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## Executive Summary

A Comprehensive Housing Needs Assessment for Washington County, prepared in September 2007, found that 58,200 new housing units will be needed between 2007 and 2030, including 49,300 ownership units and 8,900 rental and senior units. The assessment also predicted a need for about 2,600 rental units for low- and moderate-income households. Assistance from Washington County and the Washington County Housing and Redevelopment Authority (HRA) will be needed to meet the demand for affordable housing as well as special needs and senior housing.

Washington County is involved in housing through countywide leadership; through enforcement of land use controls and building code ordinances in unincorporated areas; through the delivery of federal, state, and local funds for affordable housing; and through support of the Washington County HRA.

Washington County directly supports a variety of interrelated resources and services, including first-time homebuyer assistance, financial and budget counseling, transportation assistance, employment services, social services, and housing maintenance.

Washington County receives funds for housing related activities through the Federal Community Development Block Grant Program (CDBG) and the Federal Home Investment Partnership Program (HOME). The county prepares a consolidated plan every five years that guides how these funds are used. The most recent plan is the 2010 - 2014 Consolidated Plan.

The county levies a “Special Benefit Tax” which supports a variety of HRA programs and initiatives. The HRA owns and manages 920 units of affordable workforce and senior housing, the second highest of metro area agencies. The HRA administers several rental assistance programs including Section 8 Housing Choice Vouchers. The HRA, where appropriate, assists cities and townships with a variety of community development needs



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such as public facilities financing and redevelopment opportunities.

The total per capita commitment of county-originated funds meets regional expectations.

Washington County supports lifecycle housing choices that provide residents the opportunity to remain a part of the community while moving throughout their stages of life. Supporting lifestyle housing entails ensuring that single-family homes and multi-family homes such as town homes, apartment buildings, and senior living complexes are available in all price ranges throughout Washington County. To assist in creating lifecycle housing, Washington County encourages recipients of CDBG and HOME funds to create units that compliment lifecycle housing. Funding from these programs can create opportunities for providers to develop diverse housing choices in all communities.

To meet housing needs, Washington County has set the following housing goals:

**Goal 7-1** – Maintain a choice of housing type and encourage the development of mixed-income residential environments.

**Goal 7-2** – Maintain and improve the current housing stock.

This chapter sets housing related policies and implementation strategies that directly support these goals. It describes the current housing market in Washington County, sets goals and objectives related to housing, and sets forth an implementation plan.

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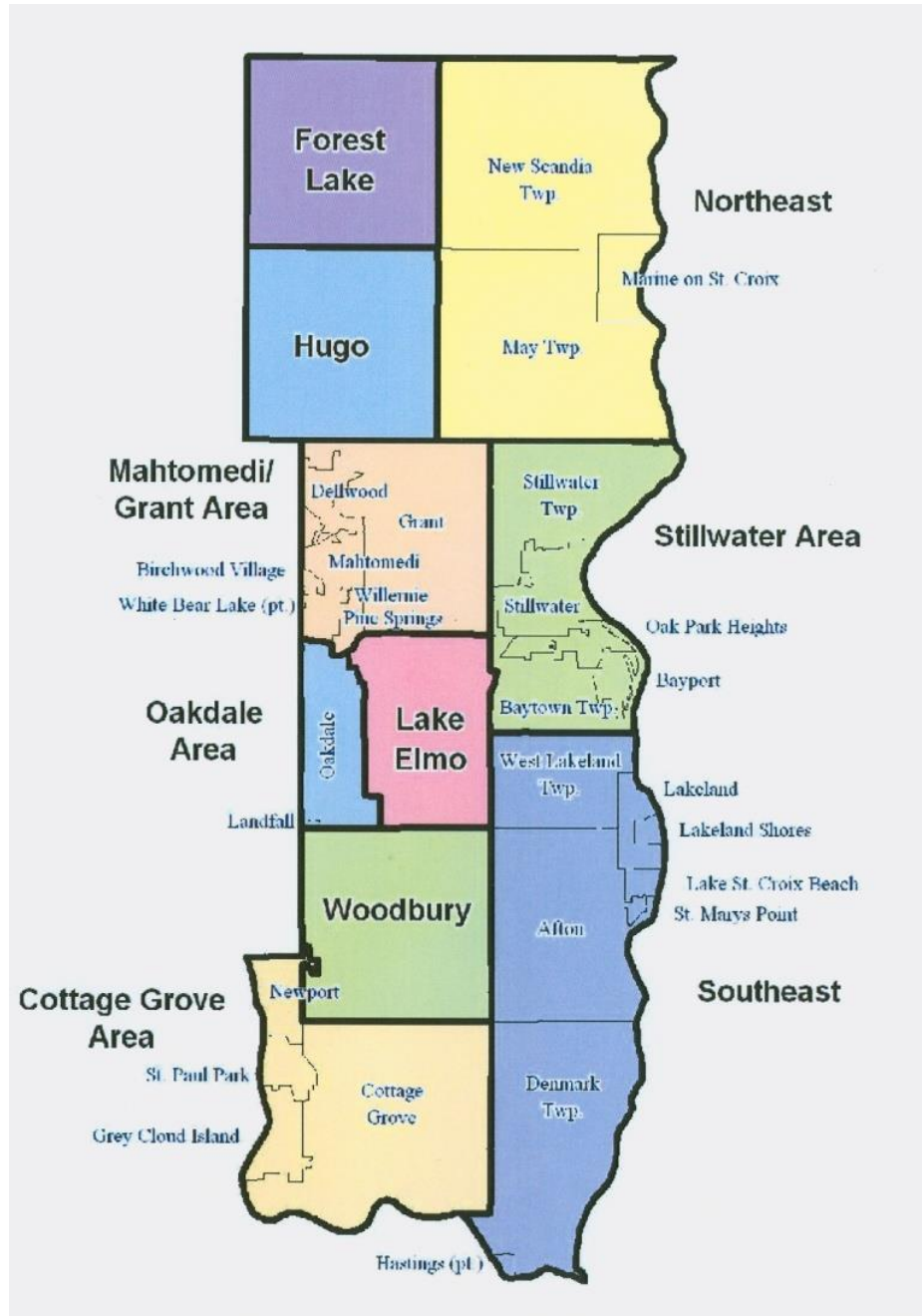
## Existing Conditions

The information in this section is taken predominantly from the Comprehensive Housing Needs Assessment for Washington County, Minnesota, September 2007, prepared by Maxfield Research for the Washington County HRA. The Needs Assessment analyzed housing needs by defined “market areas” (see Figure 7-1). Data has been updated where available.

The Needs Assessment finds that household growth and changes in demographic characteristics and housing preferences will create demand for over 58,200 housing units in Washington County between 2007 and 2030. Included in this total is demand for about 49,300 ownership units and 8,900 rental and senior units, including about 2,600 rental units for low- and moderate-income households.



**Figure 7-1**  
**Washington County Market Areas**



Source: Maxfield Research Inc. Comprehensive Housing Needs Assessment for Washington County, September 2007.

## Housing Tenure

Table 7-1 shows that Washington County is largely a home ownership community. Washington County's home ownership rate in 2000 was 86 percent. This was only a slight increase over the 1990 rate of 84%. The 2006 data shows this rate holding at 85 percent or 71,820 units. Washington County's renter-occupied rate has remained relatively constant since 1990; it was 15 percent in 2006. Table 7-2 shows the number of ownership and rental units by age group.

Two-thirds of the county's rental units are in the Woodbury, Oakdale Area, and Stillwater Area markets. Washington County has experienced a slight increase in concentration of rental households in these major employment centers. Only one age group, the 15-24 year old group, has a higher rental than ownership rate.

**Table 7-1  
Household Tenure Trends by Market Area - 1990 and 2000  
Washington County**

Market Areas	Own			Rent		
	1990	2000	Percent Change	1990	2000	Percent Change
Cottage Grove Area	8,919	11,703	31%	1,174	1,593	36%
Forest Lake	3,313	4,229	27%	1,111	1,204	8%
Hugo	1,335	2,015	51%	81	110	36%
Lake Elmo	1,861	2,250	21%	112	97	(13%)
Mahtomedi/Grant Area	3,857	4,658	21%	385	443	15%
Northeast Area	1,969	2,385	21%	145	170	17%
Oakdale Area	5,661	8,528	51%	1,338	2,007	50%
Southeast Area	2,855	3,802	33%	215	179	(17%)
Stillwater Area	6,009	7,448	24%	1,979	1,965	1%
Woodbury	5,528	14,209	257%	1,399	2,467	76%
<b>Total</b>	<b>41,307</b>	<b>61,227</b>	<b>48%</b>	<b>7,939</b>	<b>10,235</b>	<b>29%</b>
Percentage of Total Housing Stock	84%	86%		16%	14%	

Source: 2000 Census, Maxfield Research Inc.



<b>Age Group</b>	<b>Rent</b>	<b>Own</b>
15-24	1,292	682
25-34	2,739	9,689
35-44	2,231	18,463
45-54	1,285	15,769
55-64	690	9,046
65+	1,998	7,578
<b>Total</b>	<b>10,235</b>	<b>61,227</b>

Source: U.S. Census, Maxfield Research Inc.

## Housing Stock

Table 7-3 shows the average sale price of all newly built and previously occupied multi-family and single-family homes in Washington County from 2002–2007. Housing prices in Washington County appear to have peaked in 2006 for both single-family and multi-family home sales.

<b>Year</b>	<b>Single Family</b>	<b>Percent Change</b>	<b>Multi-family</b>	<b>Percent Change</b>
2002	\$277,473	n/a	\$167,753	n/a
2003	\$295,529	6.51%	\$180,584	7.65%
2004	\$322,344	9.07%	\$195,852	8.45%
2005	\$344,117	6.75%	\$208,703	6.56%
2006	\$347,033	0.85%	\$217,716	4.32%
2007*	\$345,075	-0.56%	\$209,900	-3.59%

\*Average resale prices through June 2007.

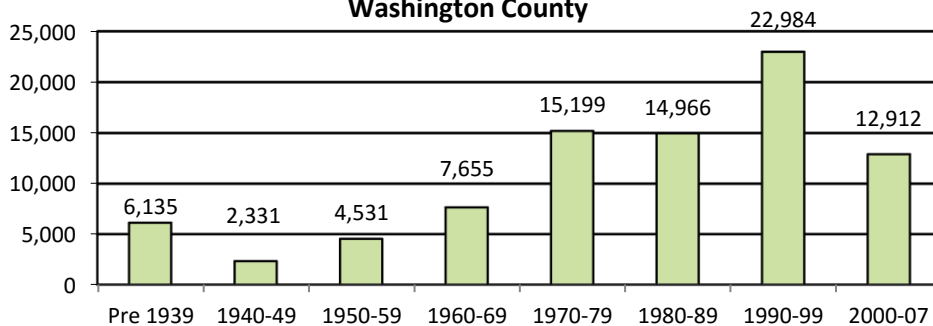
Source: Regional Multiple Listing Service, Maxfield Research Inc.

Washington County's housing stock is relatively new. According to the 2007 American Communities Survey, Washington County had 86,713 housing units of which nearly 60 percent were built



after 1980 (see Figure 7-2). Third tier suburbs such as Oakdale, Woodbury, and Cottage Grove secured a majority of the newer housing stock as these communities captured a large amount of the Twin Cities Metropolitan Area’s recent growth. Nearly 78 percent of the housing stock in these cities was built after 1970 (Maxfield, 2007).

**Figure 7-2  
Housing Stock Age by Decade  
Washington County**



Source: 2007 American Community Survey, Decennial Census Reports

### Rental Market

In July 2007, Maxfield Research, surveyed rental developments to determine the condition of the rental housing market in Washington County. The survey included properties with 16 or more units in large market areas such as Woodbury and Cottage Grove and properties with eight or more units in small market areas such as the Southeast and Northeast areas. Table 7-4 contains a summary of market and affordable rate rent surveys. The surveys produced the following findings:

#### Market Rate

- Over 70 percent of market rate units were concentrated in Woodbury and Oakdale.



- The vacancy rate for market rate rental units in July 2007 was 4.2 percent, slightly higher than the vacancy rate of 4.0 percent for the Twin Cities Metropolitan Area.
- Average monthly rents at market rate developments in the county ranged from \$811 for one-bedroom units to \$1,284 for three-bedroom units.
- Slightly over 12,000 single-family and du/tri-plex homes did not apply for the homestead tax credit in the year 2005. This number is an indicator of the number of single-family or du/tri-plex homes that might be used as rental units.

Cities	Total Units	Market Rate			Total Units	Affordable		
		1 BR	2BR	3 BR		1 BR	2BR	3 BR
Cottage Grove	525	\$709	\$810	\$1,101	292	\$738	\$950	\$908
Forest Lake	440	\$665	\$784	\$926	214	\$583	\$721	\$782
Mahtomedi/ Grant	--	--	--	--	126	--	--	\$894
Oakdale	769	\$707	\$912	\$1,147	802	\$652	\$802	\$1,022
Stillwater	257	\$667	\$763	--	397	\$672	\$820	\$960
Woodbury	2,625	\$973	\$1,083	\$1,401	287	\$813	\$988	\$1,001
<b>Average</b>	<b>4,616</b>	<b>\$811</b>	<b>\$1,002</b>	<b>\$1,284</b>	<b>2,118</b>	<b>\$721</b>	<b>\$916</b>	<b>\$949</b>

Sources: Maxfield Research Inc.; Washington County HRA

### Affordable

Maxfield Research identified 2,118 rental units (see Table 7-4) as affordable to households with low- to moderate-incomes. Affordable developments can be classified as either “shallow” or “deep” subsidy developments. Table 7-5 shows the number of units and the vacancy rate by city for each classification. With a portfolio of 920 units, the HRA owns nearly half of the county’s total affordable rental units. The 2005–2009 Washington County Consolidated Plan identified an existing shortage of 9,193 units of affordable housing.

<b>Cities</b>	<b>Shallow Subsidy</b>			<b>Deep Subsidy</b>		
	<b>Total Units</b>	<b>Vacant</b>	<b>Vacancy Rate</b>	<b>Total Units</b>	<b>Vacant</b>	<b>Vacancy Rate</b>
Cottage Grove	242	51	21.0%	50	0	0%
Forest Lake	120	1	0.0%	94	0	0%
Mahtomedi	30	2	6.7%	96	0	0%
Oakdale	546	60	10.9%	256	0	0%
Stillwater	222	14	6.3%	175	0	0%
Woodbury	287	14	4.8%	0	0	0%
<b>Total</b>	<b>1,447</b>	<b>136</b>	<b>9.4%</b>	<b>671</b>	<b>0</b>	<b>0%</b>

Source: Maxfield Research Inc., Washington County HRA

Shallow subsidy developments have an average monthly rent of \$722 for one-bedroom units, \$933 for two bedroom units, and \$958 for three bedroom units. Deep subsidy rental developments base rent on 30 percent of the household's income with an income limit of 30 percent of area median income.

## For-Sale Market

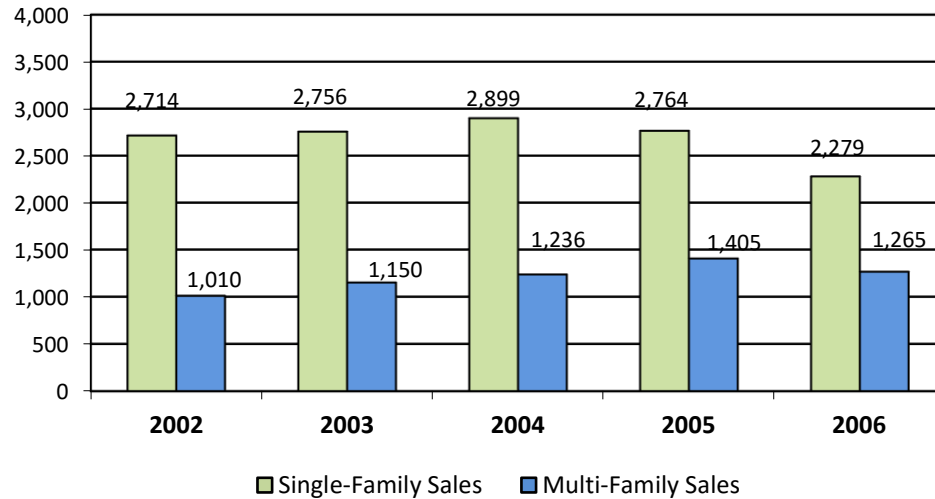
### Market Rate

Maxfield Research found the following trends in the for-sale housing market, including single-family homes, townhomes, and condominiums.

- The number of single-family home resales peaked in 2004 and then declined by 21 percent.
- The number of multi-family resales peaked in 2005 and then declined by 10 percent.



**Figure 7-3**  
**Annual Home Resales 2002 to 2006**  
**Washington County**



Source: Maxfield Research Inc., 2007

Table 7-6, Single-Family Homes Average Resale Price by Market Area, shows the following trends.

- The average resale price of single-family homes in Washington County increased by an average of 8 percent annually between 2002 and 2005; in 2006 the increase slowed to 0.8%.
- County wide, the average resale price peaked in 2006 and declined slightly since. Washington County data shows the decline in value continuing into 2009.
- The Southeast and Stillwater Area market areas continued to increase into 2007.
- The Hugo Market Area experienced the largest percent increase between 2002 and 2007.
- The Southeast Market Area experienced a significantly slower increase than all other markets.

**Table 7-6  
Single-Family Home Average Resale Price by Market Area - 2002 to 2007  
Washington County**

Market Areas	2002	2003	2004	2005	2006	2007*	Percent Change '02-'06	Percent Change '06-'07
Cottage Grove Area	\$201,849	\$214,739	\$236,259	\$257,736	\$262,081	\$234,596	30%	(12%)
Forest Lake Area	\$247,240	\$260,433	\$290,591	\$307,768	\$312,678	\$292,392	26%	(8%)
Hugo	\$259,894	\$300,220	\$326,217	\$384,439	\$383,343	\$347,875	47%	(9%)
Lake Elmo	\$392,767	\$411,473	\$447,788	\$459,755	\$514,284	\$506,220	31%	(2%)
Mahtomedi/Grant Area	\$388,427	\$403,558	\$423,548	\$453,876	\$471,303	\$413,926	21%	(12%)
Northeast	\$364,115	\$392,528	\$459,809	\$464,800	\$497,100	\$454,903	37%	(8%)
Oakdale Area	\$218,692	\$231,755	\$254,077	\$262,928	\$253,959	\$229,102	16%	(10%)
Southeast	\$389,376	\$400,476	\$449,270	\$430,732	\$400,052	\$403,415	2%	1%
Stillwater Area	\$274,659	\$315,780	\$315,772	\$343,132	\$347,854	\$381,746	27%	10%
Woodbury	\$306,196	\$330,487	\$368,228	\$391,779	\$389,967	\$384,075	27%	(2%)
<b>Countywide</b>	<b>\$277,473</b>	<b>\$295,529</b>	<b>\$322,344</b>	<b>\$344,117</b>	<b>\$347,033</b>	<b>\$345,777</b>	<b>25%</b>	<b>(1%)</b>
Year to Year Percent Change		+6.5%	+9.0%	+6.7%	+0.8%	-0.6%		

Source: Regional Multiple Listing Service, Maxfield Research Inc.

\* Data through August 2007.

Table 7-7 shows the multi-family resale price in Washington County by market area.

- The average resale price of condominiums/townhomes in Washington County increased from \$167,753 in 2002 to \$217,716 in 2006, an average of 7.5 percent annually.
- The average resale price peaked in 2006 and declined slightly during the first six months of 2007.
- The Cottage Grove Market Area experienced the largest increase.



**Table 7-7  
Multi-Family Home Average Resale Price by Market Area - 2002 to 2007  
Washington County**

Market Areas	2002	2003	2004	2005	2006	2007*	Percent Change '02-'06	Percent Change '06-'07
Cottage Grove Area	\$146,331	\$155,690	\$175,021	\$191,104	\$205,255	\$196,472	40%	-4%
Forest Lake Area	\$169,603	\$182,952	\$206,341	\$208,538	\$212,176	\$205,995	25%	-3%
Hugo	\$175,141	\$169,999	\$191,556	\$202,340	\$204,315	\$200,031	17%	-2%
Lake Elmo	--	--	--	--	--	--	N.A.	
Mahtomedi/ Grant Area	\$245,250	\$251,610	\$332,422	\$300,140	\$300,140	\$268,171	22%	-11%
Northeast	--	--	--	--	--	--	N.A.	
Oakdale Area	\$145,806	\$171,096	\$173,937	\$183,674	\$183,674	\$164,344	26%	-11%
Southeast	--	--	--	--	--	--	N.A.	
Stillwater Area	\$187,994	\$218,213	\$230,495	\$243,934	\$254,142	\$236,257	35%	-7%
Woodbury	\$172,641	\$183,680	\$199,174	\$215,560	\$226,510	\$218,091	31%	-4%
<b>Countywide</b>	<b>\$167,753</b>	<b>\$180,854</b>	<b>\$195,852</b>	<b>\$208,703</b>	<b>\$217,716</b>	<b>\$209,900</b>	<b>30%</b>	<b>-4%</b>
Year to Year Percent Change		+7.8%	+8.2%	+6.5%	+4.3%	-3.6%		

Source: Regional Multiple Listing Service, Maxfield Research Inc

\* Data through August 2007.

### Affordable

For the Twin Cities Metropolitan Area, the Metropolitan Council defines an affordable for-sale home as “housing that is affordable to buyers earning 80 percent of area median income, or a home priced at \$201,800 in 2006.” Data from the Regional Multiple Listing Services reveals that in 2006 only 263 single-family homes and 754 condominium/town homes sold (29 of all home sales) in Washington County met this definition. A majority of the single-family affordable homes were located in the Cottage Grove Area and a majority of the multi-family affordable homes were located in Woodbury.

### Foreclosures

The number of home foreclosures in Washington County increased from 170 in 2004 to 1,609 in 2008 (see Table 7-8).

<b>Year</b>	<b>Number</b>	<b>Percent Change</b>
2004	170	N.A.
2005	244	43.5%
2006	391	60.2%
2007	1,058	1.7%
2008	1,609	56.6%

Source: Washington County HRA, Washington County Sheriff's Department

The Cottage Grove Area and Woodbury markets had the most foreclosures, accounting for 43 percent of all foreclosures in 2007 and 41 percent in 2008 (see Table 7-9).

<b>Market Areas</b>	<b>2007</b>	<b>2008</b>
Cottage Grove Area	236	322
Forest Lake Area	105	249
Hugo	57	143
Lake Elmo	66	31
Mahtomedi/ Grant Area	35	85
Northeast	25	35
Oakdale Area	106	164
Southeast	34	47
Stillwater Area	170	195
Woodbury	224	338
<b>Countywide</b>	<b>1,058</b>	<b>1,609</b>

Source: Washington County HRA, Washington County Sheriff's Department

### Special Needs Housing

The 2007 Maxfield Study completed an analysis of two specialty markets, special needs and senior housing. Persons with disabilities or special needs are defined in the Maxfield Study as “persons with long-lasting physical, mental, or emotional condition.” The number of people who live in the county that have some form of disability and are not institutionalized is 9 percent or 20,073; this is lower than the state rate of 12 percent.



According to the Maxfield Study, Washington County has 487 beds that are used for housing people with disabilities; the study identified a need for 20,073 beds. Table 7-10 shows the beds by type and location.

- Adult foster care provides the greatest amount of housing for persons with disabilities. A majority of these facilities serve persons with developmental disabilities and mental illness.
- Overall housing options for disabled persons are dispersed throughout the county in relation to the county's population base.

<b>Table 7-10 Beds for Disabled Person by Community - July 2007 Washington County</b>					
Cities	Adult Foster Care	Semi-Independent Living Services	Residential Mental Illness	Residential Services	Waiver Services
Afton	10	0	0	0	0
Cottage Grove	90	0	0	0	1
Forest Lake	40	0	0	0	0
Hugo	19	0	0	0	1
Lake Elmo	0	0	1	6	0
Mahtomedi	2	0	0	0	0
Newport	0	0	0	6	0
Oak Park Heights	37	0	0	0	0
Oakdale	92	0	6	0	0
Scandia	22	0	0	0	0
St. Paul Park	10	0	0	0	0
Stillwater	19	0	5	6	0
Woodbury	113	0	0	0	1
<b>Countywide</b>	<b>454</b>	<b>0</b>	<b>12</b>	<b>18</b>	<b>3</b>

Source: MN Department of Human Services; Washington County HRA; Maxfield Research Inc.

### Senior Housing

Senior housing is the most common specialty housing group.

- Market-rate senior housing is a relatively new occurrence with a majority of the 1,632 units currently available having been built in the 1990s and early 2000s.
- Overall the market-rate senior housing developments in Washington County have vacancy rates of less than 7 percent.



- Market-rate senior housing is scattered throughout the county with only Cottage Grove having a low amount of senior housing relative to its population.
- Washington County has 1,061 of affordable senior housing units, of which the HRA owns 307 units.
- The overall vacancy rate in the affordable senior housing was 2 percent in August 2007, with nearly one-third of these vacancies at one Cottage Grove property.
- The affordable senior housing units are located in 10 communities throughout the county.

Cities	Market Rate	Affordable		
	Units	Shallow Subsidy	Deep Subsidy	Total
Cottage Grove	4	54	0	58
Forest Lake	48	72	92	212
Hugo	105	28	0	133
Oakdale	320	212	49	581
Stillwater	0	50	96	146
Woodbury	398	45	0	443
Mahtomedi	134	71	60	265
Oak Park Heights	453	96	0	549
Bayport	170	0	0	170
Scandia	0	40	0	40
St. Paul Park	0	18	0	18
Newport	0	0	78	78
<b>Countywide</b>	<b>1,632</b>	<b>686</b>	<b>375</b>	<b>2,693</b>

Source: Maxfield Research Inc.

## Housing Demand

Demand for housing, whether it is rental or for sale, can come from multiple sources including household and employment growth, changes in housing preferences, and replacement need. According to the 2007 Maxfield Study, a majority of the housing demand in Washington County will be primarily from household growth. The study estimates that between 2007 and 2030,



58,260 new households will locate in Washington County. Between 2007 - 2030, Washington County is projected to add 58,260 housing units, of which 8,900 (15 percent) will be rental and 49,360 (85 percent) will be homeownership.

### Rental Housing Demand 2007 to 2030

Table 7-12 and 7-13 show projected demand for senior and general occupancy rental housing by market area through 2030.

Market Areas	Affordable	Adult	Congregate	Assisted Living	Memory Care	Total
Stillwater	170	180	140	95	60	645
Woodbury	250	200	240	185	110	985
Cottage Grove Area	180	220	310	210	110	1,030
Forest Lake	110	140	220	140	75	685
Hugo	190	145	185	100	65	685
Lake Elmo	80	90	95	65	40	370
Mahtomedi Grant Area	20	15	10	10	5	60
Northeast Area	40	40	20	15	5	120
Oakdale Area	170	175	165	100	65	675
Southeast Area	40	50	30	15	10	145
<b>Countywide</b>	<b>1,250</b>	<b>1,255</b>	<b>1,415</b>	<b>935</b>	<b>545</b>	<b>5,400</b>

Source: Maxfield Research Inc.

Market Areas	Deep Subsidy	Shallow Subsidy	Market Rate	Total
Stillwater	20	80	120	220
Woodbury	105	285	790	1,180
Cottage Grove Area	75	185	445	705
Forest Lake	45	80	185	310
Hugo	30	105	140	275
Lake Elmo	65	160	350	575
Mahtomedi Grant Area	0	0	0	0
Northeast Area	0	10	10	20
Oakdale Area	20	65	110	195
Southeast Area	0	10	10	20
<b>Countywide</b>	<b>360</b>	<b>980</b>	<b>2,160</b>	<b>3,500</b>

Source: Maxfield Research Inc.

Below are key findings from the Maxfield Study regarding rental housing demand.

- Between 2007 and 2030, Washington County will need 5,400 units of rental senior housing and 3,500 units of general occupancy rental units to meet demand.
- Between 2007 and 2020, 46 percent of the rental demand will be for general occupancy units with the remaining 54 percent for senior units. In the years 2020 and 2030 the gap will continue to grow with senior units comprising 77 percent of the total demand for rental units by 2030.
- The majority of general occupancy rental demand between 2007 and 2030 will be in the county's employment centers in the western market areas such as Woodbury, Cottage Grove, and Lake Elmo.
- The demand for assisted senior housing is expected to increase significantly around the year 2020 when the first baby boomers begin turning 75.

For-Sale Housing Demand 2007 to 2030

The projected demand for for-sale housing from 2007 to 2030 is 49,360 units (see Table 7-14).

Market Areas	Single-Family			Multi-Family		
	Modest	Move-up	Executive	Modest	Move-up	Senior
Stillwater	78	1,020	408	515	434	230
Woodbury	513	3,111	2,338	2,802	2,407	345
Cottage Grove Area	307	4,674	1,158	3,211	1,864	380
Forest Lake	1,214	1,298	681	1,058	1,058	195
Hugo	1,045	3,218	1,100	2,449	2,087	210
Lake Elmo	0	1,208	2,607	712	364	105
Mahtomedi Grant Area	0	36	325	28	41	60
Northeast Area	0	129	840	26	21	45
Oakdale Area	0	85	24	322	193	195
Southeast Area	0	85	764	35	36	65
<b>Countywide</b>	<b>3,156</b>	<b>14,465</b>	<b>10,245</b>	<b>11,160</b>	<b>8,504</b>	<b>1,830</b>

Source: Maxfield Research Inc.



The Maxfield Study produced the following findings relative to the for-sale housing market in Washington County.

- Between 2007 and 2030, 85 percent of the overall housing demand will be for ownership housing.
- Ownership housing (particularly single-family homes) will account for an increasingly greater share of the single-family housing development throughout the Twin Cities Metropolitan Area because of the lack of developable land in the core of the area.
- Nearly 85 percent of the new single-family homes built between 2007 and 2020 will be move-up with an average price of \$325,000 to \$525,000 and executive homes with an average price over \$525,000. From the years 2020 to 2030, move-up and executive homes will account for nearly 95 percent of the new single-family housing supply.
- Of the 21,494 units of multi-family ownership demand between 2007 and 2030, 52 percent will be for modest priced units with a price below \$225,000, 40 percent will be for units that are move-up with prices above \$225,000, and the final 8 percent will be for senior only units.

#### Affordable Housing

The future demand for affordable housing will outstrip the supply of new affordable units. Opinions about the degree of the severity of the shortage vary (see Table 7-15). While the Maxfield Study projects a shortage of 1,340, the Metropolitan Council projects a shortage of over four times that amount. The *Next Decade Study* commissioned by Minnesota Housing projects a shortage of over three times the Maxfield number.

<b>Table 7-15</b>			
<b>Unmet Demand for Affordable Housing in Washington County</b>			
	<b>Next Decade Report 2003 to 2010<sup>1</sup></b>	<b>Metropolitan Council 2011 to 2020<sup>2</sup></b>	<b>Maxfield Study 2007 to 2020<sup>3</sup></b>
<b>Number of Units</b>	<b>4,414</b>	<b>5,791</b>	<b>1,340</b>

<sup>1</sup> Projected growth of low-income households minus the number of units expected to be produced by the private market along with the public and non-profit sectors.

<sup>2</sup> Roughly equal distribution of metro affordable housing need based on projected growth of low-income households minus number of units expected to be produced by the private market along with the public and non-profit sectors.

<sup>3</sup> Based on total projected household growth broken down by housing type based on Washington County market trends.

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### Special Needs

Affordable housing for special needs populations is, and will be, an ongoing issue in Washington County and the Twin Cities Metropolitan Area. The greatest unmet need in Washington County, according to the Maxfield Study, is transitional and permanent supportive housing for people with a severe mental illness or chemical addiction. The 2005–2009 Washington County Consolidated Plan reports an unmet housing need for 100 people who suffer from severe mental illness and another 100 people who suffer with chemical addiction issues. The Maxfield Study recommends a 4-8 unit transitional housing facility be developed for families suffering from chemical addiction. The study also recommends constructing an 8-12 unit permanent supportive housing development for people with severe and persistent mental illness.



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## Housing Plan

Washington County implements a variety of initiatives in an effort to help create and promote affordable housing.

Since 2001, Washington County has received approximately \$800,000 annually through the federal Community Development Block Grant Program (CDBG) for public service related activities and housing. The intent of the program is to increase the supply of decent affordable housing for low-and very-low income households. Every five years the county prepares a consolidated plan that sets the policy framework for use of federal housing and community development grant funds. The policies and strategies in this chapter are consistent with the 2010 – 2014 Consolidated Plan. In 2001, Washington County used CDBG funds to establish the Washington County Owner-Occupied Rehabilitation Program to assist low-income homeowners fix up the existing housing stock. The county appropriates approximately \$1,000,000 annually from CDBG funds for the program.

Since 1994, Washington County has received approximately \$275,000 annually through the federal HOME Investment Partnership Program (HOME). The county uses these funds to assist rental and homebuyer housing providers for low- to moderate-income households.

The Washington County Housing and Redevelopment Authority (HRA) promotes affordable and life cycle housing in Washington County through activities such as GAP Financing for Rental and Owner-Occupied Housing in Washington County (GROW Fund), tax-exempt housing revenue bonds, tax increment financing, low-income housing tax credits, and rental assistance programs (e.g. Section 8, Shelter + Care, Bridges).

Through the Minnesota Housing Finance Agency, Washington County offers Minnesota Mortgage Program first-time homebuyer funds to assist low- and moderate-income households purchase eligible homes. The program offers affordable, low interest loans.

# Goal 7-1

## Goals and Policies

Maintain a choice of housing type and encourage the development of mixed-income residential environments.

### Policies:

- 7-1: Effectively provide a variety of programs and financing options to assist low- and moderate-income and special needs populations with housing.
- 7-2: Support scattered-site, affordable housing, particularly in existing single-family homes.
- 7-3: Within each community, provide services such as homebuyer and foreclosure prevention counseling to help maintain families in their homes.
- 7-4: Continually assess the extent that vulnerable populations, such as seniors and people experiencing mental illness, have essential services and are under housed.
- 7-5: Broadly distribute affordable housing throughout the county. Encourage communities to provide affordable housing to low- and moderate-income families, consistent with the financial capabilities of the local communities and the county to support such housing.
- 7-6: Encourage affordable housing to be located near necessary support amenities such as schools, shopping, transportation (including transit), employment, and public services.
- 7-7: Encourage communities to remove barriers that unnecessarily increase the cost of housing, while maintaining health and safety standards.
- 7-8: Encourage programs aimed at preventing homelessness.
- 7-9: Advocate for additional rental assistance funding for Section 8 and Bridges programs.



## Goal 7-2

Maintain and improve the current housing stock.

Policies:

- 7-10: Promote and monitor the use of appropriate housing codes to meet minimum requirements for the protection of life, limb, health, property, safety and welfare of the owners and occupants of residential buildings.
- 7-11: Encourage rehabilitation of homes in all communities.
- 7-12: Assist communities to quickly identify abandoned foreclosed properties to minimize health, safety, and property value impacts on neighborhoods.
- 7-13: Encourage private and non-profit developers to purchase and rehabilitate foreclosed properties so that neighborhood property value isn't affected.
- 7-14: Encourage "green" or energy efficient construction practices that utilize renewable energy sources and building materials, where cost-effective.



# Goal 7-1

## Implementation

The implementation section identifies the various activities and resources that Washington County or the Washington County HRA will utilize in an effort to meet the goals and objectives of the housing plan.

### Strategies

Maintain a choice of housing type and encourage the development of mixed-income residential environments.

Policy 7-1: Effectively provide a variety of programs and financing options to assist low- and moderate-income and special needs populations with housing.

#### Implementation Strategies

- Continue to use the following financing programs to create affordable rental and homeownership units:
  - Community Development Block Grant (CDBG)
  - Home Investment Partnership Program (HOME)
  - Section 108 Loan Guarantee Program
  - Gap financing for Rental and Ownership housing in Washington County (GROW)
  - HRA First-Time Homebuyer Mortgage Program
- In addition to using local resources in developing affordable housing, Washington County will continue to pursue additional funding sources provided by agencies such as Minnesota Housing, Metropolitan Council, and the Department of Housing and Urban Development.

Policy 7-2: Support scattered-site, affordable housing, particularly in existing single-family homes.

#### Implementation Strategies

- Support Minnesota Housing’s provision of first-time homebuyer programs within Washington County.



- Continue the Washington County HRA's First Mortgage Program.

*Policy 7-3: Within each community, provide services such as homebuyer and foreclosure prevention counseling to help maintain families in their homes.*

#### **Implementation Strategies**

- Encourage the Washington County HRA to continue to coordinate homebuyer education courses, such as Homestretch, to help citizens who rent to make an informed and smooth transition to homeownership.
- Support self-sufficiency programs, such as Housing 101, budget counseling, and the Workforce Center, which assist families and individuals with training and educational opportunities.
- Support the Washington County HRA's effort to minimize foreclosures within Washington County through the Foreclosure Prevention Counseling Program.

*Policy 7-4: Continually assess the extent that vulnerable populations, such as seniors and people experiencing mental illness, have essential services and are under housed.*

#### **Implementation Strategies**

- Periodically review the extent that vulnerable populations are under housed.
- Assess in the five year consolidated planning process to what extent vulnerable populations are under housed.
- Continue to support the HRA's role in housing these vulnerable populations through the Shelter Plus Care and Bridges Rental Assistance program.

*Policy 7-5: Broadly distribute affordable housing throughout the county. Encourage communities to provide affordable housing to low- and moderate-income families, consistent with the financial capabilities of the local communities and the county to support such housing.*

#### **Implementation Strategies**

- Use CDBG and HOME funds to ensure that affordable housing is developed in all areas of the county.

- Support the provision of HRA-administered rental assistance voucher programs, such as Section 8, Bridges, and Shelter Plus Care, thus allowing for affordable housing to be available county wide.

Policy 7-6: Encourage affordable housing to be located near necessary support amenities such as schools, shopping, transportation (including transit), employment, and public services.

#### **Implementation Strategies**

- Through the allocation of affordable housing development funds, encourage affordable developments to be located near essential public services.

Policy 7-7: Encourage communities to remove barriers that unnecessarily increase the cost of housing, while maintaining health and safety standards.

#### **Implementation Strategies**

- Encourage local governments through the CDBG allocation process to allow private developers to build housing at higher densities that is supportive to affordable housing.
- Continue to update cities on possible changes to their zoning codes that could help develop new affordable housing.

Policy 7-8: Encourage programs aimed at preventing homelessness.

#### **Implementation Strategies:**

- Work in partnership with the U.S. Department of Housing and Urban Development and Minnesota Housing (the state's affordable housing finance agency) to create a ten-year plan to end/prevent homelessness in Washington County.
- Continue to apply for Family Homeless and Assistance Program (FHPAP) funds from Minnesota Housing to fund programs aimed at preventing homelessness.

Policy 7-9: Advocate for additional rental assistance funding for Section 8 and Bridges programs.



## Goal 7-2

Maintain and improve the current housing stock.

Policy 7-10: Promote and monitor the use of appropriate housing codes to meet minimum requirements for the protection of life, limb, health, property, safety and welfare of the owners and occupants of residential buildings.

### **Implementation Strategies**

- Ensure that all projects using CDBG and HOME funds meet minimum housing codes.
- Encourage income-qualified households to access the Washington County Owner-Occupied Rehabilitation Program to complete repairs that bring their homes to code.
- Continue to provide inspection services that are designed to improve the quality of a household's water and air.
- Continue to amend Washington County's development code as needed to protect the health and safety of Washington County residents.

Policy 7-11: Encourage rehabilitation of homes in all communities.

### **Implementation Strategies**

- Continue to use CDBG funds to fund the Washington County Owner-Occupied Rehabilitation Program offering 0 percent interest loans to qualified households.
- Inform and encourage Washington County citizens to access Minnesota Housing's Owner-Occupied Rehabilitation Program.

Policy 7-12: Assist communities to quickly identify abandoned foreclosed properties to minimize health, safety, and property value impacts on neighborhoods.

### **Implementation Strategies**

- Continue to use Washington County data to update cities on homes going through foreclosure.

Policy 7-13: Encourage private and non-profit developers to purchase and rehabilitate foreclosed properties so that neighborhood property value isn't affected.

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### **Implementation Strategies**

- Work with the Washington County HRA and private and non-profit developers to coordinate state and federal funding applications to bring additional affordable housing units to Washington County through the purchase and rehabilitation of foreclosed properties.

Policy 7-14: Encourage “green” or energy efficient construction practices that utilize renewable energy sources and building materials, where cost-effective.

### **Implementation Strategies**

- Support non-profit organizations that administer weatherization and energy grants from state and federal government.
- Continue to make energy efficiency a priority in the use of housing development funds.

### **Priority Actions**

1. Complete the 2010 to 2014 Consolidated Plan for Community Development Block Grant and Home Investment Partnerships program.
2. Continue the partnership between Washington County and the Washington County HRA to address issues related to foreclosed upon homes in the county.
3. Apply for federal, state, and regional funds for developing affordable life cycle housing including senior and special needs populations.
4. Work with the Department of Housing and Urban Development to acquire additional Housing Choice Vouchers for Washington County households.
5. Continue funding the county’s Owner-Occupied Rehabilitation Program.