



# Housing Appendix

## Table of Contents

Current Conditions .....	H Appendix-2
Existing Housing Stock .....	H Appendix-4
Type of Housing Units .....	H Appendix-7
Age of Housing Units.....	H Appendix-8
Occupancy.....	H Appendix-10
Affordability .....	H Appendix-12
National Housing Market Analysis Overview:.....	H Appendix-12
Housing Conditions .....	H Appendix-16
Housing Resources.....	H Appendix-17
Public and Assisted Housing Opportunities .....	H Appendix-19
Special Needs Housing Opportunities.....	H Appendix-20
Temporary and Transitional Housing Opportunities .....	H Appendix-22
Future Housing Projections.....	H Appendix-23
Calculation of Future Residential Land Need.....	H Appendix-23
Residential Land Supply .....	H Appendix-26
Glossary.....	H Appendix-27

## Current Conditions

Recent trends, local demographics, and characteristics of the housing stock present a significant challenge if Bremerton is to live up to its legacy as a great place to reside. Current conditions in the local housing market, detailed in this section, are in large part, the result of deteriorating local economics and a gradual weakening of the residential qualities of the city's aging neighborhoods. The data, however, also portrays the opportunity to capitalize on Bremerton's well established neighborhoods, the city's unique position in the greater Puget Sound economy, and, lastly, to capitalize on regional and national housing trends.

The City of Bremerton's population has essentially been stagnant for the past 40 years. The decennial census reports from 1970 to 2010 shows a negligible increase of less than 2,500 people. Over such a time span, this is an insignificant increase (less than 1/5 of 1% annual growth), easily dismissible in Bremerton where there are regular fluctuations in the military population of two to three thousand people, due to the arrival and departure of Navy personnel. Furthermore, the most recent U.S. Census report (April 2010) stands out from previous census counts for actually showing a decrease in the city's population (413 people) since the 1990 Census (minimal increase in population from 2000 of about 500 people). The only other decrease on record was reported between census years 1950 and 1960, due to a downswing of city's population from its all-time high associated with World War II activity at the Puget Sound Naval Shipyard. At the height of World War II, Bremerton's housing stock came under severe stress, when a population of 72,500 required immediate shelter among a housing stock in place for a 1940 population of around 15,000 people.

While it is not unheard of for a well-established city to have either a stable or slightly decreasing population count over time, Bremerton's lack of growth in the past 40 years, despite land use capacity, eludes both past and current growth forecasts. More glaring, the surrounding county and region have witnessed unprecedented growth in the past twenty years. During this time, the whole of Kitsap County, for example, went from a population of 147,152 in 1980 to a population of 251,133 in 2010, (20,000 population increase from 2000) an increase of nearly 70%. Bremerton's proportion of the county's total population and regional growth has dramatically decreased, beginning in 1970. (See Table HSA-1)

As Table HSA-1 demonstrates, Bremerton's population represents a steady percentage of the total Kitsap County population despite land capacity within the City to accommodate significant numbers of new people.

# Housing

Evidently, the housing and development market in Bremerton has proven to be uncompetitive with surrounding areas. There are numerous causes for this, on both the supply and demand side of the housing market. Supply-side factors include the higher cost to redevelop existing city lots versus the abundance of undeveloped parcels and new development opportunities in the County, including its own Urban Growth Areas. Bremerton's somewhat outdated housing stock, dating back to the previous growth periods of 1940's and 1960's, often fails to address contemporary market demands or to address the diverse market demand for housing. Today's market demands partially reflect demographic changes which are discussed throughout this document, in areas such as household type, size, income level, and special needs populations. Overarching demographic dynamics which include substantial growth in Senior citizens, Singles (Non-Married, no children), and Single Parent Households, will out pressure on the housing market to provide a variety of housing types.

**Table HSA-1  
Bremerton's Historical Population Growth: 1940-2014**

Source: Washington State Office of Financial Management & U.S. Census of Population and Housing

Year	Population	Population Change	Percent of County
Population Reports, U.S. Census (as reported on April 1 <sup>st</sup> of every 10 <sup>th</sup> year), 1940 – 2010			
1940	15,134	-	34.1%
1950	27,678	+12,544	36.6%
1960	26,681	-997	31.7%
1970	35,307	+8,626	34.7%
1980	36,208	+901	24.6%
1990	38,142	+1,934	20.1%
2000	37,259	-883	16%
2010	37,729	+470	15%
Population Estimates, Washington State Office of Financial Management (as reported April 1 <sup>st</sup> of each year)			
2011	38,790	+1,061	15%
2012	39,650	+860	16%
2013	37,850	-1,800	15%
2014	38,180	+330	15%

The overall median income of the County is relatively high, estimated at \$62,413 for 2013. The overall median income in the City of Bremerton however is much lower at \$43,183. The figure is bolstered by the County's long shoreline and concentration of wealth in many of the waterfront households. In Kitsap County there some households living in housing considered substandard, overcrowded, or severely overcrowded. These numbers are relatively low when compared to the number of households in Kitsap County overall. There are considerably more cost burdened households and some residents with zero or negative income. In the City of Bremerton there are severely cost burdened households with a large percentage paying over 35 percent or more of their income for housing costs. Kitsap County's housing stock overall is less than 50 years old and in standard or better condition. The housing stock in Bremerton is significantly older than other areas of the County. The median year that housing units were built is 1960 while for Kitsap County the median year is 1981. Increasing housing costs and a low-income population hinder the overall ability of residents to afford housing within the City.

## Existing Housing Stock

Characteristics of the existing housing stock include type, occupancy, age, condition, and affordability, as detailed in sections following this general summary. By comparing the housing stocks of the city and the wider Kitsap community, the characteristics of Bremerton's existing housing stock, and its current position in the development and housing market emerges. This position can then be advanced and improved upon.

Census 2010 reports a total of 17,273 housing units (14,932 occupied) in the City of Bremerton. This is a 3.9% increase (642 new units) since the 16,631 dwelling units reported in 2000. Bremerton's population increased by 470 people between 2000 and 2010. The discrepancy between an increasing housing stock and a lower population count can be partially explained by an increased vacancy rate in the 2010 census, to just over a 13% vacancy rate (2341 units) in 2010, versus a 6% vacancy rate in 1990 (897 units.)

Vacancy rates in the Bremerton are strongly influenced by the arrival and departure of ships and their crews at the Naval Base Kitsap-Bremerton (NBK-B). This is evident particularly in Bremerton where the vacancy rate can rise and fall dramatically due to its relatively smaller housing stock universe and its proximity to NBK-B. A market equilibrium vacancy rate is commonly estimated to be 5%, which is closer to the 2010 Census vacancy rate reported for the county at 9.5%. Bremerton's unique housing demands require a built-in flexibility in its housing stock, or generally higher quantities of units than average vacancy rates and population counts would suggest for communities with more stable population numbers.

# Housing

Though largely attributed to military deployments in Bremerton, a generally lower number of people per household is another factor to consider in looking at the needs of current residents, especially as the percentage of smaller households is growing in long-term national trend analysis. Household size is an especially important factor in projecting housing needs and ensuring a housing market that will be better attuned to changing national and regional demographics. It will be further addressed in following sections, which will also look at Bremerton's demographics to better understand local needs for housing types.

The smaller size of existing units, detailed in the first subsection below titled, "Type of Housing Units", is an obvious factor underlying Bremerton's smaller household size and its overcrowding rates. The city's relatively lower income levels and higher poverty status, detailed under "Affordability" are also related, complicating the challenge of meeting housing needs and providing healthy residential settings.

<b>Table HSA-2</b>				
<b>Housing Units and Population: Bremerton and Kitsap County</b>				
Source: Washington State Office of Financial Management & U.S. Census of Population and Housing				
	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b>2010</b>
<b>Bremerton</b>				
<b>Population</b>	36,209	38,142 (+5.5%)	37,259 (-2.5%)	37,729
<b>Housing Units</b>	14,960	15,693 (+6%)	16,631 (+6%)	17,273
<b>Households (HH)</b>	14,067	14,718 (+5%)	15,085 (+2.5%)	14,932
<b>Persons per Household</b>	2.31	2.34	2.3	2.24
<b>Kitsap County</b>				
<b>Population</b>	147,152	189,731 (+29%)	231,969 (+22.5%)	251,133
<b>Housing Units</b>	57,327	74,038 (+29%)	92,644 (+25%)	107,367
<b>Households</b>	52,809	69,267 (+31%)	86,416 (+25%)	97,220
<b>Persons per Household</b>	2.6	2.5	2.6	2.5

More recent quantifiable changes in the Bremerton's housing stock are identifiable in local building permit records. Between 2006 and 2012, Bremerton's demolition activity was approximately 700 units (161 single family and 540 multifamily units) largely due to the redevelopment of Bay Vista (formerly West Park), and expansion of the Olympic College. In that same time period approximately 600 units were constructed (353 single family units and 137 multifamily units).

Though there were more demolitions than construction of units, it must be noted that the time period stated above was during the Financial Crisis of 2008. Prior to 2008, the City was receiving about 70 single family permits per year for 2006 and 2007 (at the end of the housing boom). During the recession, financing was difficult to obtain for housing and many jurisdictions saw little or no activity. However, the City continued to get a flow of permits between 2008 and the subsequent years as illustrated in the table below.

Year	Housing Units Permitted
2008	35
2009	48
2010	110
2011	90

## Type of Housing Units

Of the 17,723 units reported in Census 2010, the majority (approximately 58%) are contained in free standing single unit structures while nearly half the housing units (40%) are in classified as multifamily housing (attached) units. The remaining 2% of units, traditionally not considered single units or multi-family units, is made up of mobile homes, trailers, or other special housing units such as houseboats.<sup>1</sup> These units represent nontraditional housing types and can be used, in sum, to help evaluate how well traditional housing choices serve the existing population and housing market.

Type	1980		1990		2000		2010	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total
<b>1 unit, detached</b>	7060	47.2%	7700	49.1%	7,917	47.6%	8,414	48%
<b>1 unit, attached</b>	1169	7.8%	1490	9.5%	1,090	6.6%	1,697	10%
<b>Total, Single Units</b>	8,229	55%	9,190	59%	9,007	54%	10,111	58%
<b>2-Units</b>	1,685	11.3%	1,543	9.8%	1,664	10%	1,168	7%
<b>3 &amp; 4 Units</b>	1,117	7.5%	1149	7.3%	1,421	8.5%	974	6%
<b>5+ Units</b>	2,554	17.1%	3,432	22%	4204	25%	4,860	28%
<b>Total, Multifamily Units</b>	5,356	35.8%	6,124	39%	7,289	44%	7,002	40%
<b>Mobile Home/Trailer</b>	173	1.2%	216	1.4%	286	1.7%	270	2%
<b>Other Units*</b>	1202	8%	163	1%	49	.3%	0	0
<b>Total Units =</b>	<b>14,960</b>	<b>100%</b>	<b>15,693</b>	<b>100%</b>	<b>16,631</b>	<b>100%</b>	<b>17,383</b>	<b>100%</b>

\* "Other Units" definition has varied, yielding irregularities in these numbers

<sup>1</sup>The Census uses the term "mobile home or trailer" to refer to mobile homes to which no permanent rooms have been added. While not clearly differentiated in Census, manufactured housing affixed to a foundation, are not considered or counted as either "mobile homes" or "other housing" in counts of single family and multifamily units.

## Age of Housing Units

Over half of Kitsap County's housing units have been built since 1980. The City of Bremerton has the largest inventory of aging housing in the County. In the City of Bremerton 77.3% of housing units were built before 1980 and 22.4% were built in 1939 or earlier. In the City of Bremerton rehabilitation of the aging housing stock is a high need. Over three-quarters of the housing units were built before 1980, nearly one-quarter before WWII. Many of these housing units are solidly built and structurally sound but in need of energy efficiency improvements and upgrades to preserve them for the long-term.

The older age of Bremerton's housing stock, with an associated increased cost for maintenance, has an impact on the conditions of housing, as detailed below, particularly in common deference of maintenance as homes approach obsolescence in today's market for homeowners.

<b>Year Structure Built</b>	<b>Number</b>	<b>Percent</b>
<b>Total Number of Housing Units</b>	17,396	
<b>Built 2010 to 2013</b>	119	0.7%
<b>Built 2000 to 2009</b>	1,195	6.9%
<b>Built 1990 to 1999</b>	1,214	7.0%
<b>Built 1980 to 1989</b>	1,436	8.3%
<b>Built 1970 to 1979</b>	2,568	14.8%
<b>Built 1960 to 1969</b>	1,837	10.5%
<b>Built 1950 to 1959</b>	1,977	11.4%
<b>Built 1940 to 1949</b>	3,154	18.1%
<b>Built 1939 or earlier</b>	3,896	22.4%

Based on the 2010 Census, the City of Bremerton has a high rental to owner occupant rate, 57.5% of Bremerton residents rent to 42.5% buyers. Single-family owner units are available at relatively low prices, but the demand isn't there because of this need for extensive and expensive renovation in many of the structures, as well as stricter loan standards and higher down payment requirements which limit the number of potential buyers. More affluent buyers will tend to favor newer construction, in other more attractive parts of the City or even the County. The rental market is stronger because of the transient nature of the community which creates an increased demand, especially for more modern or better kept buildings. Rents tend to increase, even for poorer buildings, exacerbating the cost burden issue for low-income households. Landlords are often unable to make costly repairs to their rental units thereby creating unsafe and a lower quality of housing for some low-income households as well.



# Housing

With the Navy presence, Bremerton will always have a higher-than-average rental rate, but with efforts to improve the housing stock, new homeownership can be attract to our city. These aging units typically have more issues related to upkeep than buildings built more recently. As home maintenance and improvement projects are necessary with older housing, more residents will be faced with increasing housing costs, which hinder the overall ability of residents to afford housing in these jurisdictions over time. Also, many of these older homes lack energy efficiency. This poses two problems: environmental concerns and higher utility costs for occupants.

Older homes may also present health hazards due to their potential to contain lead-based paint and/or asbestos. Many of these holder housing units require some degree to bring them to current, acceptable building standards. Aging housing is also important in regards to renter-occupied units. When renters occupy older housing, housing quality and occupant safety concerns become more of an issue because many of the owners may not have much of an incentive to invest time and money into maintenance and improvements. Thus, over time rental units begin to deteriorate and suffer from deferred maintenance.

Geographic analysis shows that the concentration of older housing stock overlaps with a concentration of low to moderate income families. Areas which have a greater than 51% concentration of low and moderate income persons are located in a higher percentage primarily in West Bremerton, and a slightly lower percentage in East Bremerton. Housing units built before 1978, also concentrated primarily in West Bremerton are more likely to contain lead-based paint and are more likely in need of major repair. Yet, these houses are occupied by families least likely to have the financial means to correct either potential lead hazards or make all other needed repairs. The City's low/moderate Census Tracts are all in need of reinvestment through owner and rental housing rehabilitation.

## Occupancy

Of 4,255 persons living in group quarters in 2010, 79% (3,370 people) lived in military quarters. While this number fluctuates with ship deployments by the U.S. Navy, (reported as 77% in 2000, and 83% of the 1990 group housing population), the military population regularly represents the vast majority of group-housing in Bremerton. There are few other long-term shelters and there is one multifamily Olympic College housing option. The next largest percentage of group housing, after military group housing, is accounted for by a growing population in local nursing and convalescent homes. Demographic changes and the relocation of Harrison Hospital, and the impacts with the associated local medical community, will impact the population, including group quarters.

Non family households, where non-relatives live together, maintain a substantial presence in Bremerton with a 2010 Census to 47% of all households, while this percentage is only 29% countywide. The trend away from family households which are composed of either married couples or children related to the head of household, continues in Bremerton where it was reported at 38% in 1980 and 40% in 1990. This is significant in terms of providing units for existing residents and demographics but also for realizing that Bremerton's neighborhoods are becoming less and less characterized by "single family" living. This demographic trend is one of several that this Comprehensive Plan looks at as it re-orient community strategies. Specifically, this is one of the primary trends that new urban living environments such as "centers" have been shown to be successful in addressing.

The majority of housing units in Bremerton are occupied by "renters", with the 2010 Census report showing 57.5% of specified dwelling units being occupied by renters and only 42.5% of units being owner-occupied. These percentages are exactly reversed in the wider Kitsap community which shows a rate of 68% owner occupied and 32% of units being renter-occupied. The percentage of owner-occupied homes has generally declined throughout the region, likely due to unprecedented increases in housing costs, but Bremerton shows the most severe decline in home ownership rates, from 43% in the 1980 Census, to 39% in the 1990 Census, and, in Census 2000, at 37%, the lowest level ever reported by the Census for the City of Bremerton. (Table HSA-5)

**Table HSA-6**  
**Occupied Units: Specified Owner or Renter, 1980-2010**

**Specified Owner-Occupied Units**

Place	1980		1990		2000		2010	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Bremerton	6,082	43%	5,755	39%	5,259	37%	6,380	43%
Kitsap County	35,552	67.5%	44,539	64.5%	46,779	63%	66,425	68%

**Specified Renter-Occupied Units**

Place	1980		1990		2000		2010	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Bremerton	7,985	57%	8,963	61%	8,933	63%	8,552	57%
Kitsap County	17,257	32.5%	24,728	35.5%	27,944	37%	30,795	32%

Recent increases in residential property values and sales activity in the City of Bremerton suggest improving conditions for homeownership. However, any short-term gains in owner-occupied units may be off-set by investors who continue to buy and hold local properties for investment purposes, especially with the current, unprecedented low interest rates for home mortgages. Low mortgage rates and increasing values, in other words, attract both new owners and new investors. Significant change in this area will only accompany an expansion of the existing housing stock to better meet the area's evident homeowner market. In doing so, affordability issues arise for the existing population. Affordability is also addressed later as a factor in looking at future housing needs, following further examination of the conditions of the existing housing stock.

**Table HAS-7**  
**Housing Occupancy**

Source: U.S. Census Bureau, 2010 Census; 2013 Population Estimates

<b>Housing Occupancy</b>	Number
<b>Total Housing Units</b>	17,396 units
<b>Occupied Housing Units</b>	14,918
<b>Vacant Housing Units</b>	2,478
<b>Homeowner Vacancy Rate</b>	3.5%
<b>Rental Vacancy Rate</b>	10.8%

## Affordability

At first glance, housing costs in Bremerton appear to be most affordable in the region, with the lowest costs in a county that has been witnessing exceptional increases in housing costs. However, the increase in housing costs is also present in East and West Bremerton where the impacts on affordability are more severe due to relatively less elastic, lower income populations. In other words, Bremerton citizens must now spend a greater percentage of their income to continue to afford to buy or rent housing as prices climb. In addition, with reinvestment and revitalization efforts quite apparent in Bremerton, housing costs should continue to increase, possibly bringing a market for comparable units more in line with other Seattle-satellite cities than with the outlying, less urban, jurisdictions of Kitsap County.

Kitsap County and the cities cumulatively permitted 5,492 new housing units from 2006-2012. County-wide, new single family units accounted for 89.9 percent and multifamily units accounted for 10.1 percent of new units permitted (source: Kitsap Buildable Lands Report, 2014). Building permits declined during the recession, however as the economy has recovered building permit activity has increased. Construction of multifamily housing may be slow to recover due to the lengthy financing and development process for multi-family properties.

### **National Housing Market Analysis Overview:**

Nationally, homeownership rates have fallen back to 1993 levels. The decline can be attributed to several factors including the effects of the recession on household formation and first time homebuyers, decline in household incomes since the start of the recession, and restricted access to financing. At the same time there has been a strong increase in demand for rental units. As the vacancy rate for rentals has declined, rent increases continue to outpace inflation. To meet the surge in demand for rental units, the number of single-family detached homes in the rental market increased and developers also responded to soaring demand by steadily expanding the multifamily housing supply. Despite this expansion of the stock, rental markets nationally continued to tighten in 2014. The national vacancy rate dipped to 7.6 percent, its lowest point in nearly 20 years. As a result rents rose at a 3.2% rate last year – twice the pace of overall inflation. (Source: The State of the Nation's Housing 2015, Joint Center for Housing Studies of Harvard University).

Home sales have increased overall in Washington State but are still recovering from the recession. A typical first-time buyer can't afford most homes for sale. The median renter household income in 2012 across the Washington State was \$36,778. This means that a typical first-time homebuyer, paying no more than 30% of that income on housing, could afford to purchase a \$145,201 home. The median priced home in Bremerton is \$215,700 and Kitsap County in 2012 was \$233,000. (Source: Washington State Housing Needs Assessment 2015)

City of Bremerton and Kitsap County, like all jurisdictions in Washington State, have land use policies implementing the Growth Management Act. In general these policies drive new development towards designated urban growth areas that can support higher densities and better infrastructure such as sewers, public water supply, storm-water controls, more efficient transportation systems and public parks. Bremerton and Kitsap County engage in ongoing efforts to advance policy for increasing the supply of affordable housing. The City has made efforts to streamline the permit process and include incentives for affordable housing development, such as the Multifamily Tax Exemption.

New development of housing is expensive and the cost is ultimately passed on to homebuyers and renters. For new housing units to be affordable to households with incomes below 50% Area Median Income (AMI) there typically must be some level of subsidy to bring the cost below market level. This subsidy, most often from Federal and State sources, has been shrinking. The result has been a decline in the production of new units and fewer resources to preserve existing housing and provide housing vouchers (rent assistance). This means the supply of affordable housing is more constrained as demand grows, prices increase and more households compete for the same supply of affordable units.

Nationally, most of the recent increase in rental supply has come from single-family homes. Since the Recession there has been an increase in conversions of owner-occupied single-family homes to rentals. The American Community Survey reports that the number of single-family homes rented during this period increased by 3.2 million, roughly twice the number of new apartments added, pushing the single-family share of all rentals from 30% in 2006 to 34%. New multifamily construction typically adds units at the upper end of the rent distribution, well out of reach for households with limited incomes. At the same time, owners of existing low-rent properties have little revenue to cover operating and maintenance costs, leaving these units at risk of removal. (Source: NLIHC, Out of Reach 2015).

The difference in home prices between the city and the surrounding parts of the county can be attributed in a large part to the quantity and diversity of their respective housing inventories. For example, many home sales in Central Kitsap are of new homes, while most sales in Bremerton are of older homes. Older homes, especially those with relatively fewer bedrooms, smaller yards, and lower investment costs, are often converted into rental properties and are absent from the market for homeownership. A higher percentage of rental properties in Bremerton than elsewhere in the County results in fewer affordable houses available to first-time, low and moderate income buyers in Bremerton. This exacerbates the challenge Bremerton residents face in their attempts to obtain an affordable entry-level home within the City.

<b>% of Income</b>	<b>Percentage</b>
<b>Less than 20%</b>	31.4%
<b>20% to 24.9%</b>	14.3%
<b>25% to 29.9%</b>	14.2%
<b>30% to 34.9%</b>	9.0%
<b>35% or more</b>	31.1%

As seen in the table above, nearly 40% of Bremerton’s current rental population is paying more than what is deemed affordable for rental housing. This translates to over a third of the total population living in rental properties that they cannot truly afford. With increasing housing costs throughout the County, housing affordability is obviously a pressing regional issue, challenging policy makers in both housing and economic development. In fact, despite generally higher income levels in the rest of the County, rental properties countywide have been shown as equally unaffordable. Demand is evidently high for the existing rental opportunities, especially in Bremerton with its highly transitory and young population (ages 25-44 regularly the largest cohort in census counts, suggesting an infusion of this age (often navy personnel), and not an aging of the existing population). This demographic helps fuse the rental market and continues to constrain the inventory of existing units for purchase, especially the affordable entry-level units that are positioned to get a large return from the existing rental market.

An additional qualifier when comparing this data for affordability, and an important factor in assessing the housing stock, is that the inventory of homes in Bremerton is much smaller than the County. This makes comparisons rather difficult as a smaller pool of data can cause exaggeration as compared to change that is demonstrated amid a larger or more diverse inventory. Often, the cost of homes is tied to the supply of comparable homes as opposed to simple appreciation of the housing stock. An increase in the inventory of homes (supply) in Bremerton, potentially enticed by the current increase in value and demonstrated regional demand, could then bring greater diversity and greater affordability to the existing housing stock.

The issue of housing affordability is a county-wide issue. The availability of affordable housing is crucial for lower income households, which more often face limited choices, including geographic options. A lack of affordable housing distributed equitably and near work places, forces people to live farther from their jobs, despite the magnified impact of transportation costs. Higher densities and Bremerton’s urban setting has also resulted in a higher percentage of multi-family units built over the years, particularly older apartment complexes, that now heavily rely on the Federal government’s Section 8

# Housing

program that subsidizes rental costs for low income households. The subsequent, disproportionate, amount of the county's subsidized and public housing in Bremerton has resulted in a concentrated number of low income people, and with that concentration, weakened tax revenues yet higher needs for public services. However, Bremerton might have even more subsidized income households if more of its housing stock qualified for federal certificates and vouchers. Unfortunately, a great deal of the city's housing stock is of too low a quality to be used for publicly subsidized housing and is thus, truly detracting from quality, stable residential settings. It is important for the Comprehensive Plan to encourage property owner to rehabilitate the aging housing space.

Military personnel and their families living in the community represent a significant impact on housing and local rents that should be considered. Military stipends paid for housing often represent the maximum rent that landowners can charge to rent out their property.

	Monthly Range		Annual Range	
	Min	Max	Min	Max
<b>Personnel with dependents</b>	\$1,221	\$2,082	\$14,652	\$24,984
<b>Personnel without dependents</b>	\$1,032	\$1,755	\$12,384	\$21,060

In the City of Bremerton the non-housing community development need is centered on the communities need for jobs. The City has an unemployment rate of 6.5% compared to 5.5% in Washington State, and 5.3% in Kitsap County. The City has chosen to focus its efforts on economic development with the goal of creating and sustaining jobs for its residents. The low/mod percentage is comparatively high with 61% city-wide and 69% within the Downtown Regional Center. In 2015, the City Council determined that targeting Community Block Grant (CDBG) funds in this center which includes a designated blighted area will provide a strategy to come up with a strong economic development and housing focus which will abate these blighted conditions, as well as utilizing limited funds in a way that can provide the best opportunity for leverage. Public facilities will be eligible for funding as long as they are within the target area known as the "Downtown Regional Center." The intention is to focus on capital projects that curb slum and blight, improve public facilities, and invest in economic development.

Preservation of housing is also critical. It is more cost effective to keep people housed. If housing units are lost, households are forced to find a new place to live that is affordable, adding to the already increased demand for affordable housing. Minor rehabilitation is less expensive than production of new units and has the added benefit of also improving the neighborhood.

Production of new units, although expensive, is also needed. New units may be created through the acquisition and rehabilitation of existing market rate housing or through new construction. Additional units of permanent affordable housing that targets special needs populations and individuals with housing barriers is needed.

## Housing Conditions

A study of Kitsap County Assessor data also revealed that less than 10% of Bremerton's occupied single family housing units rated as being in fair, poor or very poor condition. Kitsap County Assessor "fair" assumes to have only minor deficiencies. Structures rated "poor" or "very poor" are assume to that they have substantial deficiencies (e.g. cracked foundation or need new roof).

**Table HSA – 10**  
**Housing Condition (Buildings)**

Source: Kitsap County Assessor's Office, 2015

Type	Excellent	Very Good	Good	Average	Fair	Poor	Very Poor	Total
Single Family	284	1142	3138	3657	388	103	43	8755
Manufactured Home	3	1	23	120	10	2	3	162
Duplex	18	80	304	437	74	14	2	929
Triplex	3	10	24	25	9	1	0	72
Fourplex	1	7	3	36	6	0	0	53
<b>Total Buildings</b>	<b>309</b>	<b>1240</b>	<b>3492</b>	<b>4275</b>	<b>487</b>	<b>120</b>	<b>48</b>	<b>9971</b>
<b>Percent</b>	<b>3%</b>	<b>12%</b>	<b>35%</b>	<b>43%</b>	<b>5%</b>	<b>1%</b>	<b>1%</b>	

Substandard housing will need to be replaced or rehabilitated in the next 20 years. In addition to the existing substandard units, additional units can be expected to become substandard each year. A rule of thumb is that, based on typical survival rates of existing housing stock, 2% of units at least 25 years old will become substandard each year. The estimate of units to be replaced or rehabilitated is based on the following assumptions

- A backlog of 156 units rated "poor" or "very poor" must be rehabilitated or replaced in the next 20 years -- an average of 8 per year.
- An additional 268 housing units are expected to become substandard each year (2% of approximately 13,432 built before 1980).

Therefore, the replacement or rehabilitation of 268 units per year will eliminate the current backlog of substandard housing and address the units that becoming substandard by 2036. In total, it is expected that approximately 5,000 units will be in need of some level of rehabilitation during the planning period. Private and public efforts listed in the Goals and Policies section of this Housing Element describe measures aimed at stemming this tide of rehabilitation needs. The direction of the elements goals and policies include taking actions such as supporting code enforcement as well as recognizing the critical role of new development and increase land values that will spur new investments and property improvements.



## Housing Resources

Meeting the needs and vision for housing in the City of Bremerton is predicated by a shared understanding and commitment between all interested parties, including residents, public officials, non-profit organizations, and private developers. Housing resources, from tax credits for new market affordable high density projects to federal housing vouchers administered locally, require continual coordination and education.

While endorsing the Countywide Consolidated Plan and its objectives regarding shared public housing strategies, this Element works to elevate the housing issues and opportunities among federal, state, and county resources.

There are two housing authorities located in Kitsap County, The Bremerton Housing Authority and Housing Kitsap. Together with Kitsap County and the City of Bremerton they help meet the housing needs of low income households in our community. The following narrative information was provided by both housing authorities.

	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled*
<b># of units vouchers in use</b>	<b>0</b>	<b>0</b>	<b>179</b>	<b>1,831</b>	<b>197</b>	<b>1,603</b>	<b>31</b>	<b>0</b>	<b>0</b>

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

The total number of families on the Housing Kitsap waiting lists for Public Housing are:

- 1-Bedroom – 84 Families
- 2-Bedroom – 217 Families
- 3-Bedroom – 122 Families
- 4-Bedroom – 34 Families.
- HCV – 98 Families (waiting list is opening during the summer of 2015)

There are all types of families on the Housing Kitsap Public Housing and Housing Choice Voucher waiting lists; however, the largest number of applicants are elderly and/or disabled families looking for Housing Choice Vouchers, 2 bedroom fully accessible units and 1 bedroom units.

# Housing

Bremerton Authority has 725 applicants on the Public Housing wait list (as of 4/1/2015). This list has been closed since 7/2011. The number of applicants on the Section 8 tenant-based rental assistance program is 357 (as of 4/1/2015). This list was opened for a two-week period in March 2015 and a lottery system was used to add 300 names to the list. A total of 3,170 applications were received. It is expected that the Section 8 tenant-based list will be reopened in mid-2016 for another lottery placement of 300 names.

Both wait lists (public housing and Section 8 tenant-based rental assistance programs) contain a wide range of household sizes, from elderly/disabled one-person households to families with 4 or more children. The most immediate needs are increases in the supply of rental units and housing subsidies so that those on wait lists do not languish for years waiting for assistance.

The City of Bremerton has a wide variety of non-profit and government agencies working together to address our community's most pressing needs. Kitsap Continuum of Care Coalition is actively meeting, planning and working to address homeless. Our county has fully implemented Health Management Information System (HMIS) and conducts an annual Point in Time Count. The Homeless Housing Plan is being updated in 2015 and there are groups working on veterans homelessness and chronic homeless on the streets.

The City of Bremerton homeless response system is coordinated through the Kitsap Continuum of Care Coalition, comprised of 40+ organizations providing prevention rental assistance, emergency shelter beds, transitional housing units, rapid rehousing subsidies, and permanent supportive housing units in tandem with a wide range of progressive engagement case management and tailored supports. Kitsap's coordinated entry program, the Housing Solutions Center, provides intake, assessment, and referrals for all households experiencing housing instability and homelessness. The Housing Solutions Center refers households to appropriate emergency housing resources and maintains a community-wide waiting list for emergency housing. Chronically homeless individuals are currently under-served in Kitsap, with few programs targeting their needs. Kitsap Community Resources provides a wide range of social services, including housing and supports, for homeless families. Veterans receive prevention funding through the Kitsap Veterans Assistance Fund, and rental assistance and case management through the Veterans Assistance and Supportive Housing (VASH) voucher and the Supportive Services for Veteran Families (SSVF) program. The Coffee Oasis provides a wide array of services for unaccompanied homeless and street-oriented youth, drop-in centers, case management, job training, and a youth shelter.

Despite great improvements in provision of housing and services to people experiencing homelessness, and a vastly improved capacity over the last 10 years, specific barriers and gaps to our community's capacity to assist all people who are homelessness have been identified. These barriers and gaps are the underlying causes of Kitsap's inability to meet the needs of all homeless residents at this time. They include:

- Insufficient funding
- Increased demand
- Limited capacity – both in housing stock and services, and in providers' ability to expand service provision

## Public and Assisted Housing Opportunities

Over the last 8 years Bremerton Housing Authority (BHA) has transformed its inventory of public housing units. In 2007, BHA had two public housing developments, West Park (581 units) and Tara Heights (21 units). In 2008, BHA received a HUD HOPE VI Public Housing Revitalization grant and began the transformation of West Park into Bay Vista, a new mixed-income, mixed-use, mixed-housing type neighborhood. All 581 public housing units at West Park were demolished with HUD approval in 2008-09 and new replacement public housing was built in on-site (The Summit, 83 units total / 47 public housing; Bay Vista West, 69 units total / 54 public housing; and Bay Vista South, 68 units total / 41 public housing). In addition, as part of the revitalization plan, BHA acquired and renovated two additional off-site properties in east Bremerton (Winfield Apartments, 22 units all public housing; and Shadow Creek Apartments, 32 units / 15 public housing). The revitalization plan for West Park resulted in a reduction in public housing units from 581 to 179, but an increase in total affordable units from 581 to 624 (a combination of replacement public housing, tenant protection Housing Choice Vouchers, Low Income Housing Tax Credit units, project-based Section 8 vouchers, Section 202 project-based rental assistance, and first-time homebuyer assistance).

In 2014, BHA completed a HUD Rental Assistance Demonstration (RAD) conversion of the 21-unit Tara Heights development from public housing to project-based Section 8 rental assistance. All units remain affordable with no net loss in inventory available to lower-income households. As a result of the revitalization plan of West Park, BHA's inventory of public housing units are either new or completely renovated within the last 5 years.

<b>Public Housing Development</b>	<b>Average Inspection Score</b>
Winfield Apartment	91
Shadow Creek	96
Tara Heights	86
The Summit at Bay Vista	98
Bay Vista West	97
Nollwood	71

Similar to Washington State as a whole, Bremerton has a number of assisted units at risk of being lost due to expiring contracts which keep them affordable. In Kitsap County 833 units funded through HUD Section 8 and USDA Section 515 are at risk of loss by 2017 (source: State of WA Housing Needs Assessment, Jan. 2015). It is possible over the next five year period that rental housing properties with expired affordability contracts will be sold and converted to market rate rental units, if there is a lack of funding to keep them subsidized. When rental income is insufficient to cover the maintenance and operation of housing, owners are left with two choices; raise rents to cover expenses or reduce maintenance and operating costs which eventually results in dilapidated properties.

## Special Needs Housing Opportunities

Special needs populations are another important demographic to consider in assessing the quality and efficacy of Bremerton's housing stock. Special needs populations include the elderly, people living with mental, physical, and/or developmental disabilities, people with alcohol or other drug addiction, people living with HIV/AIDs, victims of domestic violence and people who have been discharged from institutions such as jail or prison, State Mental Hospital or the foster care system. This population represents the majority of Kitsap County's most vulnerable people.

Community public services needs such as food programs, childcare, poor and homeless case management and employment skills training are some of the services that support vulnerable populations. In general, there is a high quality to the supportive services provided to populations with special needs throughout Kitsap County. However, overall federal and state funding for most services has decreased or not been renewed during the past decade. Finally, the increasing cost of permanent housing severely challenges the low-income majority within Bremerton, as well as the special needs and homeless populations.

Facilities are available in Bremerton and throughout the county to provide supportive housing for the elderly and frail elderly. Facilities cover a broad range: adult family homes for 2-6 adults, Section 8 construction, assisted living, convalescence, and a range of personal care and services. In addition, services provided throughout the county aim to forestall homelessness of the elderly by providing services that help the elderly to remain in their existing housing. Paratransit provides transportation to and from Medicaid covered medical services to anyone who receives medical assistance through DSHS. Kitsap Transit Access also provides transportation to the elderly and disabled persons who are unable to use the fixed route transit system and meet specific criteria. However, the service has been significantly reduced as the result of legislation that reduced transportation funding.

Some individuals with special needs, such as the disabled, have very little income and may never be fully self-sufficient. They do not have the ability to work full-time and many live on very minimal amounts of Social Security. Because of the disparity between Supplemental Security Income (SSI) income and rental housing costs, non-elderly adults with significant disabilities are often forced to choose between homelessness or placement in a segregated and restrictive institutional setting such as an adult care home, nursing home, or other congregate setting. About 8.3 million individuals nationwide receive Supplemental Security Income (SSI) because they are elderly, blind, or disabled, and are not fully covered by Social Security. They are among the nation's poorest citizens. The maximum federal monthly SSI payment for an individual is \$733 in 2015. On this income, an SSI recipient can afford rent of only \$220 per month (Source: National Low Income Housing Coalition, Out of Reach 2015).

# Housing

Other special needs populations may require support initially, but with a little assistance and housing, are able to go on to become self-sufficient. Because special needs populations are often very low-income, affordable housing is significant issue and often the reason for homelessness and instability. The combination of lack of income with other housing barriers such as poor credit, criminal history, and poor rental history, means that even some subsidized housing is not available to them.

Bremerton will continue to experience a growing population of residents over the age of 60. The City of Bremerton has a higher percentage of disabled individuals when compared to other areas of the county. Seniors over the age of 65 make up 38% of the disabled population in the county. The major causes for disability in the U.S. are changing from medical to social and behaviorally-related conditions, increasingly involving complications such as substance abuse, violence, and poor mental health. In Kitsap County between July 1, 2012 through June 30, 2013, 613 or 41.6% of the individuals admitted to publically funded treatment reported having a disability; 20.2% had a mental/psychological disability, 8.3% had ADHD/ADD, the remaining included cognitive impairment, hearing, learning, mobility, speech and vision impairments (Source: Kitsap County Strategic Plan for Substance Abuse, Dept. of Human Services, 2014-2016.)

As the population ages, particularly the baby boom generation, there has been an increase in drug use by older adults. This combined with different cultural norms and general attitudes about drug use, and increases in the availability of psychotherapeutic medications, will likely increase substance use problems in this population. Substance abuse among those 60 years and older (including misuse of prescription drugs) currently affects about 17% of this population. By 2020, the number of older adults with substance abuse problems is expected to double. In Kitsap County between 2007 and 2013, admission for individuals age 55+ admitted to publically funded treatment rose from 18% to 27%, Bremerton can assume similar trends (Source: Kitsap County Strategic Plan for Substance Abuse, Dept. of Human Services, 2014-2016).

Kitsap Mental Health Services provides mental health evaluations and services for homeless individuals; in partnership with Bremerton Housing Authority, it also provides permanent supportive housing for individuals needing long-term mental health supports. Agape unlimited and West Sound Treatment Center provide substance abuse disorder treatment, transitional housing, and sober supported housing for homeless individuals needing these services. Employment services are provided through WorkSource, a division of the Washington State Department of Labor and Industries, and the Compass Vocational Program, which is tailored to serve homeless individuals residing in emergency shelters and transitional housing.

## Temporary and Transitional Housing Opportunities

The homeless response system includes a network of shelter operators that include emergency housing beds for women and children, single men, and families with children. Couples, families with teen-age boys, households with pets, and men with children are currently under served.

As quickly as possible, households are moved from emergency shelter into rapid rehousing programs (short shallow subsidies with progressive engagement case management), permanent subsidized housing, long-term housing with specific supports (such as substance abuse disorder recovery) or permanent supportive housing. However, insufficient funding for rapid rehousing and a shortage of units of affordable housing, housing with supports, and permanent supportive housing results in longer shelter stays and households who stay homeless for longer.

Homeless youth are served by a spectrum of services, supports, and housing provided through the Coffee Oasis. These programs include outreach to street-oriented youth, youth drop-in locations, case management for homeless and at-risk youth, job training for youth, and emergency shelter beds for youth and young adults.

At this time there are few services available for chronically homeless individuals and/or individuals with complex and multiple barriers to stable housing.

The Challenge to End Veteran Homelessness in Kitsap is part of a national initiative to end veteran homelessness as quickly as possible. It includes participation from a wide range of programs specific to veterans and programs that serve all individuals experiencing homelessness. Recently a Supportive Services for Veteran Families grant has expanded the resources available for providing rental assistance and case management to veteran households. In the County, Building 9 at Retsil provides 60 beds of transitional housing for veterans throughout the region.

## Future Housing Projections

Evaluating local housing needs requires multiple levels of analysis from numerous perspectives. It is meant to be an on-going charge to the city and to housing organizations and cannot be fully accomplished in one snapshot in time or in a rigid housing plan.

Demographics, studied over time from the local to the national level, is a conventional approach to an examination of the housing market. National trends, for example, suggest continued and significant growth in the number of single households (non-married without children), seniors (65 years and older households) and single-parent headed households. The particular housing needs and characteristics of these demographics, including a smaller household size, challenge the predominance of suburban-style single-family detached housing units in the current housing market. While household size nationwide continues to decrease, a significant subset of the nation's minority population shows consistently higher household sizes with different housing expectations.

Demographic data taken from U.S Census, described in Current Conditions above help profile the City of Bremerton, Kitsap County, and the State of Washington. Population and household size are key factors used to estimate the number of new housing units which will be needed during the next twenty year period. Income and age information, described above in occupancy and affordability section above, help identify the types of housing and physical improvement which will be in demand.

The focus of this Comprehensive Plan, however, is on enticing new growth to the city which capitalizes on Bremerton's unique location and access in the region as well as its metropolitan characteristic, unique in Kitsap County. Existing demographics, household sizes, and incomes are instructive for gauging the existing market but, as detailed above, current data highlight approaching changes in the market. This Plan endeavors not only to address long-standing issues regarding housing, but to attract new kinds of housing and opportunities. The Centers Concept, central to this Comprehensive Plan, form the basis for this approach. It is found in the Land Use Element but repeated below as it provides the destination point that the goals and policies are designed to assist the community in reaching.

## Calculation of Future Residential Land Need

The population projections employed in this plan anticipate that the 14,000 new persons expected in the community by 2036, will live in a variety of single family households and multifamily settings. The table below is derived from data in the Kitsap County Buildable Lands Analysis 2014 and illustrates the historic trends in this arena.

	<b>Zoning</b>	<b>Count of Applications</b>	<b>New Dwelling Units</b>	<b>Acres</b>	<b>Density (dwelling units/acre)</b>
<b>Applied under 1988 Comp Plan</b>	SF-2	2	2	0.59	3.39
	SF-3	3	3	0.52	5.77
	MF	4	4	0.5	8
<b>Applied under the 2004 Comp Plan</b>	CCR	1	1	0.23	4.35
	FC	1	1	2.08	0.48
	NCC	3	3	0.34	8.82
	LDR	297	297	59.66	4.98
	BVSAP	41	41	3.58	11.45
<b>Grand Total</b>		<b>352</b>	<b>352</b>	<b>67.6</b>	

<b>Zoning</b>	<b>Count of Applications</b>	<b>New Dwelling Units</b>	<b>Acres</b>	<b>Density (dwelling units/acre)</b>
DR	2	6	0.57	10.53
MR	1	3	0.14	21.43
BVSAP	31	202	6.3	32.06
<b>Grand Total</b>	<b>34</b>	<b>211</b>	<b>7.01</b>	

The tables presents the past – a historical backdrop. While the past certainly influences the future, the goals and policies in this plan represent an attempt by the community to move to a new paradigm. In general, that change is focused on providing a moderate increase in the proportion of future housing opportunity in higher density types. The majority of these opportunities will occur in mixed use centers. In addition to this emphasis, the Plan’s community goals and policies also indicate a desire to increase density in existing neighborhoods –both by encouraging smaller lots in new subdivisions, and also by encouraging infill of vacant existing properties. The net result, never-the-less will be small increase in overall density in traditional neighborhoods as well.



# Housing

The following table provides calculation of residential land need to accommodate the City of Bremerton’s population growth forecast over the twenty year planning period – approximately 14,000 persons. The table is based for four categories of residential uses. Because the new framework introduced by this Plan results in some new housing environments, these categories are not the same as those for which the historical data depicted. However, if the assumption is made that 30% of the housing units in the “centers SF + MF” (single family and multifamily residential uses in centers combined) category are single family uses and 70% multifamily, it is possible to estimate that more than 50% of the new housing units anticipated by this calculation are in single family types. It is important to note that even within a model that places nearly 60% of new housing units in centers (and nearly 58% of new population) an overall emphasis on single family housing types remains. In fact, the actual proportion of SF types increases over the historic pattern depicted by the data in the previous Tables. This is consistent with community goals and policies calling for increased home ownership and supporting traditional neighborhoods, while it also addresses the community’s desire to create a new urban experience and living environment - the ability to choose to live in the new mixed-use centers.

<b>Tanle HAS – 16</b>									
<b>Future Residential Land Need</b>									
<b>Type</b>	<b>Density (du/ac)</b>		<b>Net acres needed</b>		<b>Household</b>		<b>Household Size</b>	<b>Population</b>	
	<b>Low</b>	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>	<b>High</b>		<b>Low</b>	<b>High</b>
<b>Neighborhood SF</b>	4	6	333	562	2,000	2,250	2.8	4,000	4,500
<b>Non-center MF</b>	8	18	28	94	500	750	2.0	1,000	1,500
<b>Center SF + MF</b>	20	20	113	125	2,250	2,500	2.4	5,000	6,000
<b>DT Center MF</b>	40	40	19	25	750	1,000	2.0	1,500	2,000
		<b>Total</b>			5,500	6,500	<b>Total Pop</b>	11,500	14,000
					<b>Centers Population (lines 3 &amp;4)</b>			6,500	8,000

The result of the table above is a calculation of net acres needed in the four residential housing categories used. In other words, the figures for the land are needed to site the houses and apartments needed along with their related on-site improvements.

However, to calculate the number of gross acres needed for residential development, allowances must be made for the proportion of land area that will be consumed by roads and streets, and portions of land that are not developable due to the existence of environmental constraints – so-called “critical areas”. In Bremerton those proportions have been found to be approximately 20% for land infrastructure constraints and 12% for an average of “critical areas”. Therefore, the gross land area needed for residential uses is larger than the net area by a factor of approximately 32%. This document proceeds under the assumption that the actual residential land need is as shown on the following table.

## **Residential Land Supply**

In Sum, the calculations discussed in the Land Use Appendix demonstrate that there is sufficient capacity in on existing lands throughout the City to accommodate the expected increase in population assigned to those areas. It is known that there is a high amount of excess capacity available in centers that would be able to accept additional residential growth and the centers would to also provide needed services.

## Glossary

The following definitions have been derived from state law and coordinated countywide policy planning:

- a. **Below Market Rate Housing** shall mean housing intended for low-to-middle income households. Below-Market Rate Housing is a result of a concerted effort to provide housing for people who can not afford market rates, often achieved through public strategies and subsidies. Qualifying income levels are further defined as follows (WAC 365.195):
  - i. **Extremely low-income** shall mean those households that have incomes that are at or below 30% of the countywide median.
  - ii. **Very low-income** shall mean those households that have incomes that are within the range of 31 - 50% of the countywide median.
  - iii. **Low-income** shall mean those households that have incomes that are within the range of 51 - 80% of the countywide median.
  - iv. **Moderate-income** shall mean those households that have incomes that are within the range 81-95% of the countywide median.
  - v. **Middle-income** shall mean those households that have incomes that are within the range of 96-120% of the countywide median.
- b. **Market Rate Housing** shall mean housing intended for households with incomes that are greater than 120% of the countywide median.
- c. **Affordable Housing** shall include both below-market and market rate housing. It represents a diverse spectrum of housing choices that supports a diverse population. Affordable housing choices represent housing costs that are 30% or less of all the various household income levels, throughout the city.