prices are also rising rapidly and increased 6.6% annually during the same period. One key reason for rising housing prices is

a low vacancy rate among for sale housing (1.4percent). An additional 675 for sale units are needed to increase the current vacancy rate to a healthy 5 percent level.

Two thirds of housing units in the Wenatchee area have three or more bedrooms, yet nearly 60 percent of Wenatchee households have only one or two members. One bedroom and studio units are in particularly short supply; they account for only 11 percent of the current housing supply combined. This finding indicates a significant need for additional smaller housing units. Construction of new housing has fallen precipitously since the housing crisis began. Wenatchee's peak and drop off in permits for new development was not as severe as Chelan County but was still significant. Three-quarters of all new development in the last decade was for single-family homes. Since the housing crisis began there have been just a handful of permits for multifamily housing.

There are currently up to 1,715 households receiving some kind of subsidy in order to keep housing costs affordable. Yet, as of 2014 there were an estimated 2,855 households earning 50% of the median household income or less. According to the Housing Authority of Chelan County and the City of Wenatchee, income-restricted housing and Section 8 housing choice vouchers are both in very high demand with long waitlists.

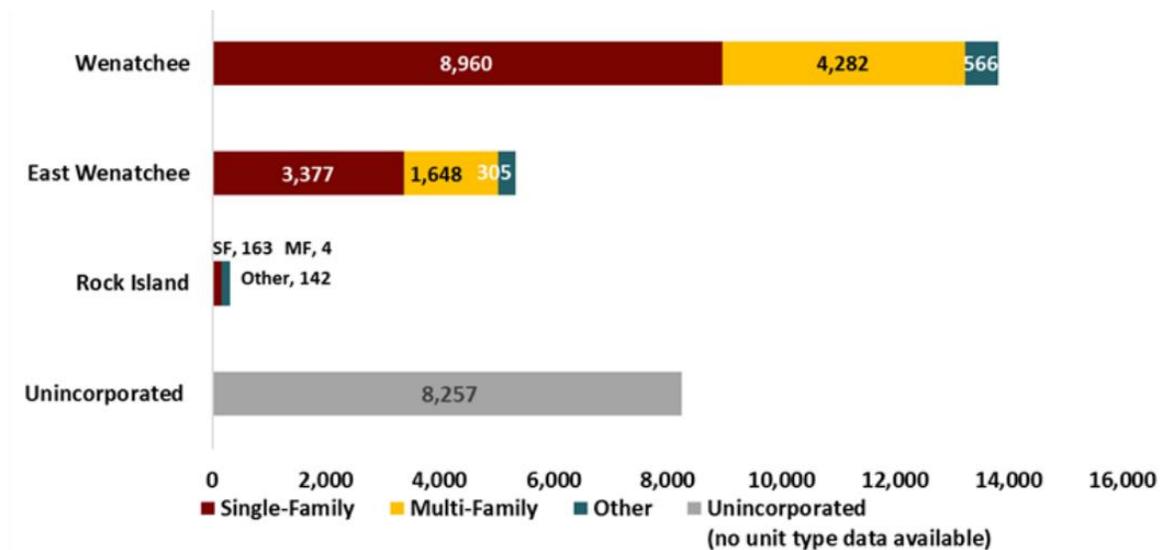
Demographic projections indicate there will be rapid growth in the number of senior households in coming years as baby boomers enter their 60s, 70s, and 80s. Senior households have unique housing needs that will shape market demand in years to come.

NUMBER OF HOUSING UNITS

RESIDENTIAL HOUSING TYPES

As of 2015, an estimated 27,704 housing units are in the Wenatchee Urban Area with approximately 34 percent of them for rent. The low percentage (0.3) of “seasonal, recreational, or occasional use” housing indicates a lack of market for vacation homes in the urban area. Approximately 66 percent of units have three or more bedrooms yet nearly 60 percent of households have only one or two members. The supply of housing units is mismatched with the size of households in need of housing. Below is the breakdown of Wenatchee housing units by type in 2015.

Figure 44 – Wenatchee Housing Types



Source: Washington State Office of Financial Management, 2015; Chelan County, 2016; BERK, 2016.

Table 47 – Occupied Housing Units by Structure Type

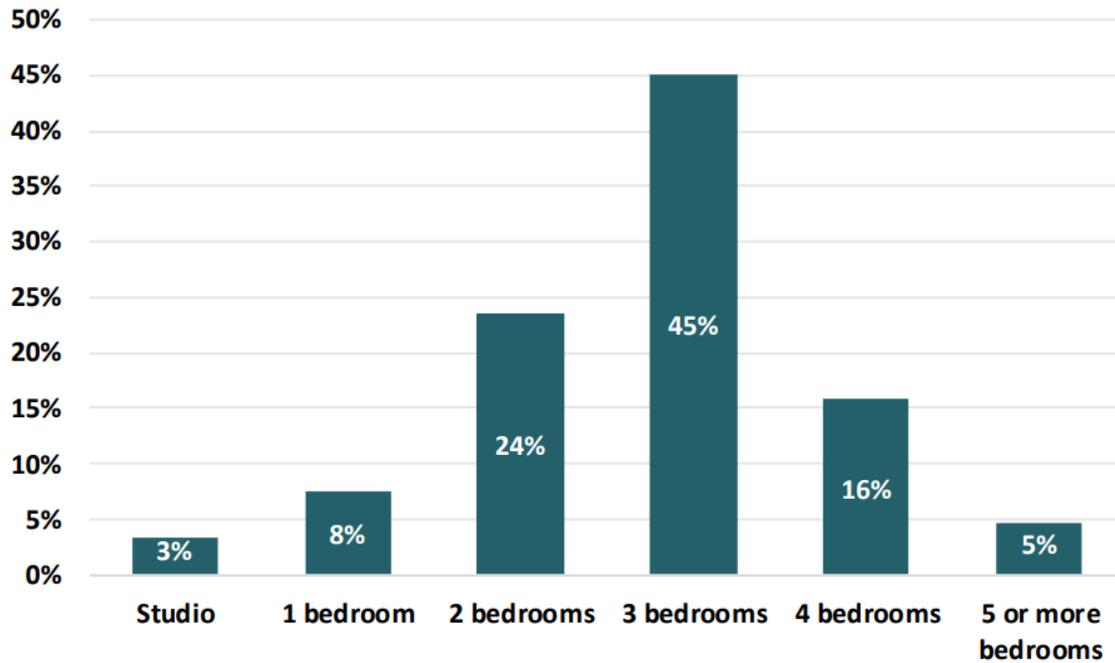
Property Type	Number	%
1-unit detached structure	7,862	61%
1-unit, attached structure	258	2%
2-4 units	1,555	12%
5-20 units	914	7%
More than 20 units	1,610	12%
Mobile Home, boat, RV, van, etc	793	6%
Total	12,992	100%

Data Source: 2006-2010, DP04 ACS Data

TENURE

One third of all households in Wenatchee are renter-occupied. Larger households are much more likely to be owner-occupied whereas 36 percent of renter households have only one member compared to 21 percent with two and 43 percent with three or more.

Table 48 – Unit Size by Tenure



Source: U.S. Census, American Community Survey 1-year estimates, 2014; BERK, 2016.

Renter and owner households have different compositions and characteristics. Renter households tend to be smaller and younger and owner-occupied households are generally somewhat larger and older. Approximately 64 percent of rental units are occupied by 1 or 2 person households with the largest being one person households at 42 percent. This is notable considering two thirds of the housing stock three or more bedrooms. This is similar to the 65 percent of owner occupied units with only one or two residents. (2012-2016 American Community Survey, 5-Year Estimates, S2501)

Individuals over 65 years of age makeup 36 percent of the homeownership and only 16 percent of the population. This is compared to 21 percent of those 65 years of age or older renting a home indicating that approximately 80 percent of the households renting are younger than 65.

Conversely, Hispanic/Latino households are underrepresented as homeowners in the city. Of the Hispanic/Latino households, 41 percent are homeowners but only represent 15 percent of homeowners overall.

LENGTH OF STAY

Wenatchee households are relatively mobile and renter households are particularly mobile. An estimated 40% of all Wenatchee households moved into their housing in the previous 5 years, and 64% moved in within the past 10 years from 2000 to 2010. (ACS 5 year estimates, 2006-2010, DP 04). An estimated 91% of renters in Wenatchee moved into their units within the preceding 10 years, compared to 47% of owners.

Table 49 – Length of Stay by Tenure

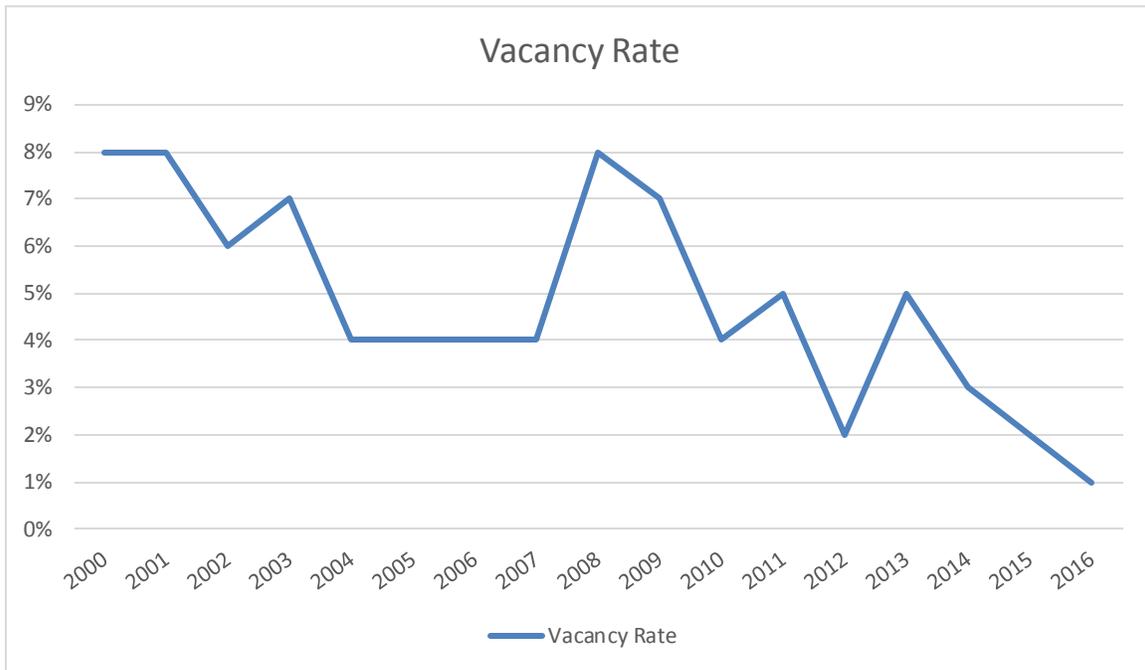
Length of Stay Year Householder Moved into Unit	Chelan Co		Wenatchee	
	Owner- Occupied	Renter- Occupied	Owner- Occupied	Renter- Occupied
Moved in 2000 or later	43.7%	87.0%	47.4%	91.0%
Moved in 1990 to 1999	31.5%	9.3%	31.7%	6.9%
Moved in 1980 to 1989	12.2%	1.7%	8.7%	0.8%
Moved in 1970 to 1979	7.0%	1.0%	5.9%	1.0%
Moved in 1969 or earlier	5.6%	1.1%	6.4%	0.3%

(ACS 5 year estimates, 2006-2010, S2502)

HOUSING VACANCY

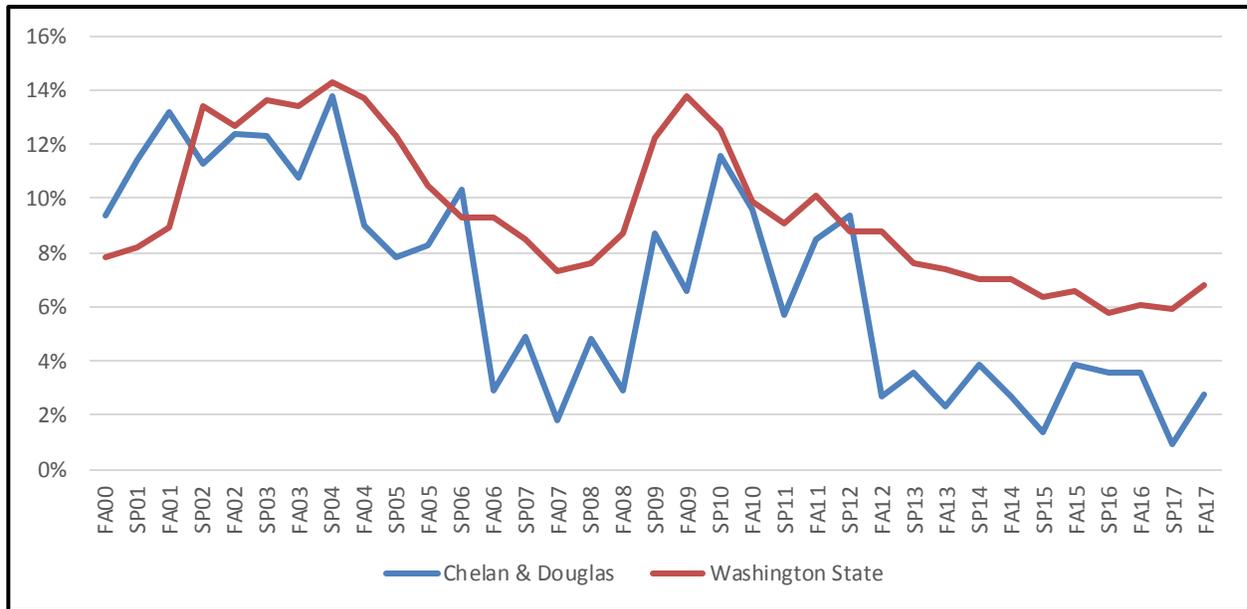
Renter vacancy rates decreased from 6.9 percent to 1 percent from 2000-2016. Multifamily survey data indicates rents may be rising as much as 15 percent annually in recent years. As of June 2016 the median multifamily rent is estimated to be nearly \$1,300. This rent is considered affordable to a household earning approximately 90 percent of area median income. However multifamily vacancy rates are very low at only 1%. Additionally, 10% of rental units are estimated to be overcrowded. This indicates supply is not keeping up with demand and there may continue to be upward pressure on rents in years to come. Production of 252 additional multi-family units is needed to increase the current vacancy rate to a healthy 5 percent level. More production will be necessary to accommodate continued population and employment growth.

Figure 45 – Wenatchee Vacancy Rates 2000-2016



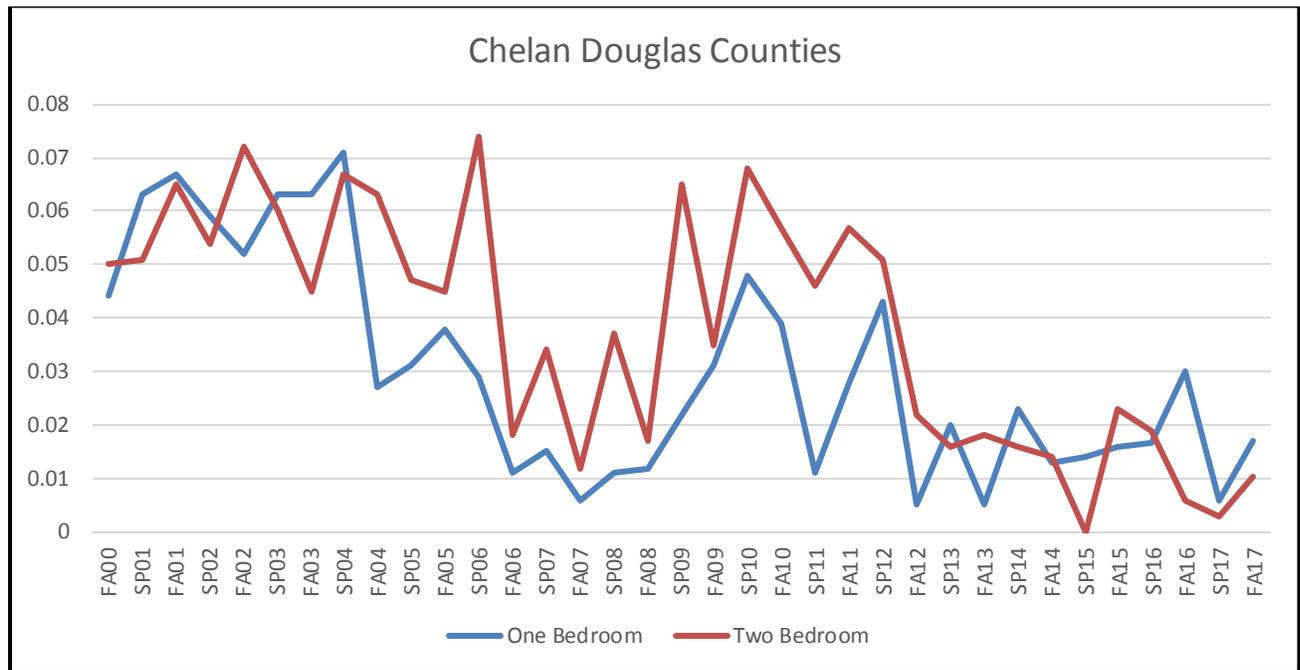
(Source: Pacific Appraisal Associates Wenatchee Market Real Estate Snapshots, 2016).

Figure 46 – Apartment Spring/Fall Vacancy Rates 2000-2017



(Chelan-Douglas Trends, 2018)

Figure 47 – Apartment Vacancy Rate by Size from Fall and Spring 2000-2017



(Chelan-Douglas Trends, 2018)

Table 50 – Rental Vacancy Rates by Unit Type, 2002-2011

Rental Vacancy Rates by Unit Type				
	2005	2011	2016	2017
Overall Rate	5%	5%	1%	3%
Condo	8%	7%	0%	3%
Single Family	4%	3%	2%	3%
Multi-Family	4%	5%	1%	3%
2-4 Units	7%	3%	1%	3%

(Source: Pacific Appraisal Associates Wenatchee Market Real Estate Snapshots, 2005-2017).

VACANT UNITS

The following table details the number of vacant housing units according to the 2010 Census. Of the total 12,681 housing units identified, 1180 units were vacant, representing an overall non-occupied housing rate of 9.3 percent. No official data is available to quantify the number of vacant units that have been abandoned. City code enforcement may condemn a housing structure on average once a year.

Table 51 – Number of Units by Housing Vacancy Type

Housing Vacancy Type	Number of Units
For rent	360
Rented, not occupied	14
For sale only	172
Sold, not occupied	18
For seasonal, recreational, or occasional use	61
All other vacants	171
Total Vacant housing units	796
Homeowner vacancy rate	0.7 percent
Rental vacancy rate	4.3 percent

(Source: Census, 2010 and 2016)

While detailed foreclosure information is not available, the information available does provide a revealing snapshot. In the first three quarters of 2012, 95 residential properties were lost to homeowners through either foreclosure or short sale. What is significant about the data is the breakdown by neighborhood, value of home, and whether the loss was through an REO (Real-Estate-Owned through a foreclosure process) or a Short Sale (lender agrees to accept less than what is owed and consider the note paid in full). While a distressed sale is disheartening, it is generally considered a preferred alternative to foreclosure.

Table 52 – Wenatchee REO and Short Sales, January – September 2012
REO/SHORT SALES Jan-Sept 2012

Source: Multiple Listing Service

PRICE of HOME	Central Wen	North Wen	South Wen	TOTAL
<\$50K	0	1	0	1
\$50K - 99,999	0	2	5	7
\$100K – 149,000	8	4	10	22
\$150K – 199,999	14	10	6	35
\$200K – 299,999	7	6	6	19
\$300K & above	1	7	3	11
TOTAL	30	30	35	95
REO/SS Status	Central Wen	North Wen	South Wen	TOTAL
REO	20 34%	15 25%	24 41%	59 100%
Short Sale	10 27%	16* 43%	11 30%	37 100%
TOTAL	30 31%	31 32%	35 36%	96* 99%

*one pending sale is identified as both REO & SS

As can be seen in the table above:

- The majority of REO/SS properties (57) were in the \$100,000 – \$199,999 range.
- The bulk of high-end REO/SS properties were in North Wenatchee (13) compared to Central (8) and South (9) Wenatchee.
- There was a higher number of Short Sales in North Wenatchee (43%), compared to Central and South areas (27% and 30%, respectively).
- There was a higher number of REO's in South Wenatchee (41%) compared to Central and North Wenatchee (34% and 25%, respectively).

Clearly, while the number of REO/Short Sales was spread fairly evenly throughout Wenatchee, the percentage of negotiated short sales was significantly higher in North Wenatchee. This has implications in terms of the advantage that upper-income homeowners may have when facing foreclosure. It is highly advantageous for a homeowner to negotiate a short sale rather than go through the stress, public embarrassment, and negative credit consequence of foreclosure. Lower income homeowners may benefit from outreach and education as to options available to them when facing foreclosure.

AFFORDABILITY OF VACANT UNITS

To adequately provide for the community's housing needs vacant housing units must be affordable to Wenatchee households. Housing is considered affordable if housing costs are within 30% of household income. Not surprisingly, rental units were more affordable to lower income households than homeowner units. However, even among rental units, estimates found that none of the vacant units were affordable to households with incomes of less than 30 percent of AMI. An estimated 27 percent were affordable to lower households with incomes between 30-50 percent of the Area Median Income (AMI), and 57 percent were affordable to those with moderate incomes of 50-80 percent of AMI. (2010-2014, ACS CHAS Table 14B)

Table 53 – Affordability of Vacant Rental Units

Description	Number of Vacant Units	Share of Vacant Units
The gross rent for this unit is affordable to a household making 30% of HAMFI.	35	5%
The gross rent for this unit is not affordable to a household making 30% of HAMFI, but is affordable to a household making 50% of HAMFI.	170	27%
The gross rent for this unit is not affordable to a household making 50% of HAMFI, but is affordable to a household making 80% of HAMFI.	365	57%
The gross rent for this unit is not affordable to a household making 80% of HAMFI.	70	11%

(2010-2014, CHAS Table 14B)

Homeowner units were less affordable than rentals for households with the lowest incomes. None of the vacant units for sale were estimated to be affordable to households below 80 percent of AMI. An estimated 24 percent were considered affordable to those earning less than 100 percent of AMI and the majority of units (76 percent) required incomes above 100% AMI to be considered affordable. (2010-2014, ACS CHAS Table 14A)

Table 54 – Affordability of Vacant Homeownership Units

Description	Number of Vacant Units	Share of Vacant Units
The value of this unit is less than or equal to the maximum amount that would be affordable to a household making 50% of HAMFI.	0	0%
The value of this unit is more than the maximum amount that would be affordable to a household making 50% of HAMFI, but less than or equal to the maximum amount that would be affordable to a household making 80% of HAMFI.	0	0%
The value of this unit is more than the maximum amount that would be affordable to a household making 80% of HAMFI, but less than or equal to the maximum amount that would be affordable to a household making 100% of HAMFI.	30	24%
The value of this unit is greater than the maximum amount that would be affordable to a household making 100% of HAMFI.	95	76%

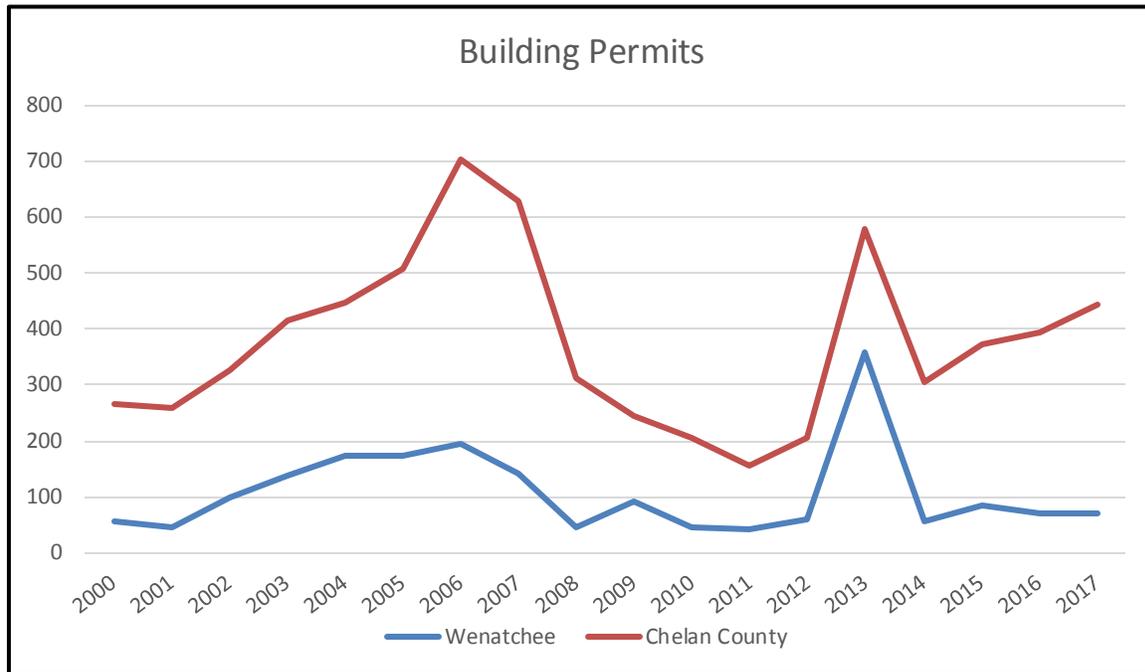
(2010-2014, CHAS Table 14A)

Homeowner units were less affordable than rentals for households with the lowest incomes. None of the vacant units for sale were estimated to be affordable to households below 100% of AMI.

BUILDING PERMITS

The number of housing units in the city has drastically slowed from an average of 123 per year starting in 2000 to an average of 63 per year starting in 2010. Between 1950-1959, almost 20 percent of Wenatchee’s housing stock was constructed. Wenatchee’s building permits dropped sharply during the Great Recession. Compared to Chelan County, Wenatchee’s peak and decline were not as severe.

Figure 48 – Building Permits, 2000-2010



Source: State of the Cities Data Systems (SOCDS), 2000-2017

PERMITS BY HOUSING TYPE

Development activity has been heavily impacted by the Great Recession and new permits have slowed significantly. At the peak in 2006, Wenatchee granted 134 permits for single family homes. The recession saw permits drastically decreasing and now they are steadily growing. There is a permitting spike in 2013 due to multifamily developments in Wenatchee.

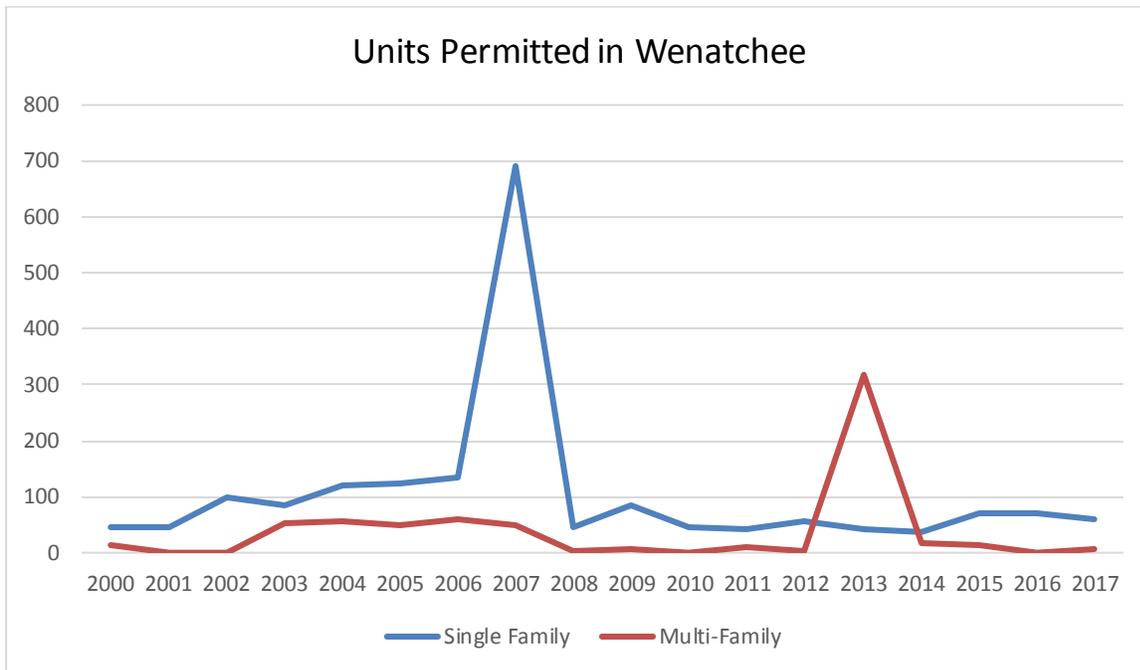
Table 55 – Units Permitted in Wenatchee by Type, 2010-2017

Units Permitted in Wenatchee 2000-2010 by Type					
	Single Family	Duplex	3-4 Units	5 Units	Total Units
Units	221	24	0	142	387
Share of Permitted Units	57%	6%	0%	37%	100%

(State of Cities Data Systems)

Multi-family units were hit hard by the recession though began seeing increased development in 2015 with units of 5 or more. Whereas structures with 3-4 units went to 0 percent. Single family development continues to be the majority of projects.

Figure 49 – Units by Building Permits Type, 2000-2017



(City of Wenatchee Housing Permits, State of Cities Data Systems)

WENATCHEE ANNEXATIONS

In recent years, Wenatchee has added units to its housing stock through annexations. Since 2016, the City annexed approximately 1,346 acres of land compared to 50 acres in 2011. This also brought in 212 units and increased the population by almost 445 compared to 61 units in 2011 and around 150 residents.

Table 56 – 2011 Wenatchee Annexations

Annexations 2016-2018		
Acres	Housing Units	Population
1,346	212	444

(Source: Office of Financial Management, Central Annexation Tracking System, 2018)

ASSISTED AND SUBSIDIZED HOUSING

The following table identifies housing assisted with federal, state, and local programs located in Wenatchee. There is no anticipated loss of inventory in Wenatchee’s affordable housing stock.

Table 57 – Wenatchee Low-Income Assisted Housing

HOUSING	NUMBER/TYPE of UNITS	TARGETED POPULATION
Cascadian Inn	<u>84 Units</u> 84 – 1BR	
Deaconess Apartments	<u>25 Units</u> 6 – 1BR 19 – 2BR	55 and older
Emerson Manor	<u>35 Units</u> 35 - 1BR	
Garden Terrace	<u>147 Units</u> 87 – 1BR 60 - Studio	Senior only or disabled with mobility impairment
Wenatchee House	<u>50 Units</u> 50 – 1BR	Senior 10% disabled
Maple St. Apartments	<u>62 Units</u> 20 – 2BR 20 – 3BR 12 – 4BR	
Hill Top	<u>26 Units</u> 8 – 2BR 12 – 3BR 6 – 4BR	
Crescent Village	<u>18 Units</u> 4 – 1BR 8 – 2BR 6 – 3BR	Transitional housing – qualify with job training or schooling with intent to become self-sufficient within 2 years
Apple Wood	<u>35 Units</u> 17 2BR 11 3BR 4 4BR 3 5BR	Housing Authority-Agricultural Worker
Washington Square	<u>36 Units</u> 9 1BR 13 2BR 10 3 BR	Housing Authority-Agricultural Worker

	4 4BR	
Wenatchee II	<u>34 Units</u> 7 1BR 10 2BR 13 3BR 4 4BR	Housing Authority-Agricultural Worker

COST OF HOUSING

Table 58 – Cost of Housing, 2000 and 2010

Cost of Housing			
	Based Year:	Most Recent Year:	% Change
	2010	2016	
Median Home Value	\$196,900	\$208,200	+5.7%
Median Contract Rent	\$630	\$810	+29%

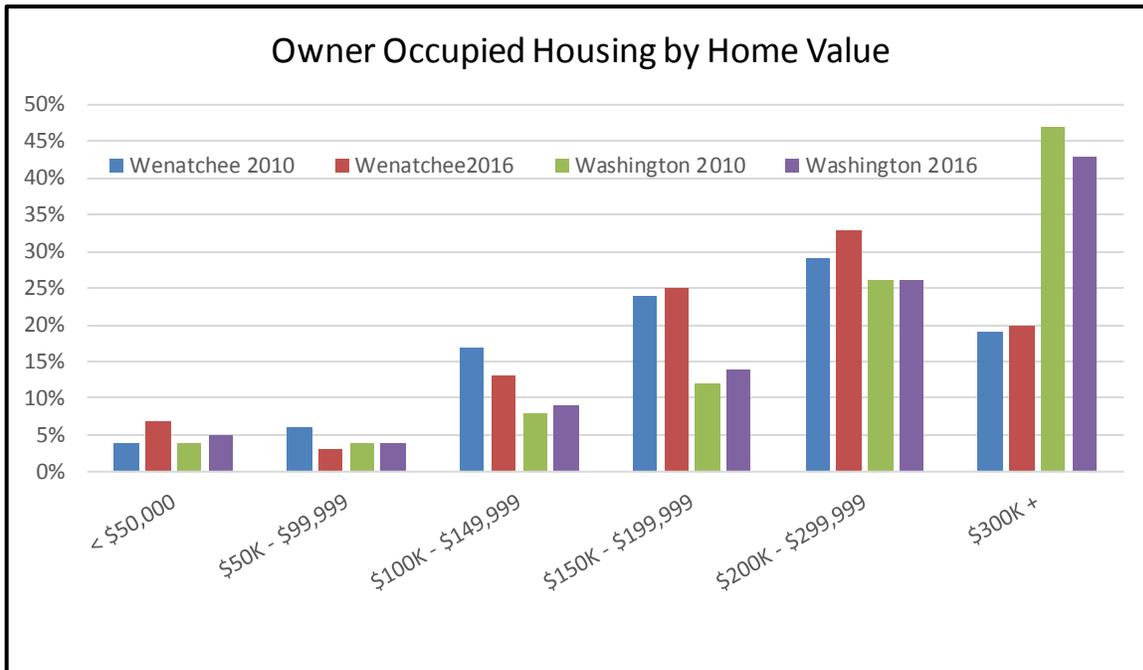
Data Source: Census 2006-2010 ACS Data; 2012-2106 ACS, 5-Year Estimates; DP04

Median rents in Wenatchee have risen faster than inflation in the past decade, up around 30 percent from 2010-2016. Rents have been rising more quickly recently; up an estimated 2.8 percent from \$788 to \$810 between 2014 and 2016. In addition, mean incomes did not keep pace with inflation during this period making rents less affordable to many households. The median contract rent is the value at which half of the rents are above and half of the rents are below the average. The contract rent is the monthly rent agreed to or contracted for, regardless of any furnishings, utilities, fees, meals, or services that may be included.

Median home prices in Wenatchee have risen considerably over the past decade. The median home value is the value at which half of the homes are valued above and half of the homes are valued below the average. In 2010, one in ten owner-occupied homes in Wenatchee were valued under \$100,000. **That statistic has not changed and no win 2016 around 10 percent of homeowners have a home value of less than \$100,000.**

Just over 40 percent of homes were valued between \$100,000 and \$200,000 in 2010. This is similar to the 37 percent in 2016.

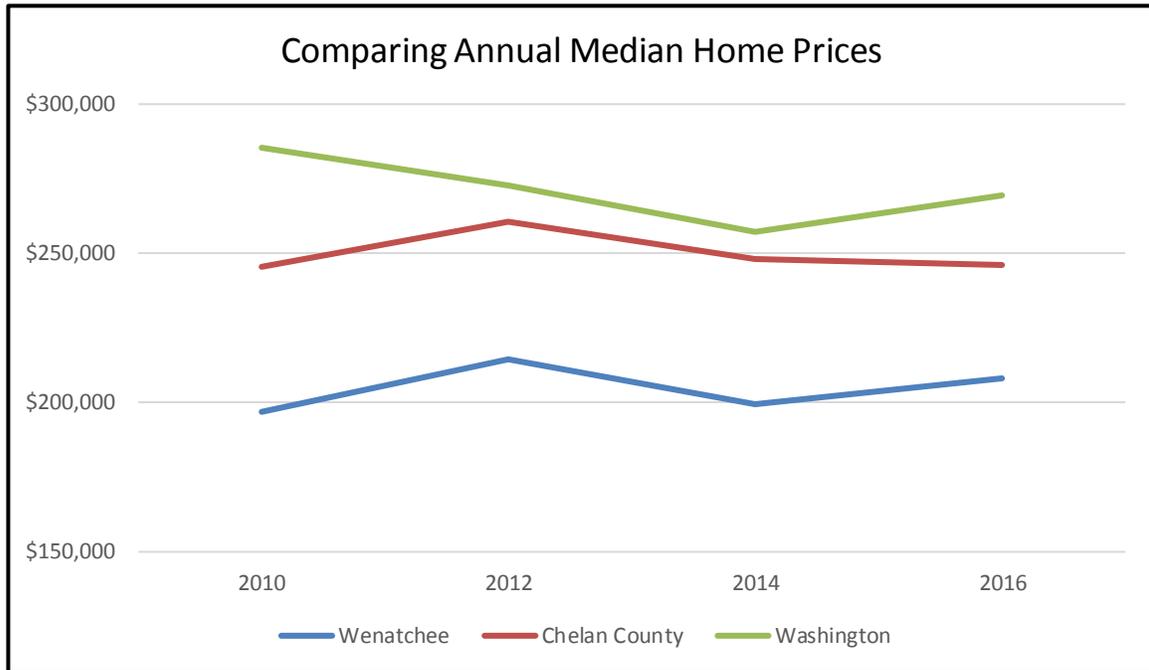
Figure 50 – Washington State and Wenatchee Occupancy and Value; 2010 and 2016



(Source: ACS 5 year estimates, 2006-2010, and 2012-2016 ACS 5-Year Survey; B25075)

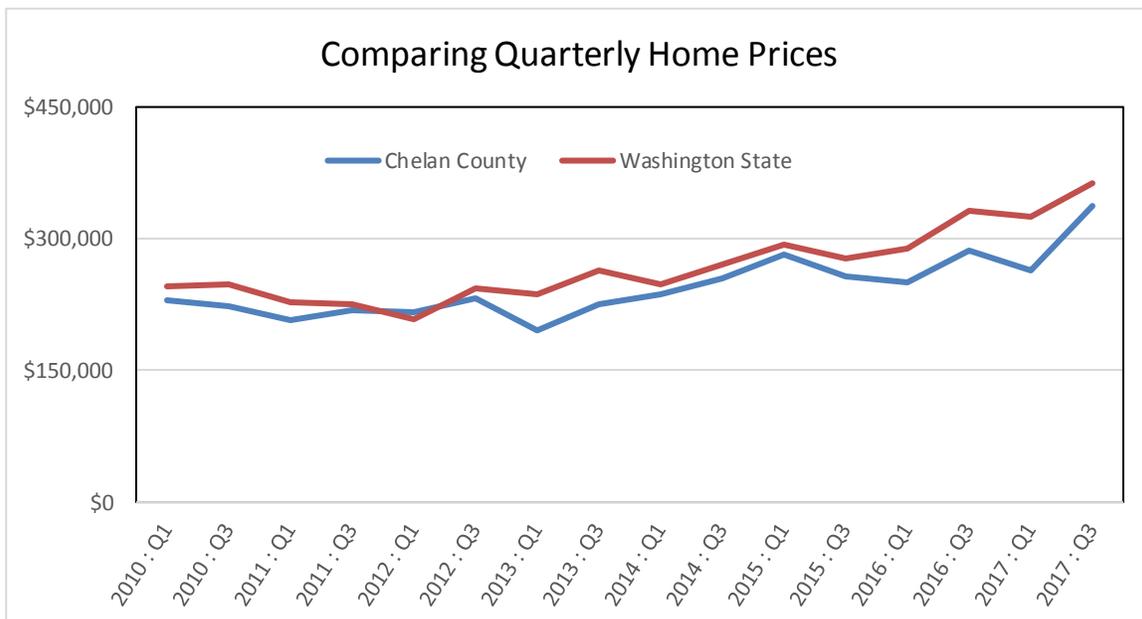
Home prices in Wenatchee and Chelan County experienced a considerable rise in value during the housing boom years in the mid-2000s and fell during the housing crisis and recession. However, home values fell less dramatically in Chelan County than the state. Chelan County had only one year of falling prices before stabilizing from 2009-2010, coming down less than 10% compared to a 20 percent decrease in the state. (WA Center for Real Estate Research, Washington State University) With Washington’s average home prices continuing to inch downward in 2011 and 2012, Chelan County’s prices have come closer into line with state averages, a concern for affordability given Chelan County’s lower average incomes. This is reflected in the fact that Chelan County is now less affordable than the state according to the Affordability Index, discussed later in this chapter. **Home values are up significantly (5.7 percent) since 2012. (Housing Needs Assessment and Market Demand Study, 2016)**

Figure 51 – Median Home Prices, 2010-2016



(Source: 2012-2016 ACS 5-Year Estimates; B25077)

Figure 52 – Median Home Prices, 2010-2017



(Source: Runstad Department of Real Estate, University of Washington, Archived Reports)

Home values in Wenatchee are more modest than in Washington State. A larger share of Wenatchee’s owner-occupied housing is valued less than \$200,000 and a significantly smaller share is valued above \$300,000 than in the county and state at large.

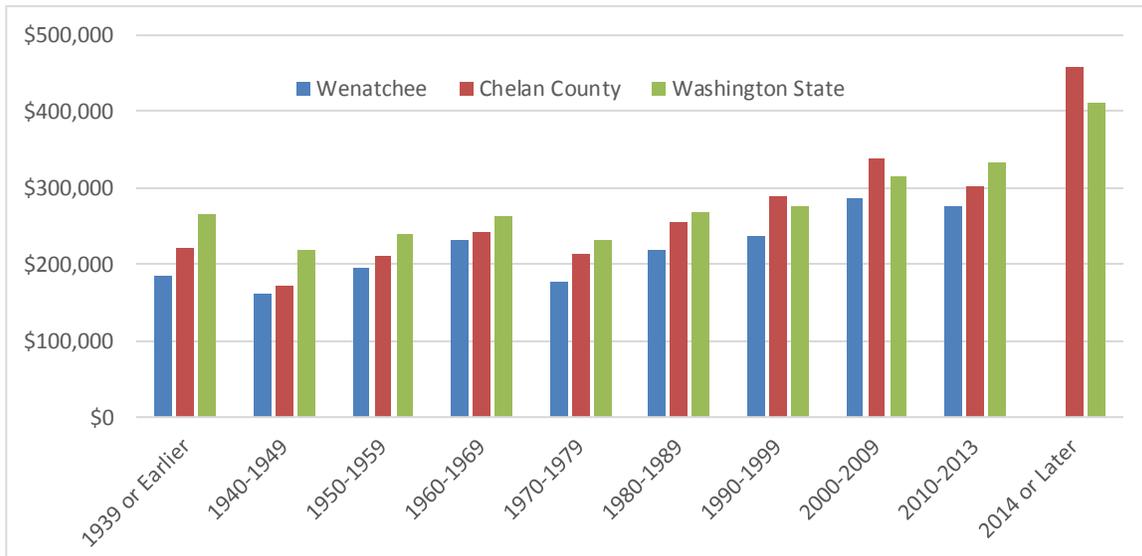
Table 59 – Share of Owner-Occupied Housing by Value, 2010

Share of Owner Occupied Housing by Value in 2016			
Home Value	Wenatchee	Chelan Co	Washington
Less than \$50,000	7%	5%	5%
\$50,000-\$99,999	3%	3%	4%
\$100,000-\$149,999	13%	9%	9%
\$150,000-\$199,999	25%	18%	14%
\$200,000-\$299,999	33%	29%	26%
\$300,000 and over	20%	36%	43%

(ACS 5 year estimates, 2012-2016, B25075)

The value of homes roughly tracks with their age; however, older homes in Wenatchee have lower values on average than newer homes in the county and state. While differences in value can be influenced by a variety of factors such as the neighborhood, size, amenities, quality of construction and design typical of certain eras, lower values may indicate older homes are in need of maintenance and remodeling.

Figure 53 – Wenatchee Home Values by Year Built



(Source: ACS 5 year estimates, 2012-2016, B25107)

Table 60 – Rent Paid

Rent Paid	Number	%
Less than \$500	731	14.9%
\$500-999	3,232	65.7%
\$1,000-1,499	799	16.2%
\$1,500-1,999	94	1.9%
\$2,000 or more	64	1.3%
Total	4,920	100.0%

Data Source: 2012-2016 ACS 5-Year Estimates, B25056

The vast majority of Wenatchee renters pay less than \$1000 per month in rent. Over 80 percent of these renters are estimated to pay between \$500 and \$900 in rent. (ACS 5 year estimates, 2012-2016) An estimated three-quarter of renters pay between \$400 and \$1000 in rent. (ACS 5 year estimates, 2012-2016, B25056) Rents of \$500 are roughly affordable to households earning more than \$20,000 per year and \$900 rent is affordable to households earning more than \$36,000 per year.

Table 61 – Rent Paid, \$0 to \$1,000

Contract Rent	Units	Share of Rentals
Less than \$100	30	<1%
\$100-\$199	71	1.4%
\$200-\$299	118	2.4%
\$300-\$399	99	2%
\$400-\$499	413	8.4%
\$500-\$599	628	12.8%
\$600-\$699	804	16.3%
\$700-\$799	740	15%
\$800-\$899	511	10.4%
\$900-\$999	549	11.2%

(Source: ACS 5 year estimates, 2012-2016, B25056)

It is important to consider the implications of the range “\$500 - \$999” for rent. What would be affordable at \$500 - \$600 becomes a high housing cost burden at \$700 - \$900. The above table provides a more detailed breakdown of contract rents less than \$1,000 a month; the share of rentals percentage is based on the estimated total of 4,650 rents paid.

Because of the high demand and low vacancy rate, the cost of rental housing in Wenatchee is disproportionately higher than in other communities where wages are higher than they are here. Over the months of conducting the Needs Assessment, staff periodically conducted hypothetical “searches” through rental vacancy listings, utilizing newspaper ads and Craigslist. Invariably, the majority of rental offerings were \$700 to \$1300 a month. A comparative search in Seattle resulted in nearly identical prices for comparable rentals. Median income in Seattle and King

County is markedly higher than Wenatchee at over \$60,000 per household in Seattle and up to \$90,000 in surrounding suburbs.

FAIR MARKET RENTS

Fair Market Rents (FMRs) are gross rent estimates that include rent plus the cost of all tenant-paid utilities. FMRs are set to the dollar amount at which 40 percent of the standard-quality rental housing units are rented, excluding non-market rental housing (e.g., public housing). For jurisdictions within a metro area, the FMR is based on the metro area. High HOME Rents are equal to the FMR or 30 percent of the adjusted income of a family whose income equals 65 percent AMI, whichever is lower. Low HOME Rents are equal to 30 percent of the adjusted income of a family whose income equals 50 percent AMI. The city's most recent median contract rent estimate of \$670 falls between the 1 and 2 bedroom Fair Market and Home rents.

Table 62 – Fair Market Rents, 2018

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	636	695	924	1,258	1332
High HOME Rent	513	550	661	763	851
Low HOME Rent	636	695	924	1126	1236

Data Source: HUD FMR and HOME Rents

HOUSING AFFORDABILITY

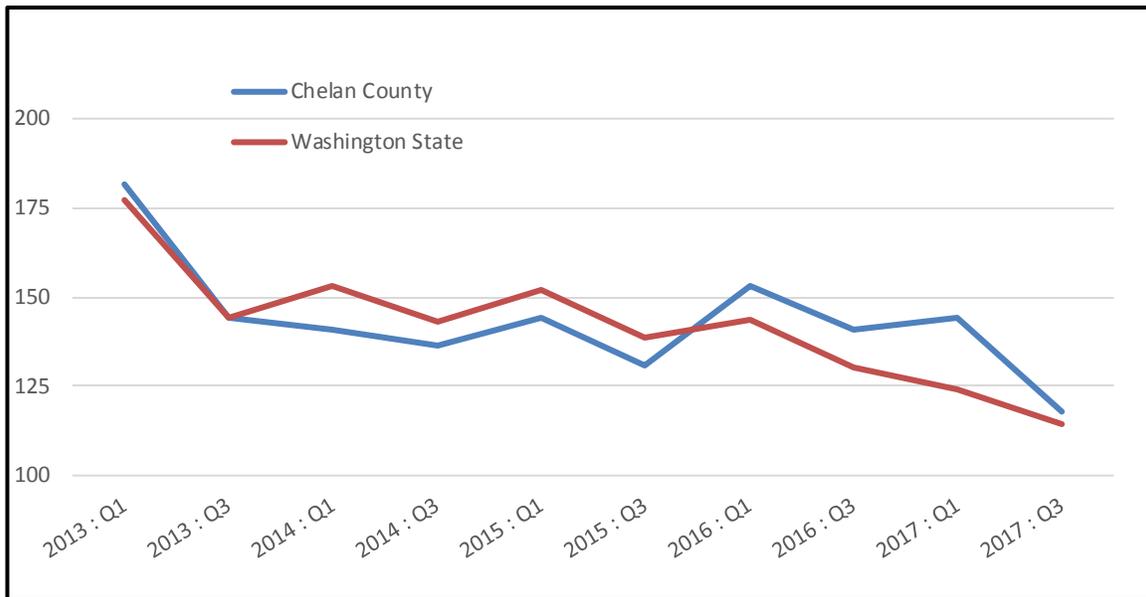
Table 63 – Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	35	0
50% HAMFI	170	0
80% HAMFI	365	30
100% HAMFI	70	95

Data Source: 2010-2014 CHAS Data, Table 14a and 14b

For both renters and owners, the largest number of units is affordable only to those earning more than 50% of HAMFI. Only a small number of rental units are affordable to low income households earning less than 50% of HUD Adjusted Area Median Family Income (HAMFI), just 205 units. Only 35 rental units are affordable to the lowest income households earning 30% of HAMFI. Comparing this to the estimated number of very-low income renter households illustrates a great need for low-income rental units. Similarly, the number of owner-occupied units that are affordable to households making 30% to 80% HAMFI totals 30.

Figure 54 – Affordability Index



(Source: Runstad Department of Real Estate, University of Washington, Archived Reports)

Chelan County has fluctuated in affordability compared to the state and unlike the time of the recession, as of 2017 Chelan County has a higher affordability rate than Washington State. The Affordability Index is a measure of affordability that calculates the ability of a middle income family to carry the mortgage payments on a median priced home and is a more accurate measure of affordability than housing prices alone. When the Index is 100 there is a balance between the family's ability to pay and the cost. Higher indexes indicate that housing is more affordable. Overall affordability has improved since the housing crisis.

BARRIERS TO AFFORDABLE HOUSING

The top key barriers to affordable housing in Wenatchee are listed below:

- High cost of land and high development costs
- High rehabilitation costs of potential conversions of high rise buildings in downtown
- Lack of vacant land suitable and zoned for multi-family housing in Wenatchee
- High cost and lack of opportunities for consolidating and redeveloping underutilized properties

Wenatchee is located at the confluence of two rivers and surrounded by the foothills of the Cascades. As the population has grown, available land has shrunk to a degree that has driven up the cost of land. The city is confined the Urban Growth Area boundary, as required by the Washington State Growth Management Act. Areas of developable property inside the Urban Growth Area are increasingly limited. A few small orchards remain from the time that the valley was primarily agricultural.

The high cost of land is a deterrent to developers who might consider multi-unit housing. In addition, low vacancy rates and the number of unauthorized multi-unit conversions provide a disincentive to developing new multi-unit housing. There are some options in the downtown core, as commercial buildings have vacant space that can be converted to apartments. Additionally, there may be a lack of awareness on the part of some developers of 1) the need for small, multi-unit structures and 2) development incentives potentially available to them if they incorporate affordable housing into their plans. The city may be able to encourage more multi-unit development simply by raising awareness and understanding of opportunities with potential developers.

In the fall of 2008, the City formed an Affordable Housing Task Force made up of community stakeholders to guide the exploration of potential programs and strategies to preserve and create affordable housing for all residents of our community. The Task Force focused efforts on considering strategies in pursuit of the following goals:

1. Increase the supply of affordable housing to all economic segments of the population.
2. Increase community integration by equitably dispersing affordable housing opportunities.
3. Preserve existing affordable housing and improve the quality of existing affordable housing.
4. Improve low and moderate income residents' access to affordable housing.
5. Educate Wenatchee residents on affordable housing.

Numerous strategies were identified and discussed under the following categories: Education, Infill Development, Financing, New Construction, & Preservation. Identified strategies and Task Force recommendations have been adopted by the City Council as a guidance document for future City affordable housing efforts.

CONDITION OF HOUSING

Nearly one in three owner housing units and more than one in three rental housing units have one of the following housing conditions. Selected conditions are similar to housing problems listed in the Housing Problems section above and include the following conditions: (1) lacks complete plumbing facilities, (2) lacks complete kitchen facilities, (3) more than one person per room, and (4) cost burden greater than 30%. There is also a small share of units that have more than one of these housing conditions. Based on the data in the Housing Problems section it is believed that the majority of these conditions are housing cost burdens.

Table 64 – Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	2,105	30%	1,562	36%

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With two selected Conditions	89	1%	156	4%
With three selected Conditions	0	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	4,744	68%	2,589	60%
Total	6,938	99%	4,307	100%

Data Source: 2005-2009 ACS Data

AGE OF HOUSING UNITS

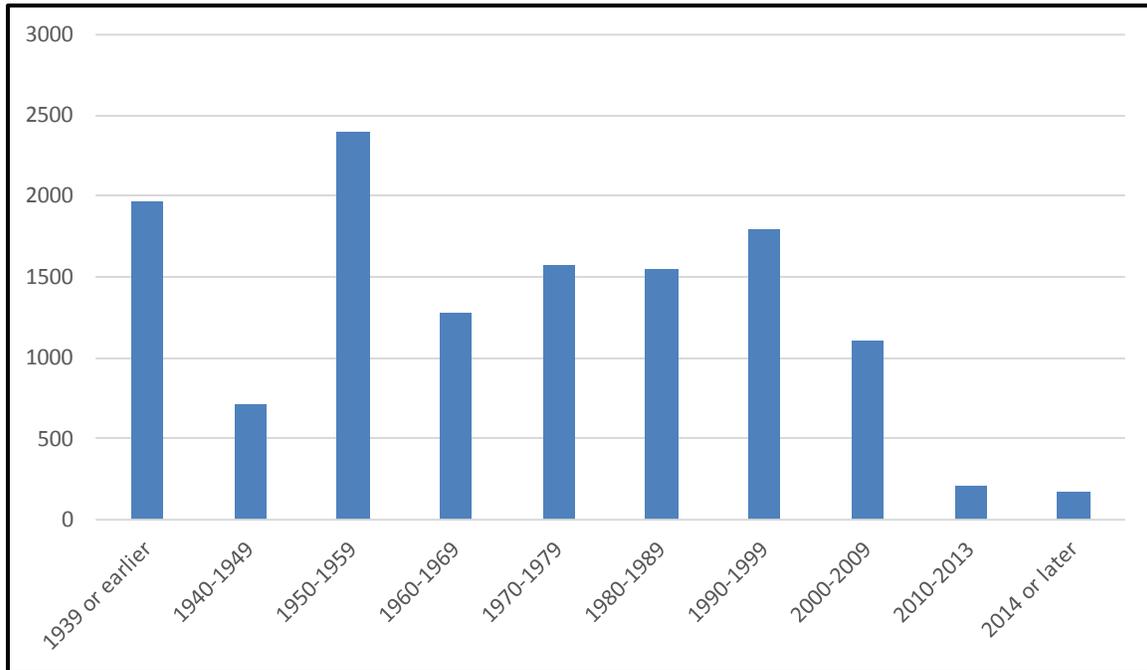
Table 65 – Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	1,400	7.9%	355	4.3%
1980-1999	6,150	34.8%	2,000	24.3%
1960-1979	4,305	24.3%	2,935	35.7%
1940-1959	3,245	18.4%	1,615	19.7%
1939 or before	2,580	14.6%	1,320	16.1%
Total	17,680	100%	8,225	100%

Data Source: 2005-2009 CHAS Table 13

Wenatchee’s housing stock was largely built in the second half of the 20th Century. There was an increase in building during the housing bubble in the early 2000s, but the last large development boom occurred in the mid-1990s and there has been an overall declining trend in new development since. Approximately three out of four of Wenatchee’s residential structures were built between 1950 and 1999 but building trends fluctuated with the market and were not steady over this time. (ACS 5 year estimates, 2012-2016, DP04)

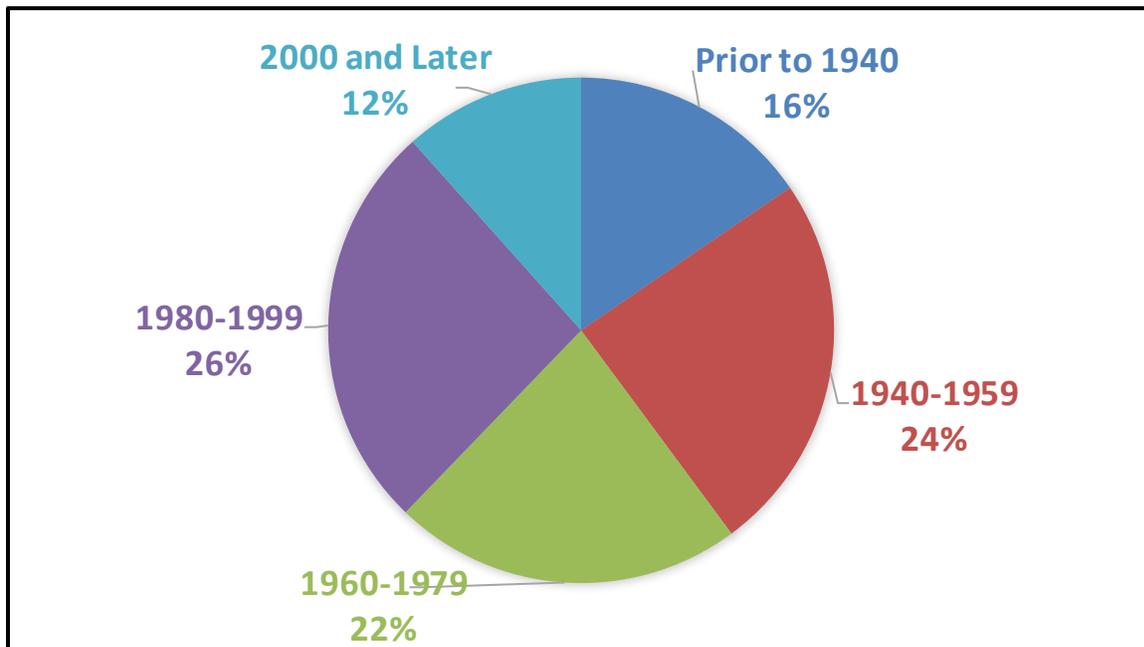
Figure 55 – Residential Units by Date Built



(2012-2016 ACS 5-Year Estimates, B25034)

As a result of this development cycle, Wenatchee’s housing stock is relatively evenly distributed among development eras.

Figure 56 – Age of Wenatchee’s Housing Units



(2012-2016 ACS 5-Year Estimates, B25034)

LEAD-BASED PAINT HAZARDS

The Residential Lead-Based Paint Hazard Reduction Act of 1992 was created to identify and mitigate sources of lead in the home. A high level of lead in the blood is particularly toxic to children ages six and younger. Children exposed to lead are at risk of developing learning disabilities and neurological problems.

Children who live in homes with lead-based paint (LBP) can become exposed by inadvertently swallowing lead contained in household dust. This is particularly a problem when houses are remodeled using practices such as scraping or sanding of old paint. Lead-based paint is not the only culprit. Lead has also been identified in many other sources, including some vinyl blinds, pottery, lead in water pipes, lead in dust brought into the home from work sites, and some herbal remedies.

Lead was banned from residential paint in 1978. Therefore, age of a housing unit is a leading indicator of the presence of a lead hazard, followed by building maintenance.

Table 66 – Risk of Lead-Based Paint

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	10,130	39%	5,870	71%
Housing Units built before 1980 with children present	1,250	12%	1,370	23%

Data Source: 2010-2014 CHAS, Table 13

In Wenatchee, approximately 2,620 housing units are occupied by a family with small children that may be at risk of lead-based paint poisoning due to the age of the unit. Of the 16,000 units built before 1980, 3,625 of them are occupied by households with incomes below 50 percent of the AMI. Of the units built before 1980, 40 percent of the renters earn below 50 percent AMI compared to only 13 percent of the owners. Almost 40 percent of the older housing stock are occupied by renters.

The Chelan-Douglas Health District no longer conducts studies to determine risk of lead poisoning due to lack of funding. Funding for these studies was discontinued because the region was considered low risk compared to other parts of the State with older housing stock. Anecdotally, the local health district reports that they see few cases of lead-based paint concerns, and those are usually very small children who have chewed on windowsills or a household affected by lead-based paint dust in the air after a do-it-yourself project. Given the age of Wenatchee’s housing stock it will be important to remain mindful of keeping paint intact to prevent any underlying lead-based paint from becoming a hazard and keeping bare soil surrounding structures covered by grass, mulch or other groundcover.

NEED FOR OWNER AND RENTAL REHABILITATION

Given Wenatchee's relatively older housing stock and demand for existing housing stock, there will be a continued need for housing rehabilitation of both owner and rental units. The value of housing in Wenatchee tends to decrease with the age of housing, indicating that low and moderate income affordable housing units are more likely to be in need of rehabilitation. The low rental vacancy rate and relatively high demand for low income rental housing may be creating a dis-incentive for property owners to rehabilitate housing, although City staff has not witnessed this trend occurring on the ground. The City of Wenatchee operated a Housing Rehabilitation Program that targeted to low- and moderate-income homeowners in the South Wenatchee area. Over the years, identifying interested applicants was difficult, although a vast majority of the rehabilitation projects actually performed included substantial housing rehabilitation needs. Please refer to the Housing Problems Substandard Housing sub-section for additional discussion and the Non-Homeless Special Needs section for more detailed housing rehabilitation needs facing elderly households.

HOUSING MARKET ANALYSIS DISCUSSION

AVAILABILITY OF SUFFICIENT HOUSING

Wenatchee lacks sufficient housing for households at the lowest income levels. The small number of units affordable to these income groups and the large number of households facing cost burdens is evidence of this lack of available affordable housing. This is particularly true for elderly and small family households who are most impacted by cost burdens. The predominance of single-family homes in the city means there are fewer small rental units available for non-family, elderly and small family households that are affordable to the relatively lower incomes of these groups. The larger number of families looking for affordable rental housing has pushed vacancies down and market rents up in the city. The low rental vacancy rate and lack of new multifamily housing construction also points to this shortage as the number of rental units in the market is not keeping up with demand. The decline in already low permits for multi-family housing means there is virtually no additional rental housing currently in the pipeline to alleviate these pressures.

NEED FOR SPECIFIC TYPES OF HOUSING

Affordable rental housing appears to be the greatest overall need for specific housing types. Cost burdens are particularly high among renters and low vacancy rates and rising rents suggest that rental affordability is likely to worsen in the near term. Multifamily housing offers the best opportunity for producing additional affordable units and units appropriately sized for the households most in need of affordable housing in the city. This includes smaller, accessible and affordable units appropriate for the anticipated growth of seniors. This is a growing need indicated by the high cost burden among elderly renters and owners. One-bedrooms appropriate for seniors and single-person households should also improve affordability.

The declining share of families, the increase in single-parent families, and the considerable number of small families impacted by housing cost burdens suggest that there is also a need for affordable units for smaller households. This is substantiated by data indicating especially low vacancy rates for one- and two-bedroom rental units.

Affordable family units are also important to meet anticipated demand from the city's fast growing Hispanic/Latino population. Because Hispanic/Latino households in the city have lower average incomes and are predominantly renters, they are expected to be disproportionately impacted by rising rents. High home prices are also likely to reduce the number of Hispanic/Latino households who qualify for home purchases.

Cost burdens among homeowners also suggest that smaller, affordable ownership units may be needed to accommodate small families and individuals looking to reduce housing costs, including seniors. The data shows that 6 out of 10 homeowner households are 1-2 person households but three-quarters of owner housing are units with 3 or more bedrooms resulting in over-housing that can lead to higher housing costs and cost burdens.

EXPECTED CHANGE OF HOUSING AFFORDABILITY

Low vacancy rates and a lack of new rental construction will likely continue to put pressure on rents in the city in the coming years. Demographic trends suggest a potential increase in populations with a high share of renter households, such as Hispanics/Latinos, non-family households and small family households. Without an increase in incomes that would make homeownership more affordable for these groups, the rental market is likely to continue to see pressure that results in rising rents and more households facing increased cost burdens.

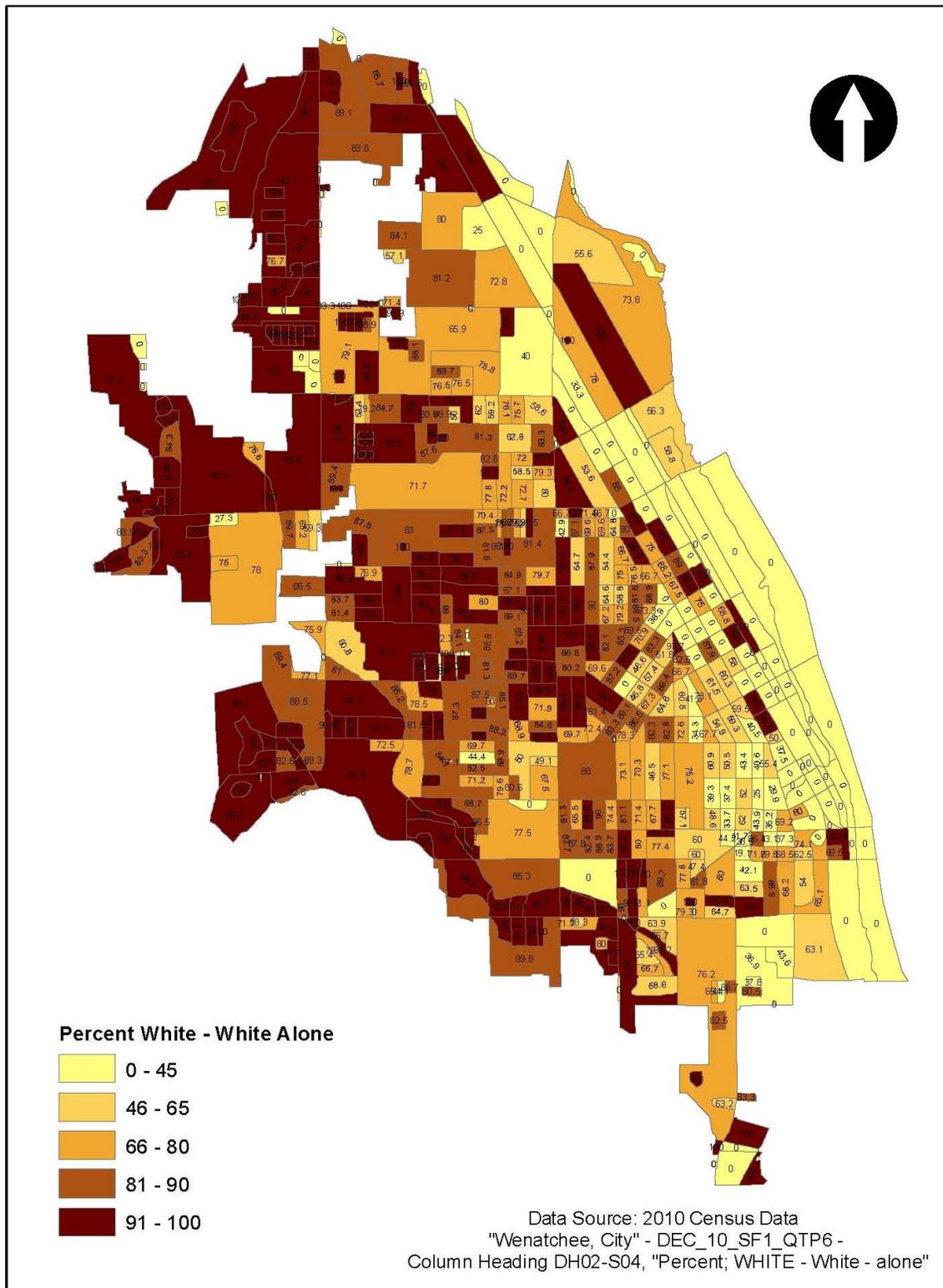
In the homeownership market, the Affordability Index has been trending toward greater affordability since the housing crisis but it is unclear if this will continue. Housing sales have begun to recover and as inventory reduces and demand increases prices will likely rise, although this may happen slowly and unevenly in the coming years. Affordability has not improved in Chelan County as much as it has in the state due to the County's relatively smaller drop in housing prices and more modest income gains.

AREAS MORE AFFECTED

For purposes of this Consolidated Plan, “areas of low-income concentration” are defined as census block groups where more than 50% of households are low- and moderate-income. The Figure on page 57 shows the percent of low- and moderate-income households in Wenatchee by block group. Areas with the highest concentration of low- and moderate-income households are located in the eastern and southeastern sections of Wenatchee, as well as in a northern residential pocket area. All three of the geographic priority areas identified for this Consolidated Plan are located within these areas of low-income concentration (see Strategic Plan section for more detailed information of each area).

“Areas of minority concentration” are defined as census block groups where 35% or more of the population is a racial or ethnic minority. The following Figure shows the percent of non-Hispanic white population by block group in 2010, illuminating areas of the city with concentrations of racial or ethnic minority populations. In terms of the map, these are areas in which 65% or less of the population is non-Hispanic white. This includes nearly all neighborhoods in east and southeast Wenatchee, including two of the geographic priority areas identified for this Consolidated Plan (see Strategic Plan section for more detailed information of each area).

Percent White - White Alone - By Block



PUBLIC HOUSING

Wenatchee does not have a traditional public housing project. Chelan County and City of Wenatchee Housing Authority provides multi-family low-income housing through funding from USDA, as well as administering Section 8 tenant-based housing vouchers for qualifying clients. Housing Authority-owned low-income housing is available to seniors and agricultural workers. Housing Authority administration reports that the greatest need is for low-income clients who are not working in the agricultural industry; when there is no wait list for agricultural worker housing, some of these individuals/families may be issued a waiver. The waiting period for individuals and families seeking Section 8 vouchers is normally 3-6 months, with close to 300 on the wait list at any given time. There is a 2-3 week period during which individuals can sign up to get on the wait list; once the wait list is closed it is at least two years before it opens again.

TOTALS IN USE

Table 67 – Public Housing by Program Type

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	449	0	424	25	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five_year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

CHARACTERISTICS OF RESIDENTS

Table 68 – Characteristics of Public Housing Residents

	Program Type					
	Total	Project-based	Tenant-based	Special Purpose Voucher		
				Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Average Annual Income	11,559	0	11,554	0	0	0
Average length of stay	5 yrs	0	5 yrs	0	0	0

	Program Type					
	Total	Project-based	Tenant-based	Special Purpose Voucher		
				Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Average Household size	2	0	2	0	0	0
# Homeless at admission	0	0	0	0	0	0
# of Elderly Program Participants (>62)	102	0	102	0	0	0
# of Disabled Families	185	0	185	0	0	0
# of Families requesting accessibility features	439	0	438	0	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five_year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Table 69 – Race of Public Housing Residents

Race	Certificate	Mod-Rehab	Public Housing	Program Type					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	415	0	414	0	0	0
Black/African American	0	0	0	8	0	8	0	0	0
Asian	0	0	0	3	0	3	0	0	0
American Indian/Alaska Native	0	0	0	11	0	11	0	0	0
Pacific Islander	0	0	0	2	0	2	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five_year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Table 70 – Ethnicity of Public Housing Residents

Race	Certificate	Mod-Rehab	Public Housing	Program Type					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	51	0	51	0	0	0
Not Hispanic	0	0	0	388	0	387	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

PUBLIC HOUSING DISCUSSION

RESTORATION AND REVITALIZATION NEEDS

Chelan County and City of Wenatchee Housing Authority owns and manages three multi-family properties range in Wenatchee. They are located in three separate neighborhoods, intentionally avoiding a concentrated neighborhood of low-income housing; units have multiple bedrooms so are able to accommodate larger families or combined households

These developments were built two-three decades ago; they range in age from 17 years to 28 years. The older properties are exhibiting rehabilitation needs, the most critical of which are: siding, gutters, sidewalks, asphalt, rehabilitation of interiors (doors/cabinets) and playground equipment. The total cost of necessary rehabilitation is estimated at \$1,410,000. The Housing Authority does not have funds for rehabilitation and consequently addresses emergency repairs as they occur, which is in the long run much more costly.

NEEDS OF RESIDENTS

The majority of applicants on the wait list simply lack adequate income to meet the local cost of housing. A certain percentage of applicants are disabled and/or have a chronic health issue that may necessitate long-term housing assistance; most tenants and prospective tenants simply need higher wages. This aligns with input from social service providers and workforce agencies that the area greatly needs more living-wage job opportunities; residents need higher levels of education and job skills. This affects the tenure of tenants in subsidized housing. Many are subsidized five years of longer; in the meantime, hundreds wait for a voucher. Housing Authority administration report seeing more applicants who are new to the system and are not used to asking for help; this is a direct result of the new wave of joblessness triggered by the Great Recession.

For those who merely need a stop-gap, rent assistance is effective assistance. For residents experiencing long-term unemployment and/or financial hardship, Housing Authority staff recommends participation in a self-sufficiency program, consisting of presentations and classes on topics such as money management, home care, and related life skills. This has proven to be a hard sell. The incentive of an escrow fund is not enough of an immediate reward for residents to attend classes, particularly if they are balancing a low-wage job, and/or have childcare challenges.

A particular need cited by Housing Authority administration is the need for English as a Second Language (ESL) classes for residents with limited English. Not only does it better equip residents for further education and job training, it helps them navigate service systems, manage finances, and take necessary steps to become self-sufficient. Language and cultural barriers are also a significant factor for Hispanic/Latino Housing Authority clients who are seniors; older-generation immigrants resist receiving help from anyone who isn't family. This limits their ability to access many of the services available to them, and places a burden on younger members of the family who must juggle education, employment, childcare, and tending to an elderly family member. Often, school-age children take on adult-level responsibilities such as managing the family finances and figuring out public transit schedules.

Strong community programs to teach language and literacy, develop job skills in our low-income residents, and attract employers offering living wage opportunities, would potentially alleviate some of the demand for assisted housing.

IMPROVING THE LIVING ENVIRONMENT OF LOW- AND MODERATE INCOME FAMILIES

To improve the living environment of individuals and families residing in Housing Authority properties, City infrastructure projects may be prioritized to address such identified needs near property owned by the Housing Authority. This may include ensuring safe routes to school – including sidewalks and street crossings – as well as street lighting and public park improvements.

HOMELESS NEEDS AND FACILITIES

OVERVIEW

The City of Wenatchee serves as lead agency for Chelan-Douglas counties in administration of homeless housing funds through an inter-local agreement. The City is currently in the process of updating the Chelan-Douglas Ten Year Plan to End Homelessness. That process has informed much of the work for this Consolidated Plan, as the needs and goals are closely aligned. Key findings that have significant implications for the Consolidated Plan include:

- Insufficient services supporting the chronically homeless
- A need to evaluate the effectiveness of our homeless system components and to then realign funding to support best practices
- Lack of affordable housing
- Insufficient services supporting youth including unaccompanied youth under 18
- Limited formal coordination of homeless services
- Limited or inconsistent data collection and analysis capabilities

The Homeless Steering Committee has determined that the most effective approach to ending homelessness in Chelan-Douglas counties will be to facilitate and support services that provide for the immediate basic needs of the homeless/at-risk population while simultaneously facilitating and supporting services that move poverty populations in the direction of self-sufficiency. Recognizing that the most vulnerable sub-populations may be incapable of self-sufficiency, it is the community's intent to ensure that those vulnerable populations have access to housing and basic needs are met. It is also the community's intent to ensure that those capable of eventual self-sufficiency have access to individualized support services that will get them there. Given that individuals experiencing situational poverty have lesser need for support services than many in generational poverty, the community intends to ensure that the length of time homeless and at/risk individuals and families are provided services is proportionate to their need, complicating factors, and circumstance.

HOMELESS NEEDS ASSESSMENT

For the purposes of the following Homeless Point-in-Time (PIT) count table, “shelters” include all emergency shelters and transitional shelters for the homeless, including domestic violence shelters, residential programs for runaway/homeless youth, and any hotel/motel voucher arrangements paid by a service agency because the person or family is homeless. The unsheltered population includes adults, children, and unaccompanied youth sleeping in places not meant for human habitation. Places not meant for human habitation include streets, parks, alleys, parking ramps, parts of the highway system, transportation depots, and other parts of transportation systems (e.g., subway tunnels, railroad cars), all-night commercial establishments (e.g., movie theaters, Laundromats, restaurants), abandoned buildings, building roofs or stairwells, chicken coops and other farm outbuildings, caves, campgrounds, vehicles, and other similar places.

Those who are not included in this count include: (1) persons who are living doubled up in conventional housing; (2) formerly homeless persons who are residing in Section 8 SRO, Shelter Plus Care, SHP permanent housing, or other permanent housing units; (3) children or unaccompanied youth, who because of their own or a parent’s homelessness or abandonment, now reside temporarily and for a short anticipated duration in hospitals, residential treatment facilities, emergency foster care, detention facilities, and the like; and (4) adults living in mental health facilities, chemical dependency facilities, or criminal justice facilities.

Table 71 – Homeless 2006-2017 PIT Count

Chelan-Douglas Counties Homeless Point-in-Time Count Totals by Year																
Year	Sheltered				Unsheltered				TOTAL (Sheltered & Unsheltered)				Chronically Homeless Individuals			Temporarily Living w/Family or Friends
	HH w/out minors	HH w/ minors	HH w/only minors	TOTAL Sheltered	HH w/out minors	HH w/ minors	HH w/only minors	TOTAL Unsheltered	HH w/out minors	HH w/ minors	HH w/only minors	TOTAL Sheltered & Unsheltered	Shelter	Unsheltered	Total CH Individuals	
2006	126	203	NR	329	83	75	NR	158	209	278	NR	487	18	8	26	304
2007	105	303	NR	408	60	35	NR	95	165	338	NR	503	105	7	112	63
2008	114	253	NR	367	30	12	NR	42	144	265	NR	409	29	5	34	355
2009	129	315	NR	444	28	3	NR	31	157	318	NR	475	17	0	17	273
2010	149	325	1	475	59	4	4	67	208	329	5	542	10	2	12	236
2011	99	59	0	158	55	1	0	56	154	60	0	214	19	9	28	523
2012	64	93	1	158	25	12	3	40	89	105	4	198	8	9	17	383
2013	123	114	2	239	62	4	0	66	185	118	2	305	4	10	14	5
2014	139	143	0	282	46	5	0	51	185	148	0	333	15	17	32	NR
2015	140	50	2	192	60	13	1	74	200	63	3	266	10	18	28	NR
2016	138	43	0	181	60	6	0	66	198	49	0	247	7	14	21	19
2017	163	171	0	334	18	18	0	36	181	189	0	370	11	4	15	NR

(Source: City of Wenatchee PIT Count Summary Report)

NATURE AND EXTENT OF HOMELESSNESS

Community outreach to over 70 organizations, and extensive work sessions with the Chelan-Douglas Homeless Housing Task Force and Homeless Steering Committee, led to a consensus that the PIT count numbers do not accurately reflect the nature and extent of homelessness in Chelan and Douglas counties. Several factors contribute to this discrepancy, chief among them: 1) the seasonal nature of employment and corresponding seasonal housing status and 2) the “new faces” of homelessness, many of whom are invisible because they are not accessing traditional homeless services. The fact that they are homeless often surfaces when they seek other types of help, such as a visiting a local food bank. These individuals and families frequently do not self-identify as homeless because they are couch-surfing or temporarily staying with friends or family. Social service providers and faith community partners report a marked increase in demand for services and/or assistance, and that many of those seeking help are either seasonally unemployed or experiencing long-term unemployment and are unable to sustain rent and/or mortgage payments.

Some of the common patterns identified by those serving our homeless population include:

- Increase in number of homeless with children
- Many are living in doubled-up or tripled-up housing
- High percentage of homeless whose situation does stabilize (i.e. family and/or employment) cannot find affordable housing or do not qualify for available housing
- High percentage of episodically and/or chronically homeless have substance abuse and/or mental health diagnosis

- There is an urgent need to address the number of homeless youth, as indicated by the homeless student count and input from our sole youth homeless service agency; failure to address this need could result in these youth becoming homeless adults
- Wenatchee is the hub for social services and commerce
- Social services are strained under increasing burden and economic opportunity is lacking due to high number of low-wage jobs and lack of education/skill on the part of many to qualify for higher-paying jobs.

It has become clear in the process of conducting this Needs Assessment that we must address immediate needs such as affordable housing while initiating long-term strategies to improve opportunities for self-sufficiency, in order to effectively address the needs of the homeless.

According to the Chelan-Douglas counties annual Point in Time (PIT) Count there has been an 87 percent increase in sheltered and unsheltered households between 2012 and 2017. Despite significant decrease between subsequent years, the trend of homeless households in the Chelan Douglas area has continued to increase. A factor in accurate counts is the that the PIT count takes place in January, when seasonal agricultural workers are not here and the cold weather can interfere with an accurate count. Adequate housing for agricultural workers remains a challenge that is not reflected in PIT data.

Homelessness and housing instability are devastating for anyone to experience, but it is especially destructive for children. It is unacceptable for there to be any children who are living in cars, tents, or other similar situations. Even if a child is housed, many live in situations where their housing is constantly at-risk. Other children may be stably housed for the time being, but are at-risk of homelessness as they enter adulthood due to limited education and employment options. Therefore, it's critical that our community identify the needs of these children and their families and then develop strategies for addressing them.

A full understanding of the extent of these issues for this population is unknown due to constraints with information sharing. The drop-in center for youth who are homeless and homeless liaisons in the school districts are the main points of contact for this population. However, there are confidentially issues that limit data sharing capabilities. These data-sharing challenges must be overcome so that the extent of the problem can be better understood and to design access points that do not put unnecessary barriers between youth and assistance.

While PIT data indicate a low percentage of homeless reporting substance abuse issues, it is important to note that this could be a reflection of the self-reporting format of the count. Even so, the count did note that for those who identified as struggling with substance abuse issues, 90% were chronically homeless. This indicates a need to support chemical dependency and mental health services when serving the chronically homeless.

According to data from the 2012 Housing Inventory Count (HIC) for Chelan and Douglas counties, there were approximately 2000 emergency shelter and transitional housing clients served in 2016. Additional insight into the number of persons experiencing homelessness can be found in data from local homeless shelter providers. The Women’s Resource Center estimates 15% of clients become homeless each year and 30% exit homelessness; average number of days clients experience homelessness is 100 days. The local YWCA, providing emergency housing to women, estimates 37% become homeless each year, and 22% exit homelessness. SAGE, the confidential emergency shelter for domestic violence victims, estimates 20% of clients exit homelessness each year; average number of days clients experience homelessness is 44 days. The Community Recovery Program serving clients who exit incarceration estimates 26% exit homelessness each year; average length of homelessness is one year. What is notable from these numbers is that clients with complicated factors, such as those exiting incarceration, may experience homelessness for a longer period. Shelters that provide strong case management may serve clients for a longer period of time but may also have the greatest likelihood of fewer clients receding back into homelessness.

RURAL HOMELESS POPULATION

The City of Wenatchee is an urban jurisdiction. The immediate surrounding area is rural/agricultural and this impacts homeless needs. Outlying rural areas – within a twenty to fifty mile radius – lack emergency shelters or transitional housing. Residents of these small rural communities come to Wenatchee for shelter and/or related services. In addition, the region experiences a surge of farmworker residents in the summer months. There is a shortage of farmworker housing in the county during peak season; many migrant farmworkers locate in the urban core, as it is central to available farm work in the orchards and fields to the North, South, East and West of the Wenatchee Valley. Many of these outlying communities are experiencing high poverty rates. As agriculture has become more technologically advanced, work in the industry has gravitated to high-level needs such as advanced science and/or business coupled with seasonal labor jobs during harvest. Tourism is an important industry in these rural areas – including agri-tourism – but again creates many low-wage jobs. Input from community stakeholders in outlying areas is that many of their low-income residents gravitate to Wenatchee in search of services and/or employment. This is validated by input from service providers and their clients, many of whom describe “re-locating” because there were not services near their home.

FAMILIES IN NEED OF HOUSING ASSISTANCE

Local shelters, social service providers and faith-based agencies report an increasing number of families with children in need of assistance. Emergency shelters report that they normally have beds available for those in need, although it may mean splitting up men and women; the greatest unmet need is available shelter for adolescent males, including those with families and those who are unaccompanied. In addition, Community Action and charitable organizations report an increase in families, as contrasted with individuals, seeking rent assistance. Wenatchee has a high percentage of female headed households who are low income and struggle to find affordable housing.

The number of veterans in need of housing assistance presents a critical problem. Local shelters and service providers report serving over 200 veterans annually. Our regional Veterans Administration (VA) office has authorized a full-time caseworker to Wenatchee to help with homelessness in the Chelan-Douglas area. According to the VA, many of these veterans have families but are not able to live with them due to complications from PTSD and substance abuse issues. There is a local volunteer organization, "Vets Serving Vets" that reports seeing several veterans a week who are struggling with housing issues. Once stabilized with appropriate substance abuse and mental health treatment, these veterans make good tenants, but the Veterans Administration has found it challenging to find landlords willing to rent to them, even with housing vouchers.

NATURE AND EXTENT OF HOMELESSNESS BY RACIAL AND ETHNIC GROUP

In numbers that include some duplication, well over one thousand Hispanic/Latino individuals and families are served annually who were homeless or at risk of homelessness. Based on reports from homeless service providers, approximately 33% of their homeless clients are Hispanic/Latino. The actual number is likely greater; members of the Hispanic/Latino community report that language and cultural barriers are an impediment to accessing homeless services. It is difficult for most recent immigrants to seek help from anyone outside their own family. This is especially true if there is a complicating factor such as substance abuse and/or domestic violence. Having service providers available who are bi-lingual/bi-cultural has proven to be a boon in meeting the needs of at-risk clients from our Hispanic/Latino population.

Wenatchee has an agricultural community that draws in large numbers of migrant farmworkers - seasonal farm worker jobs go from approximately 8,000 in the winter to 23,000 in July, according to Employment Security. Although some farmworker housing is available, it is inadequate for peak needs and shelters report that they experience peak demand in June. The risk of homelessness is high for migrant farmworkers, but it is not exclusively connected to farm labor. Wenatchee's Hispanic/Latino population has a higher rate of poverty, and is therefore generally more at risk. For those who may be undocumented workers, suffering hardship may be preferable to the risk of deportation. This concern frequently carries over to members of the Hispanic/Latino population who are in fact legal residents or citizens; if any individual in their

extended family or circle of friends is undocumented, there is often reluctance to seek help with housing or basic needs, for fear of disclosure.

FACILITIES TARGETED TO HOMELESS PERSONS

To meet the needs of homeless persons, Wenatchee has both emergency and transitional housing available in addition to permanent supportive housing through the Women’s Resource Center of NCW. To ensure a satisfactory continuum of care for homeless individuals and families, it is important to sustain a balance among facilities that offer emergency shelter, transitional housing, and permanent supportive housing. Facilities in Wenatchee include:

Table 72 – Homeless Facilities

FACILITY	TYPE OF SHELTER	No. of beds
Catholic Charities	Permanent Supportive	2
Chelan County Juvenile Detention Center	Emergency Shelter	4
Chelan County Regional Justice Center	Transitional Housing	7
Chelan-Douglas Community Action Council	Transitional, Rapid Re-Housing,	68
Chelan Valley Hope	Rapid Re-Housing	12
Hospitality House	Transitional Housing	40
Women’s Resource Center	Emergency, Transitional and Permanent Supportive housing for Adults and families	118
Lighthouse Christian Ministries	Rapid Re-Housing	6
Salvation Army	Rapid Re-Housing	12
Upper Valley MEND	Rapid Re-Housing	1
YWCA	Emergency & Transitional housing for women	47
SAGE	Emergency shelter for women who are victims of domestic &/or sexual violence	19

Hospitality House	Emergency/ transitional shelter for adult men	141
Haven of Hope	Emergency/ transitional shelter for women & children (no male children over age 12)	26
Hospitality Heights	Transitional housing for families	4 homes

ADDITIONAL INFORMATION ON HOMELESS FACILITIES:

Emergency shelter is ordinarily available to adult homeless who seek it, although those with children have a greater challenge, particularly if the family includes an adolescent male. Wenatchee currently has one faith-based agency with a shelter serving only adult men, with 86 beds and 20 additional cots that can be utilized if necessary. The same faith-based entity sponsors a shelter in a different neighborhood with 26 beds serving women and children. The local YWCA has emergency shelter for women with 10 beds. The regional confidential emergency shelter for victims of domestic and/or sexual violence is located in Wenatchee, with 16 beds for women and 13 beds for women with children. The Women’s Resource Center serves families, including adolescent males; it has 18 beds for singles and 40 for families. In addition to these emergency shelters located in Wenatchee, there are two emergency shelters in East Wenatchee: one serves women - 16 beds - and women with children – 8 beds; the other serves adult men – 10 beds – and adult women – 2 beds. Wenatchee has a faith-based day shelter for unaccompanied homeless youth that has overnight emergency shelter under development; once completed it will have 8 beds. There is also under development an emergency shelter for men, women and families; the faith-based organization, which currently operates a soup kitchen for the homeless in Wenatchee, plans to have 85 beds when construction is completed.

Traditional transitional housing is available but not to the extent of emergency housing. The YWCA has transitional housing with 14 beds. Community Action has two transitional housing facilities for a total of 68 beds. Two faith-based shelters combine emergency shelters and transitional housing in the same facility, depending on the needs of residents. The Women’s Resource Center provides transitional housing for residents. Many homeless shelter residents lack access to affordable housing, and consequently reside in emergency shelters on a longer-term basis. Others require supportive services in order to become self-sufficient; lacking the level of service they need they may become episodic emergency shelter residents. Most frequently the needed service is related to substance abuse, mental health, life skills, and education/employment training.

AVAILABLE MAINSTREAM SERVICES

A number of services available to the mainstream population of a community hold particular value to homeless persons. Services available to the general Wenatchee community that have proven essential to many if not most of our homeless population, are described below:

PUBLIC SERVICES		
Entity	Service	Notes
LINK Transit	Public transit	Bus service within City and County, on which many of our low-income residents rely for transportation. Conducts community outreach and works with local employers and educational institutions in effort to best serve those most in need.
North Central Regional Library	Public library	Regional library with Main Branch in Wenatchee; considered "safe zone" for homeless during day; has computer lab which for many low income is sole Internet access as well as opportunity to practice job-related skills and/or do school work.

MENTAL HEALTH SERVICES		
Entity	Service	Notes
Children’s Home Society	Nationally-affiliated non-profit providing family counseling, foster care management, adoptive support services.	Strong family counseling program. Bi-lingual staff available. Hosts Readiness to Learn, which provides case managers to work in school-parent partnership approach. Area’s only therapeutic foster care program serving youth from high-risk environments that are at greatest risk of becoming homeless. Funding for this last program has been reduced and is in jeopardy of being discontinued.
Catholic Family & Child Services	Affiliate of Catholic Charities, serving low-income families; provides childcare resource/referral, volunteer chore services, therapeutic family counseling.	Strong family counseling program. Bi-lingual staff available. Volunteer Chore Services assists many low-income, especially seniors; Knights of Columbus provides “on-loan” medical equipment such as walkers and crutches, and builds wheel-chair ramps for low-income clients.
Recovery Innovations	Non-profit providing adult mental health services, including PORCH program to work with landlords of tenants with serious mental health diagnosis.	Addresses mental health, including co-occurring disorders. Strong peer mentor emphasis in approach to serving clients, including peers in recovery, as contrasted with service from licensed mental health professionals.

Center for Alcohol & Drug Treatment	Publically funded center for alcohol/drug treatment; includes detox center & residential for adults; out-patient-only for adolescents.	Includes weekly parent education and support classes, anonymous and confidential, open to entire community.
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HEALTH SERVICES		
Entity	Service	Notes
Chelan-Douglas Health District	Provides public health services, including outreach and education in emergency shelters for the homeless.	Active interest in homeless outreach, including TB and AIDS education. Agency staff reduced by 50% in 2011.
Columbia Valley Community Health	Local community health clinic; provides medical care to low-income clients on sliding-scale fee structure. Includes children's dental & children's behavioral health. Serves large migrant/bilingual population; majority of staff are bilingual.	Over half of individuals living below 100% of the federal poverty level in Chelan County utilized CVCH services in 2010.
Chelan-Douglas Family Planning	Local provider of family planning services, health education & outreach, and preventative care.	Conducts bi-lingual AIDS education as well as providing reproductive health services and cancer screenings to low income clients.
VA Medical Center	Health center serving veterans only; counselor/case manager once/week to serve homeless veterans with housing & related issues.	Will have full-time case manager in future; position authorized but has not yet been posted. Provides intake/referral for PTSD & substance abuse as well as housing assistance.

EMPLOYMENT SERVICES		
Entity	Service	Notes
Literacy Council	Non-profit providing literacy services utilizing volunteer tutors; serves adults 16 & over.	Addresses acute need for English language learners and those with low literacy levels; adult students are eager learners and attendance/participation is never a problem. Funding for continued operation is in question.
Skills Source	Workforce training focused on youth at risk & low-income adults in need of high school equivalency & employment-related skills.	Serves those most in need of education/job skills in order to secure level employment. Cites impressive success stories; also reports being challenged by clients whose mental health/substance abuse disorders make it almost impossible to teach them. Reductions in funding for mental health/substance abuse services has increased wait times and greatly reduced access to treatment.
Work Source	Local agency of state employment service; includes unemployment benefits, job listings & assistance with job search.	Employment counselors report that client load has increased while available jobs have decreased, with the exception of farm labor which is seasonal, physically demanding, and has lower retention rates.
Vocational Rehabilitation	Non-profit providing vocational-rehabilitation services to disabled clients in partnership with local employers.	Staff has been reduced from three to two counselors, with no reduction in clientele. Greatest challenges: documentation of the disability in order to begin providing services; finding employers willing to work with disabled client when there is a surplus of available applicants for entry-level jobs.

TARGETED HOMELESS SERVICES

Services that specifically target the homeless population are essential to daily survival as well as long-term prospects for self-sufficiency. Services in Wenatchee that are specifically targeted to the homeless are listed below.

Table 73 – Homeless Services

Agency	Services	Notes
Women’s Resource Center	Emergency/transitional housing and supportive services	Food Bank, Prepared meal once/week, children’s lunches during summer, Child care,
Hospitality House/Haven of Hope	Homeless shelter	Serves meals to shelter residents and non-shelter homeless and impoverished..
Lighthouse Christian Ministries	Soup kitchen	Serves meals to homeless and impoverished.
Solomon’s Porch	Youth Center	Faith-based day center for homeless youth provides meals, mentorship.
Vets Helping Vets	Volunteer veteran support	Food bank, clothing, peer support for PTSD
Salvation Army	Charitable organization	Food, clothing, hot meals, rent assistance
Wenatchee School District	Public school district	Transportation and support services to enable homeless students to remain in school.
Lutheran Church	Faith based outreach	Provides weekly food donations for homeless students.

NOTE: Wenatchee lacks a day-use facility for homeless persons. The facilities that provide services do so on a drop-in basis but there is no facility that has a structured day program to serve the needs of non-resident homeless persons.

NON-HOMELESS SPECIAL NEEDS

OVERVIEW

Wenatchee has a high population of disabled persons who find it harder to acquire or sustain employment; they also require supportive services that are not readily available. According to administration and staff of our local Department of Social and Health Services and Workforce Development Council, the majority of persons with disabilities have a mental health and/or substance abuse diagnosis. For many of these clients, there is a co-occurring physical disability as well. Agency budget cuts and staff reductions, as well as reductions in public assistance, have increased waiting lists for mental health and substance abuse services. This places these clients in a precarious position, as without those support services they are at risk of losing their jobs and/or housing. In addition, with the high unemployment and low rental vacancy rate in our community, employers and rental property owners are reluctant to take on an “at-risk” employee or tenant.

Supportive services identified as critical to addressing special needs are mental health and chemical dependency. This need is the one most frequently cited by providers as impediments to stable employment and housing. However, it is important to not overlook the physical disabilities of low-income members of the community. In particular, infrastructure and transportation issues significantly impact low-income residents with mobility issues. Wenatchee literally has residents in wheelchairs trying to navigate roads with no sidewalks. Elderly residents may become socially isolated because they no longer drive, use a walker, and do not have access to safe streets or public transit. Many of these residents are “invisible” but surfaced during the intensive outreach conducted in preparation for the Consolidated Plan.

CHARACTERISTICS

DISABILITIES

The nature and extent of disabilities in the population in and around Wenatchee has implications for city and regional long term planning. Disabled persons in the working age population may need specific accommodations and/or services in order to be fully productive and participatory citizens. Non-working age disabled may have specific housing and transportation needs that the city can incorporate into planning and infrastructure improvements. Awareness of the characteristics and needs of the city’s disabled residents may also have implications for workforce development: 1) ensuring that the working-age disabled have access to necessary accommodations, services, and job training to become employable; 2) seeking and supporting economic opportunities such as business and nonprofits that specialize in health and related services for elderly and disabled persons.

Key considerations regarding Wenatchee’s disabled population include:

- 12.5% of the total population has a disability
- 32% of the total disabled population is working
- 30% of working age population in poverty has a disability
- 50% of the elderly population has a disability

(Data: 2012-2016 ACS 5-Year Estimates)

WORKING AGE POPULATION

Of those with a disability, 50 percent account for the working age population. Of those who are working full-time, the highest-ranking disability is a hearing difficulty, followed by an ambulatory difficulty. Of those working part-time, the highest-ranking disability is a cognitive difficulty, followed by an ambulatory difficulty. Of those who did not work, the highest-ranking difficulty is ambulatory, followed by an independent living difficulty. This would indicate that reasonable accommodations in the workplace enable many of our working-age disabled to be part of the labor force, and that conversely, those with more severe ambulatory and cognitive challenges may have needs that likely require specialized housing, and social service interventions.

SENIOR POPULATION

Of the total population with an independent living difficulty – 1,682 – just 4.3 percent are of working age. This aligns with the demographic data that point to our increasing senior population. For seniors who are facing hearing, vision, and mobility challenges, independent living becomes increasingly less feasible. This is particularly true for low-income seniors. According to Aging and Adult Care, the majority of the senior clients they serve would prefer to remain in their own homes but lack the resources to be able to do so without help. Many are living on Social Security alone. It is costly to provide institutional care for the elderly and investment in infrastructure and services that facilitate independent living may circumvent the potential drain on resources that publicly-funded institutional care would entail.

SUBSTANCE ABUSE AND MENTAL HEALTH DISORDERS

Anecdotally, there is a correlation between physical and cognitive disabilities, and substance abuse and mental health disorders. Local medical providers, as well as social services and workforce development staff, report that many working-age disabled patients and clients they see struggle with a mental health issues and/or substance abuse. In some cases, patients with a physical injury are treated for pain and become dependent on prescription pain medication, and/or become depressed and anxious and become dependent on alcohol or other drugs. The Medical Director of a local community health agency became concerned that 30% of the clinic’s patient fatalities were a result of prescription drug overdose, and formed a task force of medical professionals and community leaders to address this concern. The local low-income job-training

agency, Skills Source, reports that many of their enrollees struggle with mental health and/or substance abuse disorders; the local Division of Vocational Rehabilitation also reports this pattern. This points to the need for improving affordability and access to treatment, case management, supportive housing, and in many cases, supportive employment opportunities.

VETERANS WITH DISABILITIES

Veterans, particularly those returning from combat, typically have multiple disabilities that are both physical and cognitive in nature. There is a misperception on the part of many in the general community that these needs are met by government veteran services. While those services exist, demand exceeds the availability, and support from the general community is required in order for disabled veterans to be adequately served. An asset that is relatively new to the community is the Veterans Health Clinic; additionally, a case manager comes once weekly from Spokane to meet with veterans who have housing needs. Because many veterans struggle with post-traumatic-stress disorder as well as physical disabilities such as hearing loss and/or ambulatory difficulty, they are at higher risk for substance abuse disorders. They are also at higher risk of being unemployed and homeless. Partnerships between government services and the private sector will be essential to meet this challenge.

DOMESTIC VIOLENCE

Wenatchee is home to the only 24-hour confidential emergency shelter for domestic and sexual violence in our region. Obstacles to transitioning to stable housing are extremely complicated; victims are dealing with legal and safety issues, and most have no employment or source of income. For domestic violence victims from other parts of the county, it means being away from support of family and friends. For recent immigrants, there are language and cultural barriers and - for those who may be undocumented - fear of immigration authorities. Because we have the only confidential shelter in a multi-county region – and one of only 150 confidential shelters nationally – we have a disproportionate number of domestic violence shelter residents who have been victims of serious crime, often gang-related. Some have been wounded; others are victims of trafficking. Re-entry for these shelter residents is much more dangerous and complicated, and cannot be accomplished in a short period of time. This is a clear example of Wenatchee serving as the “hub” for services.

We have experienced a spike in domestic violence incidents, as is typical during a recession and financial crisis. Our regional shelter reports domestic violence services are up 32%, since 2007; sexual assault is up 17%, and victims of crime up 74%. Shelter bed nights are up by 32%, average stay up by 18% and overall unduplicated clients are up by 14%. This creates an urgent need for housing for victims and in most cases their children as well. More than half of their residents have no employment, and no other source of income. The majority of Hispanic/Latino clients are mono lingual, greatly hindering their ability to navigate services, seek employment, or pursue education.

Table 74 – SAGE Services 2005-2012

SAGE Service 2005-2012 (Local Confidential Emergency Shelter)
(SAGE= *Safety, Advocacy, Growth, Empowerment*)

SERVICE YEAR	2005-6	2006-7	2007-8	2008-9	2009-10	2010-11	2011-12	5 year increase	Percent Increase
Domestic Violence	1	3074	3345	3479	3569	4045	4903	1558	32%
Sexual Assault	276	825	868	1030	828	784	1052	184	17%
Criminal Violence	0	286	279	313	613	508	1071	792	74%
Shelter	9	65	39	53	42	27	30	-9	30%
Non-shelter	71	423	421	404	393	387	369	-52	14%
Beds	71	1916	1564	1081	1480	1570	2309	745	32%
Average Stay		34	36	22	26	31	44	8	18%
Unduplicated client	134	619	712	752	782	816	831	119	14%

HOUSING AND SUPPORTIVE SERVICE NEEDS

Without exception, housing and social service providers, community partners, and clients themselves cite three critical needs:

- Affordable, accessible housing
City of Wenatchee low-income residents struggle to find rental housing in a market that has a rental vacancy rate below 5%. Their struggle is often exacerbated by two key factors: 1) low household income due to employment in low-wage jobs, 2) barriers to tenancy due to background checks - i.e.: criminal record, poor rental history and/or poor credit history. For some, there are additional complications such as domestic violence situations, immigration issues, and physical or mental disabilities.
- Supportive housing for disabilities of all types
Input from social service providers is that co-occurring disorders (mental health/substance abuse) are the presenting concerns of large numbers of clients seeking local services. Some of the community's more successful programs implement case management as part of providing low-income housing and/or rent assistance. It would

be helpful to expand the number of such “partner landlords” and to strengthen the case management of tenants who are considered high risk. In addition, there is a clear need for permanent supportive housing for those with a chronic mental health diagnosis, and a need to plan for the high percentage of the population that are seniors and will need housing that is supportive for the needs of elderly persons.

- Living wage employment opportunities

The region, as did the nation, experienced high unemployment in the Great Recession. Because so many residents work in low-wage occupations, this had a devastating effect due to their inability to build reserves when they were employed. Two-thirds of the top 25 occupations fall below the Self-Sufficiency standard for our county; 23% of households have an income below \$25,000 annually. Wage increases have been significantly lower than statewide increases: only 3% since 2002 compared to the state increase of 7%. A major concern in addressing the issue of low-wage employment is the education level of much of the area’s population. The percentage of the population with a Bachelor’s Degree -14% - is markedly lower than the state average of 20%; and denotes a dramatic drop from our 2005 rate of 17%. Even more alarming is the graduation rate from Wenatchee High School: 66%. Fully one-third of our high school students drop out before receiving a diploma. Increasing the education and skill level of the working population will better position Wenatchee to attract employers offering family-wage jobs.

SIZE AND CHARACTERISTICS OF POPULATION WITH HIV / AIDS

According to the Medical Case Manager for HIV/AIDS who is with the Spokane Aids Network but serves our area, there are 76 cumulative HIV/AIDS cases in Chelan County, with 48 of those being current clients. It is expected that the actual rate is much higher. With no local, confidential HIV/AIDS service there is a significant barrier to identifying cases. This is especially true for low income, as the only low-or no-cost AIDS testing is through Family Planning. Individuals who do not fit the usual profile of a family planning client may not access that avenue. Seeing a private physician is not only more expensive; in a small rural community it carries risk of stigma and embarrassment. Additionally, the local health district has no funds to offer HIV/AIDS testing.

Those who are identified have access to counseling, rent assistance, health care, and transportation. These services are coordinated by a bi-lingual Medical Manager through the Spokane Aids Network, and include outreach to homeless shelters. Even so, there is a need for improved access to AIDS testing, and for greater community awareness of the service that is available.

FACILITIES AND SERVICES

Wenatchee has a high percentage of seniors who will need progressively more services as they age. As our elderly become frail elderly, it will tax facilities’ ability to serve clients on public

assistance. Wenatchee currently has a number of retirement and assisted living facilities but there is limited access to those facilities by low-income persons. Cultural issues are a factor in our large and growing Hispanic/Latino population. Traditionally these families have cared for their elderly family members in their own homes. When their elderly become too ill, frail or disabled to be adequately cared for at home there is often resistance to “outside” help. Consideration of cultural differences will need to be part of an effective approach to meeting the needs of elderly persons in the city’s diverse population.

Current services for the elderly include a Senior Center, Meals on Wheels, Volunteer Chore Services and the Knights of Columbus program that provides no-cost use of medical equipment such as walkers, lift chairs and shower seats, and will install ramps for low-income seniors who are wheel-chair bound.

Wenatchee has services for elderly and non-elderly disabled clients including Samara, which provides help and equipment for blind and visually impaired; Lilac Services, which provides assessments, training and home help; Hearing Loss Center which provides advocacy, training and interpreters; and the above-mentioned Knights of Columbus program providing medical equipment to low-income disabled persons.

Persons with mental health and/or substance abuse issues are greatly in need of supportive housing. The local alcohol/drug treatment center reports that a number of clients relapse because they have either 1) no home to return to, or 2) return to a household where they are among active addicts. Additionally, outpatient mental health services report that many of their patients could be more self-sufficient if they were in permanent supportive housing. Wenatchee has no residential mental health facility and the hospital does not have an emotional care unit.

There is a permanent supportive housing facility for chronically homeless individuals disabled by mental illness under development that will house fifteen clients and a residential manager. This same facility plans to house a behavioral health clinic and the local Regional Support Network. The permanent supportive housing is expected to be available by December of 2013. Plans for the Regional Support Network and behavioral health are temporarily on hold while a determination is made regarding contracted services.

Persons with developmental disabilities are served locally by the Department of Social and Health Services and by several non-profits. This includes a residential facility with case management and vocational services, as well as a permanent housing facility for adult developmentally disabled residents.

PROGRAMS FOR PERSONS RETURNING FROM MENTAL AND PHYSICAL HEALTH INSTITUTIONS

There is no dedicated program to ensure that persons returning from mental and physical health institutions receive appropriate supportive housing. The clinical manager for the local hospital reports that this has created a problem for them as they often have hospital beds occupied by patients who would be discharged if they had supportive housing. This is a reflection of the lack of low-income assisted living, and the lack of permanent supportive housing for mental health patients.

PUBLIC FACILITIES AND SERVICES NEEDS

PUBLIC FACILITIES AND IMPROVEMENTS

CAPITAL FACILITIES PLAN

The City of Wenatchee annually updates and adopts a six-year Capital Facilities Plan. The Plan outlines planned or needed capital facility projects for the following types of city-owned public facilities:

- streets
- sidewalks, paths and trails
- street and road lighting systems
- traffic signals
- domestic water system
- storm sewer system
- sanitary sewer system
- parks and recreation facilities
- general administrative facilities
- vehicles (over \$10,000 and a useful life of over 10 years)
- museum
- convention center
- cemetery

A summary table of the total costs of identified capital facility projects is below.

Table 75 – Capital Facilities Plan Expenses, 2013-2018
2017-2022 Project Summary

Public Facilities Type	Funded	Unfunded
Arterial Streets	7,057,040	147,397,118
Cemetery	80,000	530,000
Convention Center	275,000	415,000
General Facilities	512,614	14,915,000
Parks and Recreation	4,750,679	11,121,933
Regional Water	1,440,000	10,000,000
Storm Drain	836,670	10,779,000
Sanitary Sewer	1,308,000	20,685,000
Street Overlay	2,100,000	8,000,000
Street Maintenance	50,000	400,000
Water	2,085,000	3,454,000
Vehicles	136,000	-
Broadview Secondary Access	-	741,000
Homeless/Housing/CDBG Programs	345,000	360,000
Local Revitalization Financing District	-	6,050,000
Partnership Projects	-	110,350,000
TOTAL	\$ 20,976,003	\$ 345,198,051

For the purposes of the Consolidated Plan, the City is focusing identified public facility and improvement needs to facilities primarily serving low and moderate income residents. Identified capital projects for public facilities meeting this criterion include:

- Improvements to Neighborhood Parks:
 - Chase Park
 - Pennsylvania Park
 - Methow Park
- Improvements to Lincoln Park, a community park
- Street Improvements:
 - McKittrick Street
 - South Wenatchee Sidewalks
 - Okanogan and Red Apple Safe Routes to School
 - Miscellaneous Traffic Calming
 - Crawford Sidewalks

SOUTH WENATCHEE NON-MOTORIZED ASSESSMENT

The City of Wenatchee recently partnered with the Wenatchee Valley Transportation Council to perform an assessment and inventory of existing conditions for pedestrian and bicycle improvements in the South Wenatchee area. The Assessment is planned to be utilized to assist the City in identifying and prioritizing future improvement projects with the South Wenatchee neighborhood.

COMMUNITY CENTER

The Wenatchee Community Center, located in South Wenatchee, first opened in 2006. The facility and property was purchased and re-developed by the City, in part with the assistance of State and Entitlement CDBG funds. The center was established to unite the community by embracing cultures, families and individuals through collaboration, assistance and support, focusing on serving the South Wenatchee neighborhood.

The facility currently provides rental facilities, meeting space, community services and recreation, weekly food bank, education and literacy programs for residents in the community. Needs of the facility involve expansion of programs and potentially some capital improvements to facilitate this, and a need to increase revenue to cover operation expenses.

Because CDBG funds were used in the development of the Community Center, there are use and operation restrictions that apply to the property in accordance with 24 CFR 570.505. Conditions include, but are not limited to:

- Use of the property for the original intended purpose - serving the South Wenatchee neighborhood, primarily benefiting low income persons;
- Excessive usage fees which will have the effect of precluding low and moderate income persons from using the facility are not permitted; and
- A portion of any income in excess of expenses associated with the use/operation of the community center is considered CDBG program income and must be re-programmed to other CDBG eligible activities.

NEED DETERMINATION

Focus groups with literally hundreds of residents garnered an overwhelming response pointing to the need for specific infrastructure improvements in low-income neighborhoods. Chief among them: lighting and sidewalks. A close second: crosswalks. This aligns with the City's 2012 South Wenatchee Non-Motorized Assessment and the South Wenatchee Action Plan. Many of the streets in this part of the city have full roadways with no sidewalk, a partial installation, or sidewalks badly in need of repair. Additionally, there are crosswalks that are challenging to cross

and may feel unsafe. Despite installation of “crossing flags” at some of these major crosswalks, there have been motor-pedestrian accidents with injuries. There is an opportunity to improve safety, as well as the living environment of residents and local businesses, by improving the built infrastructure.

PUBLIC SERVICES

Senior services

Wenatchee has a high percentage of seniors in the population. There is one senior center, located in the northwest portion of the city. The Aging and Adult Care agency is located across the river in East Wenatchee. It would be helpful to seniors in the South Wenatchee area to have senior services that are more accessible to them.

Youth services

Focus groups, particularly in South Wenatchee, repeatedly cited the need for youth services and youth activities. A large number of low-income families, including single parent families, expressed the need for support services and a concern about the lack of recreational opportunities - or lack of access to them due to cost and transportation barriers. Additionally, the alarmingly high dropout rate at Wenatchee High School indicates a need for broad community support for students at risk of not completing high school.

Transportation services

Budget cuts have reduced public transit services. Many low-income workers are employed in shift work; daily runs end too early to be an option for these workers creating both a hardship and an impediment to employment. Additionally, low-income residents voices concern about bus stops with no shelter and/or street lights.

Substance Abuse/Mental Health Services

All reports indicate a high need for substance abuse and mental health services. Although there are agencies in Wenatchee that offer these services, low income clients often lack access because they do not qualify for publicly funded service and/or they face a waiting period of many weeks unless they are in severe crisis. Also, local alcohol/drug treatment center offers in-patient service to adults, but out-patient-only service for adolescents.

Education/Employment Training

To increase availability of living-wage jobs the community needs to increase the education and skill level of the available workforce. For many low-income residents this begins with literacy. There is a high demand for literacy classes, and for adult basic education, in preparation for higher levels of education and job training. Multiple entities provide these services; the support they need is in facilitating access to the services and facilitating a stronger network of communication to match services to needs.

Child Care

Wenatchee has a large number of low income families with children, including single parents and parents who are twenty years old or younger. Access to childcare remains a consistent barrier to employment and a path to self-sufficiency.

STRATEGIC PLAN

OVERVIEW

The approach to developing a strategic plan has been comprehensive in nature in an effort to seek opportunities for leveraging and adapt to priority needs as they emerge through each Action Plan.

The Strategic Plan identifies priority needs for Wenatchee and describes strategies that will be undertaken to address priority needs. Based on extensive data analysis and community outreach, the Consolidated Plan Advisory Group identified priority needs the Plan should address. These priority needs surfaced as consistent themes in quantitative data, input from key stakeholders of all types, and engaged discussion among members of the Consolidated Plan Advisory Group. Priority needs, detailed below, include: Affordable Housing, Neighborhood Improvement, Homelessness, Public Services and Economic Development.

The City has the option of setting funding priorities on a geographic basis. This approach recognizes that a neighborhood's economic and social needs are interconnected and focuses on the neighborhood as a whole. It also recognizes that certain neighborhoods may have concentrated levels of priority needs, and that neighborhood-specific opportunities may emerge over the five-year span. Geographic areas identified include South Wenatchee, the Tacoma Street neighborhood, and Central Wenatchee; details as to the basis for identifying these neighborhoods are listed below.

In developing the actual strategies, market conditions were a key consideration. In particular, effort was made to identify gaps between Wenatchee's demographics and the market conditions for housing, employment, and public services. The Strategic Plan delineates specific measures to address identified gaps, and further delineates which entities may carry out identified activities and projects. To reach desired outcomes will require a coordinated and collaborative effort from government, business, nonprofits and the faith community.

The Strategic Plan contains the following sub-sections:

1. Geographic Priorities
2. Priority Needs
3. Influence of Market Conditions
4. Anticipated Resources
5. Institutional Delivery Structure
6. Goals and Strategies
7. Public Housing Accessibility and Involvement
8. Barriers to Affordable Housing
9. Homelessness Strategy

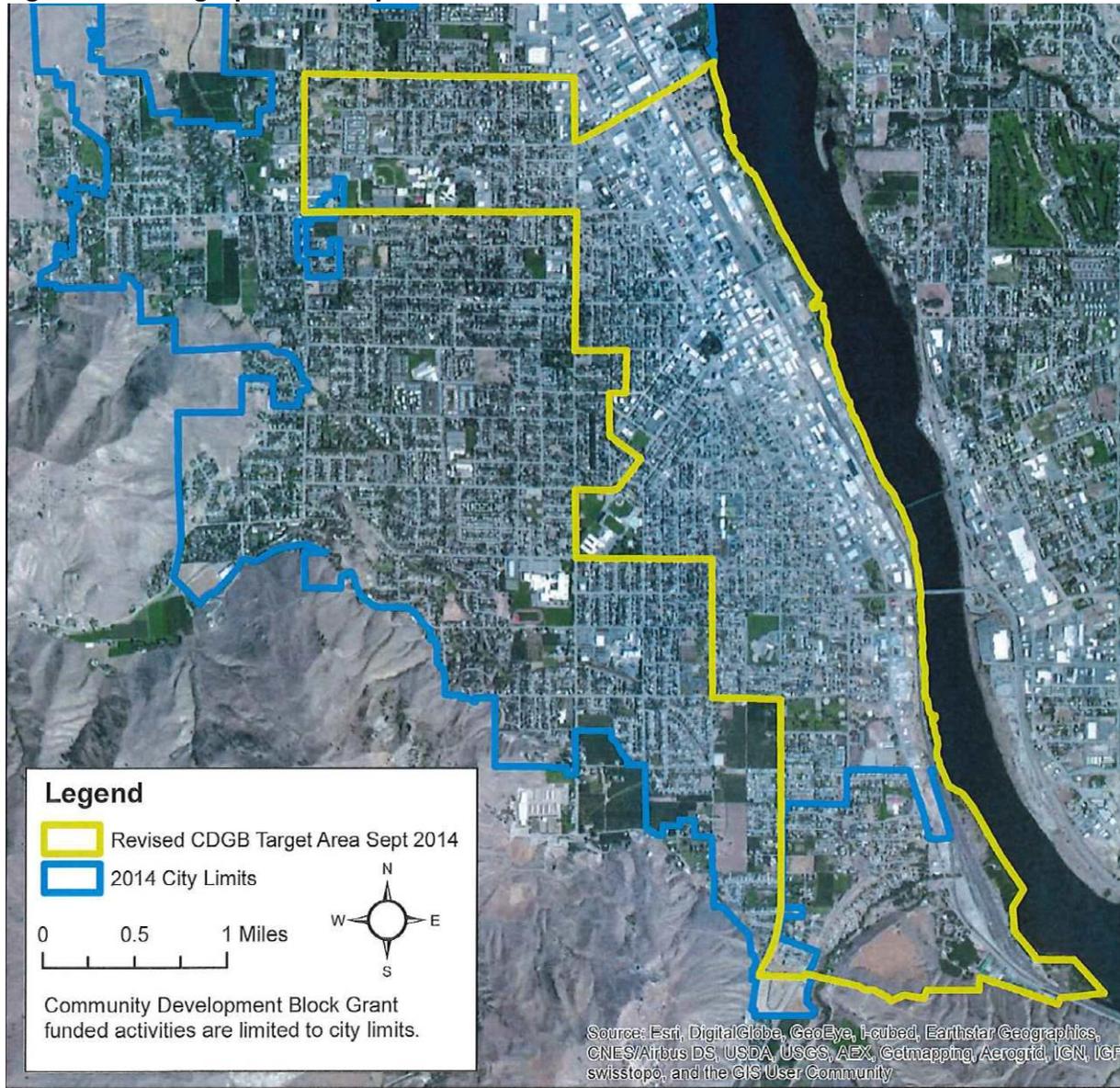
10. Lead Based Paint Hazards
11. Anti-Poverty Strategy
12. Monitoring

GEOGRAPHIC PRIORITIES

Previously the CDBG target area was identified as the South Wenatchee, Tacoma Street and Central Wenatchee neighborhoods. An amendment in October 2014 was adopted to consolidate these areas based on the inter-relationships between neighborhoods in terms of access to public facilities (i.e., parks, K-12 schools, the Wenatchee Valley Community College), commercial areas, grocery stores and medical & government facilities. In acknowledgement of the mix of income levels of this area, geographic-based activities will be targeted to those portions of the area where there is greatest benefit to low- and moderate-income individuals consistent with the adopted 2013-2019 Consolidated Plan.

The characteristics observed within the geographic priority area include higher level of crime; housing stock in a state of deterioration; lack of public facilities such as sidewalks, lighting and parks; high levels of code enforcement issues; and signs of potential blight such as graffiti, junk vehicles and substandard structures. It is these areas that will receive further priority for CDBG activities. In addition, activities may be targeted to prevent the spread of urban decay and potential blight.

Figure 57 – Geographic Priority Areas within Wenatchee



SOUTH WENATCHEE NEIGHBORHOOD

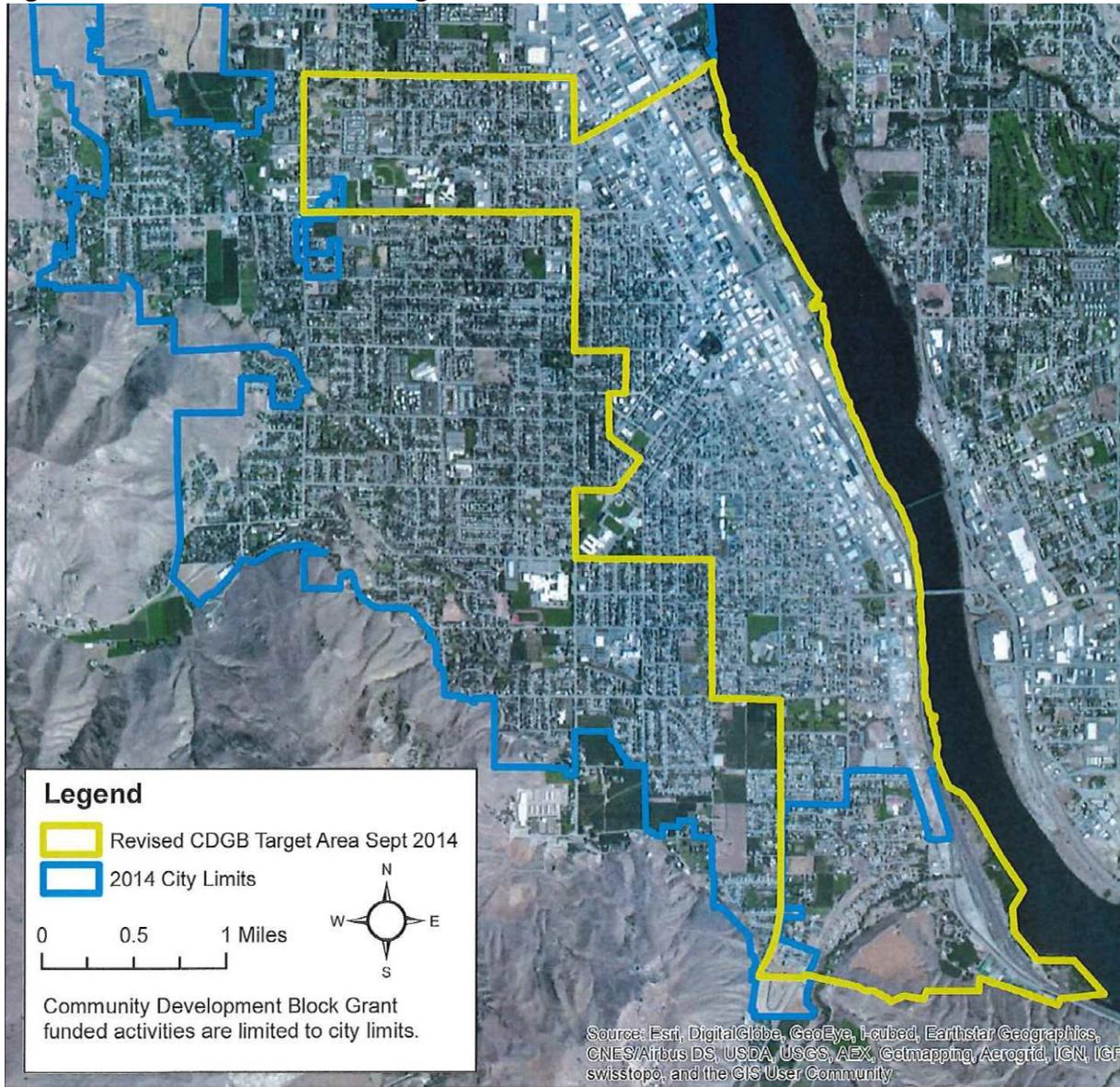
South Wenatchee has been the subject of intense study as it is a large neighborhood with the greatest concentration of low-moderate-income residents and an older housing stock. In 2009, City code enforcement staff performed a drive-by property survey of three key neighborhood areas generally perceived by staff to be suffering from deterioration, including South Wenatchee. At the time of the original drive-by survey, approximately 38% of the properties within the South Wenatchee area were characterized by deterioration. Deterioration characteristics that were identified included substandard structures, deteriorated paint, other exterior building deterioration, garbage and debris, and overgrown vegetation.

It also has multiple assets; including views, decent housing stock, and a neighborhood community that wants to engage in the revitalization process but lacks the financial resources to do so. The City was awarded an American Institute of Architects (AIA) Sustainable Design Assessment Team grant that provided a level of expertise and technical assistance that could not have been achieved with local resources. The AIA team spent time with City staff in August 2012 and returned for an intensive four-day immersion in October of 2012. Community input, including South Wenatchee residents and business owners, informed their process, along with tours of the city and multiple meetings with stakeholders. At this time, the community is still waiting for the official report of the AIA Team's assessment and recommendations.

Based on feedback from residents, neighborhood needs include infrastructure improvements such as lighting and sidewalks, public service improvements such as better access to downtown commerce and services, and greater education and economic opportunities for the many residents who are low income – with attention paid to the need for bi-lingual and cross-cultural sensitivity. Opportunities include growth in small business including Hispanic/Latino owned businesses, and the large number of long-term residents who are committed to improving the neighborhood.

The timing of the South Wenatchee AIA project coincided with the update of the Consolidated Plan, and informed the selection of strategies. This has created an opportunity for the City to capitalize on the high level of engagement generated by the AIA project, on the part of not only South Wenatchee residents and business owners, but the larger community as well. The City Community Development Department continued this process to develop the South Wenatchee Action Plan completed in 2016.

Figure 58 – South Wenatchee Neighborhood



Name: South Central Wenatchee Neighborhood
Area Type: Residential, commercial
Neighborhood boundaries for this target area. Springwater on the North, Miller to the West, East to the River and South to the Urban Growth Area boundary.
Specific housing and commercial characteristics of this target area High density, smaller housing stock – many in need or repair. Some commercial development, no large employers
How consultation and citizen participation process helped identify this neighborhood The City was awarded an American Institute of Architects (AIA) Sustainable Design Team Assessment grant that provided a level of expertise and technical assistance that could not have been achieved with typically available resources. Residents and stakeholders submitted written comments and participated in multiple focus groups throughout the Assessment process.
Identified needs in this target area. Neighborhood needs include lighting, street & alley repair, sidewalks; more frequently-scheduled public transportation, greater education and economic opportunities for the many residents who are low income - with attention paid to the need for bi-lingual and cross-cultural sensitivity.
Opportunities for improvement in this target area? Opportunities include proximity to improved downtown neighborhoods, buildings that are suitable for historic preservation, growth in small business including Hispanic/Latino owned businesses and the large number of long-term residents who are committed to improving the neighborhood
Barriers to improvement in this target area? Barriers include lack of financial resources for major capital improvements; infrastructure challenges due to major highway intersection separating residential neighborhood from downtown core; LMI demographics disincentive to location of major retailer including much-needed grocery.

PRIORITY NEEDS

Priority needs are the needs that will be addressed by the goals outlined in this Strategic Plan. This section includes rationale for establishing priorities based on the analysis in the Needs Assessment and Market Analysis sections. Priority needs reflect the demographics, economy and infrastructure of both Wenatchee and the region, as they impact housing, living environment and economic opportunity for the city’s low-income residents. Strategies will address these needs in all parts of the city, but particular attention will be paid to identified Geographic Priority Area.

Table 76 – Priority Needs

Priority Needs Summary				
NEED	PRIORITY LEVEL	POPULATION	ASSOCIATED GOALS	Target Areas Affected
Affordable Housing	High	Low Income Elderly Hispanics Non-family HHs Small-family HHs	Reduce Housing Cost Burdens	All
DESCRIPTION High housing cost burden. Lack of multi-family development, scarcity and cost of land, and mismatch of units to our demographics has led to housing cost burdens, overcrowding, and increased risk of homelessness.				
BASIS FOR PRIORITY Data regarding cost burden, mismatch to demographics, demonstrated impediment to permanent & stable housing for low income residents. "High" due to urgency of need & City's role in Community Development				
Neighborhood Improvement	High	Low income residents Disabled Elderly	Preserve & improve neighborhoods	All
DESCRIPTION Significant portions of the city with no sidewalks and/or sidewalks in disrepair, inadequate street lighting, lack of safe pedestrian crosswalks; areas of near-blight and incidents of gang graffiti.				
BASIS FOR PRIORITY Code enforcement report, Non-motorized report, Sustainable Design Team report. "High" due to prevalence of need and ability of City to address through public infrastructure projects and code enforcement				
Homelessness	Low	Homeless Homeless Special Needs	Reduce homelessness	All
DESCRIPTION High number of homeless including homeless families with children, lack of permanent supportive housing for special needs populations, long wait lists for low-income housing, increased caseloads at social service agencies and charitable organizations.				
BASIS FOR PRIORITY Data from Chelan-Douglas Homeless Plan Needs Assessment, Homeless Grant applications, Point in Time Count, School District Homeless Student count; input from service providers including homeless service providers and related services. "Low" due to funds available through Chelan-Douglas Homeless Grant.				

Priority Needs Summary				
NEED	PRIORITY LEVEL	POPULATION	ASSOCIATED GOALS	Target Areas Affected
Public Services	Low	Low income Families	Support Public Services	All
<p>DESCRIPTION Consensus among community stakeholders of all types that there is need for coordination and collaboration to improve navigation through service system. Multiple barriers to self-sufficiency include literacy, education, transportation, childcare, parenting classes. High need for basic services including food banks, chore service, health care.</p>				
<p>BASIS FOR PRIORITY Data regarding poverty, levels of English fluency, education, job skills; input from community stakeholders of all types including need for case management and youth engagement. “Low” due to focus on facilitating service agencies rather than attempting to provide services; providers are better able to be effective in actual service while government is better able to provide structural support.</p>				
Economic Development	High	Low income individuals and families	Develop Economic Opportunity	All
<p>DESCRIPTION Economic Development addresses core needs of reducing demands for social services through creation of jobs and raising household income levels. The high number of low paying jobs and the growing youth workforce drives the need to improve economic health in the region.</p>				
<p>BASIS FOR PRIORITY Data identify high number of low income households, high drop-out rate; employers and employment-related service providers report lack of living-wage jobs, high level of unemployment &/or underemployment, as well as lack of adequate skill level on the part of many unemployed when living-wage jobs are available. “High” due to this being a root cause of affordable housing, homeless, and public service needs.</p>				

INFLUENCE OF MARKET CONDITIONS

Characteristics of the city’s housing market influencing the jurisdiction’s decisions regarding allocation priorities amongst the types of housing assistance are as follows:

Table 77 – Influence of Housing Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Long wait lists for low-income subsidized housing High numbers of low-wage workers with high housing cost burden
TBRA for Non-Homeless Special Needs	Lack of permanent supportive housing for the disabled Lack of safe and sober housing for residents exiting treatment for addiction disorders Large senior population; wait lists for affordable assisted living
New Unit Production	Lack of multi-family housing development; rising rental costs Mismatch of housing units to demographics; need for single-unit housing
Rehabilitation	Older housing stock No prevalence of disinvestment Code enforcement as preventative measure against substandard housing Aging public housing low income units in need of rehabilitation warrants monitoring; this would be a priority in seeking opportunities to leverage funds.
Acquisition, including preservation	Not aware of any low income housing facilities in imminent danger of being destroyed or of expiring restrictions so they would no longer serve as low income housing. Rising rental costs Lack of major re-development of existing housing stock

ANTICIPATED RESOURCES

This section estimates the resources anticipated to be available to address Wenatchee’s priority needs. The level of resources available has and will continue to play a key role in implementing strategies to address identified goals. The City has considered all resources within the City’s control that can be reasonably expected to be available to address priority needs, including federal, state, and local grant funding.

Table 78 – Anticipated Resources

Anticipated Resources				
Program	Source of Funds	Uses of Funds	Annual Allocation	Expected Amount Available for ConPlan
CDBG	HUD	Admin & Planning Public Improvements Code Enforcement Public Services	\$220,000	\$440,000
<p>Narrative Description</p> <p>These funds will leverage additional resources from government entities such as Dept. of Transportation as well public and private resources from partners in the regional Homeless Plan and Economic Development Strategic Plan</p>				
Low Income Housing Funds	Chelan County recording fees	Affordable Housing	\$43,500	\$87,000
<p>Narrative Description</p> <p>These funds are targeted to affordable low-income housing in the City.</p>				
Chelan-Douglas Homeless Funds	Chelan and Douglas County recording fees	Homeless	\$785,000	\$1,570,000
<p>Narrative Description</p> <p>These funds are dedicated to reducing homelessness in Chelan and Douglas Counties.</p>				
Consolidated Homeless Grant	State of Washington, Department of Commerce	Homeless	\$509,374	\$1,018,748
<p>Narrative Description</p> <p>These funds are dedicated to emergency shelter/transitional housing operating costs and rental assistance to reduce homelessness in Chelan and Douglas Counties.</p>				

Leveraging Additional Resources

The City has actively sought leveraging opportunities for CDBG projects and will continue to do so. An example of previous leveraging is the City's sidewalk improvements around the Parkside facility: Women's Resource Center will provide permanent supportive housing to chronically homeless individuals, and the property was donated to the community by its owners.

INSTITUTIONAL DELIVERY STRUCTURE

The Consolidated Plan anticipates a broad collaboration of stakeholders for implementing the Strategic Plan. Drawing on the knowledge, expertise, capabilities and resources of various entities the City hopes to maximize opportunities to serve the most vulnerable in our community while growing a vital and thriving economy. Key partners in this effort are outlined below.

Table 79 – Institutional Delivery Structure, Listed Entities

RESPONSIBLE ENTITY	ENTITY TYPE	ROLE	GEOGRAPHIC AREA SERVED
NCW Association of Realtors	Regional organization	Affordable Hsg-ownership	Jurisdiction Regional
Wenatchee Valley Renters Association	Regional organization	Affordable housing-rental	Jurisdiction
NCW Economic Development District	Regional organization	Community development: economic development Planning	Jurisdiction Regional
Port of Chelan County	Government Agency	Community development: economic development Planning	
Greater Wenatchee Area Technology Association	Other: technology association	Community development: economic development Planning	Jurisdiction Regional
Wenatchee Downtown Association	Other: downtown association Private industry	Community development: neighborhood improvements Community development: economic development Planning	Jurisdiction
Wenatchee Valley Chamber of Commerce	Regional organization, private industry	Community development: economic development Planning	Jurisdiction
NCW Hispanic Chamber of Commerce	Regional organization, private industry	Community development: economic development Planning	Jurisdiction Regional
Wenatchee Valley Visitors & Tourism Bureau	Regional organization, private industry	Community development: economic development Planning	Jurisdiction Regional
Skills Source	Nonprofit organization	Community development: economic development	Jurisdiction Regional
Work Source	Government agency	Community development: economic development	Jurisdiction Regional
Opportunity Industrialization Center	Government agency	Community development: economic development	Jurisdiction Regional
SCORE	Nonprofit Private industry	Community development: economic development	Jurisdiction Regional
Service Clubs: Rotary, Kiwanis, Lions, Junior Service League	Other – Service Clubs	Community development: neighborhood improvements Homelessness Community development: public services Community development: economic development	Jurisdiction Regional
City of Wenatchee and Chelan Co. Housing Authority	USDA, Section 8	Affordable housing-rental Public Hsg	Jurisdiction Regional

		Homelessness Non-Hmls Sp Needs	
Community Action	Nonprofit	Rental Homelessness Non-Hmls Sp Needs	Jurisdiction Regional
Women’s Resource Center	Nonprofit	Homelessness Hmls Sp Needs	Jurisdiction Regional
YWCA	Nonprofit	Homelessness Hmls Sp Needs	Jurisdiction Regional
SAGE	Nonprofit	Homelessness Hmls Sp Needs	Jurisdiction Regional
Solomon’s Porch	Nonprofit		
Hospitality House	Faith based	Homelessness Hmls Sp Needs	Jurisdiction
Recovery Innovations	Nonprofit	Homelessness Hmls Sp Needs	Jurisdiction
Volunteer Chore Services	Nonprofit	Non-homeless Special Needs	Jurisdiction Regional
Vets Serving Vets	Nonprofit	Non-homeless Special Needs	Jurisdiction Regional
Rebuilding Together	Nonprofit	Homelessness Community development: public services	Jurisdiction Regional
Local Food Banks	Nonprofit	Homelessness Community development: public services	Jurisdiction Regional
Serve Wenatchee Valley	Other – Faith based nonprofit	Homelessness Non-homeless Special Needs Community development: public services	Jurisdiction
Local churches	Other – faith organization	Homelessness Non-homeless Special Needs Community development: public services	Jurisdiction
Dept. of Social & Health Services	Government agency	Homelessness Non-homeless Special Needs Community development: public services	Jurisdiction Regional
Center for Alcohol & Drug Treatment	Nonprofit	Homelessness Non-homeless Special Needs Community development: public services	Jurisdiction Regional
Catholic Family & Child Services	Nonprofit	Non-homeless Special Needs Community development: public services	Jurisdiction Regional
Children’s Home Society	Nonprofit	Non-homeless Special Needs	Jurisdiction

		Community development: public services	Regional
Salvation Army	Faith-based nonprofit	Homelessness Non-homeless Special Needs Community development: public services	Jurisdiction Regional
Aging Adult Care	nonprofit	Non-homeless Special Needs Community development: public services	Jurisdiction Regional
Regional Justice Center	Government agency	Homelessness	
Juvenile Justice	Government agency	Homelessness	
CASA (Court Appointed Special Advocates)	nonprofit	Non-homeless special needs	
Northwest Justice Project	nonprofit	Comm. Dev. – public services	
Chelan-Douglas Health District	Government agency	Homelessness Non-homeless Special Needs Community development: public services	
Columbia Valley Community Health	nonprofit	Non-homeless Special Needs Community development: public services	
Chelan-Douglas Family Planning	nonprofit	Non-homeless Special Needs Community development: public services	
VA Health Clinic	Government agency	Homeless Non-homeless Special Needs Community development: public services	
Head Start	Government agency	Community development: public services	Jurisdiction
Wenatchee School District	Public institution	Non-Hmls Sp Needs Planning	Jurisdiction
NCW Technical Skills Center	Public institution	Community Development: economic development	Jurisdiction Regional
Wenatchee Valley College	Public institution	Non-Hmls Sp Needs Planning	Jurisdiction Regional
Literacy Council	Nonprofit	Non-Hmls Sp Needs Planning	Jurisdiction Regional
LINK	Public institution	Community Dev – public services	Jurisdiction Regional

North Central Regional Library	Public institution	Community Dev – public services	Jurisdiction Regional
City of Wenatchee	Government	Comm. Dev – all Planning	Jurisdiction

Note: While these services are available, they have been limited due to budget cuts. There is usually a wait list for all but crisis mental health counseling; public transportation is available but routes and schedules have been reduced; the local public health district staff has been reduced by half, and many community outreach programs and services such as the emergency domestic violence shelter have experienced budget and staff reductions.

INSTITUTIONAL DELIVERY SYSTEM ASSESSMENT

STRENGTHS in the institutional delivery system include the high level of commitment on the part of the City and community partners to address the needs of low-income residents. Service clubs and faith-based organizations have built parks, supported schools, donated to food banks and raised funds for homeless shelters. For example, a service club literally built a public park where previously one did not exist. That same service club took on a major project to support a 200-student public alternative school with time, donations, and major funding. Serve Wenatchee Valley, a coalition of local churches, formed a nonprofit to coordinate charitable services. These types of efforts have provided a much-needed boost to public institutions that have experienced major budget cuts. Another strength in the delivery system is the attention paid to bi-lingual/bi-cultural approaches.

GAPS in the delivery system include steep budget cuts to publicly funded agencies, and corresponding staff reductions. Private charitable and faith-based organizations partially fill those gaps, but they're also seeing reduced funding/donations and increased demands for services, and their staff sometimes lacks the credentials to meet all of the medical, mental health, educational and/or job training needs of clients. Additionally, the lack of privately developed low-income housing has strained the resources of publicly funded low-income housing. A gap that has been consistently identified is the need for coordination. This includes the need for a coordinated sharing of information and a structured approach to navigating the system of accessing services. Given the high and growing percentage of Hispanic/Latino individuals and families, efforts to improve coordination should include a bi-lingual, bi-cultural approach.

HOMELESSNESS PREVENTION SERVICES

Table 80 – Homelessness Prevention Services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	x	x	
Legal Assistance	x	x	
Mortgage Assistance			
Rental Assistance	x		
Utilities Assistance	x		
Street Outreach Services			
Law Enforcement	x		
Mobile Clinics			
Other Street Outreach Services	x	x	
Supportive Services			
Alcohol & Drug Abuse	x	x	
Child Care	x	x	
Education	x	x	
Employment and Employment Training	x	x	
Healthcare	x		
HIV/AIDS	x	x	
Life Skills	x	x	
Mental Health Counseling	x	x	
Transportation	x		
Other			
Other			

The services listed above meet the needs of homeless persons by tailoring services to specific sub-populations. There is a center for homeless youth (currently day only but in process of developing overnight shelter), an emergency shelter for victims of domestic violence, shelters and services for the chronically homeless, and our local VA Health Clinic has a case manager specifically assigned to serve homeless veterans and their families.

STRENGTHS AND GAPS IN SERVICE DELIVERY TO SPECIAL NEEDS POPULATIONS

The service delivery system is strained due to increased demand and reduced funding. As an example, the local Health District no longer has an HIV/AIDS program and is instead relying on services from Spokane. The Spokane case manager is available to serve local clients but has no budget for AIDS testing. Another example is the need for supportive housing for homeless persons with a chemical dependency or mental health disorder. There is currently a project under development that will house 15 persons with a mental health disorder; there is no “sober house” in the community and therefore a gap between services to intervene with homeless individuals who have a substance abuse disorder, and the means to support long-term sobriety.

STRATEGY TO OVERCOME GAPS

The strategy to overcome gaps in the institutional structure is to build a coordinated system of networking, provide infrastructural support to priority services, and engage private sector partners to increase community capacity to address priority needs.

GOALS AND STRATEGIES

This section details specific goals within the five-year term of this Consolidated Plan. Each goal includes a description and specific outcome indicators to describe in quantitative terms what the City hopes to achieve.

Table 81 – Goals

Goals Summary Information						
GOAL	START YEAR	END YEAR	CATEGORY	GEOGRAPHIC AREA	NEEDS ADDRESSED	FUNDING SOURCE
Reduce Housing Cost Burdens	2013	2019	Affordable Housing	Citywide	Affordable Housing	Low-Income Housing & Homeless funds
Description		Educate potential developers and investors as to the market demand for affordable housing matched to demographics. Incentivize development of affordable housing. Facilitate multi-unit housing construction and innovative infill development to increase supply. Encourage communication and collaboration among major employers, government entities, public transportation, and housing developers to address interface between housing and employment needs of low-income workforce.				
Outcome Indicator		Housing units constructed/rehabilitated Direct financial assistance to homebuyers/renters				
Preserve & improve neighborhoods	2013	2019	Non-housing Comm Dev	Priority Areas	Neighborhood Improvement	CDBG
Description		Invest in capital improvements and infrastructure in low-income neighborhoods, including sidewalks, lighting, safe crossings and alley improvements. Continue to support code enforcement to prevent substandard housing. Encourage and facilitate neighborhood pride, including clean up days, graffiti removal, public art and community gardens.				
Outcome Indicator		Public facility or infrastructure activities other than low/moderate income housing benefit				
Reduce homelessness	2013	2019	Homeless	Citywide	Homelessness	Homeless funds
Description		Align affordable housing and community development projects with Chelan-Douglas Homeless Plan. Encourage and facilitate supportive services that lead to self-sufficiency for homeless and at risk of homeless.				

Goals Summary Information						
GOAL	START YEAR	END YEAR	CATEGORY	GEOGRAPHIC AREA	NEEDS ADDRESSED	FUNDING SOURCE
Outcome Indicator	Tenant-based rental assistance / Rapid Rehousing Homeless Emergency Shelter / Transitional Housing Homelessness Prevention					
Support Public Services	2013	2019	Non-housing Comm Dev	Citywide	Public Services	CDBG & Homeless funds
Description	Continue support for literacy, adult basic education and job training, with an emphasis on maintaining program accessibility to low-income neighborhood residents. Prioritize infrastructure projects that serve facilities and agencies providing basic services to low income residents, including child care, social services, and basic needs such as food banks.					
Outcome Indicator	Public service activities					
Develop Economic Opportunity	2013	2019	Non-housing Comm Dev	Citywide	Economic Development	CDBG Planning/City staff & other grants
Description	Document and communicate understanding of regional and local economy, promote business-friendly environment and physical and cultural resources, encourage and support micro-enterprise and business startup, invest in education and job training of youth and adults with an emphasis on addressing skills gap, pursue growth and diversification of Hispanic/Latino enterprise, pursue sustainable tax base for government services.					
Outcome Indicator	Jobs created/retained Public facility or infrastructure activities other than low/moderate income housing benefit					

The following series of tables list identified strategies and responsible entities for each Goal.

Reduce Housing Cost Burdens	
Strategies	Who?
<ul style="list-style-type: none"> • Address single-family conversions to Multi-family housing 	Developers
<ul style="list-style-type: none"> • Further understand extent of overcrowding issues 	Landlords
<ul style="list-style-type: none"> • Lack of new multifamily housing construction 	Rental Assoc.
<ul style="list-style-type: none"> • Land area available/zoned for housing 	Realtors/Homebuilders
<ul style="list-style-type: none"> • Mismatch of units to demographics (e.g. greater demand for 1-bedroom units) 	Housing Providers
<ul style="list-style-type: none"> • Future housing needs based on demographics (Hispanic population, elderly, non-family households) 	City
<ul style="list-style-type: none"> • Increase Household Wages 	Employers
<ul style="list-style-type: none"> • Preserve existing Affordable Housing stock 	

Preserve and Improve Neighborhoods	
Strategies	Who?
<ul style="list-style-type: none"> • Built Environment 	City
<ul style="list-style-type: none"> • Sidewalks, lighting, crosswalks, parks, alleys 	Property owners
<ul style="list-style-type: none"> • Code Enforcement 	Residents
<ul style="list-style-type: none"> • Blighted properties/areas 	Service Providers
<ul style="list-style-type: none"> • Substandard housing 	Other Gov't agencies
<ul style="list-style-type: none"> • Housing rehabilitation; painting 	Police Dept.
<ul style="list-style-type: none"> • Community center 	Arts Commission
<ul style="list-style-type: none"> • Public safety, gang activity, drug/alcohol abuse, police substation 	Community
<ul style="list-style-type: none"> • Neighborhood block watch 	Groups
<ul style="list-style-type: none"> • Support Imagine South Wenatchee Improvement efforts 	Service Clubs
<ul style="list-style-type: none"> • Clean-up Events 	Citizen WA
<ul style="list-style-type: none"> • Art projects, graffiti prevention 	students
<ul style="list-style-type: none"> • Property improvements, landscaping, irrigation water 	Community
<ul style="list-style-type: none"> • Support neighborhood identity events/sense of pride 	Services Youth

Reduce Homelessness	
Strategies	Who?
<ul style="list-style-type: none"> Align with Chelan-Douglas Homeless Plan and Funding (\$750K annually) 	City Lead Planning Agency Service Providers Landlords Rental Assoc. Housing Providers Employers
<ul style="list-style-type: none"> Case management/supportive services 	
<ul style="list-style-type: none"> Supportive housing for special need populations, including mental health, substance abuse, elderly, veterans 	
<ul style="list-style-type: none"> Access to affordable housing (renter education, financial assistance, case management, and “partner landlords”) 	
<ul style="list-style-type: none"> Navigating the system – figuring out “Who does what?” 	
<ul style="list-style-type: none"> Employment and Educational opportunities 	
<ul style="list-style-type: none"> Diverse needs of “new faces”, “old faces”, and “invisibles” 	
<ul style="list-style-type: none"> CDBG leverage support for capital projects (eg. Parkside) 	
<ul style="list-style-type: none"> Support Solomon’s Porch, serving homeless youth 	

Support Public Services	
Strategies	Who?
<ul style="list-style-type: none"> Coordination of Information/Navigation of Services/ombudsmen 	Homeless Plan Service Providers Faith-based groups School District Community members City Service Clubs Police Dep’t.
<ul style="list-style-type: none"> Address community perceptions 	
<ul style="list-style-type: none"> Services meeting basic needs 	
<ul style="list-style-type: none"> Community Center 	
<ul style="list-style-type: none"> School Resource Officer 	
<ul style="list-style-type: none"> Money Management classes 	
<ul style="list-style-type: none"> Childcare availability & affordability 	
<ul style="list-style-type: none"> Ongoing educational opportunities 	
<ul style="list-style-type: none"> Community volunteer programs/events 	
<ul style="list-style-type: none"> Parenting classes, coaching, early-learning 	
<ul style="list-style-type: none"> Transportation needs 	
<ul style="list-style-type: none"> Youth activities 	
<ul style="list-style-type: none"> Literacy and ESL 	
<ul style="list-style-type: none"> Re-occurring service /community fairs 	
<ul style="list-style-type: none"> Mentoring 	

Develop Economic Opportunity	
Strategies	Who?
<ul style="list-style-type: none"> Document and Communicate Understanding of the Regional and Local Wenatchee Valley Economy 	NCW Economic Development Dist. Wenatchee Downtown Assoc. Chamber of Commerce Hispanic Chamber Port Districts City Wenatchee Valley College School District Skillsource Worksource Private Businesses SCORE GWATA Industry Promortion Groups Chelan County NCW Tech Center
<ul style="list-style-type: none"> Understand Business needs to Support Business Retention 	
<ul style="list-style-type: none"> Perform Business Recruitment through Advertisement, Solicitation, and Incentives 	
<ul style="list-style-type: none"> Promote a Business Friendly Environment 	
<ul style="list-style-type: none"> Maximize Physical Resources that Support Business Growth 	
<ul style="list-style-type: none"> Pursue Business Sector Development and Growth with Higher Paying Wages 	
<ul style="list-style-type: none"> Maximize Region Assets that Attract Relocation of People and Families to the Wenatchee Valley 	
<ul style="list-style-type: none"> Recognize Assets of the Region and Promote 	
<ul style="list-style-type: none"> Encourage and Support Business Startup 	
<ul style="list-style-type: none"> Pursue Diversification through Development of New Sectors 	
<ul style="list-style-type: none"> Recognize and Strengthen Existing Successful Sectors 	
<ul style="list-style-type: none"> Address Labor Resource needs such as Education/Job Training 	
<ul style="list-style-type: none"> Promote Improved Education Levels Thru Local Community College 	
<ul style="list-style-type: none"> Address High school Dropout Rate 	
<ul style="list-style-type: none"> Pursue Import of Dollars into the Valley (ie Tourism) 	
<ul style="list-style-type: none"> Pursue a Sustainable Tax Base for Gov't. Services 	
<ul style="list-style-type: none"> Pursue Growth and Diversification in Latino Based Businesses 	
<ul style="list-style-type: none"> Internship/Apprenticeship programs 	
<ul style="list-style-type: none"> Support micro-enterprise businesses & start-ups (5 or less employees, including owner) 	
<ul style="list-style-type: none"> Youth skills development, vocational training 	
<ul style="list-style-type: none"> Job Fairs 	
<ul style="list-style-type: none"> Façade Improvements 	
<ul style="list-style-type: none"> Mentoring 	
<ul style="list-style-type: none"> Business incubator 	
<ul style="list-style-type: none"> Public improvements 	

PUBLIC HOUSING ACCESSIBILITY AND INVOLVEMENT

The local Housing Authority has multiple low income housing developments throughout the city, with the intent of having these units blend in with other residential housing as contrasted with a large housing project. The age of units range from 17-28 years, and preventive rehabilitation efforts would be more cost-effective than the as-needed repairs that are the only affordable option in the current agency budget. Moving forward, it is worth exploring potential resource-leveraging opportunities to enable Housing Authority properties to be preserved.

Participation in programs that encourage self-sufficiency, such as rental classes, money management, and life skills is less than optimum, and the Housing Authority's current incentive of an escrow savings account does not appear adequate to increase participation. It may be beneficial to assess impediments to participation in programs that foster self-sufficiency, and possibly leverage community resources and partnerships to make them more effective.

BARRIERS TO AFFORDABLE HOUSING

Strategies to Remove or Ameliorate the Barriers to Affordable Housing include:

1. Facilitate multi-family housing and infill residential development including in commercial areas. Including reviewing Wenatchee City Code incentives for the development of affordable housing. Utilize public infrastructure incentives to promote additional residential development.
2. Promote awareness of population demographics and indicated growing housing needs with the development and real estate community.
3. Increase economic opportunities to improve employment levels and wages.

HOMELESSNESS STRATEGY

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Wenatchee, as lead agency for Chelan-Douglas Counties updated the Ten-Year Plan to end homelessness in 2015. Prior this update a key goal of the Plan was to develop Coordinated Entry in anticipation of the State requirement to implement a Coordinated System of Entry by 2014. This was completed and is now formally known as the Community Housing Network.

Addressing the emergency and transitional housing needs of homeless persons

The City of Wenatchee works closely with a Homeless Task Force comprised of service providers, including members who self-identify as formerly homeless, as well as individually with a majority of the agencies the Task Force represent. The City has provided infrastructure support, leveraged resources, and awarded grant funding to ensure that emergency and transitional housing facilities are able to serve the homeless population in our community. Moving forward, there will be an increasing emphasis on the need for strong case management to ensure that emergency housing does not become long-term or a revolving door for lack of adequate support. This direction was evidenced in the recent round of awards of Chelan-Douglas Homeless Grant funds. Awards were granted to providers along a continuum of care that ranged from emergency shelter to transitional and supportive housing, tenant based rental assistance to a Habitat for Humanity project facilitating low-income home ownership.

Helping homeless persons transition to permanent housing and independent living

The City of Wenatchee, as part of updating the Ten Year Plan to End Homelessness, has conducted outreach to multiple entities throughout the city and into Chelan and Douglas Counties that are stakeholders in various aspects of homelessness. A Steering Committee was also formed comprised of elected officials and community leaders; working with this Committee a set of guiding principles has been developed specifically aimed at helping homeless persons – including specific sub-populations – to make the transition to permanent housing and independent living. These Guiding Principles are as follows:

- Coordination /collaboration
- Effectiveness – immediate and long-term
- Accountability
- Adaptation to emerging needs/opportunities
- Partnerships/leveraging resources
- Respect/dignity of the homeless
- Empowerment of the homeless

In developing and implementing the local Homeless Plan we are cognizant of the need to avoid a “one size fits all” approach. The City is gathering input from those who serve sub populations, including veterans, unaccompanied youth, recent immigrants – many of whom are monolingual

– and those with disabilities of all types. Strategies for prevention and intervention are tailored to these unique needs.

Helping low-income individuals and families avoid becoming homeless

The two greatest risks for Wenatchee low-income families are the lack of affordable housing, and the challenge of gaining access to housing if they have difficulty passing a background check. Our strategy to help these families is to 1) increase the availability of affordable housing, 2) encourage and support partner landlords and strong case management to increase stability and 3) increase household incomes through economic development strategies.

LEAD BASED PAINT HAZARDS

Actions to address LBP hazards and increase access to housing without LBP hazards

The age of our housing stock warrants attention to Lead-based paint hazards, however Wenatchee has been designated a low-risk jurisdiction by Public Health, limiting available resources.

The City will continue to support Code Enforcement and educate property owners of suspected lead-based paint hazards. Housing Inspections which include an assessment of potential lead-based paint hazards are performed by agency staff on housing units for households being assisted through the Housing Authority's Section 8 tenant-based voucher program as well as through other non-profit housing assistance programs, including Chelan-Douglas Community Action Council and Women's Resource Center of NCW. Strategies need to be developed to address potential lead-based paint hazards in a cost effective manner, given available community resources. Requirements to perform Housing Inspections, including Lead-Based Paint Visual Assessments are included in applicable publically-funded housing Program Guidelines documents that the City of Wenatchee administers.

ANTI-POVERTY STRATEGY

Goals, Programs and Policies for reducing the number of Poverty-Level Families

Reducing the number of poverty level families will require a combination of short-term interventions and long-term strategies, implemented by a cohesive network of community partners. Wenatchee had a high percentage of low-income residents, some of who are low-wage workers in agriculture and/or retail and many of whom are elderly relying on Social Security as their only means of support. The Consolidated Plan Advisory Group, together with City staff, has identified the following strategies to address this goal:

- Conduct a deliberate and intentional initiative to increase opportunity for living-wage occupations and a thriving economy. This may include encouraging micro-enterprise,

employer-based education and job training, and intense research and planning to identify those industries and opportunities best suited to the physical and cultural resources of the Wenatchee Valley. Given the influence of the growing Hispanic/Latino population, this goal will include seeking and encouraging opportunities to grow and diversify Hispanic/Latino businesses. The Consolidated Plan Advisory Group recognizes the need for a better network of communication among the various educational, job training, and economic development organizations and plans to develop a structured system for ongoing communication and networking. This approach will facilitate partner engagement and create opportunities to better address the skills gap between employer needs and worker qualifications.

- Support public services that provide immediate assistance to needy families, and those that provide ongoing case management tailored to needs of specific sub-populations. The City recognizes, and the Advisory Group concurs, that the government's role is best suited to planning, technical assistance and infrastructure support. Community partners, including social services, the faith community and business partners are best suited to providing the direct services.
- Reduce housing cost burden so families are better able to meet other expenses. Many of our families are unable to make headway against poverty due to the disproportionate amount of income that they expend for housing. Alleviating this burden will free up resources for health, education, transportation, and childcare. The City will support this effort through educating potential property developers of the market demand, actively seeking opportunities to leverage funds for affordable housing, and providing City and community partners will support a long term strategy to educate and train the working age population and to encourage new and existing businesses that offer living-wage employment opportunities.
- Encourage and support programs that address impediments to self-sufficiency, tailored to specific sub-populations as needed. The outcomes data from service providers point to a higher success rate when strong case management and supportive services are provided to clients. Strengthening and encouraging this approach is key to our strategic plan, as it is with the Chelan-Douglas Homeless Plan.

Coordination of goals with affordable housing plan

In order to address affordable housing the community needs to not only facilitate an increase in available and accessible housing for low-income residents, it also needs to facilitate programs that move low-income individuals toward self-sufficiency. The Needs Assessment points to a high number of low-income residents with impediments to self-sufficiency, including language barriers, low education levels, and struggles with social issues ranging from substance abuse and

mental health disorders to domestic violence. To coordinate self-sufficiency efforts with affordable housing plans the Plan will:

- Link programs such as short-term rent assistance and subsidized housing to self-sufficiency programs such as participation in education, job training, and renter education.
- Conduct education and outreach in the business community to encourage partner employers and partner landlords to help overcome impediments such as transportation & childcare

MONITORING

Standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

As specified in 24 CFR 85.40, the City of Wenatchee (as an entitlement grantee) is responsible for monitoring the day-to-day operations of its subrecipients activities to ensure compliance with all applicable Federal, state and local requirements, individual project goals, and local Community Development Block Grant program requirements.

To accomplish this, the City of Wenatchee uses a variety of monitoring techniques to review subrecipient compliance. Through phone conversations, written correspondence, desk monitoring, and on-site monitoring visits, Department staff are able to review each Subrecipient's ability to meet the CDBG program's financial, production and overall management requirements and make necessary determinations or take necessary actions to preserve program integrity.

Some activities may warrant additional monitoring where conditions exist that indicate an activity may be "high risk". In an effort to address these potential problem areas, the City of Wenatchee has developed a risk assessment process to aid in determining the timing and frequency of monitoring visits required for individual activities. Projects, which are determined by this process to be "higher risk", would then be monitored before, and likely more frequently than, "lower risk" projects.

Regardless of the frequency with which a project is monitored by staff, the purpose and intent of any monitoring is to identify any potential areas of noncompliance and assist the subrecipient in making the necessary changes to allow for successful completion of the activity. By identifying and correcting any compliance issues, the likelihood of efficient and effective services being delivered to the intended beneficiaries increases dramatically and ensures the continued success of both the subrecipient organization and the City entitlement.

The methods and procedures involved in the monitoring process are detailed in the current "City of Wenatchee CDBG Program Monitoring Protocol Guidelines".

APPENDIX A: ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING

CITY OF WENATCHEE

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING

UPDATE

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INTRODUCTION

The purpose of this study is to identify impediments to fair housing in the City of Wenatchee. As part of the requirement for receiving grant funds from the U.S. Department of Housing and Urban Development, the City is required to conduct an assessment of the impediments to fair housing.

In order for jurisdictions to certify to the federal government that they are affirmatively furthering fair housing, the jurisdiction must:

- Conduct an Analysis of Impediments to Fair Housing
- Take appropriate action to overcome the effects of impediments identified through that analysis, and,
- Maintain records reflecting the analysis and actions.

CONDUCT OF THE STUDY

The assessment of impediments was conducted in conjunction with the development of an updated City of Wenatchee Consolidated Plan for the years 2013-2017.

This study relies on information from the U.S. Census, the U.S. Department of Housing and Urban Development (HUD), National Low Income Housing Coalition, National Fair Housing Alliance, and other information and analysis presented in the City of Wenatchee 2013-2017 Consolidated Plan. A review of public data and records was conducted to provide specific information on barriers and recommended actions. Agency/Group/Organizations listed in the “The Process” section of the Consolidated Plan were also valuable in identifying issues, data and recommendations.

FAIR HOUSING LAWS

FEDERAL LAWS

Title VIII of the Civil Rights Act of 1968, with the Fair Housing Act Amendment, prohibits discrimination in the sale, rental and financing of dwellings, and in other housing-related transactions, based on:

- Race or color
- National origin
- Religion
- Sex
- Familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under age 18)
- Handicap (disability)

The Fair Housing Act covers most housing.¹ In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single-family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members.

Impediments to fair housing are defined as:²

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice.
- Any actions, omissions, or decisions that have this effect.

Impediments to fair housing choice include actions that:

- Constitute violations, or potential violations, of the Fair Housing Act.
- Are counterproductive to fair housing choice, such as:
 - Community resistance when minorities, persons with disabilities and/or low-income persons first move into white and/or moderate- to high-income areas.

¹ This discussion is taken directly from the HUD publication in 2002, *Fair Housing: Equal Opportunity for All*. (www.hud.gov/fairhousing)

² U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Fair Housing Planning Guide, Volume 1*.

- Community resistance to the siting of housing facilities for persons with disabilities because of the persons who will occupy the housing.
- Have the effect of restricting housing opportunities on the basis of race, color, religion, sex, disability, familial status, or national origin.

In the **sale and rental of housing**: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap (disability):

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale or rental
- For profit, persuade owners to sell or rent (blockbusting), or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing.

Most newspapers will publish a statement to that effect, and may include the HUD Equal Housing Opportunity logo along with information on where to phone to complain of discrimination. These statements inform the public that discriminatory advertising is illegal, that the newspaper screens ads for obviously discriminatory statements, and they provide an avenue of advocacy for victims of discrimination.

The Home Mortgage Disclosure Act (HMDA) data is collected in fifty states, which allows an analysis of both national and local lending practices. This data is used to analyze home purchases and home improvement loans, and collect information on race, ethnicity and income of applicants.

In **mortgage lending**: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap (disability):

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan, or
- Set different terms or conditions for purchasing a loan.

The Community Reinvestment Act (CRA) was enacted by Congress in 1977 to encourage depository institutions to help meet the credit needs of the communities in which they operate,

including low- and moderate-income neighborhoods.³ Periodically, the CRA requires supervisory agencies to assess performance. The four federal bank supervisory agencies are: Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRB), Office of Thrift Supervision (OTS), and Federal Deposit Insurance Corporation (FDIC). Performance is evaluated in terms of the institution (constraints and business strategies), the community (demographic and economic data, lending, investment, and service opportunities), and competitors and peers. Ratings assigned are: outstanding, satisfactory, needs to improve, and substantial noncompliance.

Access to loans is not the only consideration in a review of lending practices. Unscrupulous practices by predatory lenders, appraisers, mortgage brokers and home improvement contractors can be very damaging. Low-income households and those with limited previous access to loans are particularly at risk. Remarkably low interest rates in recent years, accumulated equity, the push to refinance and even assistance with down payments and other strategies to increase homeownership have also increased the opportunity to take advantage of vulnerable borrowers.

Examples of predatory lending include:⁴

- Falsification of appraisals to sell properties for more than they are worth.
- Encouraging borrowers to lie about income or assets to get a loan.
- Knowingly lending more money than borrowers can afford to pay.
- Charging higher interest than is warranted by credit history.
- Charging unnecessary fees.
- Pressuring borrowers to accept higher-risk loans such as balloon loans, interest-only payments and steep pre-payment penalties.
- Targeting vulnerable people for cash-out refinancing.
- Convincing people to refinance over and over again when there is no benefit to the borrower.

In **real estate brokerage services**, it is illegal for anyone to:

- Threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right.
- Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status, or handicap. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

³ This discussion and ratings were taken from the Federal Financial Institutions Examination Council web site (www.ffiec.gov).

⁴ Taken from HUD publication "Don't Be A Victim of Loan Fraud: Protect Yourself from Predatory Lenders."

Real estate brokers are a key contact for potential home buyers. The broker is in a position to influence choice of location and type of housing as well as providing information about financing options. National studies indicate that minority customers are given full information about housing options less frequently than white customers. Hispanic home seekers, for example, experience this type of discrimination at least 25% of the time.⁵

Additional protections for **persons with disabilities**:

The landlord may not refuse to allow:

- Reasonable modifications to the dwelling or common use areas, at the tenant's expense and where the unit can be restored to the original condition, or
- Reasonable accommodations in rules, policies, practices or services, if necessary for the disabled person to use the property.

Buildings constructed after March 1991 are subject to accommodation requirements, depending on the number of units and presence of an elevator.

Familial status is protected unless the building or community qualifies as housing for older persons as follows:

- It is specifically designed for and occupied by elderly persons under a federal, state or local government program
- It is occupied solely by persons who are 62 or older, or
- It houses at least one person who is 55 or older in at least 80 percent of the occupied units, and adheres to a policy that demonstrates intent to house persons who are 55 or older.

The U.S. Department of Housing and Urban Development (HUD) has been given the authority and responsibility for administering the Fair Housing Laws. This authority includes handling of complaints, engaging in conciliation, monitoring conciliation, protecting individual's rights regarding public disclosure of information, authorizing prompt judicial action when necessary, and referring to the State or local proceedings whenever a complaint alleges a discriminatory housing practice.

STATE LAWS

⁵ HUD 2000 *Housing Discrimination Study*.

Washington State has adopted a fair housing law, which is substantially equivalent to federal law and extends protection to the same populations. In addition, it extends protection on the basis of marital status.

With respect to real estate transactions, facilities, or services it is unfair to discriminate against any person due to sex, marital status, race, creed, color, national origin, families with children status, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a disabled person. (WA ST § 49.60.222)

The Washington State Human Rights Commission has a cooperative agreement with the Department of Housing and Urban Development to process and investigate dual-filed housing complaints for which the Commission receives funding under the Fair Housing Assistance Program (FHAP). Most of the Commission's housing cases are dual-filed with HUD – the exceptions are cases covered under State law but not covered under federal law.

The Fair Housing Center of Washington also plays a role in promoting and enforcing fair housing through its community education programs, complaint investigation and advocacy and its information and referral system.

TRENDS AFFECTING HOUSING CHOICE

For much of the City's population, finding affordable housing is a daunting proposition. Barriers include high rent in proportion to household incomes, lack of new rental property development, and a mismatch between demographics and available unit sizes. Low-income persons often find themselves either over-housed or doubling/tripling up in order to obtain housing. A detailed analysis of the City's population demographics, housing problems, and market analysis is included in the previous sections of the 2013-2017 Consolidated Plan.

HOUSING LENDING ACTIVITY

Housing lenders are required by the Federal Home Mortgage Disclosure Act (HMDA) to report regularly on their lending activity. The Federal government compiles the results of the loan applications for home purchase, refinancing and improvements made by federally-insured lenders on an annual basis. While the data does not represent 100% of the home lending that takes place and is based on data collected on a metropolitan statistical area of which Wenatchee is only a part, the data show some trends affecting fair housing in the area.

The 2011 report, the latest report for which complete data is available, tracks approval and denial rates based on race and ethnicity for housing loan applicants in the area.⁶ The data show that there are disparities between loan denial rates on conventional home purchases for non-Hispanics (8%), Hispanics (29%), for whites (8%), Asian-Pacific Islander (17%) and American Indian/Alaska Native (25%). Similar patterns show for refinances and for home improvement loans when comparing non-Hispanic and Hispanic populations. When income is factored in and the data is limited to "white, non-Hispanic" and "all others, including Hispanic" whites enjoy a significantly higher loan origination (approval) rate at almost all income levels and for almost all types of loans. There are many reasons for denial of an application. Lenders consider a variety of factors in determining acceptability including debt to income ratios, employment history, credit history, collateral and cash on hand. Loans are denied based on high debt to income ratios, poor credit history, poor rent history, lack of collateral, insufficient cash/savings, inability to verify or document information, incomplete applications and denial of mortgage insurance among other reasons.

Interviews with potential homeowners and with lending professionals, as well as a review of services available, indicate strong support for Hispanic's ability to obtain mortgage loans. Most local banks have bi-lingual, bi-cultural staff; some are in management positions. There are local

⁶ 2011 Home Mortgage Disclosure Act (HMDA) Aggregate Report for Wenatchee-East Wenatchee, WA MSA, Federal Financial Institution Examination Council, 2012

offerings of Spanish-language classes for first-time homebuyers, and active recruitment by lenders.

There also appears to be a discrepancy in the eventual outcome for homeowners facing potential foreclosure. Analysis of 2012 year-to-date REO's (January through October) in the City of Wenatchee pointed to a clear pattern: at-risk homeowners in higher income neighborhoods had a higher percentage of short sales than foreclosures; in low-income neighborhoods the inverse was true. There is a distinct advantage in a short sale as contrasted with foreclosure, in terms of credit rating and ability to obtain housing in future. This illustrates the importance of supporting education for low-income homeowners as to all of the options available to them when facing possible foreclosure.

PREDATORY LENDING PRACTICES

In recent years there has been a proliferation of “payday loan stores” and other unregulated predatory lending businesses which have resulted in many lower income persons falling further into poverty and poor credit. Typically, these companies offer short term loans to meet the emergency needs of persons without cash. The state has limited the amount of these loans in an attempt to protect borrowers. There is no limit on the interest paid on the loans as long as the fees end up to be less than \$95 on the maximum loan. As a consequence, borrowers are generally charged exorbitant interest on their loans. Persons with limited financing experience, limited English skills or fear of loss of their property if immediate lending is not approved often fall prey to these practices and in doing so end up damaging their credit when they are unable to meet payments.

RESTRICTIVE ACTIONS

No clear indications of overt restriction based on race, color, religion, sex, disability, familial status or national origin surfaced during the community outreach conducted in preparation for updating the City's Consolidated Plan. Families of color, and single-parent families, have been provided housing in newly built transitional housing for homeless persons; this has also proven true for area Habitat for Humanity homes. A same-sex couple with two children were interviewed on local radio after the legalization of same-sex marriage in Washington State, and observed that they had “a home, two kids, and a dog” and actively participated in the community. Northwest Justice Project, whose offices are based in Wenatchee, is a strong voice for fair housing and has successfully built a network of community advocates.

There is valid concern, however, that some of our protected-class residents may experience barriers that, while not overt restrictions, are nevertheless impediments. The City has small pockets of non-Hispanic/Latino minority populations whose numbers are small, in contrast with the Hispanic/Latino population whose numbers are large. Non-Hispanic minority residents are in danger of being “under the radar” when they experience discrimination.

DISCRIMINATION IN HOUSING

While there has been no testing of fair housing compliance in real estate rental or buying in Wenatchee in the past five years, no clear pattern of housing discrimination surfaced during the community outreach conducted for this assessment. Service providers and persons seeking housing frequently noted the below-mentioned challenge of passing a background check or being able to financially qualify for housing. While some of these individuals/families may be members of a protected class, it is usually the personal and financial history that creates the greatest impediment.

Additionally, a review of the local newspaper classified residential rental section and Craigslist was made to determine if there were any obvious cases of discriminatory practices. No cases of obvious discrimination were found.

POLICIES, PRACTICES, AND PROCEDURES

A large number of low-income persons are adversely affected by the common practice of screening out potential tenants based on background checks. From the landlord's perspective, there is an understandable need to verify ability to pay rent and to determine likelihood of property being maintained properly. However, for persons who have experienced long-term unemployment – on the rise since the Great Recession – current employment does not overcome a history that may include late or missed rent payments and/or evictions. Additionally, persons in recovery from substance abuse and/or mental health treatment often have negative markers on their background – sometimes a criminal history. A modification of this practice to include alternative methods of qualifying for rental property when a background check reveals less than sterling history would be an enormous boon to low-income persons.

COMMUNITY RESISTANCE

Regarding neighborhood integration, there is some anecdotal evidence of resistance to merit attention. Concerns vary depending on the characteristics of specific vulnerable populations. Strategies to address these concerns will need to be tailored accordingly.

The City's largest minority is Hispanic/Latino. A significant percentage – 34% - of the Hispanic population is concentrated in South Wenatchee, while only 15% of the general population lives in South Wenatchee. Community input gathered in the outreach process included some negative comments such as "they should speak English" and "we don't need a 'Little Tijuana'". These types of comments are also sometimes expressed when residents talk about changes in City demographics, and in their own neighborhoods. There is demonstrated resistance to mixing of

cultures. Students at Wenatchee High School report that while there is some cross-cultural socialization, patterns of segregation are prevalent: in the cafeteria, Hispanic/Latino students are on one side of the room, whites on the other; student clubs tend to be predominately white or predominately Hispanic/Latino. These types of attitudes affect neighborhood integration. As an example, residents of predominately white neighborhoods have said they don't want to hear loud Spanish-language music and conversations when relaxing in their own back yards. Hispanic/Latino residents have expressed feeling unwelcomed, or sometimes just uncomfortable, in certain neighborhoods. Continued support of cross-cultural awareness and appreciation, on the part of both the City and the community, can do much to encourage successful integration.

Resistance to residents with a disability moving into moderate-upper income areas tends to surface primarily when those residents are 1) low-income and/or on government assistance, or 2) the nature of the disability is related to mental health and/or substance abuse issues. Interviews with residents of upper-income neighborhoods commonly netted comments that reflect the misperception that people "fake" a disability in order to live off government assistance. In actuality, according to service providers, working-age disabled persons are highly motivated but have been unable to find adequate employment. Additionally, the City has a high number of senior and elderly residents who are disabled. As to residents in recovery from mental health and/or substance abuse, there is understandable concern about potential behaviors that could impact neighbors, but there is also lack of awareness about the ability of individuals in recovery to be successful, contributing members of both a neighborhood and the community. Continued community education regarding the City's disabled population is essential to ensuring a welcoming environment. Additionally, education and advocacy for supportive services—including a potential "half-way house" which the City does not currently have – would be beneficial in overcoming community to resistance.

Low-income persons face notable community resistance, largely because of the concern that an increase in low-income residents will downgrade the quality of life and/or property values. This attitude was demonstrated several years ago when residents of a mobile home park were dislocated. A major challenge faced in relocating those residents was that other neighborhoods were vocally resistant to having a new mobile home park for current residents anywhere near them. The rationale for this attitude was customarily voiced as a certainty that there would be accompanied crime, violence, alcohol abuse and noise – a pattern that was not evident in the original mobile home park. These types of indicators point to the importance of ongoing efforts to enhance awareness and acceptance of low-income individuals and families and to support integrated neighborhoods.

SECTION 8/HOUSING VOUCHER HOLDERS

While rental property owners voice a clear willingness to house Section 8 tenants, the number of Section 8 eligible residents far exceeds the number of vouchers available. At any given period there are normally around 300 households on the waiting list. The one exception to the standard willingness to house Section 8 tenants is concerning: the Veterans Administration case manager reports that the greatest barrier to housing homeless or at-risk of homeless veterans is the reluctance of rental property owners to house them. Those landlords who do rent to Veterans with VASH vouchers report that they are good tenants who are grateful for the opportunity, keep their payments current and take care of the property.

AVAILABILITY OF ACCESSIBLE HOUSING

Months of extensive community outreach leads to an overwhelming consensus that there is a critical shortage of affordable, accessible housing in the City of Wenatchee. This stems from an inadequate supply of housing units that match demographics, the high percentage of the population employed in low-wage occupations, and the significant impact on housing access that results from Wenatchee serving as the hub for social services in the region. It creates a “sellers/renters market” that leads to over-housed residents, overcrowding, long wait lists for subsidized housing, and inability to improve individual/family circumstance due to high housing cost burdens.

One indicator of the housing challenges that local residents face is evidenced by regular review of available housing and employment opportunities as contrasted with other cities in the state of Washington. Frequent checks over a period of months in local newspaper and Craigslist ads revealed a consistent pattern: other cities whose housing costs parallel Wenatchee’s had higher median household income than Wenatchee. The high housing cost burden is daunting enough by itself; for those who are challenged by additional complication such as domestic violence, substance abuse/mental health issues, disability, and/or language cultural barriers it can be overwhelming.

IMMIGRANT POPULATIONS

There are several considerations regarding the community’s immigrant population. Key among them are:

- **Mix of seasonal, year-round immigrants:**
Local conversation around the issue of immigration tends to focus on the seasonal farm workers who come to the valley in large numbers during the growing and harvesting season. In actuality, many of the City’s immigrants are here year-round. Some came initially as seasonal workers and have chosen to settle in the community. Housing needs are very different for these two sub-groups. Seasonal immigrant farm workers strain the capacity of available farmworker housing. Those who do not return to their country of origin often find themselves in housing designed for seasonal use but inadequate for winters in our region.
- **Mix of citizen, documented, undocumented immigrants:**

The immigrant population in our community contains a mix of documented and undocumented workers as well as immigrants who have become citizens. The housing needs of these immigrant sub-populations vary, as do the potential impediments. One issue mentioned repeatedly by service providers is the situation of family members whose households are disrupted when one member is deported. This creates a housing crisis for the remaining family members who often have lost the bread-winning member of the household, and may have children who were born here and are citizens. Complicated by language and cultural barriers as well as poverty, these situations call for a collaborative approach to prevention and intervention.

- **Not all immigrants from same country of origin:**

There is a common misperception that Hispanic/Latino immigrants in the area are all from Mexico. Many – even those who are U.S. citizens – find themselves referred to by neighbors and classmates as “Mexican” or “Spanish”. In fact, while a large percentage of local Hispanic/Latino members of the community did emigrate from Mexico there are many from other Spanish-speaking and/or Latin American countries. Additionally, the area has a growing number of Russian immigrants as well as immigrants from Asian countries. In ensuring fair housing, it will be important that strategies, such as addressing language barriers and ensuring access to services, are inclusive of the broader immigrant population.

- **Fear an impediment:**

It cannot be overemphasized that fear is an impediment to fair housing for many of our immigrant families. Local churches report that even when government and agency services are available, many undocumented immigrant workers seek help from churches because they are afraid other institutions will report their immigration status. This holds true even for documented immigrants; those who are documented frequently have a member of their extended family or circle of friends/co-workers who is not. Fair housing advocates, including Northwest Justice Project staff, report that many immigrants will not complain of unsafe conditions for fear that they will be evicted, even if immigration status is not an issue. This generalized fear of those with more power on the part of those with less power can be a significant impediment to fair housing. Outreach to immigrant families, with a culturally sensitive approach, is recommended to help further fair housing for this population.

FAIR HOUSING COMPLAINTS

The Department of Housing and Urban Development has the responsibility to enforce the Fair Housing Act. Complaints that are filed may be investigated directly by HUD or may be investigated and processed by the Washington State Human Rights Commission, which receives reimbursement from HUD under the Fair Housing Assistance Program. The Washington State Human Rights Commission has separate jurisdiction over claims of discrimination covered under State law, but not covered under federal law.

Northwest Fair Housing Alliance (NWFHA), located in Spokane, assists people in Eastern and Central Washington who have been discriminated against in housing because of race, color, national origin, disability, familial status (presence of children), marital status, religion, gender (sexual harassment or domestic violence may qualify), or sexual orientation with the investigation and filing of fair housing complaints with the Department of Housing and Urban Development (HUD) and the Washington State Human Rights Commission (WSHRC).⁷

After a complaint is filed, it is normally investigated to determine whether there is reasonable cause to believe the Fair Housing Act has been violated. HUD will also try to help conciliate the complaint and resolve the issue before taking it further. If conciliation is not reached and there is reasonable cause, the complaint goes before an Administrative Law Judge to be heard. The Administrative Law Judge can order relief, and award damages, attorney's fees and costs. Either the respondent or complainant may choose to have the case decided in Federal District Court.

NATIONAL TRENDS

The *2011 Fair Housing Trends Report* prepared by the National Fair Housing Alliance⁸ was based on the analysis of 28,851 fair housing claims and complaints in 2010 reported by member agencies, HUD, the Department of Justice and Fair Housing Assistance Program agencies.⁹

COMPLAINTS IN THE CITY OF WENATCHEE

COMPLAINTS FILED WITH THE NORTHWEST FAIR HOUSING ALLIANCE

According to the Fair Housing Center of Washington, there have been no more than 10 calls regarding fair housing complaints from the Wenatchee area in the past 5 years. The calls did not

⁷ www.nwfairhouse.org

⁸ www.nationalfairhousing.org

⁹ National Fair Housing Alliance. *2011 Fair Housing Trends Report*.

result in formal complaints being filed. The limited number of inquiries and calls may be attributable to a lack of understanding of fair housing rights.

COMPLAINTS FILED WITH THE OTHER ORGANIZATIONS

Staff of the City of Wenatchee report no fair housing complaints have been registered with the city in the past five years. The Chelan County and City of Wenatchee Housing Authority indicated that no complaints have been filed against them in the past five years. No other agency or organization indicated complaints were filed in recent years.

FAIR HOUSING PROGRAMS AND ACTIVITIES

Several organizations and agencies are making efforts to improve fair housing in Wenatchee. While there are many such activities, the following describes a number of the major activities to further fair housing or to expand housing opportunities in Wenatchee:

WENATCHEE HOUSING AUTHORITY ACTIVITIES

The Housing Authority of Chelan County and City of Wenatchee provides subsidized housing in a variety of settings for low and moderate income households including persons in classes protected under the Federal Fair Housing laws. The Authority has filed fair housing marketing plans for their housing projects. Included in the action steps of those plans are annual contact with residents on fair housing responsibilities and rights, media information and distribution of informational flyers. Housing Authority staff is trained to answer questions and to make referrals on issues related to fair housing. Additionally, the agency's Five Year Plan includes a fair housing element.

PLAN TO END HOMELESSNESS

In 2006, community agencies, the City and Chelan and Douglas County staff and political leaders developed a ten year plan to reduce homelessness in the two-county area by 50%. The City of Wenatchee serves as lead agency in administration of homeless housing funds through an inter-local agreement. The City is currently in the process of updating the Chelan-Douglas Ten Year Plan to End Homelessness. Key findings identified through the update process to-date include:

- Homelessness has risen sharply and the demographics have changed to include more families, and more homeless individuals/families who have never experienced their current level of poverty before.
- Risk of homelessness has been exacerbated by the lack of 1) access to affordable housing and 2) access to living-wage employment opportunities.
- The burden on the City of Wenatchee has been increased by the number of Chelan-Douglas county residents who have migrated to the city because it is the hub for services not available elsewhere in the greater region.

- A high percentage of homeless and at-risk of homeless individuals have complicating factors beyond poverty, including substance abuse and mental health disorders, domestic violence circumstances, and physical disabilities.

CITY OF WENATCHEE ACTIVITIES

The City of Wenatchee 2013-2017 Consolidated Plan includes several objectives aimed at improving opportunities for protected classes to help them obtain improved and affordable housing opportunities. The Plan calls for collaborative efforts to increase the supply of affordable rental housing, and for supporting public services that address barriers to self-sufficiency, including literacy and education. The 2013 Action Plan includes funding related activities such as the Literacy Council and WorkFirst programs. In addition to the Consolidated Plan, the City receives a portion of funds authorized by RCW 36.22.178. These funds are used for the purpose of providing housing programs for extremely low and very low income persons. The City also offers tax exemption benefits to property owners for stimulating new multi-family construction or rehabilitation in targeted areas. Tax exemption is also available for qualifying historic preservation activities.

WENATCHEE URBAN AREA COMPREHENSIVE PLAN & IMPLEMENTING REGULATIONS

The Wenatchee Urban Area Comprehensive Plan was significantly updated in 2007. The Housing Element of the Comprehensive Plan outlines several goals and policies in support of making affordable housing available to all segments of the population, promoting integrated neighborhoods, and providing an adequate mix of housing types. The City's Zoning Code permits bonus densities for incorporating affordable housing in planned development projects, and includes other development incentives in attempts to increase the supply of available housing.

FAIR HOUSING CENTER OF WASHINGTON

This state-wide organization plays a role in promoting and enforcing fair housing through its community education programs, complaint investigation and advocacy, and its information and referral system.

NORTHWEST JUSTICE PROJECT

The agency offers legal assistance, education and legal aid to low-income persons in need of advice and counsel through their Wenatchee office. Services also include referral to other agencies such as Columbia Legal Services and other legal assistance providers.

NORTH CENTRAL WASHINGTON ASSOCIATION OF REALTORS

The Board has an Equal Opportunity/Affirmative Marketing Committee whose focus is to expand services/employment to minorities and expand fair housing. In addition, each new realtor member is required to take a four hour orientation class that includes anti-trust, agent roles and a one-half hour segment on fair housing.

CHELAN-DOUGLAS COMMUNITY ACTION COUNCIL

Among other community services and programs, the Community Action agency provides transitional housing for persons moving through a self-sufficiency program. Included are handicapped households. They also provide Tenant-Based Rental Assistance, including Homeless Prevention and Rapid-Rehousing, to low and moderate income persons and operate an energy assistance program that provides discounts on utilities payments for seniors.

WOMEN'S RESOURCE CENTER

The Women's Resource Center of North Central Washington (WRC) offers transitional housing with services to homeless single adults and families. Many of their clients are single female head of households and persons with mental illnesses and/or drug or alcohol addictions. WRC also staffs a housing specialist who works to connect homeless households to private permanent housing. In addition, staff advocates for the rights of tenants and assists in tenant-landlord disputes. Finally, the City's first permanent supportive housing facility is under development by the WRC; once completed it will make available 15 studio units to chronically homeless individuals disabled by mental illness.

CHELAN DOUGLAS COUNTY VOLUNTEER ATTORNEY SERVICES

In addition to volunteer attorney services to eligible clients, the Volunteer Attorney Services operates a Housing Just Project program, which provides free legal representation to low-income renters facing eviction in the Superior Courts of Chelan and Douglas counties. The purpose of the program is to prevent wrongful evictions of low-income tenants, and to inform renters of their legal rights.

COLUMBIA VALLEY HOUSING ASSOCIATION

The agency operates a first-time homebuyer down-payment assistance program, in addition to maintaining a portfolio of community land trust homes and other affordable housing homeowner projects.

IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING AND RECOMMENDATIONS

There were several areas impeding fair housing in Wenatchee that were identified during the Analysis:

1. **Rising housing costs and low housing vacancy rates are reducing the number of households that can afford to rent or own in Wenatchee, effectively limiting housing choices.**

Recommendation: Study examples of other communities who have developed aggressive affordable housing strategies that provided opportunities for low- and moderate income and members of disadvantaged groups to have improved housing choices. Utilize the Comprehensive Plan to establish policies and development standards to expand the supply of multi-family housing. Work with property owners, developers, and housing agencies to study the possible conversion of underutilized buildings suitable for rehabilitation/conversion in mixed use housing developments and encourage new multi-family developments. Further study and address single-family housing conversions to multiple dwelling unit structures, considering the demand for increased affordable housing and building life-safety requirements. Support additional efforts to increase the affordable housing supply, including strategies identified by the Affordable Housing Task Force (see Consolidated Plan Appendix B).

2. **There is lack of access to permanent housing with supportive services for persons with disabilities, including persons with developmental disabilities, mental illness, and chronic substance abuse.**

Recommendation: Support permanent supportive housing and associated services for the disabled and special need populations. Seek cooperative efforts of city government, local lenders, landlords, realtors, legal assistance, counseling programs and the state to expand the set of educational and support tools for targeted populations. Actively support corresponding strategies of the Plan to End Homeless in Chelan and Douglas Counties.

3. **Disadvantaged populations often lack the necessary skills and knowledge to obtain and remain in affordable housing.**

Recommendation: Support community organization efforts to provide low- and moderate income persons with tools and understanding to prevent poor credit and rent histories. Focus on improving skills and knowledge of budgeting, home maintenance, credit management, loan terminology and financing, real estate transactions, tenant/landlord relations, and the dangers of predatory lending. Encourage bi-lingual instruction and support local banking and real estate efforts to provide culturally

sensitive, bi-lingual assistance to homebuyers, renters and borrowers. Continuing to support English as a second language classes is also encouraged.

4. **There is a lack of understanding of fair housing rights and responsibilities, particularly on the part of consumers.**

Recommendation: Maintain and expand as feasible the dissemination of information and education on Fair Housing rights and obligations of tenants, homebuyers, lenders, and landlords. Maintain and update fair housing information on the City's website; encourage key community agencies to include similar information on their websites. Support efforts for conducting bi-lingual workshops and informational meetings targeting low- and moderate income persons, the disabled, landlords, Hispanics and other linguistic minorities, as well as other protected groups.

APPENDIX B: CITY OF WENATCHEE AFFORDABLE HOUSING TASK FORCE RECOMMENDATIONS

RESOLUTION NO. 2010-52

A RESOLUTION, adopting the Affordable Housing Task Force recommendations as a guide for future City policies for the development and preservation of affordable housing.

WHEREAS, pursuant to Resolution No. 2007-18, the City of Wenatchee accepted the United States Department of Housing and Urban Development's call to become an active participant in its National Call to Action for Affordable Housing Through Regulatory Reform; and

WHEREAS, in 2008 the City completed a Housing Market Overview and Needs Assessment, and Revenue Sources and Land Use Policies for Affordable Housing Study; and

WHEREAS, at the July 17, 2008, City Council work session the City's Department of Community Development recommended development of an affordable housing action plan consisting of programs and/or strategies that the City may establish to promote suitable affordable housing for all economic segments of the population; and

WHEREAS, in the Fall of 2008 the City formed the Affordable Housing Task Force (hereinafter "the Task Force") consisting of community stakeholders including private and public developers, citizen advocates, landlords, public representatives, and lenders to explore potential programs and strategies to preserve and create affordable housing for all economic segments of the City population; and

WHEREAS, the Task Force met 23 times between November 2008 and May 2010, not including subcommittee meetings; and

WHEREAS, the Task Force adopted the "Ground Rules" attached hereto as Exhibit "A" to guide its process; and

WHEREAS, the Task Force focused on the following goals:

1. Increase the supply of affordable housing to all economic segments of the population;
2. Increase community integration by equitably disbursing affordable housing opportunities;
3. Preserve existing affordable housing and improve the quality of existing affordable housing;
4. Improve low and moderate income residents' access to affordable housing; and
5. Educate Wenatchee residents on affordable housing.

WHEREAS, numerous strategies were identified and discussed in working subcommittees formed under the following categories: Education, infill development, financing, new construction, and preservation;

WHEREAS, after deliberation by the Task Force, the recommendations attached hereto as Exhibit "B" were adopted by the Task Force and recommended to the City Council for adoption; and

WHEREAS, the potential impacts and ramifications of the recommendations attached hereto have not been fully explored and consequently are not intended to be requirements or mandates for future City policies. Rather, the recommendations are merely guidelines to be considered, among other things, in the development of future City policies and regulations.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, AS FOLLOWS:

RESOLUTION NO. 2010-52
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SECTION I

The recitals set forth above are incorporated herein as though fully set forth.

SECTION II

The recommendations of the Task Force attached hereto as Exhibit "B" are adopted as a guide, among other considerations, for future City policies for the development and preservation of affordable housing. The recommendations shall not be binding on the City in the development of future City policies or regulations, and no third party beneficiary shall be created by the adoption of said recommendations.

SECTION III

The following members of the Task Force (as of May 2010) are recognized for their significant efforts while serving on the Task Force:

Jamie Wallace, Windermere Realty, Chairperson
Alicia McRae, Housing Authority
Randy Zielinski, Whitebird Construction
Bob Rowe, Rental Association
Loretta Watson, Rental Association
Mary Cook, Just Housing Coalition
Sarah Dempsey, Wenatchee Downtown Association
Brette Sangster, Banner Bank
Judith Lurie, Northwest Justice Project
Tony Veeder, City Council
Bob Soule, Community Action Council

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a regular meeting thereof this 14 day of ~~September~~^{October}, 2010.

CITY OF WENATCHEE, a Municipal Corporation

By: 
DENNIS JOHNSON, Mayor

ATTEST:

By: Tammy L. Stanger
TAMMY L. STANGER, City Clerk

APPROVED:

By: Steve D. Smith
STEVE D. SMITH, City Attorney

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Exhibit A - Resolution 2010-52

Wenatchee Affordable Housing Task Force Meeting Ground Rules

Task Force Mission:

To provide the Mayor and City Council with guidance regarding policies for the development and preservation of affordable housing, beginning with the strategies identified in the Affordable Housing Action Plan memo dated July 14, 2008.

Task Force Members Roles and Responsibilities:

- Each member of the Affordable Housing Task Force is an equal participant in the process and has an equal opportunity to voice opinions and contribute ideas.
- Task force members accept the responsibility to read meeting materials ahead of time and to come to meetings prepared for discussion.
- Each task force member commits to attending as many meetings as possible.
- Task force members may designate an alternate to attend meetings on their behalf; alternate representatives and their contact information should be submitted to city staff before attending meetings.
- Members may submit written comments to be distributed to other task force members in the event of their absence.
- Task force members may share information about the project's process and activities outside the task force, as long as it is made clear that the information is not an official product of the task force. Those who choose to speak with the press agree to limit remarks to personal views and to refrain from characterizing the views of, or attributing comments to, other members or the full task force.
- The task force Chair will work with city staff to develop meeting agendas, to facilitate the conduct of meetings, and to speak on behalf of the Task Force. The Vice-Chair will assist the Chair in his or her duties and run meetings in the absence of the Chair.
- Technical assistance will be provided by city staff through the Department of Community Development. Industry professionals or other housing stakeholders may be interviewed or consulted by the task force at task force or subcommittee meetings planned in advance.

Task Force Members Assertions:

- We recognize the legitimacy of the interests, concerns and goals of others, whether or not we agree with them. We commit to treating each other, and those who attend our meetings, with respect, civility, and courtesy.
- We will make a special effort to listen carefully, ask pertinent questions and educate ourselves and those we represent about the interests and needs discussed in a problem solving atmosphere.
- We will not make personal attacks, be antagonistic, speak when someone else is speaking, or take things said personally.
- We commit to fully explore the issues and search for creative solutions that best serve our mutual interests.
- We will make a concerted effort to focus on the topics under discussion.
- We commit to starting and finishing each meeting on time.

Exhibit A - Resolution 2010-52

Meeting Procedures:

- Task Force members are limited to those which have been appointed by the city (see attached list). The task force is made up of housing and development stakeholders active in our community.
- Task force meetings will be held in the Council Chambers at the Wenatchee City Hall, 129 South Chelan Avenue. Subcommittee meetings and other special meetings may be held at other locations and will be determined on a case-by-case basis.
- Members of the public are welcome to attend meetings, but are not participants in the Task Force deliberations. Time will be provided for public comment at the beginning of each meeting. If necessary, comments will be held to a maximum of three minutes in length. Written comments from members of the public are welcome throughout the term of the task force.
- Preliminary agendas will be prepared by city staff and the Chair, and distributed to all members the week before each meeting. Agendas will be finalized at the beginning of each meeting.
- The Chair will conduct task force meetings, maintain order, and ensure all members have equal opportunities to contribute to discussions.
- Task force meetings will be task-oriented; discussions and comments should be constructive and attempts should be made to avoid repeating input that has already been provided.
- The task force may establish a "parking lot" for issues and ideas that arise during discussion that are not pertinent to the current topic, so that these items can be addressed later as time permits.
- The task force may create or designate subcommittees as necessary to investigate topics in more depth. Subcommittees will meet separately with city staff, and then report back to the task force.
- Decisions or recommendations will be made by majority vote of appointed task force members. Recommendation briefs will document dissenting opinions for the record.
- Recommendations or decisions will be forwarded to the City Council as advised by the task force and city staff. They will also be placed into a draft report that will be updated throughout the task force process and finalized after the task force dissolves.
- Notes will be taken at each task force meeting by city staff. Meeting summaries will be prepared from the notes. Task force members are responsible for reviewing the summaries of each meeting for accuracy and notifying staff with corrections.
- All task force materials including agendas, meeting notes, other meeting materials, and reports, will be available on the city's website.

Exhibit B - Resolution 2010-52

**City of Wenatchee
Affordable Housing Task Force**

Recommendations June 1, 2010

Task Force Mission:

To provide the Mayor and City Council with guidance regarding policies for the development and preservation of affordable housing, beginning with the strategies identified in the Affordable Housing Action Plan memo dated July 14, 2008.

Housing Goals:

1. Increase the supply of affordable housing to all economic segments of the population.
2. Increase community integration by equitably dispersing affordable housing opportunities.
3. Preserve existing affordable housing and improve the quality of existing affordable housing.
4. Improve low and moderate income residents' access to affordable housing.
5. Educate Wenatchee residents on affordable housing.

Housing Strategies:

1. Education Strategies:

- 1.1. First-time homebuyer classes: Currently offered by People's Bank, approximately every other month, open to anybody, available in English and Spanish. Washington State Housing Finance Commission course.
Recommendation: Institute a more in-depth First-time Homebuyer Class curriculum. Work with local lenders, service agencies, and the high school to promote greater participation in first-time homebuyer classes.
- 1.2. Model City Affordable Housing Project: Oversee the development of a project that can serve as a model/example for other developers to demonstrate the feasibility and demand for such housing development.
Recommendation: A model affordable housing project should be a goal for the City to pursue, even if it doesn't appear feasible at this time.
- 1.3. Homeownership Maintenance Classes: Columbia Valley Housing Association already does some of this with land trust (& down payment assistance?) homeowners.
Recommendation: Encourage more emphasis in first-time homebuyer class agendas for home maintenance and weatherization efforts. Promote energy audits with Chelan County PUD.
- 1.4. Renter Education Classes: Educate renters on being good tenants and addressing personal barriers to accessing rental housing (for example: bad rental history, poor credit, etc). Rental

City of Wenatchee Affordable Housing Task Force
Recommendations – June 1, 2010

Association used to partner with Wenatchee High School to provide renter education classes to seniors.

Recommendation: Encourage the development of a renter education class/program that provides case management and rental assistance for successful participants. Include education on tenants' rights. Support school district efforts to increase student participation in money management classes. Help raise parent and public awareness of money management importance. Facilitate coordination between the high school and financial/real estate groups to bring more real world connections to the classroom.

- 1.5. One-stop Housing Resource: (website/brochures) for residents, housing/service agencies, and landlords to connect residents, housing assistance, and available housing together. Example websites include Spokane's at www.onestophousing.org and Portland Metropolitan Area's at www.housingconnections.org. Housing Authority is already a one-stop resource for farmworker housing during cherry harvest; they update available spaces twice daily.
Recommendation: Develop a one-stop housing resource. A website is a good idea; an office is most likely too costly, unless it could be housed within an existing agency. Consider utilizing an AmeriCorps staff to manage a One-Stop Resource.

- 1.6. Affordable Housing Media Campaign: to illustrate the "face" of affordable housing and to address common misperceptions
Recommendation: Develop a media plan utilizing known effective messaging techniques, and including who is low-moderate income (eg. Nurse, teacher, sales clerk?) and information on Wenatchee's housing needs. Utilize Washington Low-Income Housing Alliance as a resource in creating a media campaign.

- 1.7. Address NIMBY-ism: Identify methods to address NIMBY-ism (Not In My Back Yard) in new affordable housing projects
Recommendation: Need to provide support for affordable housing projects; Task Force should convey that support and submit recommendations regarding affordable housing projects.

- 1.8. Proactive Marketing: Identify avenues to get the word out to residents and developers on affordable housing options available in the City. Information could be added to application packets. Issue local newspaper/newsletter information articles, etc.
Recommendation: Should proactively market affordable housing opportunities available. Use the one-stop housing website in addition to other local media outlets.

- 1.9. New Lead-Based Paint Regulations: Effective April 2010, federal law will require that contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and follow specific lead-safe work practices to prevent lead contamination.
Recommendation: Encourage association groups, local jurisdictions, and other stakeholders to provide education outreach and training opportunities.

City of Wenatchee Affordable Housing Task Force
Recommendations – June 1, 2010

2. Infill Development Strategies:

- 2.1. Multi-family Tax Exemption Program: Deferred property tax increases on the value of qualifying housing improvements for up to 12 years, available in urban center. Review existing target area; possibly restrict exemption to only affordable housing.
Recommendation: Expand program target area to include areas of the Waterfront. Expand the target area to include the entire city if feasible under state law. Limit the eligibility of the program to affordable housing projects only.
- 2.2. Housing in Commercial Zoning Districts: Multi-family housing is a permitted use, not to occupy grade level commercial street frontage, in the Central Business District and other commercial zoning districts. Explore housing as an outright permitted use in the Central Business District and other commercial zoning districts. Permit existing units to continue.
Recommendation: Facilitate adaptive reuse of existing commercial buildings into affordable housing. Permit multi-family housing on grade level commercial street frontage in commercial zoning districts. Allow housing projects to vary from typical standards including parking, landscaping, and open space requirements, for example.
- 2.3. Cottage Housing: Detached individual dwelling units (usually 4 or more) oriented around and sharing commonly-owned open space, courtyard(s), and parking area(s). Cottage housing is permitted in all residential zoning districts in accordance with WCC 10.48.060. Review existing regulations for barriers to and facilitation of Cottage Housing construction. Regulations too restrictive, not always affordable units, financing difficult.
Recommendation: Adopt less regulations and increase flexibility to vary from standards for affordable cottage housing projects.
- 2.4. Accessory Dwelling Units: (ADUs) may be created within, or detached from, any existing or new single-family dwelling in accordance with WCC 10.48.040. Review existing regulations for barriers to and facilitation of ADU construction. Regulations too restrictive, lack of awareness by homeowners, financing difficult.
Recommendation: Adopt less restrictions and increase incentives for creating accessory dwelling units qualifying as affordable housing. Develop a program that facilitates existing unpermitted units to become legally permitted.
- 2.5. Upzoning: Rezoning land to allow greater density (measured by the number of housing units permitted per acre of property).
 - Increased areas zoned for duplexes and multi-family housing: effective in 2007
 - Increased areas zoned for mixed uses: effective in 2007**Recommendation: Condition rezone requests for upzoning, requiring some percent of the additional development capacity be provided for affordable housing.**
- 2.6. Infill Development: Infill refers to development on land within built-up neighborhoods or urban areas that has remained vacant or under-utilized.
Recommendation: Provide for increased flexibility for complying with code standards when creating and developing infill lots for affordable housing projects. Consider forming a technical review committee that has the authority to consider proposals to vary from standards and may allow such variations if it can be satisfactorily demonstrated that the

City of Wenatchee Affordable Housing Task Force
Recommendations – June 1, 2010

intent of the regulation will be met through the alternative method(s) proposed. Allow small lot subdivisions in areas already characterized by small lots. Identify underutilized properties and facilitate their redevelopment as affordable housing, including land owned by local churches and tax delinquent properties.

- 2.7. **Zero Lot Line Development:** Allows houses to be located up to the property lot line on one or more sides rather than using conventional residential zoning standards which require minimum setbacks from every lot line. (Somewhat already permitted through the City's Planned Development process, located at [WCC Chapter 10.42.](#))
Recommendation: Provide for increased flexibility for complying with code standards when creating zero lot line affordable housing developments.
- 2.8. **CBD Upper-story Re-Use:** Research possibility for converting upper story vacant spaces in existing downtown buildings to affordable housing.
Recommendation: Fund, or provide deferred payment loans for, the cost of the elevator, or other qualifying improvements necessary to reusing building upper stories for affordable housing. Reduce parking and open space requirements for such affordable housing uses.
- 2.9. **WMU Affordable Housing:** Explore strategies to increase the supply of affordable housing in the Waterfront Mixed Use zoning district.
Recommendation: Identify any city property located in the waterfront sub-area potentially available to surplus for the development of an affordable housing project. Review results of the Development Costs Analysis to help assess the feasibility of possible strategies to increase affordable housing in the Waterfront.
- 2.10. **Increase Incentives for Affordable Housing:** in areas with low concentrations of affordable housing currently.
Recommendation: Increase parking reductions available to affordable housing projects.
- 2.11. **Single-Family Conversion:** Facilitate the conversion of single-family homes into duplexes and multi-family units.
Recommendation: Due to international building code unit separation requirements, encourage the conversion of single-family homes to rooming houses when substantial redevelopment is not already planned.
- 2.12. **Permit Ready Building Plans:** for affordable housing, approved and provided through the local community development, or building, department.
Recommendation: Develop permit ready building plans for relatively small and simple affordable housing projects.

3. Financing Strategies:

- 3.1. **Fund and support public & nonprofit agencies,** and community land trusts developing affordable housing.
Recommendation: Continue funding and supporting community affordable housing projects.

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3.2. Rental assistance vouchers: Housing Authority & Community Action Council has programs serving approximately 510 households in Chelan-Douglas counties annually (\$2.25million/yr or \$4,400 per household/year).
Recommendation: Support increases in the number of rental assistance vouchers available in Wenatchee.

3.3. First-time homebuyer down-payment assistance: Columbia Valley Housing Association has program, funded by Housing Trust Fund; \$500,000 grant assist 18 households up to \$25,000/home.

Recommendation: Support the existing down-payment assistance program. In an effort to assist more households with the limited funds available, encourage Columbia Valley to not provide the maximum amount per household unless really necessary. Detailed information explaining how the program works should be developed to assist participating lenders.

3.4. Utilize Surplus City Property conducive to affordable housing. Rosen recommended assessing the affordable housing development capacity of publicly-owned sites. Explore the potential of the old Public Works site to be utilized for affordable housing or the sale proceeds be used to purchase property for affordable housing elsewhere in the City.
Recommendation: Surplus property should be made available so long as there are long term deed restrictions, housing available to 80% or below of median income, encourage additional public benefit for receiving property at no or reduced cost, & public parking lots should be included if no reasonable reduction of net parking occurs. Adopt a City surplus property policy, utilizing available property for affordable housing or utilizing sale proceeds for affordable housing projects elsewhere in the community. Consider offering a “service package” when selling property, which could include pre-approved permits or other development incentives to increase marketability and value of surplus properties.

3.5. Waive/reduce Permit Fees
Recommendation: All applicable city fees charged for development (including plan review fees, building permit fees, & water/sewer investment/hook-up fees) would have a reduction on a sliding scale based on future technical analysis. Encourage Chelan County PUD to follow the same schedule.

3.6. Expedited Permit Process
Recommendation: Affordable housing projects should receive the highest review priority within all City departments.

3.7. Additional Revenue Strategies: Rosen recommended assessing the viability and availability of selected revenue strategies for Wenatchee to help subsidize and maximize leverage for affordable housing development in the City. Potential revenue sources include:

- General obligation bond by City Council action;
- increment from REET 1 (to extent allowed under state law);
- lobby for reforms to Washington Local Infrastructure Financing Tool (LIFT) program to better meet Wenatchee redevelopment & affordable housing needs;
- Commercial Linkage fees: impact fee on non-residential development to mitigate increase in housing demand generated by such development;

City of Wenatchee Affordable Housing Task Force
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- Property tax levy to finance affordable housing up to 50% AMI.

Recommendation: The property tax “housing” levy should be pursued; it accurately reflects affordable housing as a community issue. Work with the Community Foundation to create a program for community members to donate property or funding to local affordable housing efforts. The City should lead a multi-jurisdictional discussion for joint implementation of a commercial linkage fee program. Provide expedited permitting for projects that pay an Affordable Housing fee.

- 3.8. **Bridge Financing:** Become a partner with the developer and bank to come up with the amount of financing required for affordable housing development.
Recommendation: Pursue partnerships with area banks to help meet their obligations under the Community Reinvestment Act and to facilitate affordable housing financing.
- 3.9. **Mobile Home Purchase Financing:** Provide financing for purchasing existing mobile homes.
Recommendation: Encourage the creation of a mobile home fund or other loan guarantee to facilitate existing manufactured/mobile home purchases.
- 3.10. **Employer Assisted Housing:** Employers finance or otherwise assist in the provision of affordable housing for their employees in the community where their business operates.
Recommendation: Work with top employers and service agencies in Wenatchee to facilitate the development of individual or shared employer-assisted housing programs.
- 3.11. **CATCH Program:** City of Boise, ID program that provides housing and 6 months of social services. Area businesses, community groups, and organizations sponsor participating households with rent assistance.
Recommendation: Encourage existing social service agencies to incorporate CATCH program qualities into existing or expanded housing programs.

4. New Construction Strategies:

- 4.1. **Planned Development:** Up to 100% density bonus and exempt from some underlying zoning requirements as approved through public hearing process. Designation of a property as a planned development (PD) binds the property to the development described and depicted in the application and approval of the PD. Process too complicated.
Recommendation: The application process for Planned Developments with affordable housing should be streamlined (not processed as a Type III application). Incentives for affordable housing should be permitted rather than requiring projects to “vary” from underlying zoning standards, thereby making developments more risky.
- 4.2. **Building Height Increase:** May add one story above underlying zoning district maximum building height, eligible in the Central Business District (CBD) and the Waterfront Mixed Use (WMU) zoning district. Explore the possibility of the building height incentive being expanded to other zones.
Recommendation: Permit one story building height increase for affordable housing projects in Residential Moderate zoning districts and/or transitional areas bordering Residential High zoning districts and/or areas already characterized by high density/multi-family.

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- 4.3. Expand the Urban Growth Area: The Wenatchee Urban Growth Area (UGA) is the area surrounding the city limits where urban growth is intended to occur over the next 20 years. Property within the UGA is zoned in accordance with city zoning districts and developed in accordance with city development regulations, as adopted by Chelan County.
Recommendation: The existing Urban Growth Area appears to be a logical urban growth boundary.
- 4.4. Variable Lot Sizes & Housing Types: in new subdivisions and within development projects are permitted out right, through planned developments, or cluster subdivisions. Not enough variability encouraged.
Recommendation: Increasing variability in lot sizes and housing types in affordable housing projects should be encouraged, and the application process streamlined (not processed as a Planned Development Type III application).
- 4.5. Alternative Living Arrangements: such as Shared Housing, where 2 or more unrelated people share a dwelling and Co-Housing/Rooming Houses, where private living quarters are combined with common dining and activity areas in a residential community environment. Also including Single Room Occupancy (SRO) units, which are one-room units intended for single individual occupancy which may or may not include a kitchen and/or bathroom.
Recommendation: Explicitly permit single room occupancy units and rooming houses in existing zoning districts. Promote the development of a shared housing program in Wenatchee that facilitates matching home providers with home seekers for home sharing (example program by Ecumenical Ministries of Oregon).
- 4.6. Model Public-Private Development Project: Re-Issue Request for Proposals (RFP)
Recommendation: Identify if there is any other public property potentially available and logical for a public-private affordable housing project. Possible properties include property surrounding LINK's Columbia Station, and the City's old Public Work's site. Adopt a City surplus property policy, utilizing available property for affordable housing or utilizing sale proceeds for affordable housing projects elsewhere in the community.
- 4.7. Economic Analysis of Development Costs & Incentives: determine baseline development costs and financial returns for key housing types in Wenatchee (single-family, duplex/cottage housing, and apartments) and compare to scenarios that incorporate different incentives. King County example.
Recommendation: Develop baseline development costs and returns with local experienced builders.
- 4.8. Manufactured Home Parks: Zone properties for mobile/manufactured home parks (MHPs); ensure zoning standards make development of MHPs cost-effective.
Recommendation: Permit manufactured home parks out right (not only as a Planned Development) in residential zoning districts. Create park standards that facilitate park development and are not too restrictive.
- 4.9. Inclusionary Housing Program: Rosen recommended assessing the feasibility of an inclusionary housing program (under which market rate residential developers would be required to include affordable housing units within their market rate developments) linked to development incentives and alternative compliance options.

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Recommendation: Review results of the Development Costs Analysis to assess the feasibility of inclusionary housing.

- 4.10. Annexations: Evaluate possible areas for annexation, to encourage additional development. Evaluate potential impacts of the Sunnyslope Interlocal Agreement on the availability of affordable housing.

Recommendation: The City and County should work together to finance the installation of main sewer trunks to facilitate urban development in Sunnyslope. Charge lower hook-up fees, pay a portion of the sewer fees, or defer fee payment for affordable housing projects.

5. Preservation Strategies:

- 5.1. Code Enforcement: Require properties to comply with city code including, housing, building & zoning. Currently 1 code compliance officer for city. New strategy in 2010 will target 1 deteriorated residential area with 25% of staff's time.

Committee Recommendation: Increase City code enforcement efforts over a 2-3 year period, including performing general drive-by code compliance in addition to investigating complaints, and implementing a 6-month compliance follow-up.

- 5.2. Housing Rehabilitation Program: Funded with City CDBG funds, approximately 5-10 homes per year depending on funding available and type of rehabilitation performed. Provides no interest, deferred loans to address building code deficiencies & improve the habitability/economic life of the unit. Major rehabilitation (up to \$25,000) limited to "target areas", minor repair (\$5,000) anywhere in city. Homes limited to single-family, low-moderate income owner-occupied.

Recommendation: Expand Housing Rehab Program to qualifying renter-occupied housing; assess after the first year how it affected the program and if it should be continued. Develop separate rental rehab loan terms including a minimum match by property owner, simple interest, and no loan reduction incentives. Consider partnering with the Housing Authority to implement Rental Rehabilitation, if City capacity is not sufficient.

- 5.3. Rental Licensing Program: Housing that is for rent is treated as a business and required to be locally licensed as a rental, typically includes inspection requirements.

Recommendation: The Rental Licensing Strategy was not recommended by a 4-1 vote, with 2 members abstaining.

- 5.4. Tenant Voluntary Reporting and Relocation Assistance: Encourage reporting of housing code violations by providing relocation assistance to existing tenants, permitted at RCW 59.18.085. Does not address underlying issue of the lack of suitable housing affordable to the lowest-income households typically occupying substandard rentals.

Recommendation: Increase education outreach of Landlord-Tenant Law to renter households. Specific guidelines for a tenant relocation assistance program should be developed by the City.

- 5.5. Building Code Provisions for Rehabilitation: Review building codes locally adopted for housing rehabilitation and identify if there are any additional provisions acceptable for allowing more cost-effective housing rehabilitation. State law requires local jurisdictions to adopt

City of Wenatchee Affordable Housing Task Force
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international building codes in accordance with the Washington State Building Council. The City has adopted the International Existing Building Code which provides a lot of flexibility in building code provisions for rehabilitation; projects are not unreasonably required to meet current standards.

Recommendation: Make facilitating rehabilitation a priority of the city and building staff. Give building plan review and inspection staff the ability to make reasonable concessions on the applicability of certain building code provisions for affordable housing projects, while still meeting the intent of the code and maintaining minimum life-safety provisions.

- 5.6. Rental Housing Rehabilitation Program: Provide loan/grant assistance for rehabilitating rental units. Housing Authority had a rental rehabilitation program in 1990. Community Action Council's Weatherization program rehabilitates rental and owner units.
Recommendation: Use CDBG funds for Rental Housing Rehabilitation.
- 5.7. Regulate Condominium Conversions: Regulate existing rental apartments converting to condominium units, in accordance with RCW 64.34.
Recommendation: Require a copy of the conversion notice issued by the property owner to be submitted to the City as part of the Binding Site Plan review process. Do not require a building inspection for condominium conversions.
- 5.8. Preserve Manufactured Home Parks: Identify existing methods available to the city for addressing pending park closures. Develop a strategic plan for action in the event of future park closures. Review existing parks to identify if zoning may play a role in park closures. Consider a "mobile home park zoning" overlay to preserve existing parks. There are increasing mobile home vacancies because households can't secure financing.
Recommendation: Do not zone property strictly for manufactured home parks (MHPs), nor require existing parks to be preserved. Support requiring a disclosure statement for home purchases when the land is not included in the sale. Develop assistance programs during future park closures like the 9th St Assistance Program. Permit manufactured home parks outright in areas of the City. Develop a closure plan with East Wenatchee to implement in the case of future park closures. Pursue offering property tax incentives for owners of manufactured home parks to encourage preservation.
- 5.9. Rental Acquisition/Rehabilitation Program: Rosen recommended developing a small property renter acquisition and rehabilitation program, with a geographically targeted neighborhood revitalization purpose.
Recommendation: Encourage program development by securing funding and working with area housing agencies.
- 5.10. Crime Free Multi-Housing Program: Intends to keep illegal activity from occurring on rental properties. Programs typically include, one-day landlord seminar by police department, security assessment & minimum standards met at rental property, communication with residents & drug/crime free lease addendum. Rental association already provides sample drug/crime free lease addendums.
Recommendation: Partner with Police, Code Enforcement, and neighborhood residents to establish (or promote existing) crime-free zones and neighborhood watch programs. Focus on educating residents and encouraging residents to report issues to the City. Include education on crime prevention through environmental design.

City of Wenatchee Affordable Housing Task Force
Recommendations – June 1, 2010

5.11. Bank-owned Property Rehabilitation Loan Fund: There has been an increase in the number of bank-owned properties. Many of these properties need repair and maintenance, potential homebuyers are hesitant to purchase homes which require rehabilitation, and without repair, many homes don't qualify for financing.

Recommendation: Encourage the creation of a revolving loan fund to rehabilitate bank-owned properties so that they are eligible for a conventional home loan without additional repairs. Require loans to be paid at the time of re-sale to replenish the revolving loan fund.

APPENDIX C: CITIZEN PARTICIPATION PLAN

CITY OF WENATCHEE CITIZEN PARTICIPATION PLAN

INTRODUCTION

The City of Wenatchee has established a Citizen Participation Plan to provide opportunities for citizen involvement in the process of developing and implementing the Community Development Block Grant (CDBG) Program (and other programs administered by the U. S. Department of Housing and Urban Development-HUD) and the City of Wenatchee Consolidated Plan for Housing and Community Development (a separate Citizen Participation Strategy will provide information on citizen involvement in the CDBG Program administered by the Washington State Department of Community, Trade, and Economic Development).

This Citizen Participation Plan outlines when, where, and how citizens can access information, review, and comment on major community plans and comment on progress of funded activities. The primary planning document is the Consolidated Plan, which is developed every five years to serve as the guide for strategic actions to enhance the City's housing and community development assets. Another major planning document is the Annual Action Plan, which describes the specific actions and project activities the City will conduct during the year using the CDBG funds.

ENCOURAGING PUBLIC PARTICIPATION

The City of Wenatchee encourages the participation of all of its citizens in the development of the plans and in reviewing progress in implementing the plan activities and particularly encourages involvement of low- and moderate-income households, including those in targeted neighborhoods, as they are the primary beneficiaries of the CDBG funds. Opportunities for involvement occur prior to and during the development of long-range strategic plans and annual action plans, as well as on an ongoing basis during the implementation of activities described in those plans. These opportunities include:

- Participation at public hearings to discuss needs, progress on project activities, and the amount of funds available for activities
- Participation in meetings with ad hoc committees and focus groups involved in planning housing and community development activities
- Review and comments on proposed plans such as:
 - Public Participation Plan

- Consolidated Plan
- Annual Plans
- Amendments to Plans
- Review and comment on Annual Performance Reports describing progress on project activities

PUBLIC MEETINGS AND HEARINGS

During the development of the Consolidated Plan and Action Plans, City staff will meet with community groups and other community housing and community development task forces and organizations to provide information on the uses of the CDBG funds and hear discussion of needs. In addition, City staff will discuss the components of the plan including the needs assessment, the strategic plan, the Annual Action Plans, and any substantial amendments proposed to those plans.

PURPOSE OF THE PUBLIC HEARINGS

A minimum of two Public Hearings will be held during the year to obtain the comment of citizens and representatives of public agencies, nonprofit organizations, and other interested parties. The Hearings provide opportunities to obtain the views of citizens on housing and community development needs, offer information on the amount of funds available and the purposes for which funds can be used, discuss proposed activities, and review program performance over the previous year. All oral and written comments will be considered in decisions on the CDBG Program and planning documents. A summary of the City's response to comments made in the Consolidated Planning process will be provided in the Appendix of the Plan submitted to HUD. At least one of the Hearings will be held prior to publishing the draft plan for comment. A Public Hearing will also be conducted to consider any substantial amendments in planned activities or funding allocations of the approved Consolidated Plan or Annual Action Plan.

LOCATION OF HEARINGS

The Hearings will be located and timed to ensure maximum opportunities for citizens to participate. Hearings will be conducted in buildings that are accessible to persons with physical disabilities.

EXPANDING OPPORTUNITIES FOR ALL TO PARTICIPATE AT HEARINGS

The City encourages all citizens to participate. A special effort will be made to ensure that low- and moderate-income persons, households in areas targeted for CDBG assistance, minorities, people who do not speak or understand English well, and persons with disabilities are made aware of the Hearings and are able to fully participate in all stages of the planning process. Upon reasonable notice, the City will provide public notices and summaries of information in other languages, will make reasonable efforts to provide translators for non-English speaking persons at meetings and Hearings, and will take steps to accommodate persons with disabilities needing assistance. To arrange for assistance, requests must be made to the Department of Community Development at least five days prior to the scheduled meeting or Hearing.

NOTIFICATION OF HEARING DATES

Notices of Hearings will be published in the *Wenatchee World* at least two weeks prior to the meeting.

OPPORTUNITIES TO COMMENT ON DRAFT PLANS AND REPORTS

There are a number of opportunities to comment on draft plans and reports related to the Consolidated Plan. Prior to their submission to HUD, the City will consider fully all comments received on these plans within the timeframes identified below.

THE CITIZEN PARTICIPATION PLAN

The City of Wenatchee Citizen Participation Plan outlines the steps the City will take to provide citizens with opportunities for input into the development of plans and to comment on performance of assisted activities. The public will be advised of the availability of the Citizen Participation Plan and any amendments to the Plan and is invited to provide comments. Comments may be sent in writing to the Wenatchee CDBG Administer at the Department of Community Development, P.O. Box 519, Wenatchee, WA 98807. A notice will be placed in the *Wenatchee World* providing 30 days for the public to comment on the Plan. A copy of the Citizen Participation Plan may be obtained from the Department of Community Development or by calling (509) 888-3200.

THE CONSOLIDATED PLAN (AND AMENDMENTS)

The *City of Wenatchee Consolidated Plan for Housing and Community Development* is a long-range strategic plan that assesses community needs, establishes priority objectives, and outlines strategies the City will pursue over a five-year period to improve the City's housing and

community development assets principally benefiting low- and moderate-income persons. The public will be advised of the availability of the Consolidated Plan and amendments to the Plan and is invited to provide comments. A notice will be placed in the *Wenatchee World* providing 30 days for the public to comment. Comments may be sent in writing to the Wenatchee CDBG Administer at the Department of Community Development, P.O. Box 519, Wenatchee, WA 98807. A copy of the Consolidated Plan may be obtained from the Department of Community Development or by calling (509) 888-3200.

ANNUAL ACTION PLANS (AND AMENDMENTS)

Each year, the City is required to prepare an Annual Action Plan for submission to HUD. The plan outlines the programs and activities the City will undertake in the coming year to implement the strategies of the Consolidated Plan. The Annual Plans also describe how the CDBG funds will be used over the course of the year. The public will be advised of the availability of the draft Annual Plan and amendments to the Plan and is invited to provide comments. A copy of the Annual Plan may be obtained from the Department of Community Development or by calling (509) 888-3200. Comments may be sent in writing to the same Department. A notice will be placed in the *Wenatchee World* providing 30 days for the public to comment on the Annual Plan.

ANNUAL PERFORMANCE REPORTS

Each year, the City prepares a description of how the CDBG funds were used over the past program year and describes progress on other non-funded activities of the Consolidated Plan. The public will be advised of the availability of the draft Performance Report and is invited to provide comments. A notice will be placed in the *Wenatchee World* providing 15 days for the public to comment on the Performance Report. A copy of the Annual Performance Report may be obtained from the Department of Community Development or by calling (509) 888-3200. Comments may be sent in writing to the Department.

AMENDMENTS

From time to time, amendments to the plans will be necessary as conditions change. Amendments of a minor nature will be made as needed throughout the year. However, the public will be given an opportunity to comment on all substantial amendments to the plans, following the process described above.

A “substantial” amendment to the Consolidated/Annual Plan is defined as:

- Projects with budgets of \$25,000 or more – An increase or decrease of more than 25% of the budgeted amount (unless the decrease is caused by a budget under-run).
- Projects with budgets of less than \$25,000 – An increase or decrease of more than 50% of the budgeted amount (unless the decrease is caused by a budget under-run).
- A change in purpose, scope, general location, or intended beneficiaries or the addition of a new project.
- A change in the use of funds from one activity to a new project.

ACCESS TO INFORMATION AND AVAILABILITY OF PLAN DOCUMENTS

The City will provide reasonable and timely access to citizens, public agencies, and other interested parties of records and information on the Consolidated Plan (and previous Consolidated Plan documents) and the City's use of the funds under the programs covered by the Plan. In addition, the City will provide information to the public during the planning processes on proposed activities, the amount of assistance available, the range of activities that may be undertaken, and estimates of the amount of funds that will benefit low- and moderate-income persons. Copies of the adopted Consolidated Plan and the Annual Performance Report are available upon request from the Department of Community Development, P. O. Box 519, Wenatchee, WA 98807.

TECHNICAL ASSISTANCE

The City will provide technical assistance to groups representing low- and moderate-income persons to assist them in understanding the requirements for developing proposals for funding assistance under the Consolidated Plan. Technical assistance may include referral to information sources, providing information on programs and activities, workshops, and one-one assistance.

COMPLAINTS AND GRIEVANCES

Complaints concerning the CDBG Program, the Consolidated Plan, Annual Plan, or Performance Report may be made to the CDBG Administrator of the Wenatchee Department of Community Development. All complaints made in writing will be responded to in writing within 15 days. Persons not satisfied with the response may write an appeal of the decision and request a review of the complaint by the Community Development Director of the Wenatchee Department of Community Development. A written response conveying the results of the review to the complainant will be made in writing within 21 days. All decisions of the Community Development Director will be final.

ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

The City has an Anti-displacement and Relocation Assistance Plan to minimize the displacement of persons as a result of program activities and to assist any persons actually displaced. The policy is to discourage displacement unless it is clearly necessary to achieve the Plan's objectives and to minimize the adverse impacts of the displacement. In the event that displacement is unavoidable, those displaced will receive the full benefits and assistance provided for under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and HUD regulations. The full Plan is available upon request by contacting the Department of Community Development and is included in the Consolidated Plan.

Note: a substandard condition but suitable for rehabilitation is a HUD term that the City defines as housing for which either: (a) a notice of violation based on one or more physical conditions of the housing that has not been corrected and has been issued pursuant to the City's Substandard Housing at WCC.2.07.290. or (b) a residential housing business license has been suspended, denied or revoked pursuant to Zoning (WCC Title 10) based on one or more physical conditions of the housing that has not been corrected; and that could be brought up to standard condition through rehabilitation costing less than 70 percent of the cost to replace the housing.

APPENDIX D: ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

CITY OF WENATCHEE ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

GUIDE FORM RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN UNDER SECTION 104(D) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED

The City of Wenatchee will replace all occupied and vacant occupiable low/moderate-income dwelling units demolished or converted to a use other than as low/moderate-income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described in 24 CFR 570.488.

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligation or expending funds that will directly result in such demolition or conversion, the City of Wenatchee will make public and submit to the State of Washington the following information in writing:

1. A description of the proposed assisted activity;
2. The location on a map and the number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for low/moderate-income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a two-bedroom unit with two one-bedroom units) is consistent with the housing needs of low- and moderate-income households in the jurisdiction.

The City of Wenatchee will provide relocation assistance, as described in 570.488, to each low/moderate-income household displacement by the demolition of housing or by the conversion of a low/moderate-income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the Act, the City of Wenatchee will take the following steps to minimize the displacement of persons from their homes:

1. Use CDBG funds to provide seed money grants or loans, long-term mortgage loans at favorable rates, or capital grants to tenant groups of multi-family building to help them convert to cooperatives.
2. Stage rehabilitation of assisted housing to allow tenants to remain during and after rehabilitation, working with empty buildings or groups of empty units first so they can be rehabilitated first and tenants moved in before rehabilitation on occupied units or buildings is begun.
3. Establish temporary relocation facilities in order to house families whose displacement will be of short duration, so they can move back to their neighborhoods after rehabilitation or new construction.
4. Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent their placing undue financial burden on long-established owners or on tenants of multi-family buildings.
5. Establish counseling centers operated by the City or non-profit organizations to assist homeowners and renters to understand the range of assistance that may be available to help them in staying in the area in the face of revitalization pressures.
6. Use CDBG funds or other housing assistance funds to establish a program of grants or deferred loans for rehabilitation or repairs to property owners who agree to limit rent increases for five to 10 years.
7. Develop displacement watch systems in cooperation with neighborhood organizations to continuously review neighborhood development trends, identify displacement problems, and identify individuals facing displacement who need assistance.
8. Adopt policies which help to ensure certain rights for tenants faced with condominium or cooperative conversions.
9. Consider the adoption of tax assessment policies consistent with state law to reduce the impact of rapidly increasing assessments on lower-income owner-occupants or tenants in revitalizing areas.
10. Shift the concentrated demand generated by intense investment in one or two neighborhoods to other neighborhoods by: (a) ceasing any publicly-supported rehabilitation except for low-income housing; (b) targeting public improvements into several other neighborhoods with potential for revitalization; and (c) conducting advertising campaigns to attract interest in other neighborhoods.



City of Wenatchee

Community Development Block Grant (CDBG)

2018 Annual Action Plan

Implementing the 2013 – 2019 Housing & Community Development Consolidated Plan

Community & Economic Development Department
1350 McKittrick Street
Wenatchee, WA 98801
Phone (509) 888-3258
Email: bholton@wenatcheewa.gov

DRAFT 2018

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Executive Summary

Introduction

The City of Wenatchee has been designated as an entitlement community since 2006 under Title 1 of the Housing & Community Development Act of 1974. As a result, the City is eligible to receive Community Development Block Grant (CDBG) funds annually from the U.S. Department of Housing & Urban Development (HUD). The City's CDBG program fiscal year is April 1st through March 31st.

Plan Objectives & Outcomes

The 2018 Annual Action Plan will support targeted objectives from the Consolidated Plan through the implementation of the following activities:

Objective 1 - Preserving & Improving Neighborhoods:

2018 activities include sidewalk design and analysis; neighborhood grants; and our code enforcement program.

NOTE: Started in 2014, the Chelan Avenue Sidewalk project has been completed in phases with Phase II and III design being completed during the 2016 and part of the 2017 program years. In an effort to complete the entire Chelan Avenue Sidewalk project, Phase I, II, and III, in a timeline that does not cause a project delay for the community, the City of Wenatchee requested and approved a pre-award for the 2018 and 2019 program years to pay back the project in no amount less than \$85,000 and no more than an amount that would limit other programs or projects from continuing such as the Literacy Council.

The City of Wenatchee was responsible for providing the upfront expenses for the cost of the project beyond available 2017 CDBG program funds. The pre-award option allowed the project to be completed over two years earlier than originally expected. This does limit the amount of non-committed funds for the 2018 program year and the 2019 program year.

Objective 2 - Reducing homelessness:

2018 activities include aligning CDBG housing and community development projects with the Chelan-Douglas Homeless Plan and supporting services that lead to self-sufficiency for homeless individuals and individuals at-risk for homelessness.

Objectives 3 & 4 - Supporting public services & developing economic opportunities:

2018 activities include literacy/ESL tutoring and training through the Wenatchee Literacy Council; and the City's Code Enforcement Referral/Debris Removal Program.

The objectives and outcomes for the 2018 CDBG program year will benefit the entire City of Wenatchee with a focus in the South-Central Wenatchee Core target area. This target area was identified in 2014 under direction from HUD and new census data. The modification helped to recognize areas that have a greater concentration of low-income residents, exhibit greater deterioration of properties and have a higher need for infrastructure improvements.

Evaluation of Past Performance

During the 2017 program year (April 1, 2017 - March 31, 2018), the following activities were completed:

Objective 1 - Preserving & improving neighborhoods:

- Code Enforcement: The City continued to provide an additional 0.25 FTE code enforcement officer to work in the South-Central Wenatchee Core identified as the target area for CDBG projects. The fall of 2014 was the kickoff for a voluntary compliance based code enforcement program and has continued through 2017 to provide assistance to residents in violation of City Code the opportunity to comply on a voluntary basis.
- Sidewalk Project: With Phase I beginning in the 2014 CDBG program year and completing near the beginning of the 2016 program year, Phase II design and analysis began mid-year of the 2016 program. Like before, this design includes sidewalk (from Peachey St. to Ferry St.), lighting on both sides, public art hanging from light posts in the form of colorful metal banners known as "Papel Picado" as well as stamped concrete along the sidewalk. All three phases have been constructed with art installation complete.

Objectives 2 & 3 - Supporting public services & promoting economic development:

- Literacy Council: The Wenatchee Literacy Council program provided literacy/English tutoring services primarily to low-moderate income individuals in Wenatchee. Each year the Literacy Council serves 239 students.
- Code Enforcement Referral & Debris Removal Program: The City established this new program in 3rd quarter 2013 to assist low-income residents in responding to code enforcement violation notices and has continued this service through the 2017 program year. Services include free dumpster rentals, free dump disposal vouchers (26), and referrals to volunteer community agencies that can assist with clean-up/repair chores. The revamping of processes for code enforcement provide guidance and assistance to low- and moderate-income persons for meeting and continuing to be in compliance with city code. In combination with the guidance and assistance, the code enforcement voluntary compliance program also supports code compliance.

Summary of Citizen Participation & Consultation Process

In 2012, the AIA public process and development of the 2013-2019 Consolidated Plan resulted in extensive public outreach for input. While developing the 2018 Annual Action Plan, careful consideration of past community feedback and professional recommendation was taken. The information referenced was provided by a broad spectrum of community stakeholders including local homeless service providers, social service agencies, business representative, government officials and private citizens. Recent planning efforts resulted in the finalized South Wenatchee Action Plan. Boundaries identified in this plan encompass all of the South-Central Wenatchee Core neighborhood and provided community values, goals and priorities for the future of the residents and businesses in the area. The 2015 update to the Homeless Plan provided a platform for the Wenatchee community to provide input on housing and services. Also, during 2016, a Wenatchee Housing Needs Assessment was conducted. In addition to applying previous community input, two opportunities for comment will be held in the form of public hearings; June 20, 2018 at the Planning Commission meeting and July 12, 2018 at the City Council meeting. Community input contributes to the development of the Annual Action Plan by helping to identify the following:

- Common concerns and patterns across all sectors
- Concerns and needs unique to specific sub-populations
- Resources that can be accessed in implementing strategies
- Opportunities for increased communication and collaboration among organizations

Summary of Public Comments

A public notice was published in the Wenatchee World on June 8, 2018 and again in El Mundous on June 14, 2018 notifying the community of the 30-day comment period for the draft 2018 Annual Action Plan as well as the opportunity to attend a public hearing on either June 20, 2018 at the Planning Commission meeting or on July 12, 2018 at the City Council meeting. The Annual Action Plan was adopted at the City Council meeting on July 12, 2018 following the public hearing.

Lead & Responsible Agencies

The City of Wenatchee is a CDBG entitlement, and therefore, serves as the lead agency and administrator for the City's CDBG funds.

Annual Plan Public Contact Information

City of Wenatchee
Community & Economic Development Department
Brooklyn Holton, Grant Programs Coordinator
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Public Consultation

Introduction

The 2018 Annual Action Plan was developed with careful consideration of public comment that resulted from the AIA public process, development of the 2013-2019 Consolidated Plan, development of the South Wenatchee Action Plan, the updated Homeless Plan and two public hearings held on June 20, 2018 and July 12, 2018. Feedback was received from a wide range of groups within the community as described below.

Summary of activities to enhance coordination between housing providers, health providers, mental health providers, and service agencies

The City of Wenatchee works continuously to enhance coordination between housing providers, health providers, mental health providers, and social service agencies in the region. Specific examples include:

- Homeless Steering Committee: The City coordinates and chairs the Homeless Steering Committee which is comprised of local elected officials and community leaders. The role of the committee is to guide the development of the Chelan-Douglas Homeless Plan and to identify annual funding priorities for homeless services.
- Homeless Task Force: The City coordinates and chairs the Homeless Task Force which is comprised of representatives from local organizations that provide homeless housing services, health services, mental health & substance abuse services, and other social services. The role of the Task Force is to provide a forum for enhanced communication and coordination between these partner organizations.
- Chelan Douglas Tenant Landlord Liaison Program: The City coordinates and chairs this committee which is comprised of representatives from local housing programs. The committee is focused on addressing barriers homeless and low-income residents face when attempting to obtain and maintain affordable rental housing.
- The Housing Authority of Chelan County & the City of Wenatchee operates multi-family housing units and administers Section 8 tenant vouchers. The City works closely with the Housing Authority to coordinate and leverage resources whenever possible.
- Mental Health Stakeholders: Catholic Family Services provides intensive community-based mental health services in Wenatchee and is a huge partner and supporter of community empowerment and enhancing quality of life.
- Interagency Meeting: Monthly meetings are held to provide an opportunity to the social service providers and the community to connect and become educated about on-going and new social services offered. Many organizations and individuals are represented each month supporting such a valuable meeting.

- **Serve Wenatchee Valley:** As a coordinator of social services, Serve Wenatchee Valley has been an asset to the community and local leaders by assisting with tangible needs, hosting community events, providing topic specific giveaways and organizing events to provide support for local leadership.
- **Wenatchee Downtown Association:** Supporters and enthusiasts for local small businesses, historic downtown, local culture and volunteers, the Wenatchee Downtown Association believes in the value of each individual's contribution. The mission to strengthen and enrich the downtown experience provides a unique vision into the community and valuable input into the planning ideas.
- **Healthy Living Wenatchee Valley Coalition:** Members of the health care, fitness, clinical, local government and community stakeholder groups work together to remove barriers, build networks, connect people to resources and provide education in order to ensure residents have ready access to systems that support high quality of living.

Describe coordination with the Continuum of Care & efforts to address the needs of homeless individuals and individuals at-risk for homelessness

The City serves as the lead agency for the Chelan-Douglas Homeless Plan and acts as the lead entity for administering state and county homeless funding (i.e. the Consolidated Homeless Grant, Chelan-Douglas County Homeless Funds, Chelan County Low-Income Housing Funds and the Emergency Solutions Grant). This entails working with the Washington State Department of Commerce regarding the Balance of State Continuum of Care that includes Chelan and Douglas counties. This also entails working with the Homeless Steering Committee, which is responsible for developing the Chelan-Douglas Homeless Plan. The committee is also responsible for identifying funding priorities and determining annual funding allocations. Implementation of the Homeless Plan is administered by the City with input and support from the Homeless Task Force.

Describe consultation with the Continuum of Care that serves the State in determining how to allocate ESG funds; develop performance standards; evaluate outcomes of projects assisted by ESG funds; and develop funding, policies and procedures for the operation and administration of HMIS

The City is part of the Balance of State Continuum of Care, and participates as a member of the State's Continuum of Care/Balance of State Committee. The City administers its programs and manages its sub grantee agreements, including HMIS administration, in compliance with the requirements, standards, and policies/procedures established by the Washington State Department of Commerce.

Describe organizations that participated in the consultation process and describe the City's consultations with housing, social service, & other community agencies

The City has continued to take into careful consideration feedback from a wide variety of organizations within Chelan and Douglas counties as outlined in the table below. Each organization listed has had the opportunity to provide feedback either through one-on-one discussions or through discussions in regular meetings. Continued community input contributes to the development of the Annual Action Plan by helping to identify the following:

- Common concerns and patterns across all sectors
- Concerns and needs unique to specific sub-populations
- Resources that can be accessed in implementing strategies
- Opportunities for increased communication and collaboration among organizations

	Organization Name	Type Of Service Provided	Section Of Plan Addressed By Consultation
1	Chelan Douglas Community Action Council	Housing	Housing Need Assessment Homeless Needs - Families With Children Homelessness Strategy
2	Housing Authority of Chelan County and City of Wenatchee	Housing PHA	Housing Need Assessment Public Housing Needs Homelessness Strategy
3	Women's Resource Center/Bruce Housing	Housing	Housing Need Assessment Homelessness Strategy
4	YWCA of Wenatchee Valley	Housing	Housing Need Assessment Homelessness Strategy
5	Wenatchee School District	Services-Homeless Services-Education	Housing Need Assessment Homeless Needs - Families With Children Homelessness Needs - Unaccompanied Youth Anti-Poverty Strategy
6	Wenatchee Valley College	Services-Education Services-Employment	Anti-Poverty Strategy Job Skills Training
7	Wenatchee Downtown Association	Business Leaders	Anti-Poverty Strategy
8	Rental Association of Wenatchee Valley	Housing	Housing Need Assessment Homelessness Strategy
9	Wenatchee Police Department	Law Enforcement	Homeless Needs - Chronically Homeless Homelessness Strategy
10	Chelan County Regional Justice Center	Housing Other Government - County	Housing Need Assessment Homelessness Strategy
11	Northwest Justice Project	Services-Fair Housing	Homelessness Strategy
12	Chelan Douglas Health District	Services-Health	Homeless Needs - Chronically Homeless Homeless Needs - Families With Children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied Youth Homelessness Strategy

	Organization Name	Type Of Service Provided	Section Of Plan Addressed By Consultation
13	VA Health Clinic	Services-Health	Homelessness Needs - Veterans
14	Serve Wenatchee Valley	Faith-Based Assistance	Anti-Poverty Strategy
15	Columbia Valley Housing Association	Housing	Housing Need Assessment Homelessness Strategy
16	Lighthouse Christian Ministries	Housing Services-Homeless	Housing Need Assessment Homeless Needs - Chronically Homeless Homelessness Strategy Anti-Poverty Strategy
17	SAGE	Housing Services-Victims Of Domestic Violence	Housing Need Assessment Homeless Needs - Families With Children Homelessness Strategy
18	Regional Support Network	Services-Health Other Government - County	Mental Health Needs
19	Recovery Innovations	Health Agency	Housing Need Assessment Homelessness Strategy Mental Health & Substance Abuse Needs
20	Salvation Army	Housing	Housing Need Assessment Homelessness Strategy
21	Literacy Council	Services-Education	Anti-Poverty Strategy Literacy Needs

Other Local/Regional/State/Federal Planning Efforts

Recommendations from a number of local and regional plans were considered when developing the 2017 Annual Action Plan:

Name of Plan	Lead Organization	How do the goals of the Annual Plan overlap with the goals of each plan?
Continuum of Care	Washington State Department of Commerce	The City of Wenatchee is part of the Balance of State Continuum of Care, and participates as a member of the State's Continuum of Care/Balance of State Committee. Information and input from this committee was incorporated into the 2018 Annual Plan.
Imagine South Wenatchee	City of Wenatchee	In 2012, the city facilitated a comprehensive visioning process which included conducting a sustainable design assessment. The resulting Sustainable Design Assessment Report included key recommendations focused primarily on the predominately low-income South Wenatchee area. Recommendations from this report were incorporated into the 2013-2019 Consolidated Plan, 2017 Annual Action Plan and will also be in the 2018 Annual Action Plan.
Wenatchee Urban Area Comprehensive Plan	City of Wenatchee	The goals of the Comprehensive Plan are broader in scope than the goals of the Consolidated Plan. However, it aligns with Comprehensive Plan goals for housing affordability; housing equity; coordination with service agencies & community advocates; & entrepreneurial support.
Chelan-Douglas Homeless Plan	City of Wenatchee	The City of Wenatchee serves as the lead entity for overseeing the development and implementation of a “Ten year Plan to End Homelessness in Chelan & Douglas Counties”. The original plan was published in 2005 and has been updated periodically. The most recent update to the plan was published in 2015. The Homeless Plan focuses on furthering the Washington State Homeless Performance Goals which include: 1.) Reducing the number of homeless persons; 2.) Reducing the amount of time they are homeless; 3.) Increasing the number who move to permanent housing; and 4.) Reducing the number who recede back into homelessness. These performance goals align with the CDBG goals outlined in the 2018 Annual Plan.
Code Enforcement Report	City of Wenatchee	Key recommendations in the 2012 Code Enforcement report included supporting neighborhood revitalization efforts, promoting voluntary compliance, and conducting evaluations to measure results. Recommendations from this report were incorporated into the 2013-2019 Consolidated Plan, 2017 Annual Action Plan and will also be in the 2018 Annual Action Plan.

Participation

Summary of Citizen Participation Process & Its Impact on Goal Setting

In 2012, the AIA public process and development of the 2013-2019 Consolidated Plan resulted in extensive public outreach for input. While developing the 2018 Annual Action Plan, careful consideration of past community feedback and professional recommendation was taken. The information referenced was provided by a broad spectrum of community stakeholders including local homeless service providers, social service agencies, business representative, government officials and private citizens. In addition to applying previous community input, two opportunities for comment were held in the form of public hearings; June 20, 2018 at the Planning Commission meeting and July 12, 2018 at the City Council meeting.

Community input contributes to the development of the Annual Action Plan by helping to identify the following:

- Common concerns and patterns across all sectors
- Concerns and needs unique to specific sub-populations
- Resources that can be accessed in implementing strategies
- Opportunities for increased communication and collaboration among organizations

As a result of the feedback received, the following needs were identified:

1. Increased affordable housing
2. Improved access to housing for those facing housing barriers (i.e., passing background checks)
3. Increased supporting housing, particularly for residents with mental health and substance abuse disorders
4. Improving access to living-wage jobs through education/job training and recruiting/retention of employers offering living-wage jobs
5. Prevention of neighborhood blight
6. Raising community awareness and understanding of the root causes of local poverty and homelessness
7. Improving information sharing, system navigation and coordination of services

Outreach Target	Outreach Method	Summary of Response/Attendance	Summary of Comments Received	Summary of Comments Not Accepted & Reasons
Homeless Steering Committee	Quarterly Meetings	The City coordinates the Homeless Steering Committee which is comprised of local elected officials and community leaders. The role of the committee is to guide the development of the Chelan-Douglas Homeless Plan and to identify annual funding priorities for homeless services.	As a result of the feedback received, the following needs were identified: <ol style="list-style-type: none"> 1. Expanding services for the chronically homeless 2. Improving the responsiveness for all components of our homeless response system 3. Increasing the development of and access to affordable rental housing 4. Addressing homelessness & the risk of homelessness for children & youth 5. Improving coordination of services through a coordinated entry system known as the Community Housing Network 6. Strengthening our data collection and analysis systems 	
Homeless Task Force	Bi-Monthly Meetings	The City coordinates the Homeless Task Force which meets every other month. The Task Force is comprised of homeless service providers and other community stakeholders. Members were solicited for input during the development of the 2018 Annual Action Plan.	Challenges identified included: <ol style="list-style-type: none"> 1. Insufficient services supporting the chronically homeless 2. A need to evaluate the effectiveness of our homeless system components and to then realign funding to support best practices 3. Lack of affordable housing 	

Outreach Target	Outreach Method	Summary of Response/Attendance	Summary of Comments Received	Summary of Comments Not Accepted & Reasons
			4. Insufficient services supporting youth including unaccompanied youth under 18 5. Limited formal coordination of homeless services 6. Limited of inconsistent data collection & analysis capabilities	
South Wenatchee residents, business owners, & community partners	Imagine South Wenatchee Visioning Project	In 2012, the city facilitated a comprehensive visioning process which included conducting a sustainable design assessment. The resulting Sustainable Design Assessment Report included key recommendations focused primarily on the predominately low-income South Wenatchee area. In addition, community input was solicited through focus groups and surveys of residents and business owners in South Wenatchee. The community feedback and recommendations from the assessment report are incorporated into the 2013-2019 Consolidated Plan and carefully considered for the 2018 Annual Plan.	<ul style="list-style-type: none"> – Strong desire for inclusion & celebration of large Hispanic population in South Wenatchee. – Need for structural improvements to increase safety & well-being (especially sidewalks & lighting). – Need for increased commercial ventures such as local grocery stores. – Improved transportation to commercial & public service areas. – Include public art into projects such as sidewalk and lighting construction 	Rare but occasional inappropriate expressions of disgruntlement with the increasing Hispanic population in Wenatchee. These comments are in direct conflict with the City's mission to welcome, value, & celebrate diversity.
Interagency Networking Meetings	Monthly Meetings	Regular attendance at monthly Interagency Networking Meetings facilitated by the Wenatchee School District. 30 - 40 community service providers attend regularly. Member	<ul style="list-style-type: none"> – Community organizations are experiencing financial challenges due to the downturn in the economy which has resulted in funding & donation decreases. 	

Outreach Target	Outreach Method	Summary of Response/Attendance	Summary of Comments Received	Summary of Comments Not Accepted & Reasons
		input was incorporated into the Annual Action Plan	<ul style="list-style-type: none"> - Need for a clearinghouse of information on local community resources. - Need for community-wide coordinated services. 	
Non-targeted/broad community	Public Hearing	A public notice was published in the Wenatchee World on June 8, 2018 and again in El Mundous on June 14, 2018 notifying the community of the 30-day comment period for the draft 2018 Annual Action Plan as well as the opportunity to attend a public hearing on either June 8, 2018 at the Planning Commission meeting or on June 14, 2018 at the City Council meeting. The Annual Action Plan was adopted at the City Council meeting on June 14, 2018 after the public hearing.	<ul style="list-style-type: none"> - Reviewing funding put towards the Code Enforcement and how it can be rerouted to connect with the Community Center 	
School District	Quarterly meetings and continuous involvement with Wenatchee Learns.	The quarterly meetings held with the school board include the members of the school board and City of Wenatchee representatives. Communication with Wenatchee Learns occurs on a regular basis with	<ul style="list-style-type: none"> - Creating discussion opportunities for students K-12 with local leaders such as business owners or elected officials - Provide exposure to college and technical schools 	

Outreach Target	Outreach Method	Summary of Response/Attendance	Summary of Comments Received	Summary of Comments Not Accepted & Reasons
		different members available at different times.	<ul style="list-style-type: none"> - Bridge the gap and connect today's youth with the baby boomer generation 	
Code Enforcement	Meetings with Northwest Justice and Catholic Family Chore Services	City code enforcement staff coordinates with these agencies to serve low to moderate income individuals as part of the code enforcement program.	<p>Catholic Family services provides valuable volunteer services and provided coordination procedures for code enforcement.</p> <ul style="list-style-type: none"> - Northwest Justice Project provides free legal services to qualifying low income individuals and households. They have requested that we enforce code enforcement laws on substandard housing. They have also requested the City establish a rental license. 	
Rental Association	Chelan Douglas Tenant Landlord Liaison	The City coordinates with the Rental Association to promote fair housing and quality affordable housing.	<ul style="list-style-type: none"> - The Rental Association provides information to their landlord membership that helps landlords comply with laws and provide quality housing. They appreciate the coordination with the City so that they understand the City's housing programs 	

Expected Resources

Introduction

In addition to CDBG funding, the City of Wenatchee receives state and local funding to support homeless Continuum of Care activities. Anticipated funding for 2018 is outlined in the table below.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public - Federal	<ul style="list-style-type: none"> - Acquisition - Admin and Planning - Economic Development - Housing Public Improvements - Public Services 	242,460	98,905.59	19,535.99	360,901.58	840,901.58	These funds will be leveraged to obtain additional resources from other government entities (i.e. the Department of Transportation).
Consolidated Homeless Grant	Public - State	<ul style="list-style-type: none"> - Admin and Planning - Public Services - Other 	509,374	0	0	509,374	1,018,748	These funds are dedicated to rent assistance and emergency shelter/transitional housing operating costs to reduce homelessness in Chelan-Douglas counties.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Chelan Douglas County Homeless Funds	Public - Local	<ul style="list-style-type: none"> - Acquisition - Admin and Planning - Economic Development - Housing - Public Services - Other 	785,000	0	0	785,000	1,570,000	These funds are dedicated to reducing homelessness in Chelan & Douglas counties.
Chelan County Low-Income Housing Funds	Public - Local	<ul style="list-style-type: none"> - Housing - Other 	43,500	0	0	43,500	87,000	These funds are targeted to affordable low-income housing in Wenatchee and emergency shelter operations.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The match requirements for the homeless funds described above will be met without the use of CDBG funds.

Annual Goals and Objectives

Goals Summary Information

The following table provides a summary of the major goals and funding allocation for the 2018 program year. **Please Note:** The City of Wenatchee will utilize the pre-award option to allocate approximately \$85,000 from both the 2018 and 2019 program years in order to complete reimburse for the Chelan Sidewalk Project.

	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Improve Neighborhoods	2013	2019	Non-Housing Community Development	– South-Central Wenatchee Core	-Neighborhood Improvement -Sidewalks -Lighting	– CDBG: \$238,104.59 – Chelan-Douglas Counties Homeless Housing Funds: \$0 – City of Wenatchee Low-Income Housing Funds: \$0 – State Consolidated Homeless Grant: \$0 – Emergency Solutions Grant: \$0	– Public Facility or Infrastructure Activities other than Low/Moderate Income – Housing Benefit: 4,000 individuals assisted

	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Reduce Homelessness	2013	2017	Homeless	Chelan & Douglas Counties	Homelessness	<ul style="list-style-type: none"> - CDBG: \$0 - Chelan-Douglas Counties Homeless Housing Funds: \$785,000 - City of Wenatchee Low-Income Housing Funds: \$43,500 - State Consolidated Homeless Grant: \$509,374 	<ul style="list-style-type: none"> - Homeless Individuals Assisted - Overnight Shelter: 760 - Individuals Assisted - Homelessness Prevention: 667

	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Support Public Services	2013	2017	<ul style="list-style-type: none"> - Homeless - Non-Homeless Special Needs - Non-Housing Community Development - Public Services 	<ul style="list-style-type: none"> - South-Central Wenatchee Core 	<ul style="list-style-type: none"> Public Services 	<ul style="list-style-type: none"> - CDBG: \$36,700 - Chelan-Douglas Counties Homeless Housing Funds: \$0 - City of Wenatchee Low-Income Housing Funds: \$0 - State Consolidated Homeless Grant: \$0 - Emergency Solutions Grant: \$0 	<ul style="list-style-type: none"> - Public service activities other than Low/Moderate Income - Housing Benefit: 450 Individuals Assisted

Detailed Goal Descriptions

1	Goal Name	Preserve and Improve Neighborhoods
	Goal Description	<p>The 2018 Annual Plan will promote the preservation and improvement of neighborhoods by:</p> <ul style="list-style-type: none"> • Investing in capital improvements and infrastructure in low-income neighborhoods including sidewalks, lighting & artwork to support cultural diversity and safe crossings. • Supporting code enforcement to prevent substandard housing and neighborhood blight in targeted neighborhoods. • Encouraging and facilitating neighborhood improvements through a neighborhood grants program.
2	Goal Name	Reduce Homelessness
	Goal Description	<p>The 2018 Annual Plan addresses the goal of reducing homelessness by aligning CDBG housing and community development projects with the Chelan-Douglas Homeless Plan and by encouraging/facilitating supportive services that lead to self-sufficiency for homeless individuals and for individuals at-risk of homelessness.</p>
3	Goal Name	Support Public Services
	Goal Description	<p>The 2018 Annual Plan aligns with the goal of supporting public services by:</p> <ul style="list-style-type: none"> – Continuing to support literacy & ESL training programs with an emphasis on program accessibility for low-income neighborhood residents. – Providing referrals and debris removal services to eligible low-income residents in targeted neighborhoods who need assistance responding to code enforcement violation notices.

Projects

Introduction

The 2018 Annual Action Plan includes the projects listed below that align with the strategic goals of the City's Consolidated Plan.

	Project Name
1	Program Administration & Planning
2	Public Improvements: Sidewalks, Lighting and Art
3	Public Improvements: Code Enforcement
5	Public Services: Literacy Program
6	Public Services: Code Enforcement Referral & Debris Removal Program

Project Summary Information

Project summary information is based on an estimated amount of funds the City of Wenatchee will be awarded for the Community Development Block Grant. If availability of funds differs from the estimate, changes will be made proportionally.

1	Project Name	Program Administration & Planning
	Goals Supported	<ul style="list-style-type: none"> – Preserve and Improve Neighborhoods – Reduce Homelessness – Support Public Services
	Funding	CDBG: \$48,492.00
	Description	City staff will oversee implementation of projects including project management, fiscal administration, & reporting.
2	Project Name	Public Improvements: Sidewalks, Lighting and Art
	Target Area	South Central Wenatchee Neighborhood Core
	Goals Supported	Preserve and Improve Neighborhoods
	Needs Addressed	Neighborhood Improvement
	Funding	CDBG:\$238,104.59 2018 Award Allocation \$120,899 + 2017 Reallocation for Neighborhood Grants (\$16,126), Referral/Debris Removal (\$2,040.99), and Program Income (\$98,905.59). <i>There is also an open contract with RH2 with a remaining balance of \$133.01</i>
Description	City will finish up sidewalk design and begin construction to finish Phase II and III of the Chelan Avenue Sidewalk project to construct sidewalk, install pedestrian scale lighting and incorporate public inspired art. NOTE: In order to move forward with this project, the City of Wenatchee is requesting a pre-award on future CDBG funding from the 2018 and 2019 program years in an amount no less than \$85,000. This means that the majority of CDBG funding for those two program years will be paid back to the City of Wenatchee for their advance payment to cover project costs and allow the project to be completed early.	

3	Project Name	Public Improvements: Code Enforcement
	Target Area	South-Central Wenatchee Core
	Goals Supported	Preserve and Improve Neighborhoods
	Needs Addressed	Neighborhood Improvement
	Funding	CDBG: \$36,700
	Description	Code Enforcement activities within the targeted low-income neighborhoods of South-Central Wenatchee Core
5	Project Name	Public Services: Literacy Program
	Goals Supported	Support Public Services
	Needs Addressed	Economic Development
	Funding	CDBG: \$35,000
	Description	The City will continue to support the educational efforts of the Wenatchee Literacy Council which provides ESL and literacy training for low-income Wenatchee residents.
6	Project Name	Public Services: Code Enforcement Referral & Debris Removal Program
	Target Area	South Central Wenatchee Neighborhood Core
	Goals Supported	Preserve and Improve Neighborhoods Support Public Services
	Needs Addressed	Neighborhood Improvement Public Services
	Funding	CDBG: \$1,369
	Description	The City of Wenatchee's Code Enforcement staff will oversee the Code Enforcement Referral & Debris Removal program. The program assists low-income residents in targeted neighborhoods in responding to code enforcement violation notices. Services include free dumpster rentals, free dump disposal vouchers, and referrals to volunteer community agencies that can assist with clean-up/repair chores.

Project Funding

The project funding amounts listed above are estimates. If the City's actual allocation amount plus amount available from the previous year plus program income is different than the estimated amount above, the City will increase/decrease the project budgets as follows: 1.) Adjust Public Services projects (Literacy Program & Code Enforcement Referral Program) to constitute 15% of the total allocation; 2.) Adjust the Administration project to constitute 20% of the total allocation; and 3.) Adjust the sidewalk project to incorporate the balance of additional or decreased funds.

Pre Award Costs

Due to possible conflict between the submittal deadline for the Annual Action Plan and the award allocation being provided from the U.S. Department of Housing and Urban Development and the need to ensure program and project success continues in our community, City staff may incur costs to the 2018 CDBG Program.

Geographic Distribution

Geographic Areas to be Assisted

In 2018, the City's public improvement and code enforcement efforts will primarily target the South-Central Wenatchee Core. Public services will benefit low- to moderate-income residents in Wenatchee.

Rationale Allocating Investments Geographically

In 2012, the City facilitated a comprehensive community visioning process which included conducting a sustainable design assessment. The resulting Sustainable Design Assessment Report included key recommendations focused primarily on the predominately low-income South Wenatchee area. The City is planning to capitalize on these recommendations by focusing many of its 2018 activities on neighborhood revitalization efforts in the newly adopted area of the South-Central Wenatchee Core

Previously the CDBG target area was identified as the South Wenatchee, Tacoma Street and Central Wenatchee neighborhoods. An amendment in October 2014 was adopted to consolidate these areas based on the inter-relationships between neighborhoods in terms of access to public facilities (i.e., parks, K-12 schools, the Wenatchee Valley Community College), commercial areas, grocery stores and medical & government facilities. In acknowledgement of the mix of income levels of this area, geographic-based activities will be targeted to those portions of the area where there is greatest benefit to low- and moderate-income individuals consistent with the adopted 2013-2019 Consolidated Plan.

The characteristics observed within the geographic priority area include higher level of crime; housing stock in a state of deterioration; lack of public facilities such as sidewalks, lighting and parks; high levels of code enforcement issues; and signs of potential blight such as graffiti, junk vehicles and substandard structures. It is these areas that will receive further priority for CDBG activities. In addition, activities may be targeted to prevent the spread of urban decay and potential blight.

Affordable Housing

Introduction

There is an excessive housing cost burden on low-income residents, and the low rental vacancy rate provides a disincentive to rental property owners to accommodate low-income tenants. Additionally, many renters are over-housed, as there is a shortage of single unit rental properties. In 2018, the City will explore opportunities to attract and incentivize developers of affordable housing which align with our demographic needs.

Affordable Housing Goals

One Year Goals for the Number of Households to be Supported	
Homeless	750
Non-Homeless	70
Special-Needs	125
Total	945

One Year Goals for the Number of Households Supported Through	
Rental Assistance	650
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	650

Public Housing

Introduction

Wenatchee does not have a traditional public housing project. However, the Housing Authority of Chelan County & the City of Wenatchee provides a range of housing services including:

- Low-income housing for families, seniors, and individuals with disabilities
- Section 8 tenant-based housing vouchers
- Section 8 Family Self-Sufficiency program
- Agricultural & migrant housing

The Housing Authority owns and manages three multi-family properties in Wenatchee. These developments were built 20 - 30 years ago, and therefore, are beginning to require repairs and rehabilitation. The total rehabilitation cost is estimated to be \$1.4 million dollars. The Housing Authority does not have adequate funds for rehabilitation, and consequently is only able to address emergency repairs as they occur.

Actions Planned to Address Public Housing Needs

The City of Wenatchee has a long-standing and positive working relationship with the local Housing Authority. While CDBG funds are inadequate to address their identified need for housing unit rehabilitation, the city will continue to seek opportunities to leverage resources aimed at the rehabilitation of existing public housing stock. Additionally, future CDBG funds allocated to infrastructure improvements (i.e. sidewalks, lighting) may be targeted to areas surrounding the Housing Authority's low-income housing properties.

Actions Planned to Encourage Public Housing Residents to Participate in Homeownership

The Housing Authority offers their clients a self-sufficiency educational program which includes information on money management, home care, and life skills. They also offer an escrow incentive program to foster home ownership.

Homeless and Other Special Needs Activities

Introduction

The City of Wenatchee administers the following homeless funds on behalf of Chelan and Douglas counties: The Consolidated Homeless Grant, Chelan-Douglas County Homeless Funds, and Chelan County Low-Income Housing Funds. These funds are anticipated to provide a total of \$1.34 million in funding in 2018. Consequently, the City will not designate specific CDBG funds to homeless projects. It has, however, aligned CDBG goals and activities with the goals, strategies, and activities of the Chelan-Douglas Homeless Plan, especially in regards to increasing access to education, economic opportunities, and affordable housing.

A recurring theme in both the City's Consolidated Plan and the Chelan-Douglas Homeless Plan is the need to adopt a two-pronged approach to addressing homeless needs. This dual approach targets specific support services for homeless populations (i.e. youth, families, Veterans, the chronically homeless) while also pursuing community-wide measures to bring about systemic change that will enable low-income residents to move out of poverty. Specific goals and activities that support this dual approach are described below.

One-Year Goals & Actions for Reducing Homelessness

The following goals and activities will be pursued in 2018 to reduce homelessness in the region:

- Promote & fund a balanced mix of services that will meet the diverse of needs of homeless individuals including children/teens; individuals with mental health and/or substance abuse issues; individuals with disabilities; Veterans; the chronically homeless; & those at-risk for homelessness.
- Prioritize a rapid rehousing approach that centers on providing homeless people with permanent housing quickly and then providing progressive support services as needed.
- Prioritize a targeted prevention approach that focuses on helping individuals at-risk of homelessness maintain their housing, thereby preventing homelessness.
- Manage a coordinated entry system in which homeless individuals who are seeking social services are able to quickly and easily locate and connect with services that best meet their needs.
- Develop simple & effective data systems in order to better quantify services, evaluate effectiveness, and identify gaps/opportunities for improvement.
- Allocate resources based on identified community needs and the achievement of targeted performance outcomes.
- Promote communication and collaboration among local social service providers.
- Promote public awareness/education and seek out broad-based community input.

Barriers to Affordable Housing

Introduction

Wenatchee is confined by the confluence of two rivers and the encirclement of the Cascade Foothills. While contributing to the visual and recreational appeal of the community, it seriously limits development. Limited developable land has raised the cost of land and deterred some would-be investors in residential and commercial property.

Actions Planned to Remove Negative Effects of Public Policies That Serve as Barriers to Affordable Housing

The City plans to mitigate the negative effects of public policies that may serve as barriers to affordable housing by undertaking the following actions:

1. Facilitating multi-family housing and infill residential development including in commercial areas.
2. Reviewing Wenatchee City Code incentives for the development of affordable housing.
3. Utilizing public infrastructure incentives to promote additional residential development.
4. Promoting awareness of population demographics and housing needs with the development/real estate community.
5. Increasing economic opportunities to improve employment and wages.

Other Actions

Introduction

The 2018 Annual Action Plan includes a variety of other actions that will address HUD requirements & support the objectives outlined in the City's Consolidated Plan. These specific actions are described below.

Actions Planned to Address Obstacles to Meeting Underserved Needs

The City will continue to conduct public outreach to ensure that the broader community is aware of the needs and opportunities identified in the Consolidated Plan and Annual Action Plan. In addition, the City will actively work to engage potential employer and landlord partners in overcoming obstacles to employment and housing. In 2016, that City of Wenatchee completed a Limited English Proficiency (LEP) Plan and will continue these efforts by developing a Language Access Plan (LAP) for implementation guidance. The City will also continue to provide Section 3 information to local businesses and individuals as a result of the City of Wenatchee receiving over \$200,000 in CDBG funding for the 2018 program year.

Actions Planned to Foster and Maintain Affordable Housing

The City will take the following actions to foster and maintain affordable housing:

- The City will communicate regularly with local property owners/managers to identify potential barriers to maintaining affordable housing. This information will be used to update the Consolidated Plan and follow-on Annual Action Plans.
- The City will continue to facilitate the Landlord/Tenant Outreach Committee. This committee is made up of representatives from local housing providers. Its focus is to address barriers their clients face when attempting to obtain affordable rentals. Activities include: 1) Recruiting landlords who are open to renting to vulnerable populations; 2) Providing landlord liaison assistance when problems arise between landlords/tenants; 3) Providing education and training for both landlords and tenants on their respective rights and responsibilities.
- The City has allocated homeless grant funding to the Housing Justice Project which provides free legal assistance to low-income tenants facing eviction or other tenant-based legal issues. These services help prevent evictions and help many low-income families maintain affordable housing.

Actions Planned to Reduce Lead-Based Paint Hazards

The City's Code Enforcement staff will address lead-based paint issues that arise. In addition, the City will include lead-based paint hazard information in community education and outreach

materials.

Actions Planned to Reduce Number of Poverty-Level Families

The Plan's focus on reducing housing cost burden and increasing literacy and employability for low-income residents will help to decrease the number of poverty-level families in the region.

Actions Planned to Develop Institutional Structure

Working with community partners, the City will improve institutional structure by defining which services are best delivered by government and which are best delivered by the private, non-profit, and faith-based sectors.

Actions Planned to Enhance Coordination between Housing Providers & Social Service Agencies

Actions taken by the City in developing the Consolidated Plan, such as conducting community outreach and facilitating community-based committees, have continued on an ongoing basis. Input from these activities aided in the development of the 2018 Annual Action Plan and will be used for future planning efforts. These actions also promote greater coordination and communication between public/private housing agencies and other social service agencies.

In 2015, the City coordinated a major effort to improve coordination among social service agencies through the development of a Coordinated Entry system which was launched in October 2015. Coordinated Entry will significantly improve coordination between service agencies by establishing a common intake & assessment process that enables homeless providers to determine services that best meets the needs of the client. In addition, the system established a standardized referral process between service agencies in the area.

In 2018, the City will continue to manage the coordinated entry system including system evaluation and program improvements.

Another way for agencies to become more connected is through the Donne Beegle Communication Across Barriers - Opportunities Communities model that is being brought to the area by United Way. Through this process, education emphasizing the holistic view on poverty will be available to the community in different forms. What began on March 4, 2015 with a Prosperity Summit, has continued with the direction from United Way to identify navigators in the community. The now annual Prosperity Summit will continue to be followed up with training and coaching opportunities for the community through the well-known and established Poverty Institute.

Program Specific Requirements

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. Estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.	100%