



Housing Profile: City of Marysville

Prepared by the Alliance for Housing Affordability
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Executive Summary

Marysville is a growing city home to 21,623 households and 62,100 residents. While not one of the County’s major employment centers in itself, the City is centrally located near commercial and industrial centers and its median income, at \$65,627, is close to that of the County overall, at \$68,338.

Currently, 41% of households in Marysville are considered cost burdened, meaning they devote more than 30% of their monthly income to housing costs. Cost burden is most challenging for households with lower incomes, who may have to sacrifice other essential needs to afford housing. 91% of Marysville’s very low income renters are cost burdened (those earning between 30 and 50% Area Median Income, or AMI), compared to 22% of moderate income renters (those earning between 80 and 95% AMI). Additional summary statistics are presented below.

A Summary of Marysville by the Numbers

Population	62,100 ¹
Total Households	21,623 ²
Family³ Households with Minor Children	7,564
Cost-Burdened Households	8,976
Households Earning Less than 50% AMI	6,877
2012 Median Household Income	\$65,627
Minimum Income to Afford 2012 Median Home⁴	\$45,595
Total Homes	22,593
Single Family Homes, Detached or Attached	18,032
Multifamily Homes	3,305
Manufactured Homes	1,246
Section 8 Housing Choice Vouchers⁵	394
Other Dedicated Subsidized Housing Units	305
Workforce Housing Units	602
Total Renter-Occupied Housing Units	6,553
Total Owner-Occupied Housing Units	15,070
Total Vacant Housing Units	970

The City features a higher rate of home ownership than other communities in the County, with 67% of its homes owner-occupied and 29% renter-occupied. Further, local homeownership rates rose over the past decade while they dropped in other cities. 94% of Marysville homeowners live in single family homes, while renters are evenly split between single- and multifamily homes. 5% of the City’s housing stock is comprised of manufactured homes, which is similar to the distribution across the County.

The City's poorest renters are more likely to be cost burdened than the City's poorest owners. While the portion of cost burdened households drops as income rises for both renters and owners, the improvement is much more dramatic for renters. At 50% Area Median Income (AMI) and above, renters become less likely to be cost burdened than owners with similar incomes - 29% of middle income owners in Marysville are cost burdened compared to only 6% of middle income renters.

2013 Dupre and Scott data suggests the City's market rate housing is generally affordable to households earning at least 50% AMI (considered at least low income), with some one- and two-bedroom units available to households earning between 30 and 50% AMI (considered very low income). There is no evidence of market rate units of any size that are affordable to extremely low income households, or larger units affordable to very low income households, though this is expected in current market conditions. Shared rental housing is a market rate option for these households, though it will not work for all households, particularly families.

A lack of affordable rental housing for extremely low and very low income households is very common, as, in order to operate a property and keep rents low enough in today's housing market, some kind of financial assistance is typically required. Assistance can be ongoing, to make up the difference between 30% of tenants' income and market rents (such units are considered 'subsidized' in this report), or be provided as capital funding, reducing overall project costs and making it possible to keep rent levels down (considered 'workforce' units). Marysville currently features 728 units of subsidized housing and 580 units of workforce housing. However, with 6,877 households earning less than 50% AMI, there is a need to increase this supply. The City is pursuing a number of strategies to address this challenge.

In 2012, the median sale price for a home¹ in Marysville was \$185,000. For a family to afford the estimated monthly cost of this home without being cost burdened, they would require an annual income of at least \$45,705, well below City, County, and the Seattle- Bellevue HMFA median income. This is considered low income for a household two to four individuals in size, and very low income for larger households. The estimated monthly costs of the majority of homes sold in 2012 were affordable to households earning at least 50% AMI (considered low income), with decreasing affordability as size increases. However, while monthly ownership costs on these homes may be affordable to lower income households, there are still other possible barriers to home ownership not captured in these figures, such as lack of access to financing or a down payment. There are also other concerns for existing homeowners, like vulnerability to foreclosure.

In general, there are more small households than small homes in Marysville. While 55% of the City's households are composed of one or two people, only 26% of homes are two bedrooms or less in size. This trend is not unique to the City, and is not as severe as in other areas. Across the County, 58% of households are one or two people in size, while only 35% of homes are two bedrooms or less in size.² For those households making the minimum income to afford housing of an appropriate size for their household, living in a larger unit is likely to result in cost burden.

1 Includes detached & attached single family homes, condominiums, and manufactured homes

2 US Census Bureau; American Community Survey, 2008-2012

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Introduction

In Snohomish County's General Policy Plan, Housing Goal 5 states that "the cities and the county shall collaborate to report housing characteristics and needs in a timely manner for jurisdictions to conduct major comprehensive plan updates and to assess progress toward achieving CPPs on housing". Building on the County's efforts in preparing the countywide HO-5 Report, this profile furthers this goal by providing detailed, local information on existing conditions for housing in Marysville so the City can plan more effectively to promote affordable housing and collaborate with neighboring jurisdictions. This profile will describe the spectrum of assisted and market rate housing within the City of Marysville.

The City of Marysville was originally incorporated in 1891, having previously served as a trading post for the area's logging and agriculture industries and neighboring Tulalip reservation. This diversity of trade supported the City's moderate growth through the 20th century, even insulating it through the Great Depression. Over the past two decades, Marysville's proximity to employment centers and transportation corridors, small community aesthetic, and reasonable cost of living drove dramatic population growth, which is projected to continue moving forward. Most of this growth has been residential in nature, yielding an imbalance between commercial and residential development. Key challenges Marysville is addressing include encouraging a greater diversity of housing, improving urban amenities, and renovating the Downtown area.

Several housing-specific terms and concepts will be used throughout the profile. Household income levels will be defined by their share of "Area Median Income", or AMI. For this report, median household income for the Seattle-Bellevue HUD Metro Fair Market Rent Area (HMFA) is used for AMI because it is the measure HUD uses to administer its programs, and is the predominant metric used for the purpose of assessing housing affordability. 2012 Seattle-Bellevue HMFA was \$88,000. All of Snohomish County is included in this HMFA. The affordable housing field defines income levels as they relate to AMI. These are:

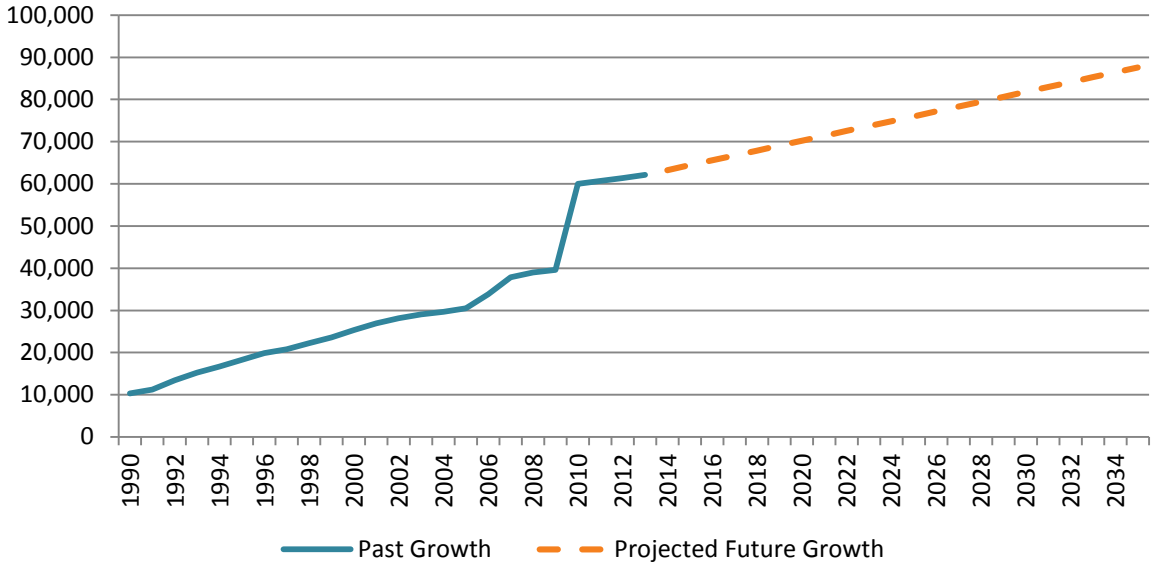
- Extremely Low Income - up to 30% AMI
- Very Low Income - up to 50% AMI
- Low Income - up to 80% AMI
- Moderate Income - up to 95% AMI
- Middle Income - up to 120% AMI

When a household spends more than 30% of their income on housing, they are considered to be "cost burdened", and, if lower income, will likely have to sacrifice spending on other essentials like food and medical care. In addition to mortgage and rent payments, housing costs include utilities, home insurance, and property taxes. "Cost burden" is used as a benchmark to evaluate housing affordability.

1. Population and Community

In 2013, Marysville was home to an estimated 62,100 people, representing a 145% increase over its 2000 population of 23,315.³ This increase includes multiple annexations, and today only small portions of Marysville’s UGA remain unincorporated. The County still predicts Marysville will continue to grow at a strong rate, accommodating 27,569 more residents by 2035. This is the second largest absolute increase in population predicted in Snohomish County cities after Everett, and will require an estimated 10,513 additional housing units.⁴ According to the “2012 Buildable Lands Report for Snohomish County”, there is sufficient capacity to accommodate this rate of growth through 2025, though the analysis must be adjusted to project capacity for 2035.⁵

Figure 1.1. Past and Projected Future Population, City of Marysville, 1990 - 2035



Source: *Snohomish County Tomorrow, 2014*; *Washington State Office of Financial Management, 2013*

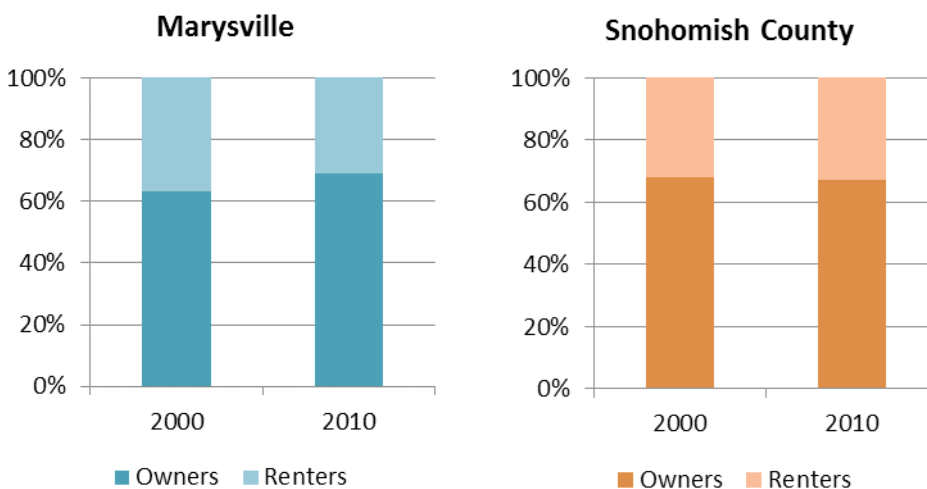
The 2012⁶ population includes 21,623 households. Of these, 15,298, or 70%, are family⁷ households, and 49% of those families have children. (Overall, 35% of households have children). In Snohomish County overall, 68% of households are families, and 48% of those families have children. The average family size in Marysville is 3.24, compared to 3.12 for the County. Renter households are larger than owner households, with an average of 2.85 individuals versus 2.73.⁸ This is a departure from Snohomish County trends, where owner households are larger on average.

3 Washington State Office of Financial Management, 2013
 4 Snohomish County Tomorrow Planning Advisory Committee, “Housing Characteristics and Needs in Snohomish County”, 2014
 5 Snohomish County Tomorrow, “2012 Buildable Lands Report for Snohomish County”, 2013
 6 2012 data is used as, at time of writing, it is the most recent ACS 5-year data available
 7 Based on the US Census Bureau’s definition of family, which “consists of two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same housing unit.”
 8 US Census Bureau; American Community Survey, 2008-2012

8.5% of Marysville residents are foreign born compared to 14% for the County as a whole. The majority of foreign born residents in Marysville are Asian or Latin American - 43% and 32%, respectively. 13% of residents speak a language other than English in the home compared to 18% for the whole County, with 39% of those speaking a language other than English in the home speaking English less than “very well.”⁹

As shown in Figure 1.2, the City’s share of owners was higher in 2010 compared to the County, though this share increased from 2000 to 2010. In Marysville, 63% of households were owners in 2000, compared to 68% across the County. In 2010, 69% of Marysville households were owners, compared to 67% across the County.¹⁰

Figure 1.2. Population Share by Housing Tenure, City of Marysville & Snohomish County



Source: US Census Bureau, 2000; US Census Bureau, 2010

Housing vacancy rates are lower in Marysville than the County overall, particularly for rental units. Marysville’s 2012 vacancy rate for owned units was 1.5%, compared to 1.8% across the County. For rented units, the rate was 2.9%, compared to 4.7% across the County.¹¹

2012 HMFA AMI for Seattle-Bellevue, which is referenced in this report as a standard for AMI, is \$88,000, higher than the County’s overall 2012 median income of \$68,338. Marysville’s 2012 median income is slightly lower at \$65,627. There are economic segments of the City’s population that could be at risk of housing burden. Compared to HUD HMFA AMI and based on 2012 American Community Survey (ACS) 5-year estimates:

- 3,655 households, or 17% of Marysville’s total households, are considered to be extremely low income, earning less than 30% of area median income (AMI),
- 3,351, or 15%, are considered very low income, earning between 30 and 50% of AMI,
- 4,697, or 22%, are considered low income, earning between 50 and 80% of AMI, and
- 2,133, or 14%, are considered moderate income, earning between 80 and 95% of AMI

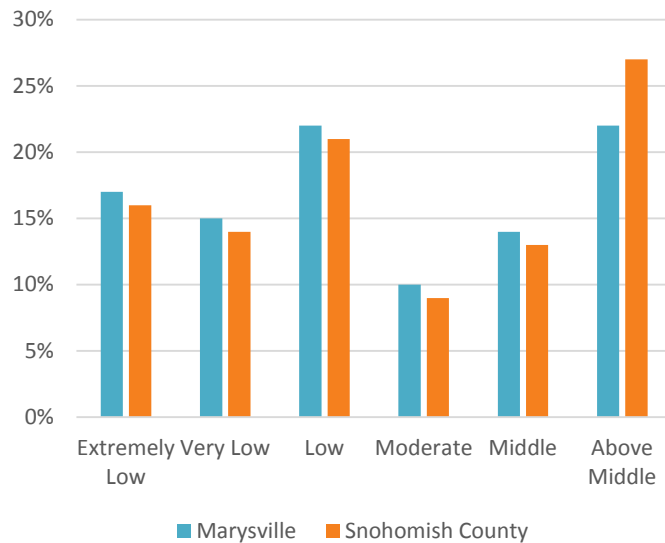
9 Ibid

10 US Census Bureau, 2000; US Census Bureau, 2010

11 US Census Bureau; American Community Survey, 2012

A comparison of income distribution in the City and County is presented graphically in Figure 1.3. Note that these percentages are not adjusted for household size due to data constraints. Here, a household consisting of two adults with an income level equal to another household consisting of two adults and three children would both be placed at the same percentage of AMI, even though the larger family would likely be more constrained financially. HUD's AMI calculations include ranges for households sized 1-8 people, and, in this report, sensitivity for household size is used wherever data permits, as detailed in Appendix F.

Figure 1.3. Household Share by Income Level, City of Marysville and Snohomish County



Source: US Census Bureau; American Community Survey 2008-2012

Maps 1.8 and 1.9 show the percentage of renter and owner households in each census tract that are cost burdened, meaning that they spend more than 30% of their income on housing. Overall, 42% of households in Marysville are cost burdened, renters and owners combined. The share of cost burdened owner households ranges from 16% to 61% per tract. For renter households, the share of cost burden ranges from 0% to 100% per tract.¹²

Table 1.1, below, shows the percentage of each income group that is cost burdened in Marysville and Snohomish County by tenure. When combining tenure types, Marysville households are less likely to be cost burdened regardless of income level. Marysville's renter households, however, are more likely to be cost burdened compared to the County, while its owners are less likely to be cost burdened. For both renters and owners, there is a dramatic improvement as income rises above the "very low" level (over 50% AMI). While 91% of Marysville's very low income renters are cost burdened, only 33% of its low income renters are cost burdened. For owners, the drop goes from 69% of very low income owners to 49% of low income owners. This table does not address differences in degrees of cost

Table 1.1. Cost Burden by Income Level and Tenure, City of Marysville & Snohomish County

	Renters		Owners		All	
	Marysville	Snohomish County	Marysville	Snohomish County	Marysville	Snohomish County
Extremely Low	78%	80%	67%	73%	73%	78%
Very Low	91%	85%	69%	80%	61%	64%
Low	33%	27%	49%	59%	51%	54%
Moderate	20%	15%	42%	44%	37%	37%
Middle	6%	5%	28%	32%	23%	25%

Source: US Census Bureau; American Community Survey 2008-2012

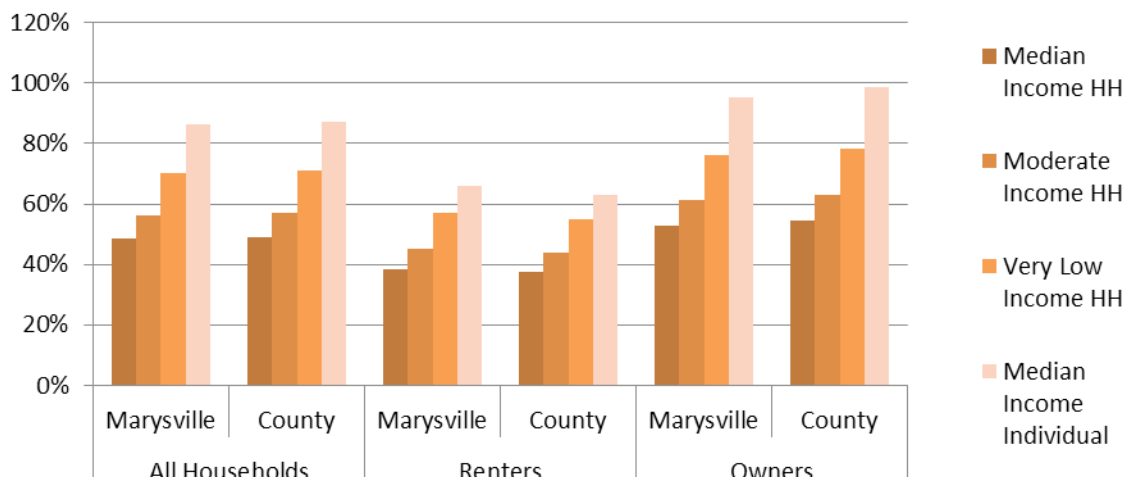
12 Ibid.

burden – for example, a household that spends 31% of its income on housing would be considered cost burdened along with a household that spends 80% of its income on housing.

HUD’s Location Affordability Index uses a number of variables to estimate the affordability of a location including both housing and transportation costs. According to the index, a “regional typical household”¹³ could expect to spend 48% of their income on housing and transportation if they rent or own in Marysville, compared to 49% overall for the County. HUD proposes 45% as a targeted maximum percentage of income to be spent on housing and transportation for affordability.¹⁴

Housing and transportation affordability estimates for a number of different household types are presented in Figure 1.4, below. As shown, it is estimated that an owner in Marysville will spend more on housing and transportation than the County average, while the combination should be more affordable than the County average for a local renter.

Figure 1.4. Estimated Housing & Transportation Costs as a Percentage of Income, City of Marysville & Snohomish County



Source: US Dept of Housing & Urban Development; Location Affordability Portal, 2013

The 2012 unemployment rate was 6.3% in Marysville, compared to 5.9% for the County. For employed Marysville residents, the mean commute time is 30 minutes, compared to 29 for the County. 77% of city residents drive to work alone compared with 74% of all County workers. At 28.2% of the employed population, the most common occupations for Marysville residents are in sales and office occupations, with 28.2% of the employed population, followed by management, business, science and arts with 27.6%. The two most dominant industries employing city residents are educational services and health care, with 19% of workers, and manufacturing, with 18% of workers.¹⁵

According to the Puget Sound Regional Council, Marysville is home to 12,187 jobs. 57% of these are in the services and retail sectors. The services sector provides 37% of these jobs and 20% are in retail. 13% of the City’s jobs are in manufacturing.¹⁶

13 Defined as a household with average household size, median income, and average number of commuters in Seattle-Bellevue HUD HMFA

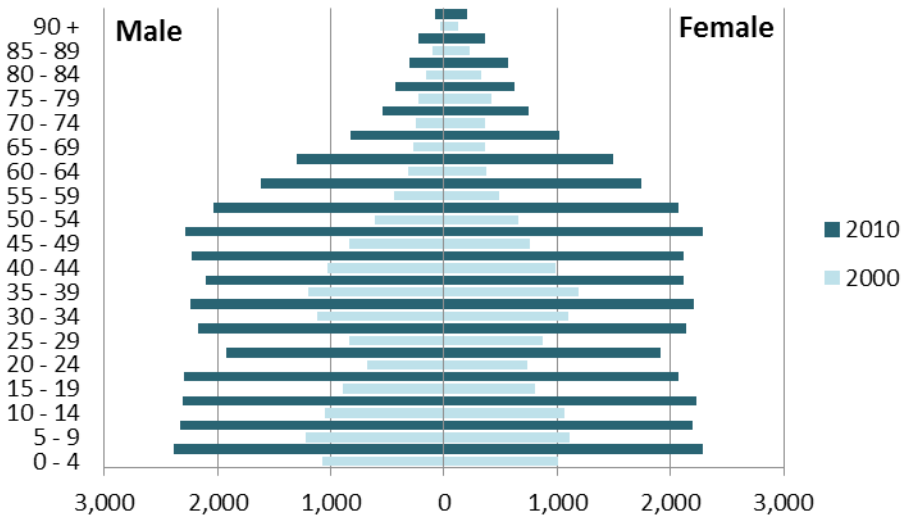
14 US Department of Housing & Urban Development; Location Affordability Portal, 2013

15 US Census Bureau; American Community Survey, 2008-2012

16 Puget Sound Regional Council; Covered Employment Estimates, 2012

There are .56 jobs for every occupied housing unit in the City, compared with 1.33 employed people for every occupied housing unit. When including vacant housing units, there are .54 local jobs for every unit. This is lower than that of the County overall, with .94 jobs and 1.31 employed people per occupied housing unit.¹⁷ If every Marysville resident only had one job and worked in the city, and none of the City’s jobs were held by residents of other cities, almost half of the employed population of Marysville would need to seek employment outside the City. In actuality, 77% of Marysville residents work outside the city.¹⁸

Figure 1.6. Marysville Population Pyramid, 2000 - 2010



Source: US Census Bureau, 2000; US Census Bureau, 2010

The shape of the City’s population pyramid, shown in Figure 1.6, offers additional insight into its housing needs and how they may be changing. First, changes reflect the City’s tremendous overall growth during this period, both through typical means and through annexation. While the shape of the pyramid is similar, with a dip in the young adult range, there is no longer a pronounced peak for the cohorts in their 30s. Instead, there are now relatively even, larger numbers across a wide range of cohorts, reflecting overall growth, including an increasing share of older adults. Accommodating the needs of older adults will be a significant consideration for housing planning across Snohomish County moving forward.

Household Profiles

These are the stories of several actual Marysville households who receive some kind of housing assistance from the Housing Authority of Snohomish County. All names and many nonessential details have been changed to respect their privacy.

Kat

Kat is a middle aged women living with her three children in a three bedroom multifamily apartment complex in Marysville. She has a job that pays approximately \$22,272 a year, or \$1,856 monthly.

With Assistance

17 Ibid

18 US Census Bureau; American Community Survey, 2008-2012

With her HUD Section 8 Housing Choice Voucher, Kat pays \$438 in rent and \$119 in utilities for her three bedroom apartment. This leaves her with \$1,299 per month.

Without Assistance

Without a voucher, Kat would pay \$1,350 in rent and \$119 in utilities for the same apartment. This would leave her with \$387 per month for food and other essentials. Without a voucher, Kat would be spending 79% of her income on rent. The average rent for a three bedroom unit in Marysville is \$1,579, so finding a more affordable unit could be challenging. At the time of this report, rents for three bedroom units range from \$1,220 to \$2,110 per month in Marysville. Even if Kat was able to rent the cheapest apartment, she would still be spending 66% of her income on rent without additional assistance.

Alex

Alex is a young mother living in a two bedroom apartment with her child in Marysville. She works a part-time job and receives child support that totals \$2,351 in monthly income.

With Assistance

The contract rent for Alex's two bedroom apartment is \$850 per month. After her voucher is applied to her rent, Alex pays \$625 plus \$80 in utilities per month. This leaves \$1,646 per month to support herself and her child.

Without Assistance

Without a voucher to offset the cost of her rent, Alex would be spending approximately 45% of her monthly income on rent—well above the optimal 30% recommended by HUD. As the average rent for a two bedroom apartment in Marysville is \$1,037 including utilities, it is unlikely that Alex could find a more affordable unit than the one she currently occupies. Without her voucher, she would have to find a full-time job paying at least \$20.35 per hour to afford her apartment. If she could not find a job paying this wage and had to work at minimum wage, she would have to work 87 hours per week to afford her current unit.

Ben

Ben lives in a three bedroom apartment with his wife and three children in Marysville. He is disabled and receives Social Security income totaling about \$8,500 per year. Between assistance and part time employment, he and his wife have a total adjusted income of \$25,080 per year, or around \$2,090 per month.

With Assistance

With his voucher, Ben pays \$547 in rent plus \$80 in utilities to his landlord monthly. After paying \$627 in rent, Ben and his family have \$1,463 for the month.

Without Assistance

If Ben did not receive a Section 8 Housing Choice Voucher, rent and utilities for his current apartment would cost \$1,058 per month, or 49% of the family's income. This would leave Ben and his family with \$1,032 per month to spend on food, bills and essentials. The average rent for a three bedroom unit in Marysville is \$1,579, so finding a more affordable market rate home of the same size as his current apartment could be challenging. At the time of this report, three bedroom apartments for rent in the area range from \$1,220 to \$2,110; all more expensive than his current unit.

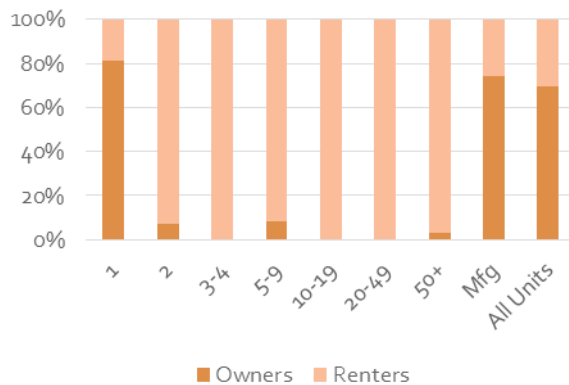
2. Existing Housing Stock

Over the past two decades, Marysville completed a number of large annexations, resulting in triple-digit population increases. Steady growth is projected moving forward, and the County estimates that the City will have to accommodate 27,569 more residents and 10,513 more homes by 2035.¹⁹ 70% of the City's homes are owner-occupied, a higher portion than the County average and which has increased over the past decade, the reverse of the trend in many Snohomish County communities.

Marysville's housing stock is predominantly composed of newer single family homes – 80% of all homes are single family detached or attached units, and 48% of all homes were constructed after 1990. Another 41% of homes were built between 1960 and 1989.²⁰ Marysville's 2014 average residence value, at \$182,400, represented a 9.7% increase over the 2013 average value. This increase is even with the average County increase, though the 2014 average residence value across the County is higher at \$244,600.²¹

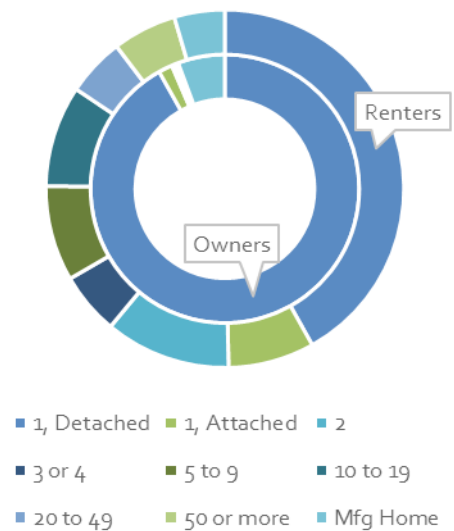
80% of Marysville's homes are detached or attached single family homes. The City features a range of multifamily property types, though 25% of its multifamily units are in duplexes. Figure 2.1 shows the share of renters and owners in each type of housing, while Figure 2.2 shows the ratio of renters to owners for each housing type. 94% of the City's homeowners live in detached or attached single family homes, compared to 50% of the City's renters. A much larger portion of the City's homeowners live in manufactured homes than any type of

Figure 2.1. Tenure Share by Units in Structure, City of Marysville



Source: US Census Bureau; American Community Survey 2008-2012

Figure 2.2. Units in Structure by Tenure, City of Marysville



Source: US Census Bureau; American Community Survey 2008-2012

19 Snohomish County Tomorrow Planning Advisory Committee, "Housing Characteristics and Needs in Snohomish County", 2014

20 US Census Bureau; American Community Survey, 2008-2012

21 Snohomish County Assessor, "Snohomish County Assessor's Annual Report for 2014 Taxes", 2014

multifamily unit. While 55% of the City’s households are composed of one or two people, only 26% of homes are two bedrooms or less in size.²²

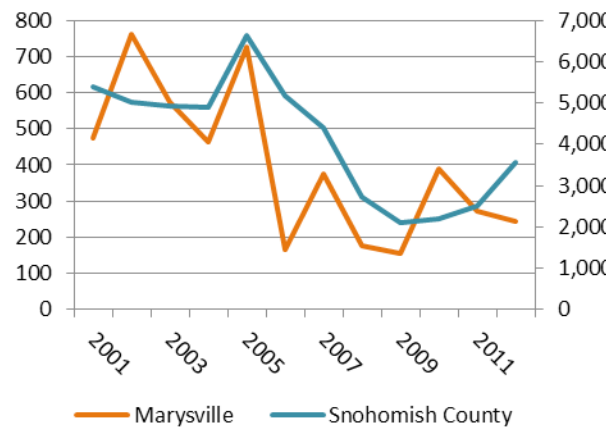
Figure 2.3 and 2.4 provide information on newly permitted units in the City in recent years. Figure 2.3 shows the total number of net newly permitted residential units per year from 2001 to 2012 for both the City and County, with the City on the left axis and the County on the right. Figure 2.4 shows the share of the City’s new units composed of single- and multi-family units. As shown, new units peaked in 2002 for Marysville, though a secondary peak in 2005 followed a similar peak across the County. These peaks were followed by dramatic reductions for both the City and County, following the trajectory of the housing market collapse. While the County overall began to recover in 2009, the City saw a peak in 2010 and subsequent drop, though at 2012 was still above lows in 2006 and 2009.

For the purposes of this report, Marysville’s housing stock is divided into subsidized rental units, workforce rental units, market rate rental units (both single- and multi-family), and home ownership.

Subsidized rental units are targeted toward households with the lowest incomes, typically less than 30% AMI. Populations targeted for subsidized rental units often include the disabled, elderly, and other populations living on fixed incomes with special needs. A subsidized property is one that receives funding, perhaps rental assistance or an operating subsidy, to insure that its residents pay no more than 30% of their income in rent. Some properties only apply their subsidy to select units. It is also common for subsidized units to be restricted to certain groups like families, the elderly, or homeless. A subsidized property may have also benefited from workforce-type housing subsidies, and it is also common for only a portion of a property’s units to be subsidized.

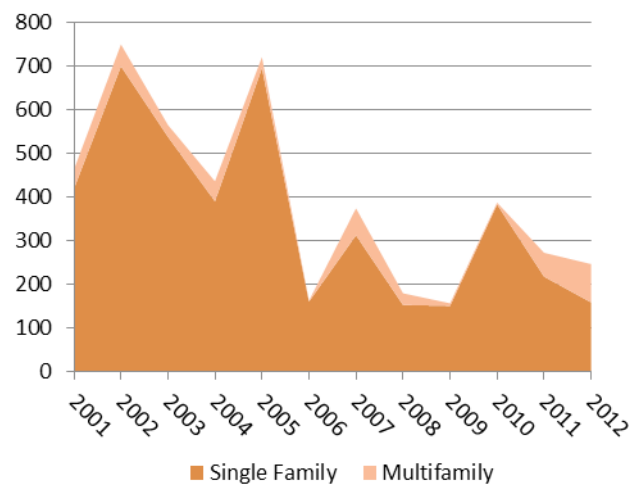
Workforce rental units are targeted to working households that still cannot afford market rents. Workforce rental units and subsidized rental units are both considered “assisted”, but differ in several areas. The key difference between subsidized and workforce units is that workforce units have a

Figure 2.3. Net Newly Permitted Residential Units, City of Marysville and Snohomish County



Source: Puget Sound Regional Council, 2012

Figure 2.4. Newly Permitted Units by Type, City of Marysville



Source: Puget Sound Regional Council, 2012

22 US Census Bureau; American Community Survey, 2008-2012

subsidy “built in” through the use of special financing methods and other tools, allowing (and typically requiring) the landlord to charge less for rent. An example of this would be when a private investor benefits from low income housing tax credits when building a new residential development. In exchange for the tax credit savings, the property owner would have to restrict a certain number of units to a certain income level for a certain period of time. When the owner is a for-profit entity, this often means that rents on restricted units will become market rate units when the period of restriction has ended. While nonprofit owners may also utilize workforce tools for capital funding, they are more likely to preserve restrictions on units longer than required. The distribution of Marysville’s assisted units, both subsidized and workforce, by income level served is presented in Table 2.1.

Table 2.1. Assisted Units by Income Level Served, City of Marysville

Extremely Low	549
Very Low	330
Low	429
Moderate	0
Total	1,308

Source: HASCO, 2014

Market rate rental units are the stock of all housing units available for rent in the open market. These are units that are privately owned and whose rents are determined by market supply and demand pressures. A market rate rental unit can also be a subsidized rental unit, as is the case with the Federal Section 8 Housing Choice Voucher (HCV) Program. Section 8 vouchers can be used to rent any unit, as detailed below. Finally, home ownership includes all single family homes for sale – detached and attached single family homes, condominiums, and manufactured homes.

Subsidized Housing Units

Marysville has 699 units of subsidized housing with a range of rent subsidy sources that include Section 8 Housing Choice Vouchers (HCVs), Section 8 Project-Based Vouchers (PBVs), USDA Rental Assistance, HUD Section 202 and 811 Rental Assistance, and HUD Public Housing. As of 2014, there were 394 HCVs in use in Marysville administered by the Housing Authority of Snohomish County (HASCO).²³ The remaining 305 units of subsidized housing are distributed through 12 properties, all listed in Appendix B. Table 2.2 shows the distribution of all subsidized units by funding source.

Table 2.2. Subsidized Units by Funding Source, City of Marysville

Section 8 HCV	394
USDA Rental Assistance	210
Public Housing	32
HUD 811 Supportive Housing	16
HUD 202 Rental Assistance	15
HUD Section 8 Project-Based Voucher	14

Source: HASCO, 2014

Families making up to 50% of AMI are eligible for Section 8 housing vouchers, however, 75% of these vouchers are limited to those making no more than 30% of AMI. Public Housing Authorities (PHAs) receive federal funds from the US Department of Housing and Urban Development (HUD) to administer the HCV program. HUD sets Fair Market Rents (FMRs) annually and PHAs determine their individual payment standards (a percentage of FMR) by unit bedroom size. The tenant identifies a unit, then the PHA inspects the unit to make sure it meets federal Housing Quality Standards and determines if the asked rent is reasonable. If the unit is approved, the tenant pays rent equal to 30-40% of their income, and the PHA pays the difference directly to the landlord. While the voucher amount is set up so that a family does not need to spend more than 30% of their income on housing, including an allowance for utilities, a family may choose to spend up to 40% of their income on housing. This happens most often when the family chooses a home that is larger than the size approved for their voucher. The two PHAs that administer the HCV program in Snohomish County

23 Housing Authority of Snohomish County, 2013

are HASCO and the Everett Housing Authority (EHA). Vouchers issued by both PHAs can be used in Marysville.

Because the number of vouchers a PHA can distribute is limited by the amount of federal funding they receive, the wait for a new applicant to receive an HCV can be extremely long and is usually dependent on existing voucher holders leaving the program. Until recently, the wait to receive an HCV from HASCO had been about six years. Federal funding for the HCV program was frozen during the 2013 budget sequester, at which time HASCO closed their waitlist.

Workforce Housing

Marysville is home to 602 units of workforce housing distributed across 13 properties, all listed in Appendix B. Assisted workforce housing properties are defined by the fact that they received some form of one-time subsidy in exchange for rent restrictions. Workforce funding types do not involve ongoing rental assistance, and rents are not tailored to individual household incomes. These subsidies can include:

- Capital Financing - Low-interest-rate mortgages, mortgage insurance, tax-exempt bond financing, loan guarantees, and pre-development cost reduction financing.
- Low-Income Housing Tax Credits (LIHTC) – Tax credits provided to developers that can be sold for the purposes of up front debt reduction.
- Federal, State, and County Grant Programs – Grants provided to local governments from the federal government for construction or renovation of below-market-rate units. Community Development Block Grants and HOME Investment Partnership grants are two popular examples.

Marysville’s assisted workforce housing has been funded through a variety of sources, including tax credits, bonds, and Community Development Block Grants. While the name may suggest otherwise, it is common for developers to use workforce funding sources to fund housing for populations like seniors. Table 2.3 shows the number of workforce units funded per major source in Marysville. This only includes units that do not have additional rental assistance (Considered ‘subsidized’ in this report), which often also use workforce subsidies as part of their financing. As most workforce properties use more than one funding source, there are units counted multiple times in the different funding categories listed in Table 2.3. Financing for any affordable housing project is often very complicated and can involve an array of public, nonprofit, and private entities.

Table 2.3. Workforce Units by Funding Source, City of Marysville

Tax Credit	462
Bond	236
County HOME	25
State Housing Trust Fund	25
USDA Rural Rental Housing Loan	60
County Neighborhood Stabilization Program	5

Source: HASCO, 2014

While some of these properties currently restrict occupancy of all of their units to low-income households, many other workforce housing properties only dedicate a portion of their units. This is typical of properties developed or rehabilitated by private entities using tax credits or tax-exempt bond financing in exchange for income restrictions on the properties. In those cases, affordable housing requirements are limited to a certain period of time, typically 20 to 30 years, after which time the property owners can increase rents to market rates.

It is possible for a property to feature both subsidized and workforce units. One local example is the Meadow Park apartment complex. Of the 44 total units, 14 units provide housing for extremely low income seniors, funded through HUD Section 8 Project-Based Vouchers. The remaining units have rents set to be affordable to seniors earning less than 80% AMI, with funding through tax credits and USDA’s Rural Rental Housing Loan.

Market Rate Multifamily Rental Units

There are an estimated 6,553 units of rental housing in Marysville in properties ranging in size from single family homes to large apartment complexes. 2,999 out of 6,553 renter-occupied housing units are in multifamily properties, compared to 121 out of 15,070 owner-occupied housing units.²⁴

Table 2.4 summarizes ACS data on the number of units available at certain rent levels by bedroom size in Marysville. ACS rent data is not consistent with other sources of local market rate rent data for the City. This could be because the ACS sample may include subsidized units and less formal rent arrangements – renting rooms or mother-in-law suites in single family homes, renting from family members – that could be more affordable. ACS rent data also does not include utility allowances.

Table 2.4. Renter-Occupied Units by Rent and Unit Size, City of Marysville (Without Utilities)

	No Bedrooms	1 Bedroom Units	2 Bedroom Units	3+ Bedroom Units
Less than \$200	10	74	13	9
\$200 to \$299	0	70	22	0
\$300 to \$499	23	153	63	19
\$500 to \$749	0	332	128	167
\$750 to \$999	42	184	1257	89
\$1,000 or more	57	144	1098	2460

Source: American Community Survey, 2008 – 2012

To provide a better idea of what a household looking for a home today could expect to pay in rent and utilities for a home in Marysville, rent data was obtained from Dupre and Scott. This data, which includes both multifamily and single family rental units, is summarized in Table 2.5 and presented in full in Appendix A. Table 2.5 lists the minimum full time wage to afford each average rent in hourly and annual terms as well as the number of hours one would have to work per week earning Washington State’s minimum wage to afford the unit.

Table 2.5. Average Rent and Affordability by Size, City of Marysville (Including Utilities)

	Average Rent (With Utilities)	Minimum Hourly Wage	Minimum Annual Wage	Hours/Week at WA Minimum Wage	Range
1 Bed	\$798	\$15.35	\$31,920	66	\$712-\$912
2 Bed	\$1,036	\$19.94	\$41,480	86	\$812-\$1,486
3 Bed	\$1,573	\$30.25	\$62,920	130	\$1,220-\$2,110
4 Bed	\$1,830	\$35.19	\$73,200	151	\$1,422-\$2,242
5 Bed	\$2,376	\$45.69	\$95,040	196	\$2,126-\$2,626

Source: Dupre & Scott, 2013; National Low Income Housing Coalition, 2014

Table 2.6 shows the affordability distribution of average rents in Marysville by size. In this table, “Yes” means that the average rent is affordable to a household at that income level, adjusting for household size, “Limited” means that the average rent is not affordable but there are lower end affordable units, and “No” means that the entire rent range is not affordable. As shown, extremely low income families will not be able to afford a market rental unit of any size, while middle and moderate income families can afford the average rental rates for any size unit. Low income families in Marysville will only find a limited supply of affordable market rate housing at four bedrooms and larger. The average one bedroom rent is affordable to very low income households, and there is limited availability for two bedroom units. Again, this is adjusted for household size.

Table 2.6. Distribution of Rent Affordability by Size

	1 Bed	2 Bed	3 Bed	4 Bed
Extremely Low	No	No	No	No
Very Low	Yes	Limited	No	No
Low	Yes	Yes	Yes	Yes
Moderate	Yes	Yes	Yes	Yes
Middle	Yes	Yes	Yes	Yes

Source: Dupre and Scott, 2013

The difference in minimum required income by size between single- and multifamily units is shown in Table 2.7. Average rents for both multifamily and single family units of four bedrooms or smaller in Marysville are generally affordable to households earning at least 50% AMI. Average rents for one and two bedroom, two bath multifamily units are higher than comparably sized single family units, which is a reverse of the usual trend. It is possible that highly affordable small single family rental units are manufactured homes, which are often more affordable than other types of housing. The principal groups that will struggle to find rental housing in Marysville are extremely low income households of all sizes, very low income households that require a unit larger than two bedrooms, and low income households that require a unit larger than four bedrooms. As the supply of one and two bedroom units is limited, very low income households searching for affordable homes in this size range may still be pushed out by higher income households choosing to spend less on housing.

Table 2.7. Average Rent by Size, Single- and Multifamily (City of Marysville)

	Multifamily Average Rent	Minimum Income	Single Family Average Rent	Minimum Income
1 Bed	\$809	Very Low	\$721	Very Low
2 Bed/1 Ba	\$943	Very Low	\$1,178	Low
2 Bed/2 Ba	\$1,026	Low	\$1,266	Low
3 Bed/1 Ba	n/a	n/a	\$1,473	Low
3 Bed/2 Ba	\$1,370	Low	\$1,629	Low
4 Bed	n/a	n/a	\$1,830	Low
5 Bed	n/a	n/a	\$2,376	Moderate

Source: Dupre & Scott, 2013

Even after accounting for the fact that utility costs are not included in ACS data, ACS’ rent range is generally lower than that of the market as sampled by Dupre and Scott. Again, this could be explained by the ACS sample including subsidized units and informal rent arrangements. While ACS data is important as it shows what Marysville renters are actually paying, it does not give an accurate indication of what a typical renter searching for a market rate unit can expect to pay.

Home Ownership

Between 2008 and 2012, 64% of single family homes sold in Marysville were three bedrooms in size. 22% of homes sold were four bedrooms in size, meaning that three and four bedroom homes together represented 86% of sales. This includes freestanding single family homes, common wall single family homes (townhouses), manufactured homes, and condominiums.²⁵ The next largest market segment are two bedroom homes, with 9% of sales.

In 2012, the median sale price for a single family home in Marysville was \$185,000. Assuming a 20% down payment and using average rates of interest, property taxes, utilities and insurance as determined by the Federal Housing Funding Board, the monthly payment for this home would be \$1,143. For a family to afford this payment without being cost burdened, they would require an annual income of at least \$45,705, well below City, County, and the Seattle- Bellevue HMFA median income. This is considered low income for a household two to four individuals in size, and very low income for larger households.

Appendix C provides high level statistics on sales of single family homes from 2008 - 2012 as well the minimum income necessary to afford the median sale home by year. As shown, median home sales price has declined each year since 2008. During that time period, the median sale price of a home dropped 33%. Home sales peaked in 2011, but stayed relatively steady between 2008 and 2012. While new unit construction between 2005 and 2012 saw declines in Marysville, its market for home sales does not appear to be as severely affected by the recession as some neighboring cities.

Table 2.8 lists the percentage of 2012 home sales that are affordable to each income level by number of bedrooms. "Not affordable" means that the minimum income required is higher than the middle income upper cutoff. All of the percentages specify the portion of homes of that size that someone in the particular income group could afford, adjusting for household size as detailed in Appendix F. As shown, one and two bedroom homes are more affordable, though the number of homes this size is limited. Moderate and middle income families could afford the bulk of homes sold in 2012.

Table 2.8. Affordable Home Sales by Size, City of Marysville, 2012

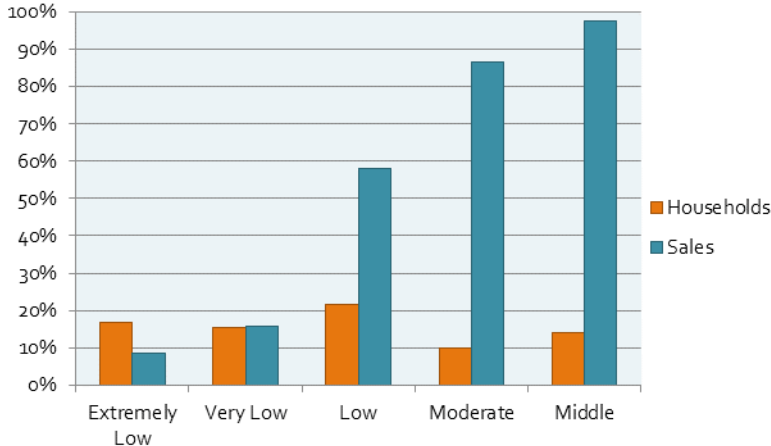
Bedrooms	Extremely Low	Very Low	Low	Moderate	Middle	Not Affordable	Total Sales
1-2	53%	72%	92%	99%	100%	0%	106
3	2%	10%	64%	92%	98%	2%	734
4	0%	0%	24%	69%	96%	4%	216
5+	0%	3%	5%	43%	84%	16%	37

Source: Snohomish County Assessor, 2014

The "affordability gap" describes situations where there are more households at a given income level than there are housing options affordable to those households. Figure 2.5, on the following page, displays the percentage of households in Marysville at each income level as well as the percentage of 2012 home sales that each income level could afford. As Figure 2.5 compares the overall income distribution of the City with the affordability distribution of one year, this is a rough approximation, and other factors should be considered in examining home ownership affordability. As shown, there were plenty of sales theoretically affordable for households earning at least 80% AMI in 2012, which is the minimum income recommended for home ownership. This analysis does not consider whether or not these income groups are able to access financing, including a down payment, or other barriers

25 Snohomish County property use codes 111, 112, 116, 117, 118, 119, 141, 142, 143

Figure 2.5. 2012 Home Sale Affordability Gap, City of Marysville



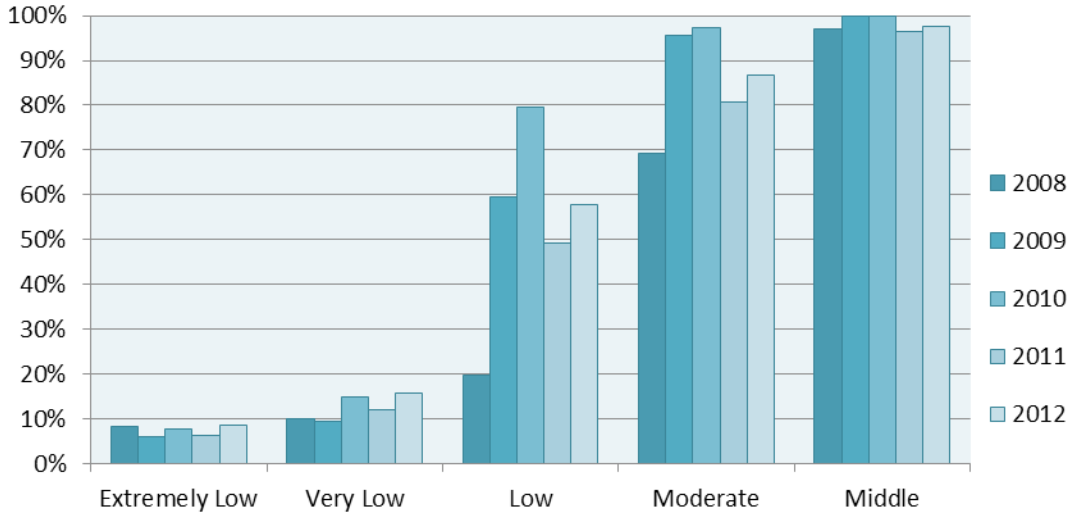
Source: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Assessor, 2014

to home ownership. There is also sufficient supply for the City’s low income households, though home ownership may only be a good choice for certain households in this group. Further, this does not include competition from households above middle income, which comprise 22% of the City’s total.

Figure 2.6 shows how the percentage of sales affordable to each income level has changed from 2008 to 2012. As shown, affordability by this estimate was never a significant challenge for households earning at least 80% AMI during this period, though affordability for moderate income households has fluctuated. As the housing market continues to improve following the recession, affordability for this group may retreat again. While there are affordable options for low income households, and ownership may be a good option for certain low income households (those earning between 50 and 80% AMI), it is considered the exception rather than the rule.

While these measures consider the ongoing affordability of home ownership in terms of monthly cost, there are other important factors not easily captured in this analysis. While a 20% down payment is assumed in calculating the monthly debt service, the question of whether or not a household can obtain the funds necessary for a down payment is another important question, particularly for lower income households. This report also assumes that the household could be approved for a mortgage at

Figure 2.6. Home Sale Affordability, City of Marysville, 2008-2012



Source: Snohomish County Assessor, 2014

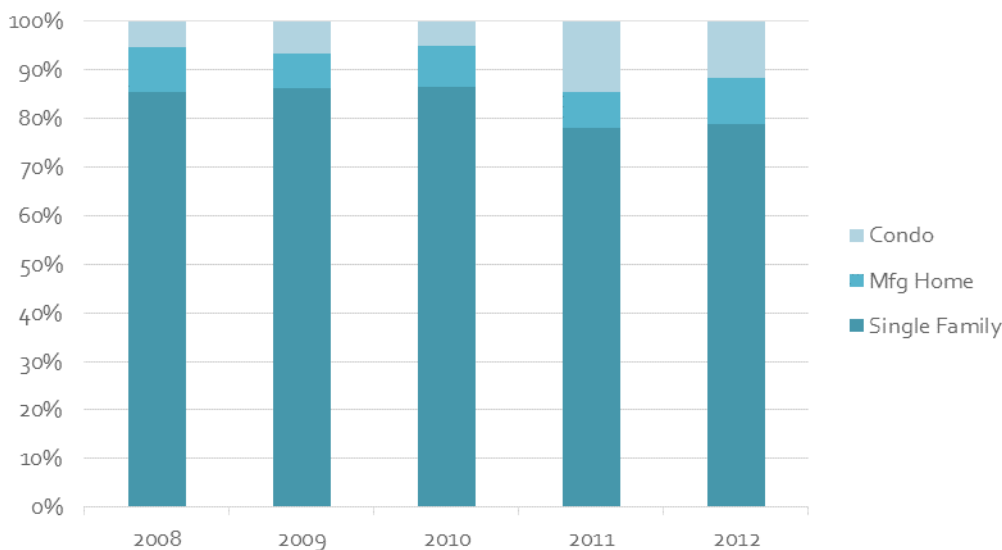
an average interest rate, despite the fact that the mortgage market has tightened. Even assuming all these things are possible, due to ongoing repair and maintenance costs, home ownership may not be a good choice for many lower income households. For all these reasons, home ownership is generally targeted for households earning at least 80% AMI.

Further, many of the most affordable sales were likely only so affordable because they were foreclosed homes sold by banks. 6609 60th Place NE, for example, is a three bedroom home that Wells Fargo Bank sold for approximately \$105,000 in 2012. At that price, a household with a minimum income of \$20,220 could afford the monthly debt service of around \$500. This same home sold for \$214,000 in 2005, which would be out of reach to the household with the minimum income necessary to afford it in 2012. While low priced foreclosed homes can put home ownership within reach for more households, this is accomplished at the expense of previously displaced homeowners. Additionally, these sales contribute to ongoing uncertainty about market home values. Low income home buyers could also become cost burdened by higher property taxes on these “bargain” homes.

For those households where ownership is a good fit, HomeSight is a local nonprofit Community Development Corporation that works with lower-income households in Snohomish and King County to overcome barriers to ownership like financing for down payments. HomeSight also provides services for homeowners facing foreclosure.

Figure 2.7, below, shows how sales have been divided between single family homes, condominiums, and manufactured homes over time. As shown, single family homes are dominant, though condominium sales increased significantly in 2011. Manufactured homes represented a fairly steady share of the annual total throughout this period.

Figure 2.7. Home Sales by Type, City of Marysville, 2008-2012



Source: Snohomish County Assessor, 2013

Table 2.8, on the following page, shows how many sales of each type were affordable to each income level in 2012. Manufactured homes are most likely to be affordable, with a dramatically lower average sale price, though there is still a significant supply of single family homes affordable to very low

income households. Table 2.9 shows how many homes were sold in 2012 by type and number of bedrooms. As shown, manufactured homes are also more likely to be small.

Table 2.8. Affordable Home Sales by Type, 2012

	Single Family	Manufactured Home	Condo
Extremely Low	1	94	0
Very Low	67	8	5
Low	395	3	74
Moderate	273	2	46
Middle	119	0	4
Not Affordable	27	0	0

Average Sale Price \$ 203,521 \$ 32,153 \$185,330

Source: Snohomish County Assessor, 2013

Table 2.9. Size of Homes Sold by Type, 2012

Bedrooms	Single Family	Manufactured Home	Condo
1-2	70	83	2
3	662	36	105
4	215	2	22
5+	39	0	0

Source: Snohomish County Assessor

Shared Rental Housing

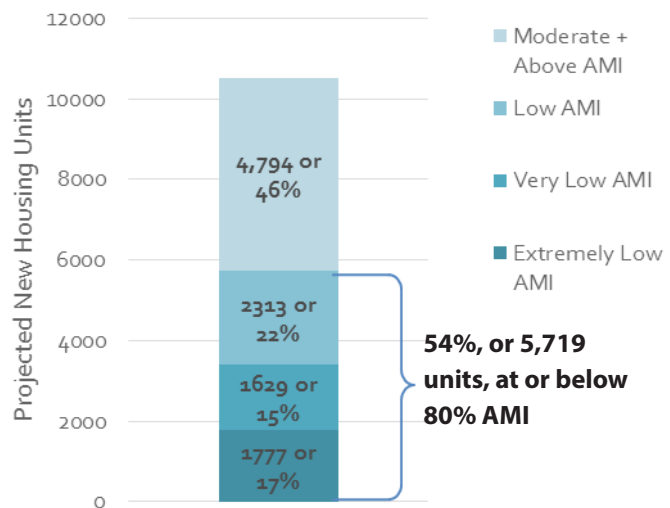
A popular market rate affordable housing option is to split housing costs with other roommates. These arrangements include renting a room, suite, or accessory dwelling unit (ADU) from a homeowner living on site. For 14 shared rooms advertised on Craigslist in Marysville, the monthly cost ranged from \$400 to \$600. The median rental price for these listings is \$477.50.

Rents in this range are easily within reach for very low income single individuals, and possibly even extremely low income couples. Individuals seeking roommates are able to discriminate in who they choose to share their housing, however, and often stipulate a preferred gender or bar couples from sharing a room. It may be difficult for families with children and households with disabilities or other special needs to find a suitable shared housing situation. In these cases, a household's ability to find shared housing will likely depend on whether or not they have local connections to help them find understanding roommates without depending on strangers.

3. Current Challenges and Opportunities

The City of Marysville has seen dramatic growth and change in recent decades. Much of the recent growth has been residential in nature, yielding an imbalance between commercial and residential development. As a result, despite its higher population, the City has a relatively low jobs-housing ratio - .54 local jobs for every occupied home. 77% of employed residents commute out of the city to work, but the average commute is only one minute longer than the County average.²⁶ Significant growth is projected to continue moving forward, and accommodating the 10,513 additional homes required to accommodate projected population growth by 2035 may be a challenge. Assuming that the City’s income mix stays constant, it is estimated that 5,719 units, or 54% of the total projected increase, will serve households at or below 80% AMI. The share of projected units by income level is shown in Figure 2.8.

Figure 2.8. Income allocation of projected new housing units, City of Marysville



Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Tomorrow Planning Advisory Committee, “Housing Characteristics and Needs in Snohomish County”, 2014

Data on 2013 market rents from Dupre and Scott suggests that, adjusting for household size, rental housing is attainable for Marysville households earning at least 50% Area Median Income (AMI), those considered low income. There is also a limited supply of units between one and two bedrooms in size affordable to very low income households, those earning between 30 and 50% AMI. Market rents are not affordable to extremely low income households, though this is expected in almost all communities, due to the costs of construction and maintenance in today’s market. Cost burden data supports these conclusions. While Marysville’s renters and owners are generally less likely to be cost burdened than their counterparts across the County, the City’s renters earning less than 50% AMI are much more likely to be cost burdened than owners with similar incomes. Over 50% AMI, Marysville renters become less likely to be cost burdened than owners. For both, cost burden improves as income rises, but the improvement is much more dramatic for renters. At the same time, renters considered low or moderate income are the exception to Marysville’s comparable affordability, as they are slightly more likely to be cost burdened compared to the County.

In 2012, the median sale price for a single family home in Marysville was \$185,000. For a family to afford this payment without being cost burdened, they would require an annual income of

26 US Census Bureau; American Community Survey, 2008-2012

at least \$45,705, well below City, County, and the Seattle- Bellevue HMFA median income. As home ownership is typically recommended for households considered at least moderate income, those earning at least 80% AMI, this means that home ownership in Marysville is theoretically attainable for recommended groups. Since 2008, following the trajectory of the recession, median home sale prices in Marysville have dropped by 32%, while the number of sales has risen.²⁷ As the housing market continues to strengthen, it is possible that affordability may retreat for moderate income households. In addition, there may be current homeowners facing foreclosure. The market for home financing has also tightened, possibly limiting access to certain households that could theoretically afford the monthly cost of home ownership.

For those lacking sufficient credit or income, renting is often the best choice, due to many factors including ongoing maintenance expenses. Extremely low and very low income households generally cannot afford market rate units of any kind in Marysville, however. The City features 305 units of dedicated subsidized housing targeted to this group, and another 394 households use Section 8 Housing Choice Vouchers administered by the Housing Authority of Snohomish County. There are another 602 units of workforce housing, which typically support those earning at least 50% AMI. With a total of 7,006 Marysville households earning less than 50% AMI, the supply of housing affordable to this group still needs to increase.

The City of Marysville has pursued a number of strategies to support housing affordability and address the need to provide more low income housing options. To date, Marysville has predominantly focused less on preservation of existing housing stock and more on creating quality new stock. Other strategies employed include:

- Participation in the Alliance for Housing Affordability
- Offering density bonuses
- Allowing lot size averaging
- Reducing lot sizes
- Permitting detached secondary dwellings
- Considering incentives such as density bonuses, cluster housing, zero lot line and affordable housing set-aside

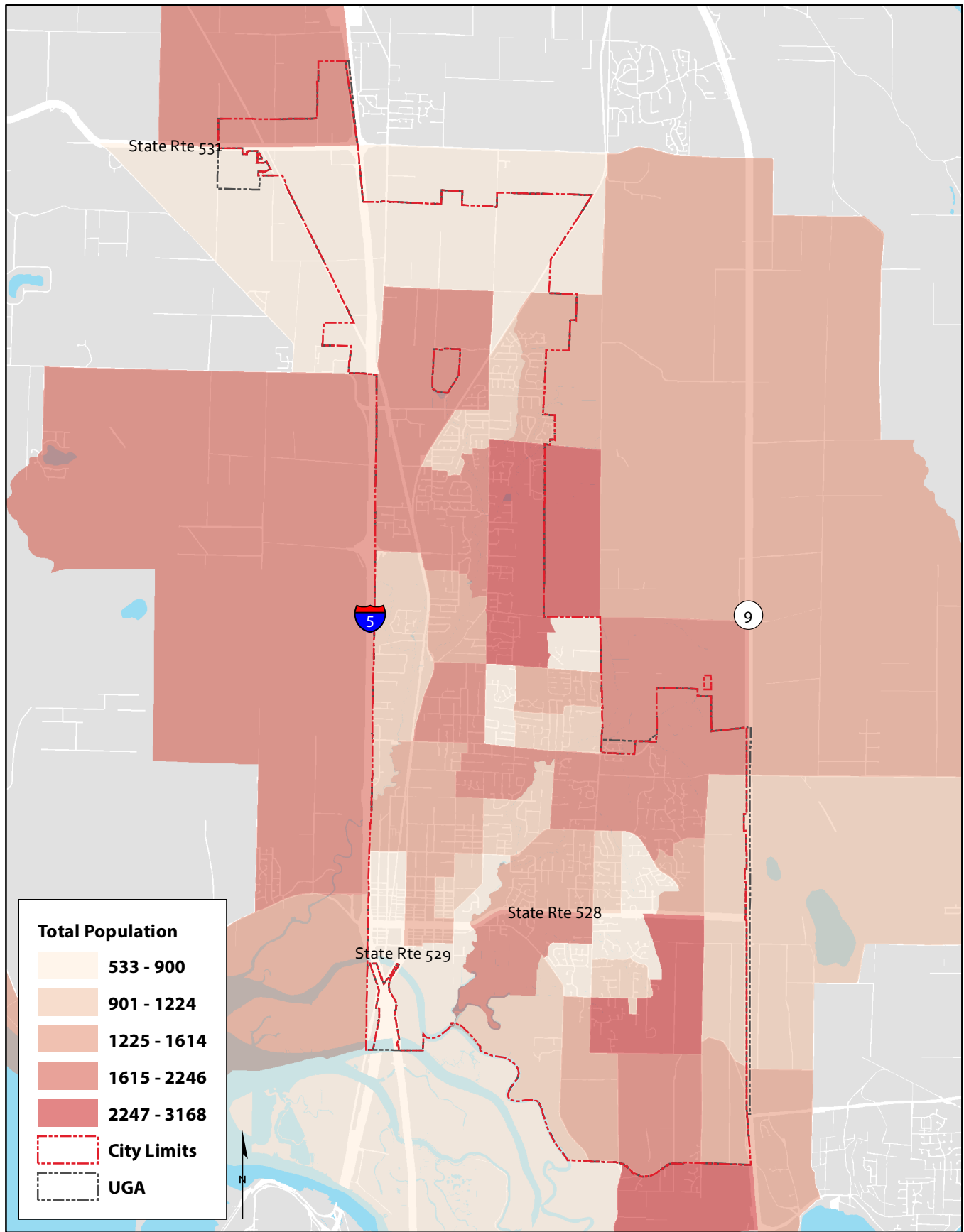
In addition to promoting and providing incentives for these policies where appropriate, the City should continue to monitor their use and evaluate policies to make sure there are not unnecessary regulatory barriers to use. Additionally, when opportunities arise, the City could partner with organizations developing housing for households earning below 30% AMI, the income group generally not served by the traditional housing market.

27 Snohomish County Assessor, 2013

4. Maps

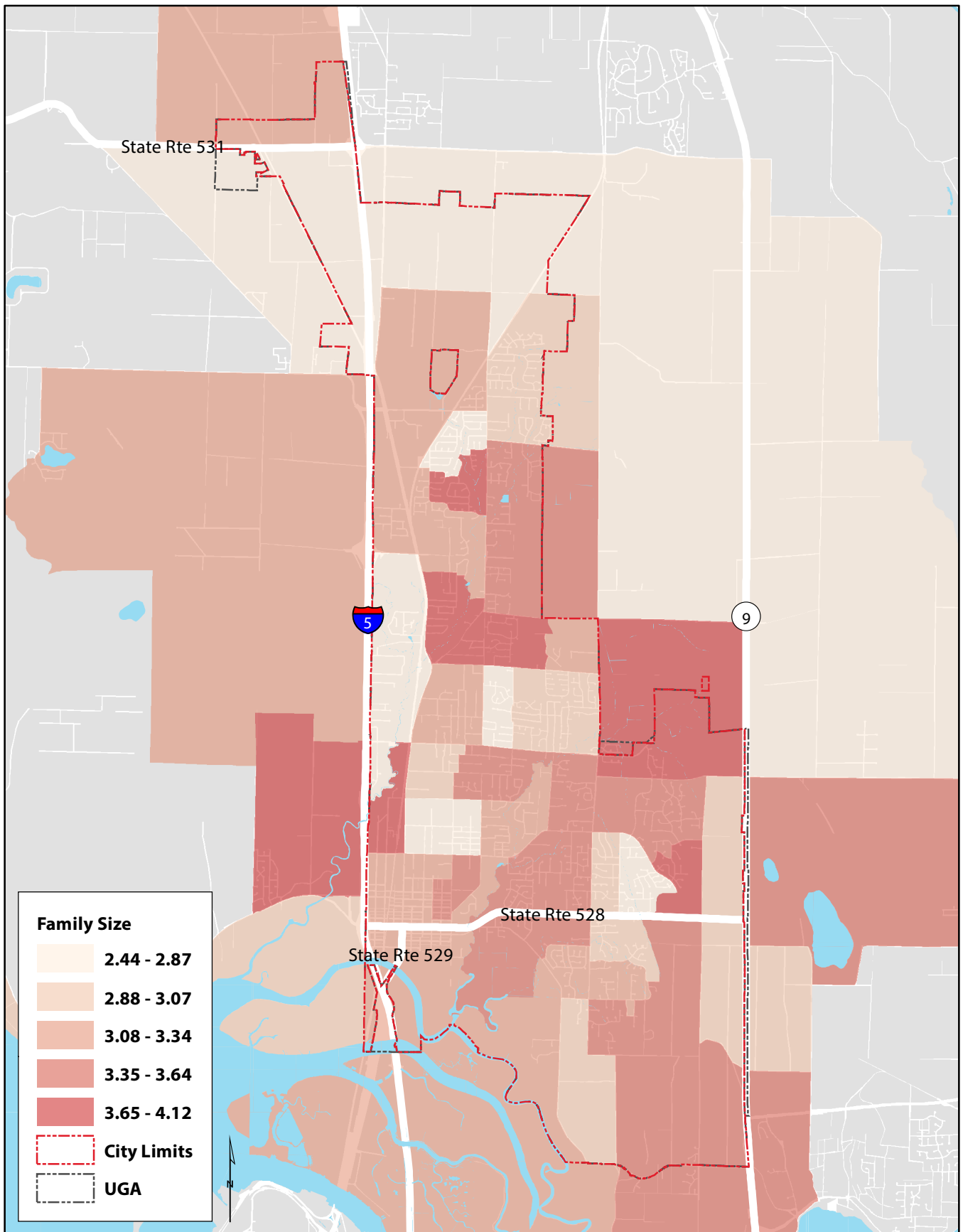
Map 1.1. Total Population, City of Marysville

Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



Map 1.2. Average Family Size, City of Marysville

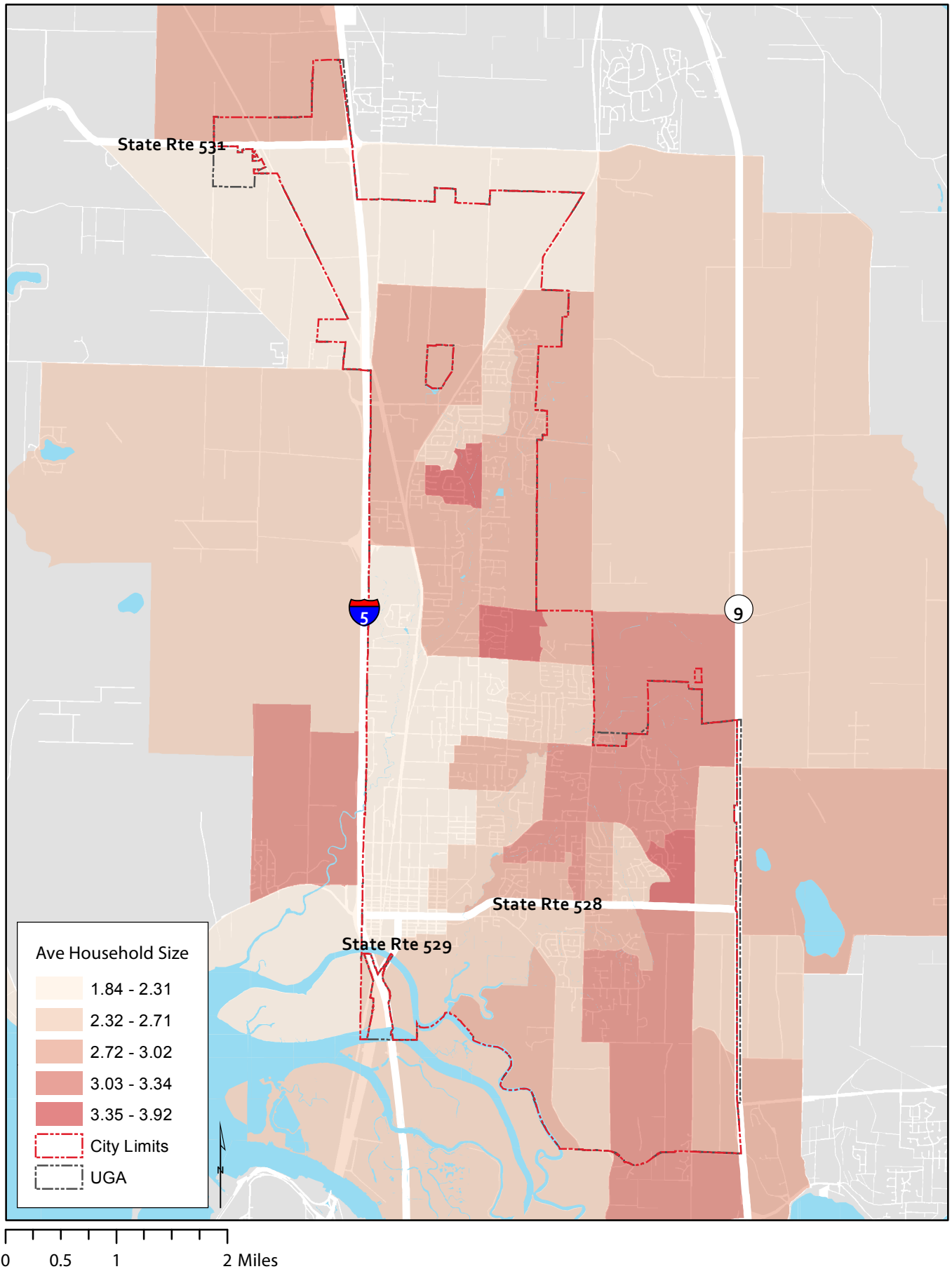
Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



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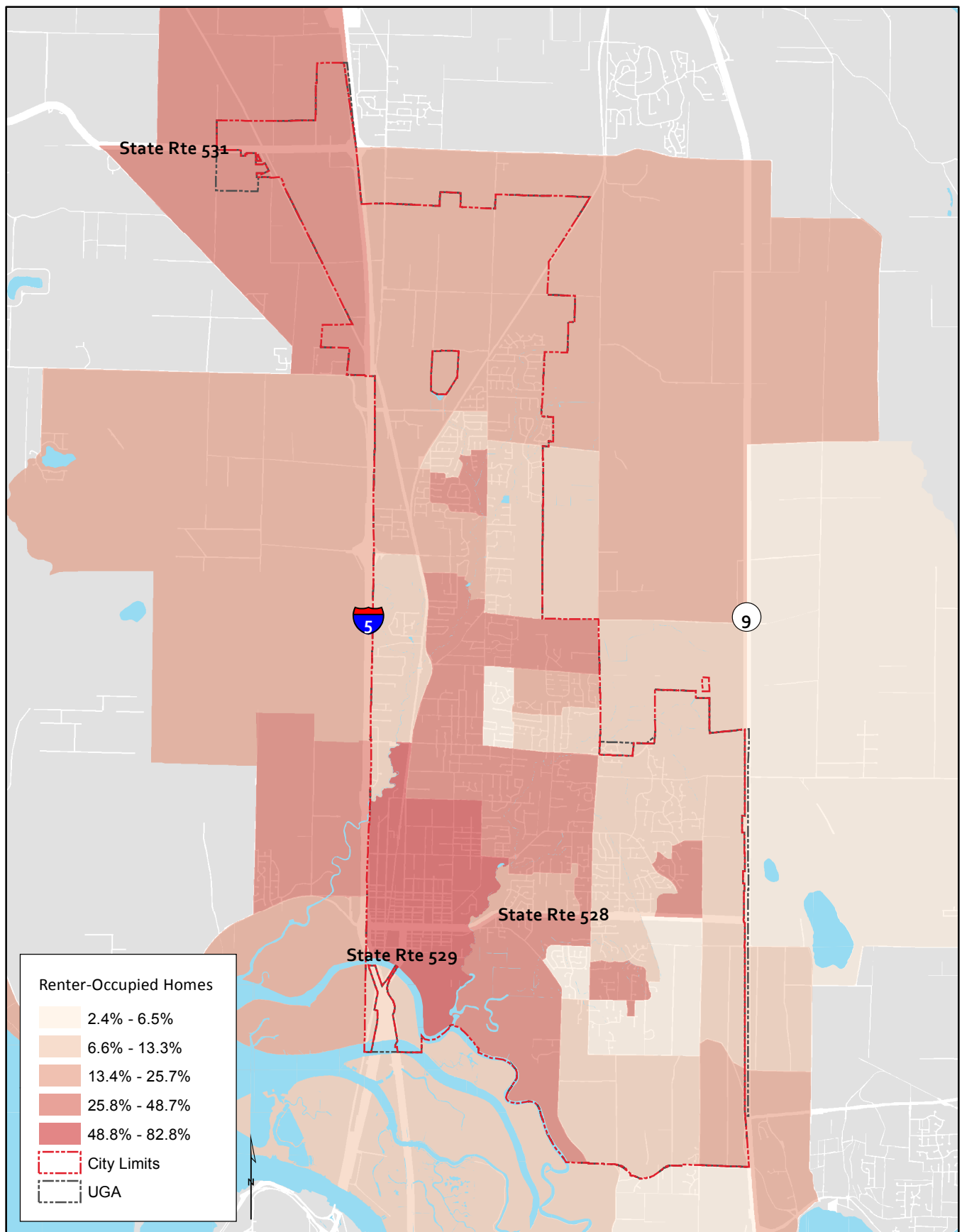
Map 1.3. Average Household Size, City of Marysville

Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



Map 1.4. Renter-Occupied Housing Units, City of Marysville

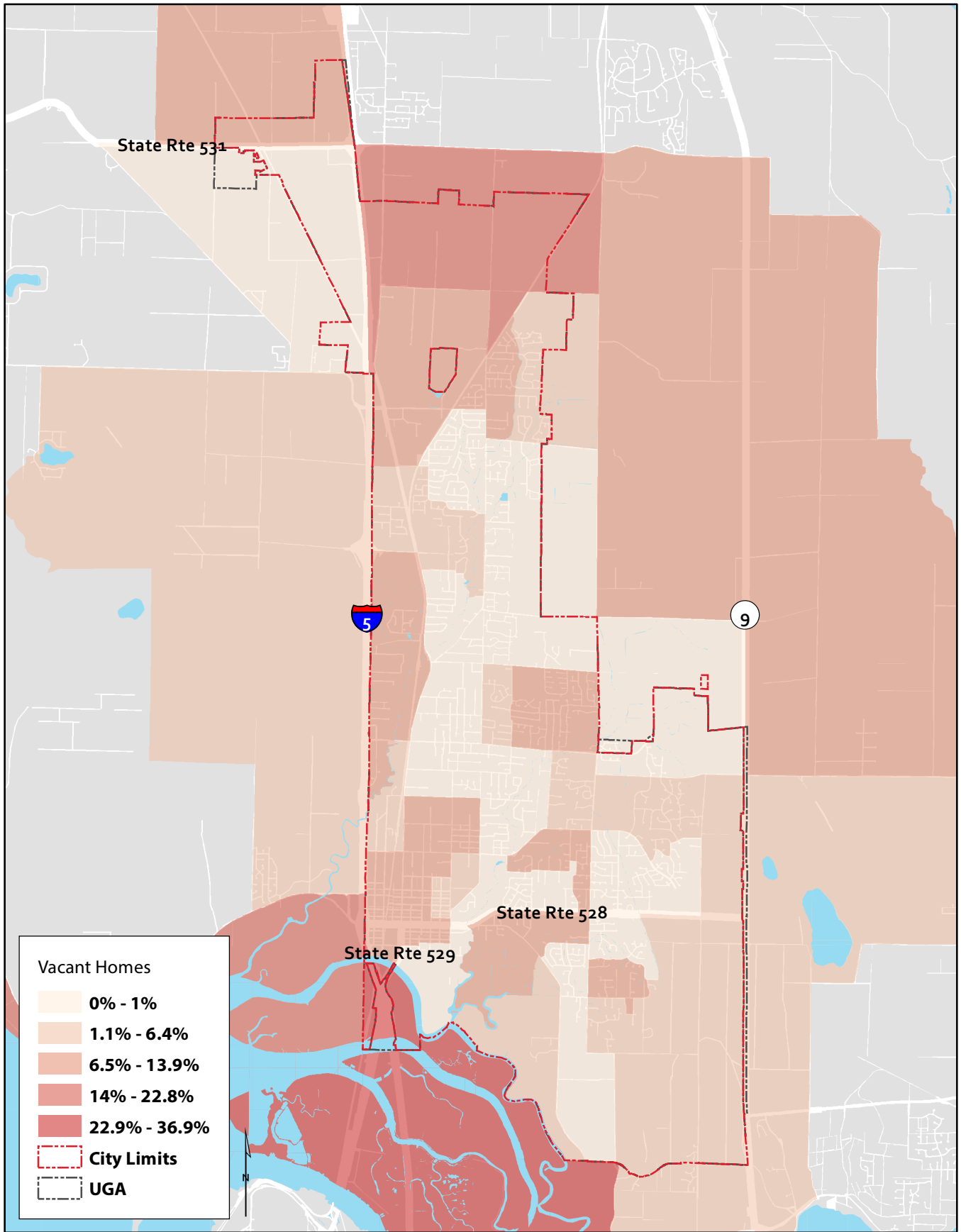
Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



0 0.5 1 2 Miles

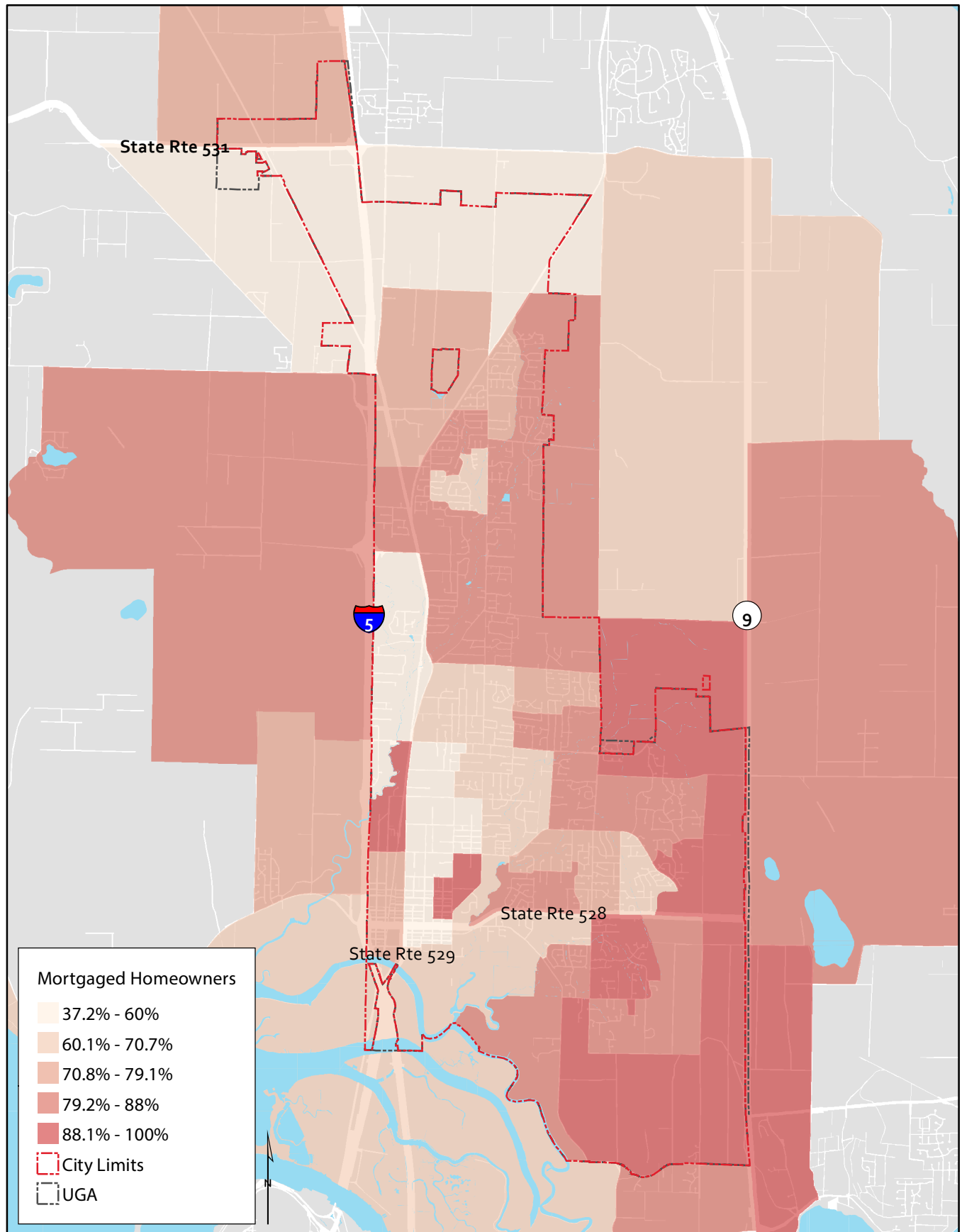
Map 1.5. Vacant Housing Units, City of Marysville

Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



Map 1.6. Homeowners with Mortgages, City of Marysville

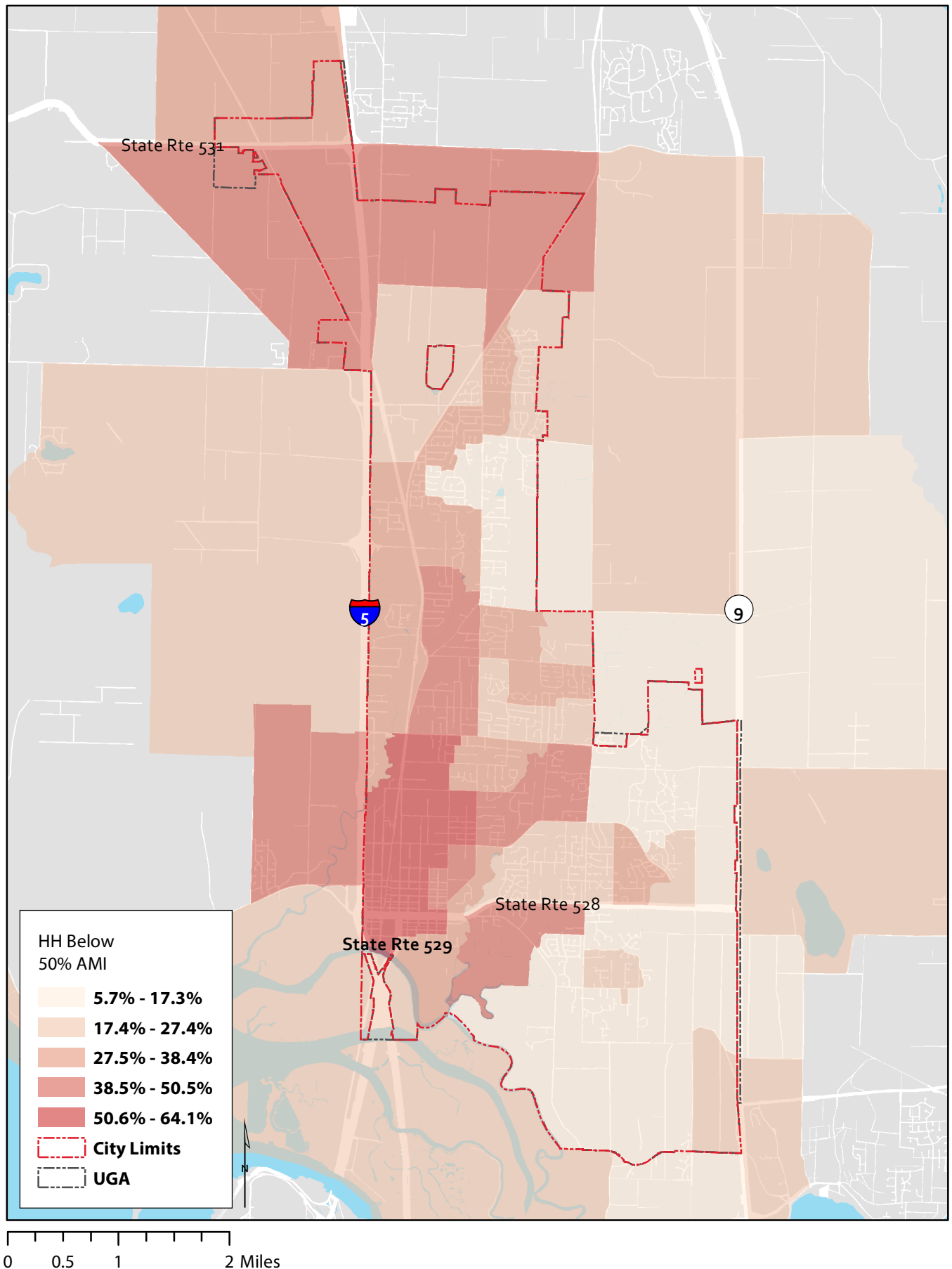
Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



0 0.5 1 2 Miles

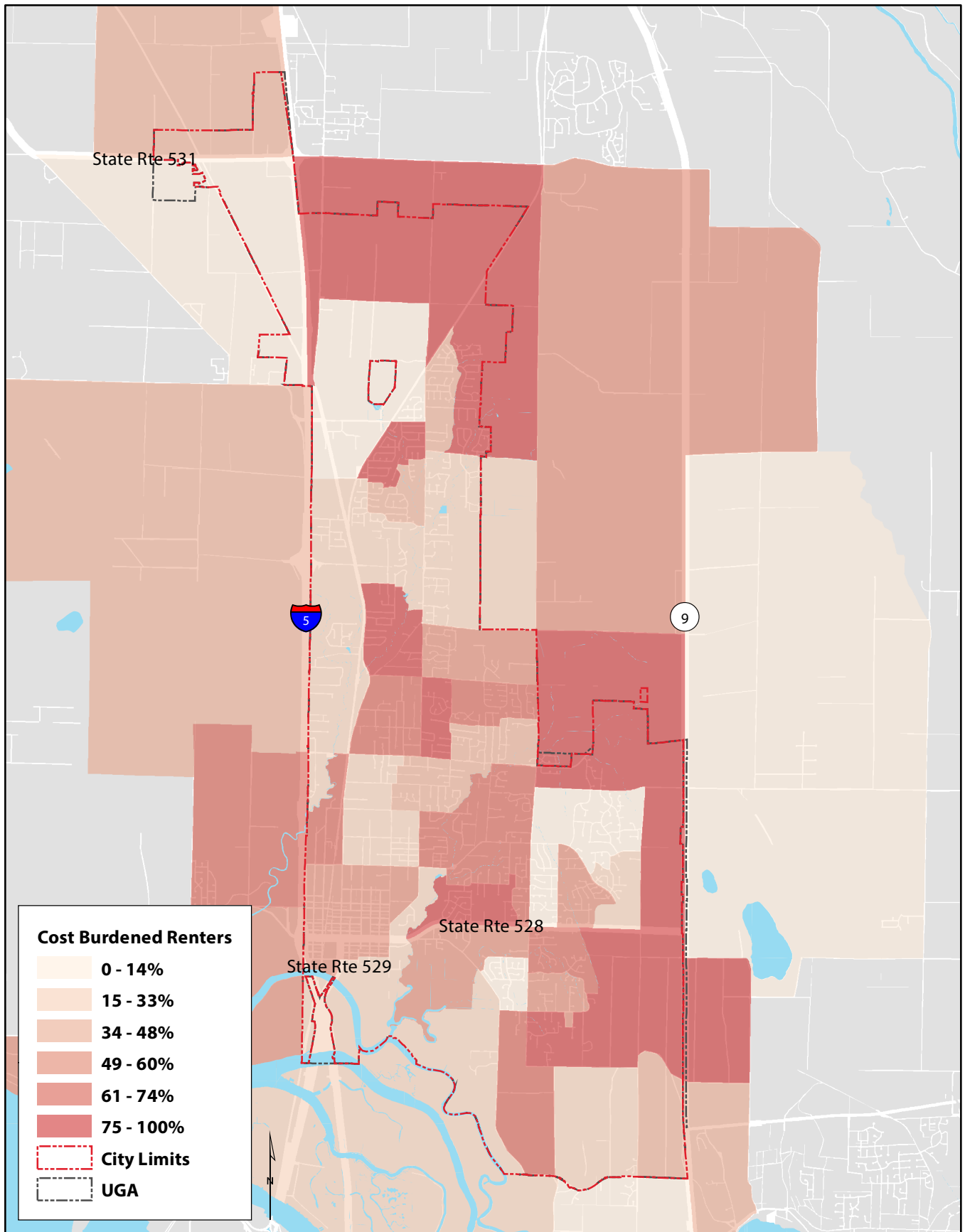
Map 1.7. Households Below 50% AMI, City of Marysville

Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



Map 1.8. Cost-Burdened Renters, City of Marysville

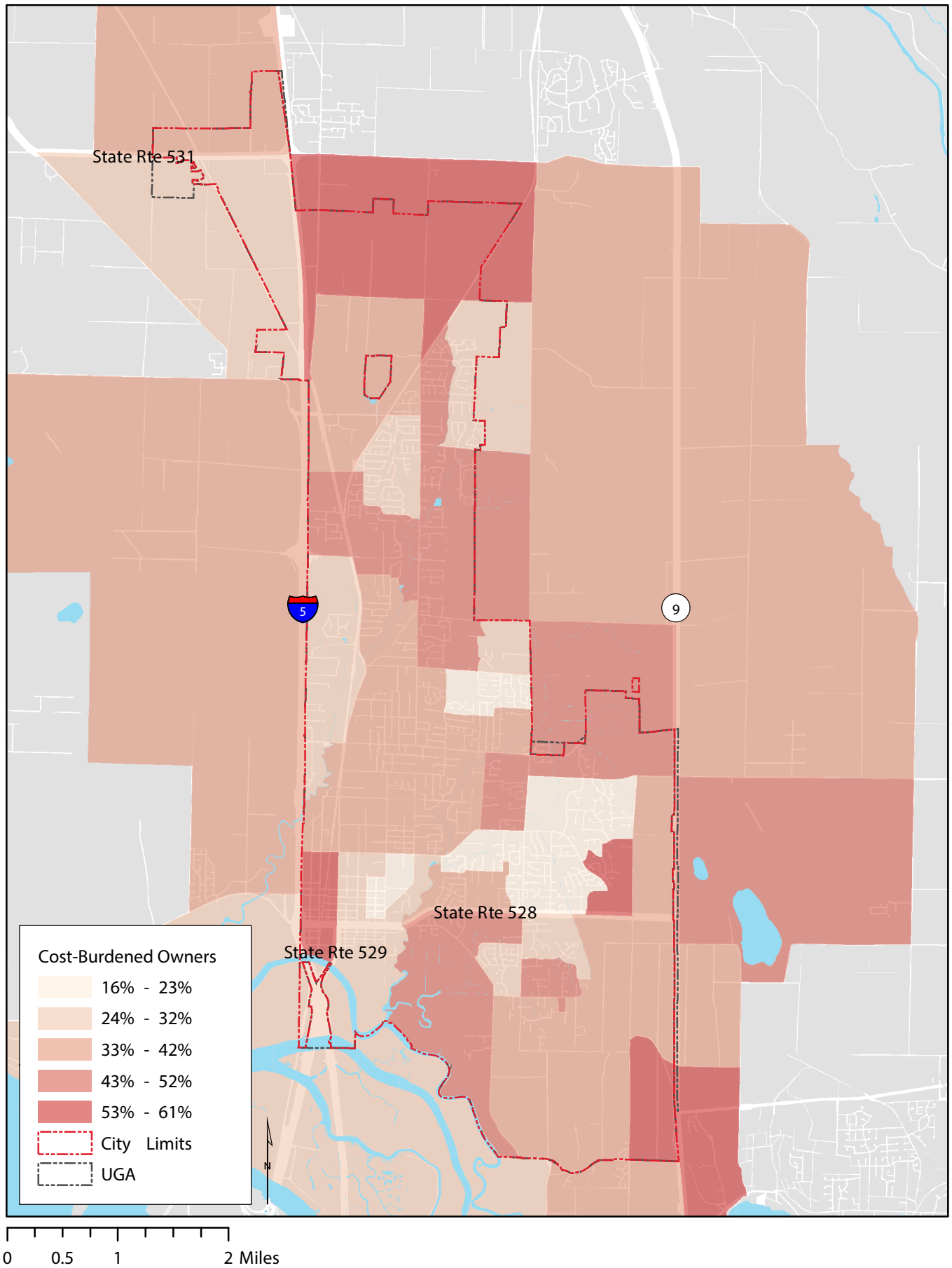
Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



0 0.5 1 2 Miles

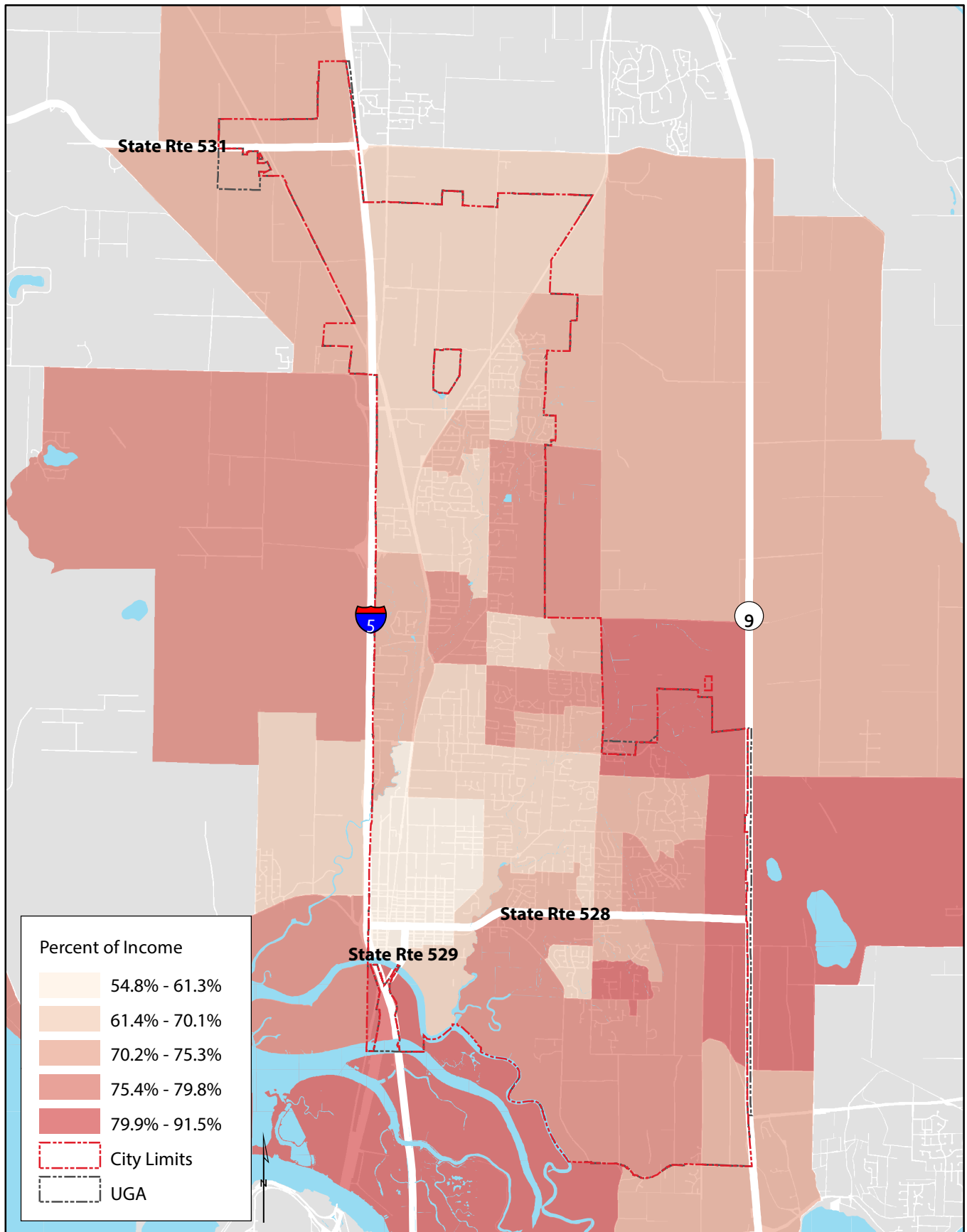
Map 1.9. Cost-Burdened Owners, City of Marysville

Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



Map 1.10. Anticipated Housing & Transportation Cost as Percentage of Low HH Income, City of Marysville

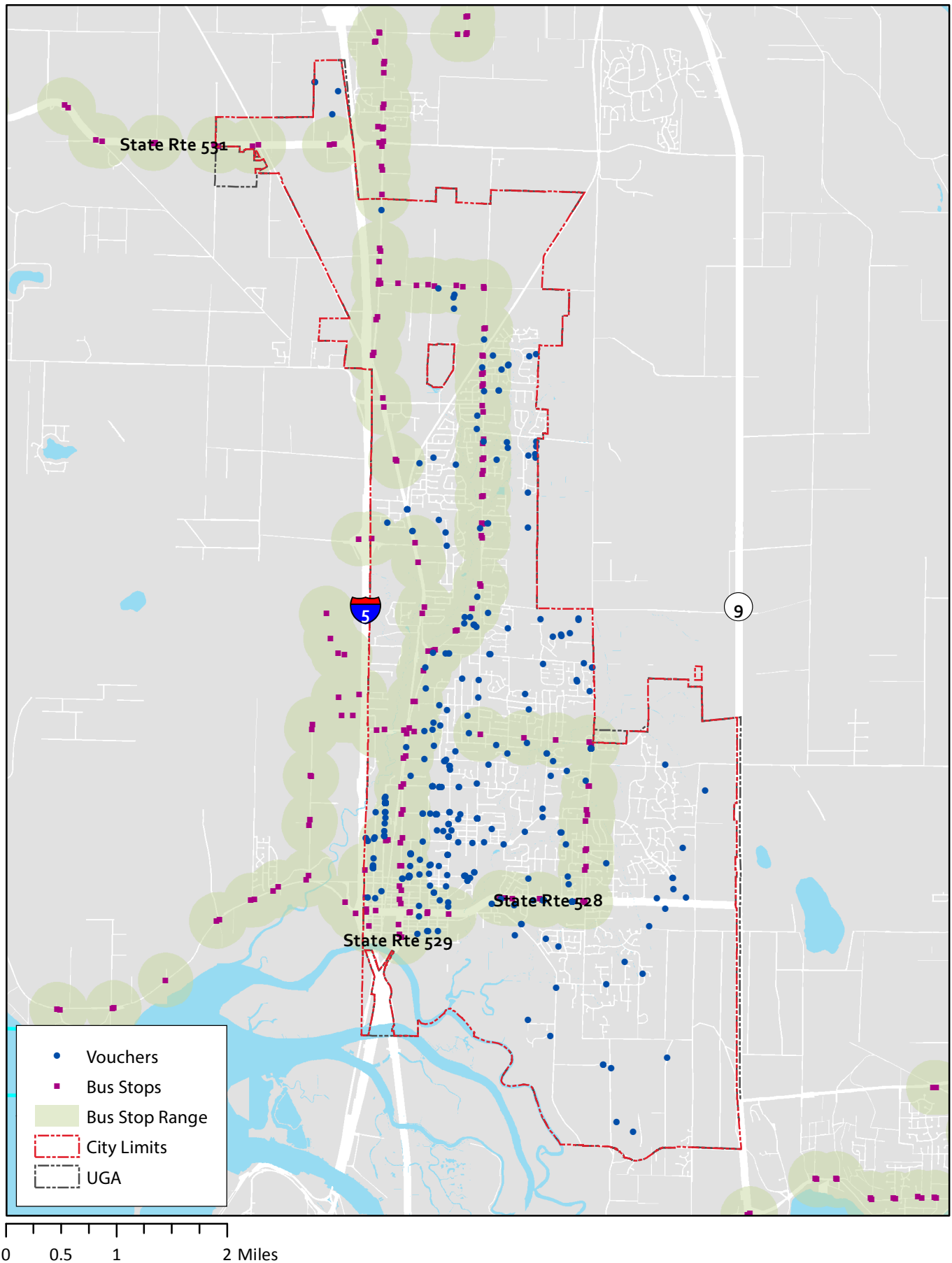
Sources: HUD, 2013; Snohomish County Information Services, 2013; US Census Bureau; American Community Survey, 2012



0 0.5 1 2 Miles

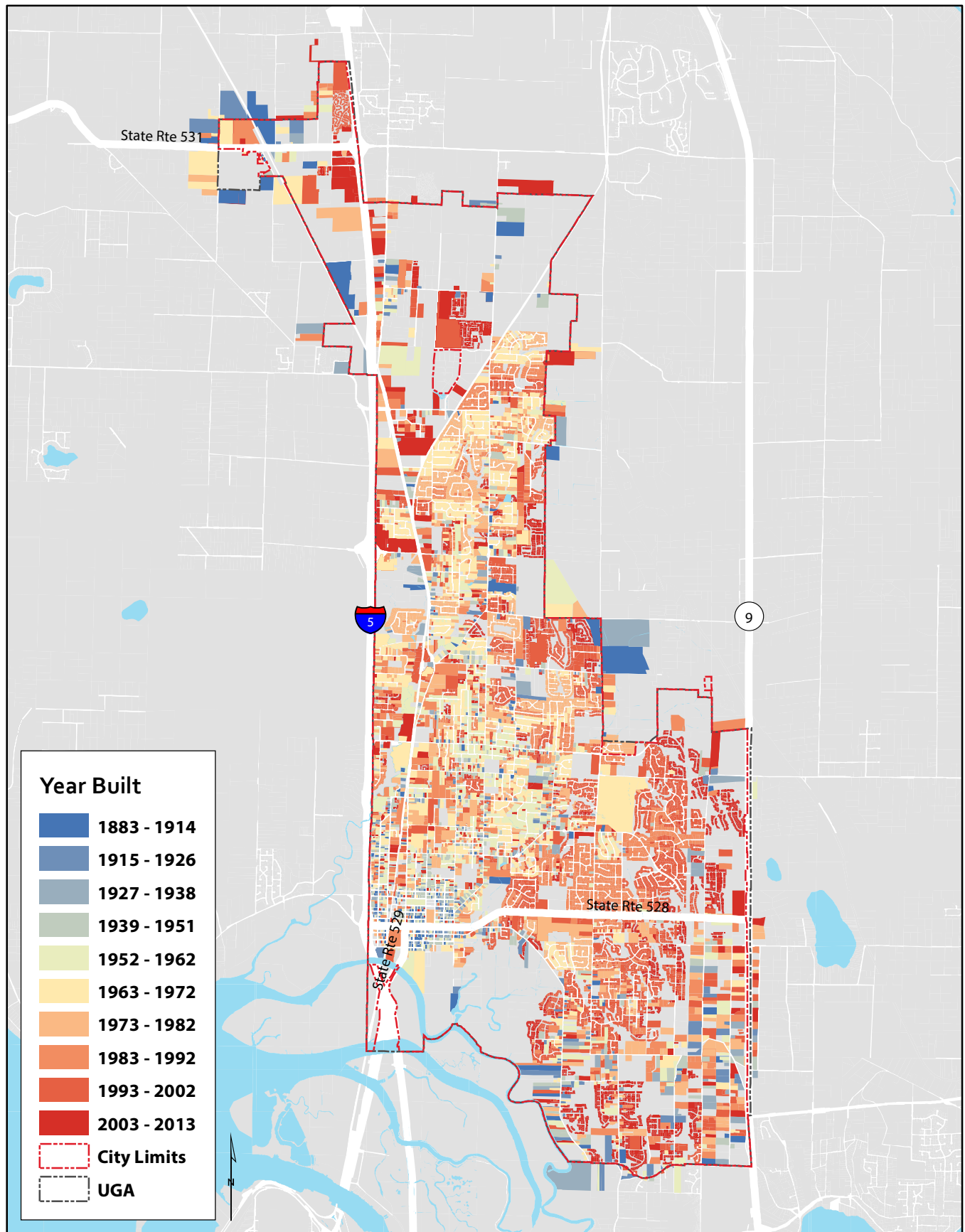
Map 2.1. Voucher Location and Transit Access, City of Marysville

Sources: HASCO, 2014; Snohomish County Community Transit, 2014; Snohomish County Information Services, 2013



Map 2.2. Age of Housing Stock, City of Marysville

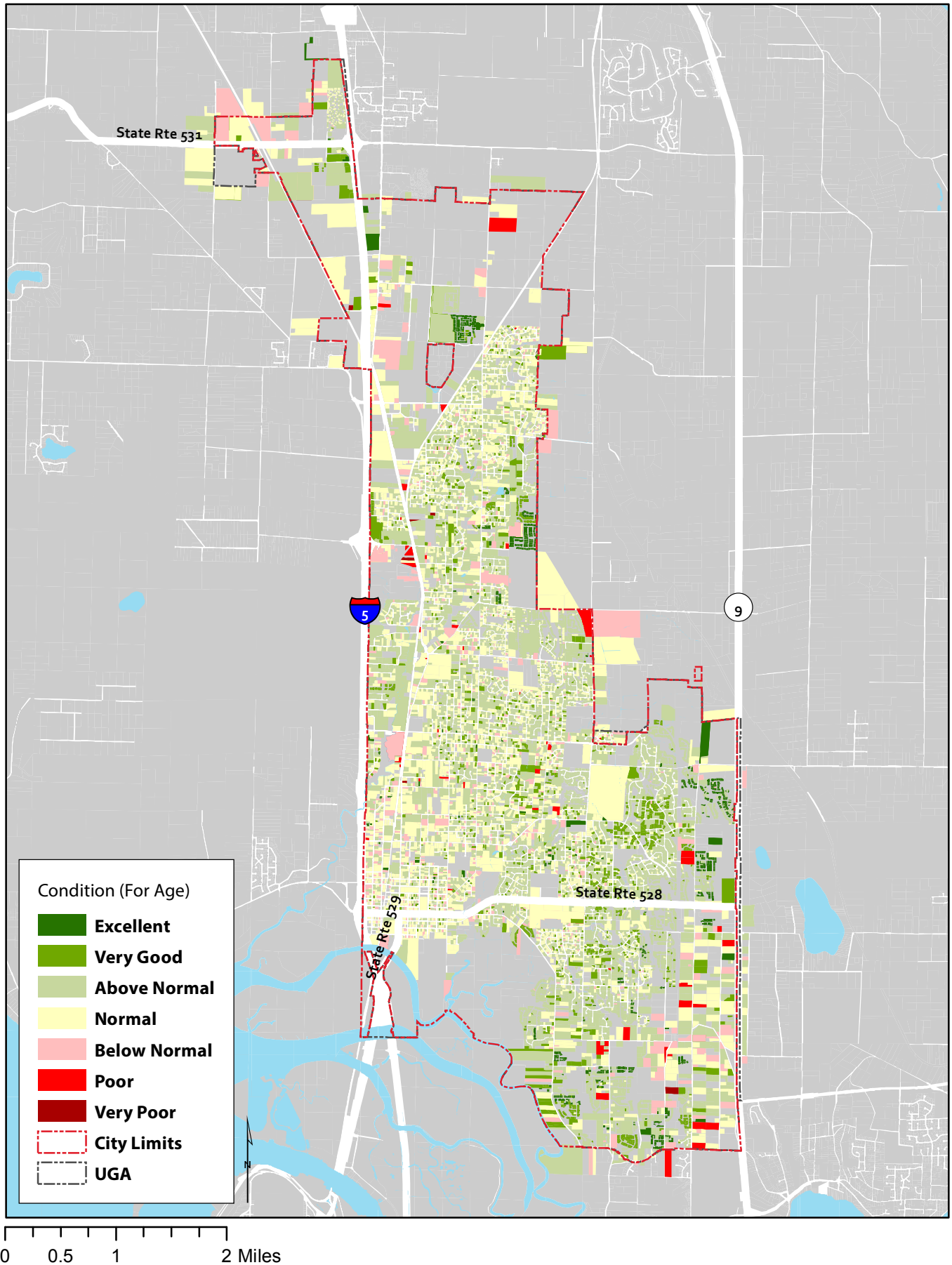
Sources: Snohomish County Assessor, 2014; Snohomish County Information Services, 2013



0 0.5 1 2 Miles

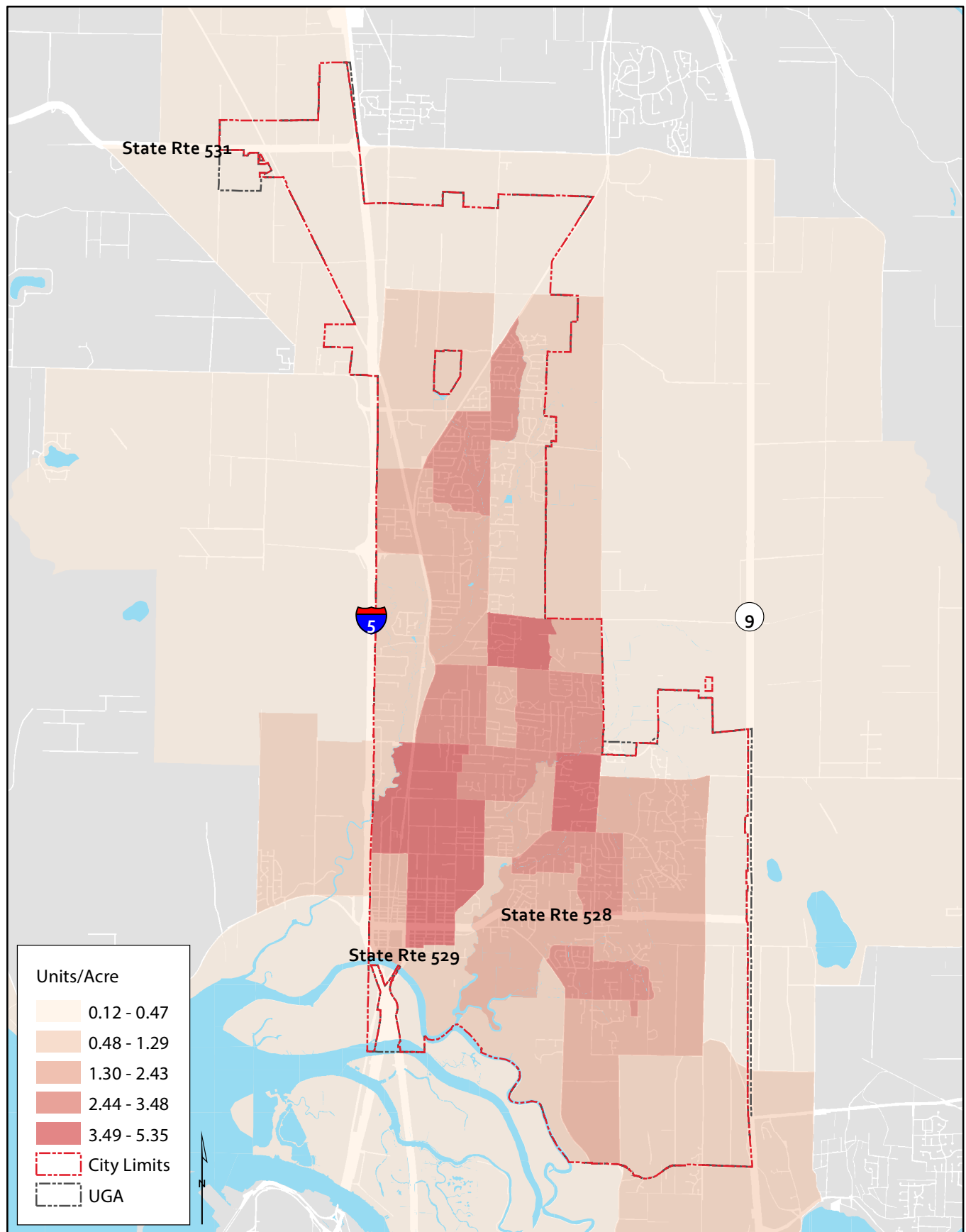
Map 2.3. Condition of Housing Stock, City of Marysville

Sources: Snohomish County Assessor, 2014; Snohomish County Information Services, 2013



Map 2.4. Housing Density, City of Marysville

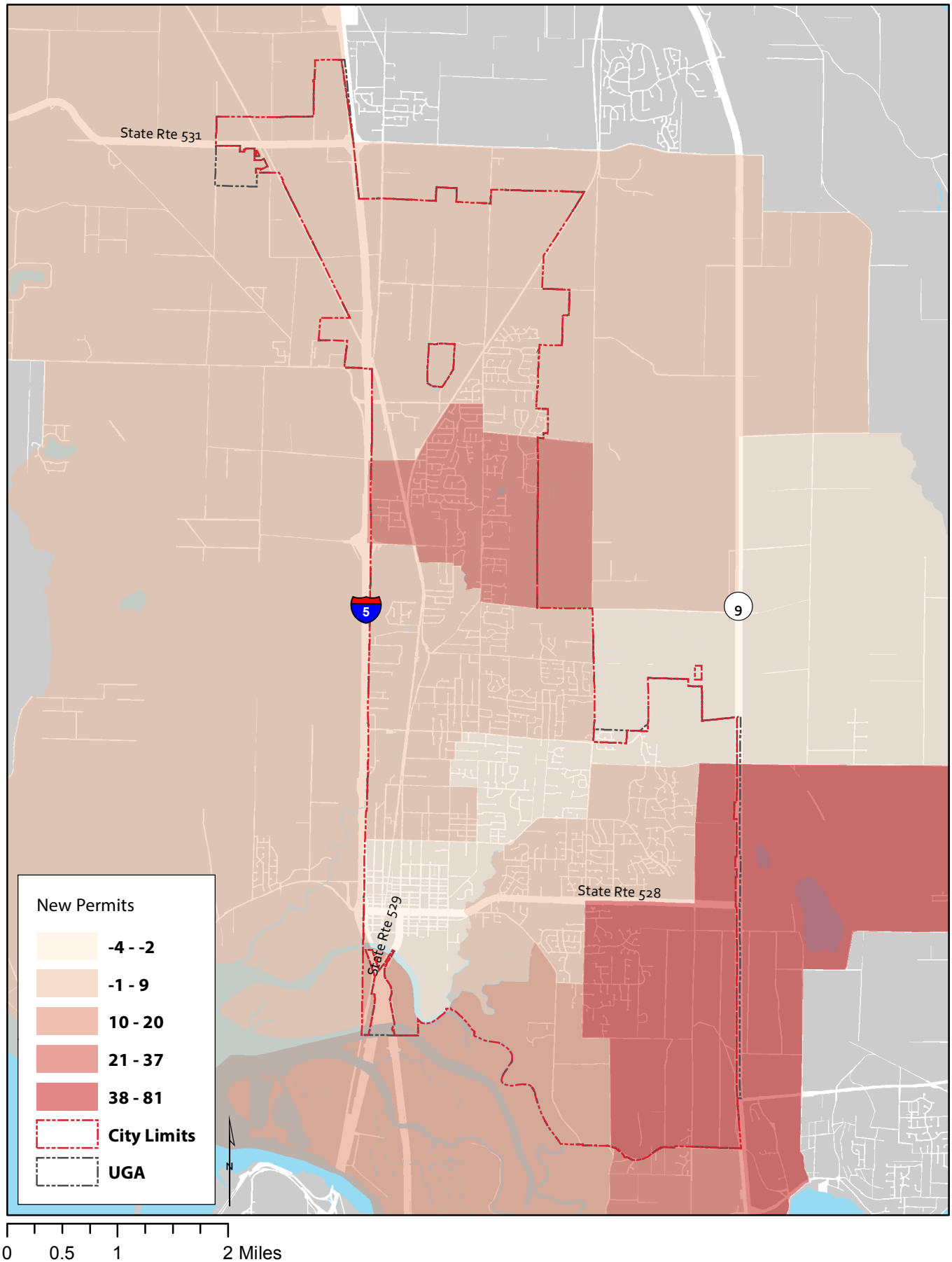
Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



0 0.5 1 2 Miles

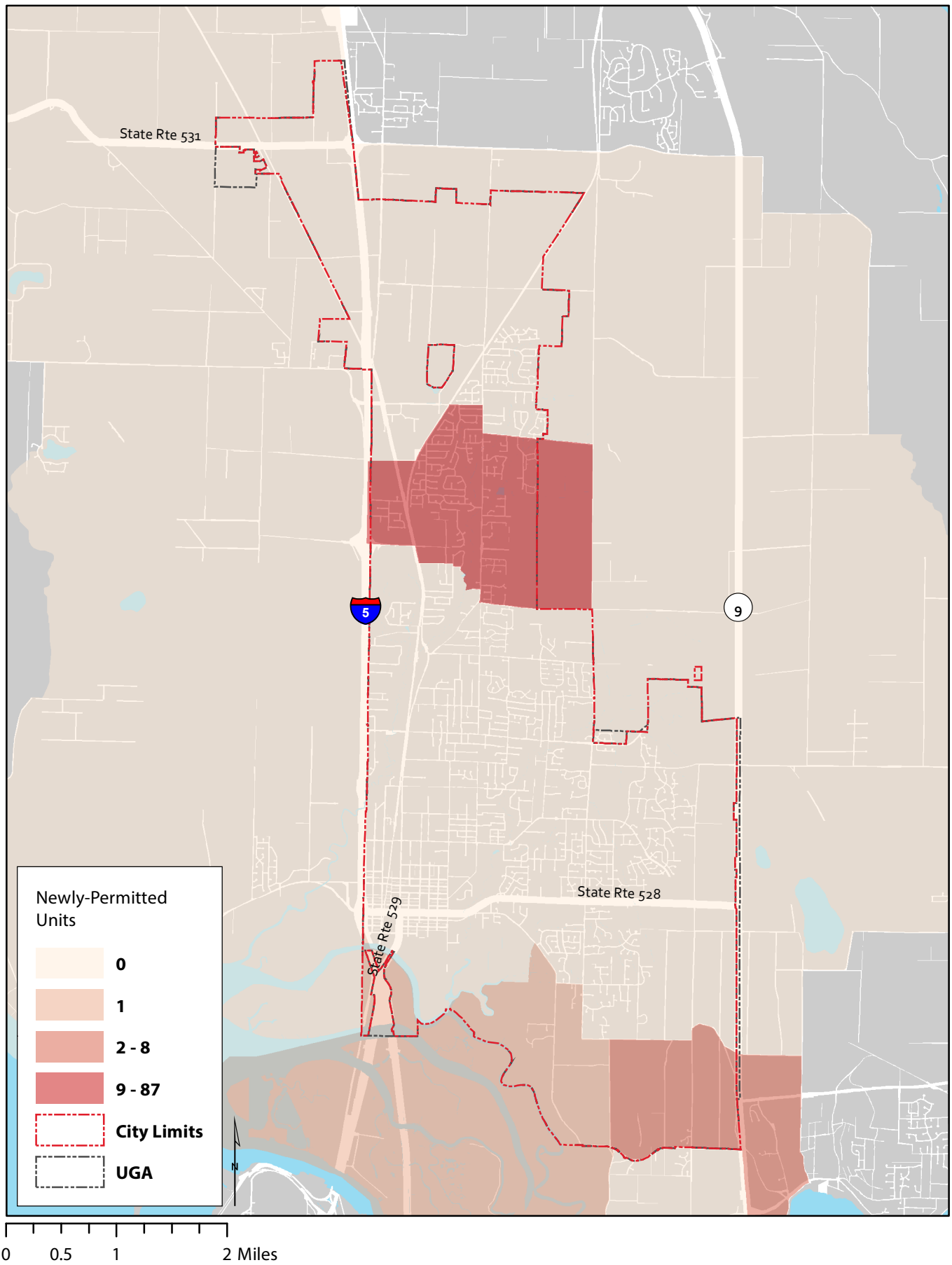
Map 2.5. Net New Single Family Permits by Tract, 2012, City of Marysville

Sources: Puget Sound Regional Council, 2012; Snohomish County Information Services, 2013



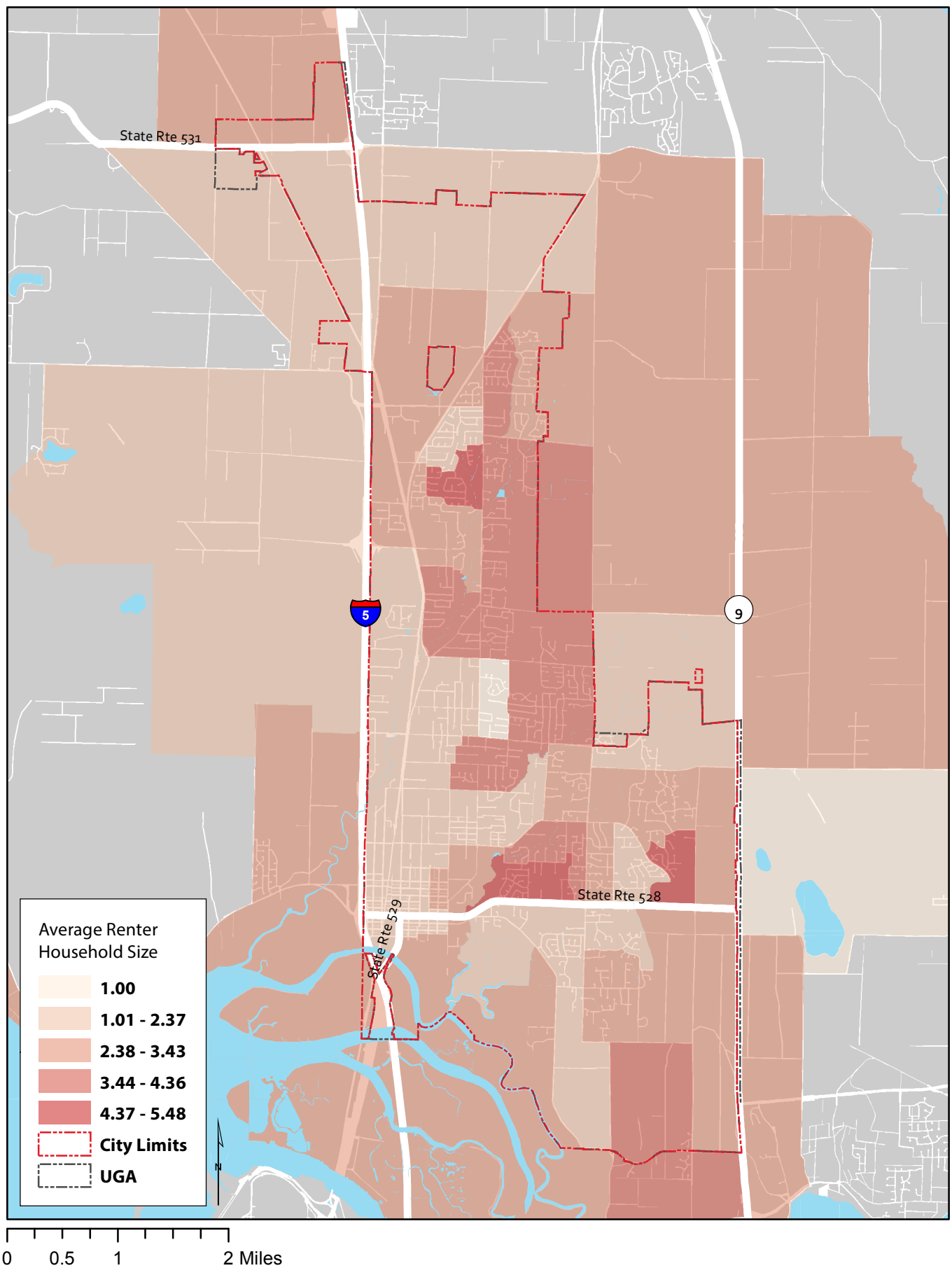
Map 2.6. Net New Multifamily Permits by Tract, 2012, City of Marysville

Sources: Puget Sound Regional Council, 2012; Snohomish County Information Services, 2013



Map 2.7. Average Renter Household Size, City of Marysville

Sources: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Information Services, 2013



Appendix A: Market Rent Comparables, City of Marysville

Units in Building	Age	1Bd-Rent	Utilities	Total	Minimum Income	2/1-Rent	Utilities	Total	Minimum Income	2/2-Rent	Utilities	Total	Minimum Income	3/1-Rent	Utilities	Total	Minimum Income	3/2-Rent	Utilities	Total	Minimum Income	4Bed-Rent	Utilities	Total	Minimum Income	5Bed-Rent	Utilities	Total	Minimum Income
SF	1945	\$550	\$171	\$721	Very Low			\$966																					
4-19	1945	\$650	\$62	\$712	Very Low	\$845	\$77	\$922	Very Low																				
20+	1990	\$720	\$62	\$782	Very Low	\$852	\$77	\$929	Very Low																				
4-19	1965	\$850	\$62	\$912	Low	\$995	\$77	\$1,072	Low																				
20+	2000	\$750	\$62	\$812	Very Low	\$800	\$77	\$877	Very Low	\$825	\$77	\$902	Very Low																
20+	1985	\$750	\$62	\$812	Very Low	\$800	\$77	\$877	Very Low	\$825	\$77	\$902	Very Low																
20+	1990	\$755	\$62	\$817	Very Low	\$860	\$77	\$937	Very Low	\$885	\$77	\$962	Very Low																
20+	1985	\$755	\$62	\$817	Very Low	\$804	\$77	\$881	Very Low	\$889	\$77	\$966	Very Low																
SF	1945					\$850	\$191	\$1,041	Low																				
SF	1900					\$875	\$191	\$1,066	Low																				
SF	1900					\$900	\$191	\$1,091	Low																				
4-19	1975					\$980	\$191	\$1,171	Low																				
SF	1985					\$1,000	\$191	\$1,191	Low																				
SF	1900					\$1,000	\$191	\$1,191	Low																				
SF	1900					\$1,295	\$191	\$1,486	Moderate																				
4-19	1965					\$735	\$77	\$812	Very Low																				
4-19	1945					\$800	\$77	\$877	Very Low																				
4-19	1965					\$875	\$77	\$952	Very Low																				
20+	1975					\$876	\$77	\$953	Very Low																				
2-3	1990					\$885	\$77	\$962	Very Low																				
2-3	1990					\$890	\$77	\$967	Very Low																				
20+	1985					\$875	\$77	\$952	Very Low	\$975	\$77	\$1,052	Low																
4-19	1975									\$748	\$77	\$825	Very Low																
20+	1975									\$780	\$77	\$857	Very Low																
4-19	1965									\$822	\$77	\$899	Very Low																
20+	1990									\$825	\$77	\$902	Very Low																
20+	2000									\$895	\$191	\$1,086	Low																
2-3	1985									\$900	\$191	\$1,091	Low																
SF	1900									\$900	\$191	\$1,091	Low																
2-3	1985									\$938	\$191	\$1,129	Low																
2-3	1990									\$1,075	\$191	\$1,266	Low																
SF	1965									\$1,100	\$191	\$1,291	Low																
2-3	2000									\$1,200	\$191	\$1,391	Low																
SF	1900									\$1,225	\$191	\$1,416	Low																
2-3	1990									\$975	\$191	\$1,166	Low					\$1,175	\$220	\$1,395	Low								
SF	1900													\$1,000	\$220	\$1,220	Low												
SF	1945													\$1,100	\$220	\$1,320	Low												
SF	1945													\$1,100	\$220	\$1,320	Low												
SF	1900													\$1,195	\$220	\$1,415	Low												
SF	1975													\$1,195	\$220	\$1,415	Low												
SF	2000													\$1,225	\$220	\$1,445	Low												
SF	1975													\$1,250	\$220	\$1,470	Low												
SF	1965													\$1,250	\$220	\$1,470	Low												
SF	1975													\$1,295	\$220	\$1,515	Low												
SF	1985													\$1,300	\$220	\$1,520	Low												
SF	2000													\$1,425	\$220	\$1,645	Low												
SF	1975													\$1,450	\$220	\$1,670	Low												
SF	1990													\$1,500	\$220	\$1,720	Moderate												
SF	1975																	\$1,000	\$220	\$1,220	Low								
2-3	1990																	\$1,088	\$220	\$1,308	Low								
2-3	1990																	\$1,150	\$94	\$1,244	Low								
SF	1985																	\$1,200	\$220	\$1,420	Low								
SF	2000																	\$1,200	\$220	\$1,420	Low								
SF	2000																	\$1,200	\$220	\$1,420	Low								
SF	2010																	\$1,225	\$220	\$1,445	Low								
SF	1900																	\$1,250	\$220	\$1,470	Low								
SF	1975																	\$1,250	\$220	\$1,470	Low								
SF	2000																	\$1,295	\$220	\$1,515	Low								
SF	2000																	\$1,295	\$220	\$1,515	Low								

Appendix A: Market Rent Comparables, City of Marysville

Units in Building	Age	1Bd-Rent	Utilities	Total	Minimum Income	2/1-Rent	Utilities	Total	Minimum Income	2/2-Rent	Utilities	Total	Minimum Income	3/1-Rent	Utilities	Total	Minimum Income	3/2-Rent	Utilities	Total	Minimum Income	4Bed-Rent	Utilities	Total	Minimum Income	5Bed-Rent	Utilities	Total	Minimum Income	
SF	2000																	\$1,295	\$220	\$1,515	Low									
SF	2000																	\$1,295	\$220	\$1,515	Low									
SF	1975																	\$1,300	\$220	\$1,520	Low									
SF	2000																	\$1,300	\$220	\$1,520	Low									
SF	2000																	\$1,300	\$220	\$1,520	Low									
2-3	1975																	\$1,313	\$220	\$1,533	Low									
SF	2000																	\$1,325	\$220	\$1,545	Low									
SF	1990																	\$1,325	\$220	\$1,545	Low									
SF	2000																	\$1,350	\$220	\$1,570	Low									
SF	1990																	\$1,350	\$220	\$1,570	Low									
SF	1985																	\$1,375	\$220	\$1,595	Low									
SF	1990																	\$1,400	\$220	\$1,620	Low									
SF	2000																	\$1,400	\$220	\$1,620	Low									
SF	2000																	\$1,400	\$220	\$1,620	Low									
SF	1990																	\$1,425	\$220	\$1,645	Low									
SF	1990																	\$1,425	\$220	\$1,645	Low									
SF	1975																	\$1,475	\$220	\$1,695	Moderate									
SF	1975																	\$1,495	\$220	\$1,715	Moderate									
SF	1965																	\$1,495	\$220	\$1,715	Moderate									
SF	1975																	\$1,500	\$220	\$1,720	Moderate									
SF	1975																	\$1,500	\$220	\$1,720	Moderate									
SF	1965																	\$1,500	\$220	\$1,720	Moderate									
SF	1990																	\$1,520	\$220	\$1,740	Moderate									
SF	1990																	\$1,600	\$220	\$1,820	Moderate									
SF	2000																	\$1,650	\$220	\$1,870	Moderate									
SF	2000																	\$1,750	\$220	\$1,970	Moderate									
SF	1965																	\$1,795	\$220	\$2,015	Moderate									
SF	2000																	\$1,800	\$220	\$2,020	Moderate									
SF	2010																	\$1,890	\$220	\$2,110	Moderate									
SF	1900																						\$1,175	\$247	\$1,422	Low				
SF	2010																						\$1,275	\$247	\$1,522	Low				
SF	1990																						\$1,300	\$247	\$1,547	Low				
SF	2000																						\$1,325	\$247	\$1,572	Low				
SF	2010																						\$1,375	\$247	\$1,622	Low				
SF	1945																						\$1,400	\$247	\$1,647	Low				
SF	1965																						\$1,475	\$247	\$1,722	Low				
SF	1990																						\$1,500	\$247	\$1,747	Low				
SF	2000																						\$1,500	\$247	\$1,747	Low				
SF	1990																						\$1,525	\$247	\$1,772	Low				
SF	1975																						\$1,550	\$247	\$1,797	Low				
SF	2000																						\$1,575	\$247	\$1,822	Low				
SF	2000																						\$1,595	\$247	\$1,842	Low				
SF	2000																						\$1,595	\$247	\$1,842	Low				
SF	2000																						\$1,600	\$247	\$1,847	Low				
SF	1990																						\$1,600	\$247	\$1,847	Low				
SF	2000																						\$1,600	\$247	\$1,847	Low				
SF	1990																						\$1,600	\$247	\$1,847	Low				
SF	2000																						\$1,600	\$247	\$1,847	Low				
SF	1985																						\$1,650	\$247	\$1,897	Moderate				
SF	1990																						\$1,650	\$247	\$1,897	Moderate				
SF	2000																						\$1,675	\$247	\$1,922	Moderate				
SF	1990																						\$1,700	\$247	\$1,947	Moderate				
SF	2000																						\$1,725	\$247	\$1,972	Moderate				
SF	2000																						\$1,750	\$247	\$1,997	Moderate				
SF	2000																						\$1,800	\$247	\$2,047	Moderate				
SF	1990																						\$1,895	\$247	\$2,142	Moderate				
SF	2000																						\$1,895	\$247	\$2,142	Moderate				
SF	1990																						\$1,995	\$247	\$2,242	Moderate				
SF	2000																									\$ 1,850	\$ 276	\$ 2,126	Moderate	

Appendix A: Market Rent Comparables, City of Marysville

Units in Building	Age	1Bd-Rent	Utilities	Total	Minimum Income	2/1-Rent	Utilities	Total	Minimum Income	2/2-Rent	Utilities	Total	Minimum Income	3/1-Rent	Utilities	Total	Minimum Income	3/2-Rent	Utilities	Total	Minimum Income	4Bed-Rent	Utilities	Total	Minimum Income	5Bed-Rent	Utilities	Total	Minimum Income
SF	2000																									\$ 2,350	\$ 276	\$ 2,626	Middle

Appendix B: Assisted Housing Units, City of Marysville

PROPERTY NAME	STREET ADDRESS	PARCEL ID	ASSISTED UNITS BY INCOME LEVEL				SUBSIDIZED UNITS	WORKFORCE UNITS	SHELTER UNITS	TOTAL ASSISTED UNITS	OWNER	POPULATION SERVED	FUNDING SOURCES
			Extremely Low	Very Low	Low	Moderate							
Section 8 Housing Choice Vouchers (HASCO and EHA)	Various	Various	421	57	8	0	491			491	Various	Multifamily, Seniors, People with disabilities, Veterans	Section 8 Housing Choice Voucher
Maud's House	615 Cedar St	00585500500403	7					7		7	Public (HASCO)	Homeless families with children	State Housing Trust Fund, County Housing Trust Fund, Federal Home Loan Bank, State and County Operating & Maintenance Funds
Beachwood Apartments	1017 & 1027 Beach Ave	00585600100201		25				25		25	Private Nonprofit (Housing Hope)	Family, Homeless	Tax Credit, State Housing Trust Fund, County HOME
Cedar Grove	7401 84th St NE	30052300201200	28				28			28	Public (HASCO)	Family	Public Housing
Cedar Landing Apartments	8700 67th Ave NE	30052200102900		46	83			129		129	Private For-Profit	Family	Tax Credit
Ebey Arms	907/923 Columbia Ave	30052800304600		54				54		54	Public (HASCO)	Family	Bond, State Housing Trust Fund
Harmony House North	1299 Cedar St	30052800211700	15				15			15	Private Nonprofit	Seniors	HUD 202 Rental Assistance, State Housing Trust Fund
HASCO Duplex	4306 92nd St NE	30052100104600	2				2			2	Public (HASCO)	Family	Public Housing
HASCO Duplex	7503 67th Ave NE	00487300001000	2				2			2	Public (HASCO)	Family	Public Housing
Marysville Alder Commons	4308 76th St NE	00497200000201	9	5	4		18			18	Private Nonprofit (Compass Health)	Mentally Ill, Homeless	State Housing Trust Fund, State HOME, CDBG, Tax Credit, Federal Home Loan Bank
Marysville Quilceda Meadows	4520 84th St NE	30052100421400		16			16			16	Private For-Profit	People with disabilities	HUD 811 (Supportive Housing-Disabled), County HOME, State Housing Trust Fund
Meadow Park	7527 51st Ave NE	30052700203800		14	30		14	30		44	Private For-Profit	Senior, People with disabilities	USDA Rural Rental Housing Loan, Section 8 PBV, Tax Credit
Pilchuck I	1724 Grove St	30052800106300		30			30			30	Private For-Profit	Senior	USDA Rural Rental Housing Loan, USDA Rental Assistance
Pilchuck II	1724 Grove St	30052800106300		30				30		30	Private For-Profit	Senior	USDA Rural Rental Housing Loan
Project Phoenix #1	8416 41st Drive NE	1070200000500		1				1		1	Private Nonprofit	Family	County Neighborhood Stabilization Program
Project Phoenix #2	4105 84th Place NE	1070200000800		1				1		1	Private Nonprofit	Family	County Neighborhood Stabilization Program
Project Phoenix #3	4109 84th Place NE	1070200000900		1				1		1	Private Nonprofit	Family	County Neighborhood Stabilization Program
Project Phoenix #4	4113 84th Place NE	1070200001000		1				1		1	Private Nonprofit	Family	County Neighborhood Stabilization Program
Project Phoenix #5	8411 42nd Drive NE	1070200001700		1				1		1	Private Nonprofit	Family	County Neighborhood Stabilization Program
Quil Ceda Creek Apartments	12115 State Ave	30050900200900			82			82		82	Private For-Profit		
Valley Commons	6508 64th St NE	30052700401300		25	26			51		51	Public (HASCO)	Family	Bond
Villas at Lakewood	16800 27th Ave	30050900200900		180	60			240		240	Private For-Profit		
Wellington Apartments	4239 84th St NE	30052100110100	21	11			32			32	Private For-Profit	Family	USDA Rental Assistance
Westwood Crossing	1350 Cedar Ave	30052100302900			131			131		131	Public (HASCO)	Family	Tax Credit, Bond
Willow Run	4900 80th St NE	30052100409100	84				84			84	Public (HASCO)	Senior	USDA Rural Rental Housing Loan, USDA Rental Assistance
Winterhill Apartments	6110 64th Street NE	30052700401200			147			147		147	Private For-Profit	Family	Tax Credit

PROPERTY NAME	STREET ADDRESS	PARCEL ID	ASSISTED UNITS BY INCOME LEVEL				SUBSIDIZED UNITS	WORKFORCE UNITS	SHELTER UNITS	TOTAL ASSISTED UNITS	OWNER	POPULATION SERVED	FUNDING SOURCES
			Extremely Low	Very Low	Low	Moderate							
Wishing Well I	4300 88th St	30052100105000	28				28			28	Private For-Profit	Senior, People with disabilities	USDA Rural Rental Housing Loan, USDA Rental Assistance
Wishing Well II	4300 88th St NE	30052100110300	24	12			36			36	Private For-Profit	Senior	USDA Rural Rental Housing Loan, USDA Rental Assistance

Appendix C: Single Family Home Sales

	2008	2009	2010	2011	2012
Number of Sales	1115	1226	1294	1487	1281
Average Sale Price	\$ 264,488	\$ 229,461	\$ 218,678	\$ 185,443	\$ 190,658
Median Sale Price	\$ 273,000	\$ 235,000	\$ 219,930	\$ 177,000	\$ 185,000

Median Sale Price Home Affordability

	2008	2009	2010	2011	2012
Mortgage Amount	\$ 218,400	\$ 188,000	\$ 175,944	\$ 141,600	\$ 148,000
Interest Rate	6.09%	5.06%	4.83%	4.58%	3.66%

Monthly PITI

Principal + Interest	\$ 1,322	\$ 1,016	\$ 926	\$ 724	\$ 678
Property Taxes	\$ 228	\$ 196	\$ 183	\$ 148	\$ 154
Insurance	\$ 86	\$ 74	\$ 70	\$ 56	\$ 59
Utilities	\$ 267	\$ 262	\$ 271	\$ 273	\$ 249
TOTAL	\$ 1,903	\$ 1,548	\$ 1,451	\$ 1,201	\$ 1,140

Minimum Annual Income	\$ 76,121	\$ 61,931	\$ 58,028	\$ 48,049	\$ 45,595
in 2012 Dollars	\$ 81,174	\$ 66,277	\$ 61,098	\$ 49,043	

First Quartile Sale Price Home Affordability

	2008	2009	2010	2011	2012
Mortgage Amount	\$ 179,200	\$ 152,045	\$ 140,750	\$ 112,000	\$ 108,800
Interest Rate	6.09%	5.06%	4.83%	4.58%	3.66%

Monthly PITI

Principal + Interest	\$ 1,085	\$ 822	\$ 741	\$ 573	\$ 498
Property Taxes	\$ 187	\$ 158	\$ 147	\$ 117	\$ 113
Insurance	\$ 71	\$ 60	\$ 56	\$ 44	\$ 43
TOTAL	\$ 1,342	\$ 1,040	\$ 943	\$ 734	\$ 655

Minimum Annual Income	\$ 53,695	\$ 41,614	\$ 37,734	\$ 29,353	\$ 26,189
in 2012 Dollars	\$ 57,260	\$ 44,535	\$ 39,731	\$ 29,960	

Appendix D: Affordable Housing Glossary

Affordable Housing: For housing to be considered affordable, a household should not pay more than 30 percent of its annual income on housing. This includes all costs related to housing - rent, mortgage payments, utilities, etc.

AMI: Area Median Income. The measure of median income used in this report is that of the Seattle-Bellevue HMFA. This measure is used in administering the Section 8 voucher program in Snohomish County.

Cost-Burdened: Households that spend more than 30 percent of their income on housing.

Extremely Low Income: Households that make up to 30 percent of AMI.

Fair Market Rent: HUD determines what a reasonable rent level should be for a geographic area, and sets this as the area's fair market rent. Section 8 voucher holders are limited to selecting units that do not rent for more than fair market rent.

HMFA: HUD Metro FMR Area

Low Income: Households that make up to 80 percent of AMI.

Median Income: The median income for a community is the annual income at which half the households earn less and half earn more.

Middle Income: Households that make up to 120 percent of AMI.

Moderate Income: Households that make up to 95 percent of AMI.

PHA: Public Housing Agency

Section 8: HUD's Section 8 Housing Choice voucher program. Qualifying households can take their voucher to any housing unit which meets HUD safety and market rent standards. HUD funds are administered by PHAs.

Severely Cost-Burdened: Households that spend more than 50 percent of their income on housing.

Subsidized Rental Unit: A unit which benefits from a direct, monthly rent subsidy. This subsidy will vary to ensure that a household does not spend more than 30% of their income on housing. Section 8 Housing Choice Vouchers are an example of a direct rent subsidy.

Very Low Income: Households that make up to 50 percent of AMI.

Workforce Rental Housing: Workforce rental units have rents which are set in order to be affordable to households at certain income levels. While a household may need to have

income below a certain level to apply for a workforce rental unit, the rent level does not adjust to their actual income. A property may feature units with rents affordable to households with 50% AMI, but a household earning 30% AMI would still have to pay the same rent.

Appendix E: Methodology

Affordability - Adjustment for Household Size

Where it is indicated that housing cost affordability is assessed adjusting for household size, several factors are considered. First, using HUD standards, the appropriate size range that could inhabit the housing unit in question is determined. For example, the appropriate range for a 2 bedroom unit would be 2-4 people. Next, the cutoff income levels are averaged across the household size range, and this average is used for comparison.

To assess whether or not a 2 bedroom unit is affordable to extremely low income households using this method, one would first average the extremely low cutoff levels for 2-, 3-, and 4-person households. For 2012, these levels were \$21,150, \$23,800, and \$26,400. Their average is \$23,783. A household with this income can afford to spend no more than \$595 per month on housing. If the unit in question rents for less than this amount, then one can say that, on average, it is affordable to extremely low income households, adjusting for household size.

Table E.1, below, shows the maximum a household at each income level can afford to spend on housing per month by household size.

Table E.1. Maximum Monthly Housing Expense by Household Size, Seattle-Bellevue HMFA 2012

	Number of Persons Per Household								HMFA Overall
	1	2	3	4	5	6	7	8	
Extremely Low	\$455	\$520	\$585	\$650	\$703	\$755	\$806	\$859	\$650
Very Low	\$759	\$868	\$976	\$1,084	\$1,171	\$1,258	\$1,345	\$1,431	\$1,084
Low	\$1,128	\$1,289	\$1,450	\$1,610	\$1,740	\$1,869	\$1,998	\$2,126	\$1,734
Moderate	\$1,442	\$1,648	\$1,855	\$2,059	\$2,225	\$2,389	\$2,556	\$2,719	\$2,059
Middle	\$1,821	\$2,082	\$2,343	\$2,601	\$2,811	\$3,018	\$3,228	\$3,435	\$2,601

Source: HUD, 2012

Home ownership affordability

Home ownership affordability was calculated using similar techniques to the California Association of Realtor's Housing Affordability Index. First, property sale data was acquired from the Snohomish County Assessor, and single family home sales in Marysville were separated. Next, the monthly payment for these homes was calculated using several assumptions:

- Assuming a 20% down payment, the loan amount is then 80% of the total sale price
- Mortgage term is 30 years
- Interest rate is the national average effective composite rate for previously occupied homes as reported by the Federal Housing Finance Board
- Monthly property taxes are assumed to be 1% of the sale price divided by 12
- Monthly insurance payments are assumed to be 0.38% of the sale price divided by 12

Using all of these assumptions, the monthly payment is the sum of principal and interest; taxes; and insurance.

Household Income Levels

Area Median Income, or AMI, is an important part of many housing affordability calculations. In Snohomish County, HUD uses the Seattle-Bellevue HMFA median income as AMI. This is recalculated every year, both as an overall average and by household size up to 8 individuals. Standard income levels are as follows:

- Extremely low income: <30% AMI
- Very low income: between 30 and 50% AMI
- Low income: between 50 and 80% AMI
- Moderate income: between 80 and 95% AMI
- Middle income: between 95 and 120% AMI

Household Profiles

Information on households was gathered from Section 8 Housing Choice Voucher data. All names have been changed as well as many other nonessential details to protect privacy.