



Chelan & Douglas Counties: Housing Needs Market Study

A report for The Housing Authority of Chelan County
and the City of Wenatchee in 2022

By Points Consulting



Table of Contents

1. Project Background.....	2
2. Executive Summary	4
Considerations for Addressing Affordability Challenges	6
Summary of Key Trends	8
3. Demographic & Socioeconomic Trends.....	13
Current & Projected Population Trends.....	13
Underserved Populations	26
Community Tapestries	33
Economic Drivers.....	38
4. Housing Trends.....	41
Existing Housing Stock.....	41
New Housing Production.....	44
Home Value Trends.....	49
Short-Term Rentals	58
First-Time Home Buyers.....	59
Housing Affordability.....	62
5. Regional Contextual Overview.....	79
Appendix A: Detailed Data.....	78
Appendix B: About Points Consulting	98

1. Project Background

In recent years, the Washington State Housing Finance Commission and the state's Department of Commerce have funded construction or rehab of over 1,000 affordable housing units, and provided grants to 52 communities to help fund city code changes, zoning changes, and housing plans to boost residential capacity in urban areas and ease the regulatory burden for development. Reports by Washington Commerce's Affordable Housing Response Team and the Washington State Housing Trust Fund agree that a major goal for local governments should be to increase the diversity of types of housing available, and to make it easier for permitting, zoning, construction, and financing of attached or detached accessory dwelling units (ADUs), duplexes, three-to-four-unit apartment buildings, townhomes, farmworker housing, cottages, and multiple bedroom apartment units.

These aims line up with the most prominent housing issues in Chelan and Douglas counties. Historically, their economies were more agricultural and tourism-based, but parts are now transitioning to more economically diverse and semi-urban environments. Therefore, the timing is right for reconsidering existing planning and zoning policies, and even considering upping incentives for affordable and workforce housing development.

In this study, Points Consulting (PC) provides an overview of housing conditions in Chelan and Douglas counties, with particular focus on low and moderate-income audiences. The report touches on demographic and economic characteristics, housing stock and recent production trends, home values and rent costs, and affordability levels. Throughout the analysis we focus on identifying trends among the highest need cohorts, in particular: Veterans, homeless, disabled populations, seniors, and farmworkers. Wherever possible we seek to present information at the community level, but in some cases where data are not available, they are aggregated to the county level. The primary communities that are analyzed are displayed in Figure 1 on the following page.

The report is organized as follows:

- **Chapter 2: Executive Summary:** key highlights from the assessment, along with recommendation, and housing needs projections over 5, 10, and 15-year periods
- **Chapter 3: Demographic and Socioeconomic Trends:** overview of underlying socioeconomics affecting housing demand and affordability characteristics
- **Chapter 4: Housing Opportunities:** overview of housing for both owners and renters, including affordability dynamics
- **Chapter 5: Regional Contextual Overview:** background of literature and other materials reviewed in the course of this analysis.
- **Appendices:** supportive quantitative and qualitative material

Figure 1: Key Communities Analyzed within Chelan & Douglas Counties



2. Executive Summary

The following findings are collected from the body of this report and organized by several key themes. Further details on these metrics and findings are contained in the body of the report.

Demographics & Labor Market

- Communities in North Central Washington are all over the scale in terms of jobs-to-housing ratio. Communities too high in this ratio could experience talent shortages in the long-run and may lack certain community assets that would attract residents. These communities include Bridgeport, Dryden, Malaga, Waterville, and Rock Island. Communities low in jobs-to-housing ratio are typically more expensive or remote, and may have difficulty retaining service workers due to long commute times: Chelan, Manson, Leavenworth, Orondo, and Mansfield.
- North Central Washington is uniquely diverse for a predominantly rural area, with high proportions of Hispanics (or Latinos) throughout (29% in Chelan County, and 33% in Douglas County), and certain communities with high proportions of American Indian/Alaska Natives, and "Some Other Race." Race/ethnicity designations are significant as they correlate highly with housing occupancy, multi-generational residency, and household income levels, all of which are significant for housing development planning.
- Age distribution varies greatly in the region as well. Communities such as Wenatchee and East Wenatchee are younger, whereas communities such as Orondo, Manson, and Chelan tend to host older populations. The unique blend of those older than 55 and younger than 35 presents an opportunity for encouraging housing density, as both audiences have proven to be amenable to living in more dense environments.
- The economies of Chelan and Douglas counties have largely performed well over the past ten-years, expanding in terms of jobs, wages, and business establishments. In each of these categories, the two counties exceeded national benchmarks, though trailed Washington state-level trends.

At-Risk Populations

- Underserved populations exist throughout North Central Washington. Those with disabilities are concentrated in areas with a more elderly population (e.g., Malaga, Mansfield, and Cashmere, for example). The largest sector of extremely low-income households classified as "elderly, living alone," which composes a total of 4% of households in the region.
- Although poverty is lower than average in the region, families and "female householders, with no spouse present" are the most common groups in poverty. Douglas County is slightly more likely than Chelan to host large families (i.e., five or more persons) that are low-income.

- When taking into account both homeless and unstably housed persons, Chelan County has a similar rate to the rest of the state, at 1.6%. Douglas County is lower at 0.7%. The majority of homeless or unstably housed are adults without minors, followed by single parents with minors, then two parents with minors. Chelan ranks 20th in Washington in terms of per capita homelessness, whereas Douglas County ranks 37th.
- There are roughly 1,200 publicly subsidized housing units in North Central Washington, 60% of which are in Wenatchee or East Wenatchee. Given the circumstances, the communities with the most outstanding need for affordable housing appear to be Cashmere, Manson, Bridgeport, Wenatchee, and Leavenworth, in that order.
- Housing cost-burdened households spend 30% or greater of their income on housing. Each of the following communities has 25%+ of all households in this situation: Wenatchee, Cashmere, East Wenatchee, and Rock Island.

Owned Homes

- Nearly all communities in North Central Washington exceed statewide benchmarks in terms of median home value to median household income. Markets most unaffordable in relation residents' income include Manson, Orondo, Chelan, Peshastin, and Leavenworth. Communities that are comparable or more affordable than Washington include Bridgeport, Waterville, Mansfield, Dryden and Malaga.
- Home values in North Central Washington are highly concentrated within a narrow range of values, typically \$300K to \$400K. This creates issues at both ends of the cost spectrum. The lack of inventory for lower-cost homes prevents middle-income families from becoming homeowners. The lack of inventory at higher-levels freezes households who would otherwise sell and move up to more luxury homes. The cities of Chelan, Manson, and Leavenworth are the most top-heavy. Wenatchee, Cashmere, Rock Island, and Peshastin are the most diverse in terms of home values, which at least provides some liquidity in the market for households to seek out more optimal options.
- First-time home buyers are some of the most challenged audiences in North Central Washington. According to a 2022 first-time homebuyer index, Chelan ranked 8th worst among Washington's 39 counties, and Douglas County ranked 13th. Chelan was on par with King County, and Douglas on par with Spokane and Peirce counties.
- Housing production was highest in North Central Washington in 2006/07, just prior to the Great Recession. Though home building increased steadily between 2011 and 2020, it has not kept pace with demand. The pent-up demand between 2016 and 2021 has been a primary contributor to home price inflation.

Rented Homes

- Short-term rentals (STRs) are playing an increasingly influential role in the housing market of North Central Washington. The most impacted community is Leavenworth, where an estimated 81% of homes are used as STRs. Other significant contributors include Manson (49%) and Chelan (30%).
- Rentals are more commonly accepted in North Central Washington than is typical for similarly sized, non-urban environments. Rentals serve as 37% and 32% of housing stock, respectively, for Chelan and Douglas counties. Geographic constraints, industry structure, and cost pressures have resulted in a fairly mature rental market in towns such as Wenatchee and East Wenatchee. Density levels are mixed, but in recent years 50+ unit apartments have been the most common form of multi-family development.
- After several years of flat growth in rental costs, in 2021 landlords pushed rental costs upward throughout Chelan and Douglas counties. One-bedroom units increased 13.5% to an average of \$1,254. Two-bedroom units increased 18.9% to \$1,629. In Chelan County, renters are paying roughly 26% of household income for rent. In Douglas County, the percentage is 25%.


Considerations for Addressing Affordability Challenges

Though not an exhaustive list PC is providing the following list of considerations for local leaders when determining how to build in more resiliency and diversity into the various housing markets in Chelan and Douglas counties.

Workforce housing for those in the 60% to 120% of area median income (AMI), who are not eligible for subsidized housing and who cannot afford standard market rate homes. This can be addressed through programs such as the SHARE Community Land Trust, and COMMON GROUND Community Housing Trust. Part of this solution also involves more frequent usage of medium-density housing with intentionally more permissible lot dimension and set-back standards, which can be developed at in-fill locations.

In semi-urban but largely rural areas such as Chelan and Douglas Counties, part of the market response for such units also involves the conversion of large single-family homes into rentals with multiple units, within appropriate higher density locations.

Independent living for those in the 65+ age range who want to remain in North Central Washington but do not want to bear the responsibility of caring for aging homes and large properties. An ideal development would have unit mix suited for those of varying income levels, with differentiation by size, amenities, and location within the neighborhood.



Manufactured Home Communities (MHCs) Though they have been stigmatized for several generations, they remain the most prevalent and effective form of non-subsidized affordable housing in the country. Some municipalities are considering relaxing ordinances that block the development and expansion of MHCs. Likewise, proactive planners are considering ordinances that encourage the conversion of MHCs to similarly high-density tiny home villages. There are at least 28 MHCs in Wenatchee and 12 in East Wenatchee, and the county's existing housing stock is 10% and 17% manufactured homes, as it is.

Subsidized Affordable Housing is in demand throughout the region, though it is less commonly provided in smaller communities. When subsidized units are developed, the sister issues of mental health, substance abuse, and domestic violence also need to be addressed. Though a critical aspect of the housing ecosystem, such units must also account for surrounding land usage, and ensure comfortability with neighbors of the scope each facility, including the type of tenants to be served.

Medium Density Multifamily Housing Much of Washington Commerce's recent legislation is designed to incentivize and ease restrictions on the development and maintenance of higher density housing, especially that which is partially or fully set aside for lower-income households. Tools such as the Multifamily Tax Exemption are available for communities of virtually any size. Such developments also cut down on other costs for residents as they are in closer geographic proximity to retail, healthcare services, and public transit lines.

Summary of Key Trends

Tables 1 and 2 summarize socioeconomic factors most relevant to housing within the most populous communities in Chelan and Douglas counties, while comparing to Washington and the United States. Historically, Wenatchee and East Wenatchee have received the majority of housing and economic development attention, as they account for 40% of the region's total population and nearly half of the region's daytime population. Recent demographic shifts, however, indicate that smaller towns and unincorporated areas are experiencing higher population and housing growth. Wenatchee and East Wenatchee still serve as the commercial centers, involving a mix of all forms of industry that are rapidly diversifying.

Outside of these two cities, there are three types of communities in the region. Each of these groups share similarities in terms of core demographics but are fairly distinct from one another.

- Agriculturally heavy communities surrounding the Columbia River (e.g., Bridgeport, Orondo, Entiat, etc.)
- Resort and tourism heavy communities (e.g., Chelan, Manson, Leavenworth, etc.), and
- Rural areas filling in the rest of the counties (e.g., Mansfield, Waterville, etc.)

Most communities have projected population growth rates in the range of 1.0% to 1.3% per year, which is in line with Washington state in general. Outliers include Cashmere on the low end (0.6%), and Orondo on the high end (2.5%). Wenatchee and East Wenatchee are interesting in they are both younger and lower income than Washington and the US, but at the same time, median home values are far higher than the national average. Bridgeport, Orondo, and Rock Island are high in Hispanic population, higher in occupancy per household, host many multi-generational households, and are generally lower in terms of median age and household income. On the other end of the scale, Leavenworth, Mansfield, Chelan, and Waterville are lower in occupancy per household, higher in income, and highest in median age.

These socioeconomic characteristics shape existing stock and the future housing needs of North Central Washington. In coming years, there will continue to be many competing land-use interests, including farms/ranches/orchards, high-end and low-density residential, farmworker housing, vacation rentals, workforce housing, and some degree of urban higher-density housing. Communities bordering the Columbia River will continue to experience a clash of interests in retaining agricultural heritage while allowing space for western Washington in-migration, and affordable housing for farmworkers and service workers. At the same time, in communities where aging-in-place is common, it portends potential changes in the local housing market over the next 10 - 20 years, as those older residents begin to pass away and their residences re-enter the market.

The topic of employment is addressed in additional detail later in this report, but some insight can be gleaned from the jobs-to-housing ratio (shown in Table 1). A reference range that many experts cite as a healthy ratio is 0.75 - 1.5 jobs for each housing unit. Areas that are higher typically serve as magnets for surrounding communities, and areas that are lower are typically "bedroom communities" for other nearby towns. Fortunately, most communities in

the region are within the margins considered healthy, but a few are on the higher and lower ends of the scale.

Table 1: Key Socioeconomic Statistics for Cities in Chelan & Douglas Counties

Area	2021 Population	Projected Growth 2021 - 2026	2021 Daytime Population	Average Household Size	Jobs to Housing Ratio	Median Age
---Chelan County---						
Wenatchee	35,525	0.8%	43,002	2.54	1.1	36.5
Chelan	4,480	1.2%	5,817	2.41	0.7	45.4
Cashmere	3,296	0.6%	3,358	2.63	1.1	39.3
Malaga	2,351	1.0%	1,854	2.86	1.4	42.2
Leavenworth	2,187	1.0%	3,317	2.18	0.8	47.9
Peshastin	1,925	1.4%	2,028	2.56	1.0	43.2
Manson	1,817	1.4%	1,638	2.62	0.7	43.6
Entiat	1,283	1.3%	1,219	2.66	1.0	41.7
Monitor	341	1.0%	367	2.89	1.3	39.1
Dryden	88	1.1%	73	3.26	1.4	42.0
---Douglas County---						
East Wenatchee	14,414	0.9%	14,687	2.64	1.2	35.9
Bridgeport	2,753	1.2%	7,156	3.65	1.6	27.2
Orondo	2,888	2.5%	2,289	3.11	0.8	37.1
Waterville	1,274	1.1%	1,201	2.51	1.3	45.9
Rock Island	1,059	1.7%	735	3.03	1.3	37.3
Mansfield	577	1.4%	477	2.19	0.8	50.8
---Regions---						
Chelan County	79,742	1.0%	84,218	2.58	1.0	40.5

Douglas County	44,500	1.3%	39,494	2.77	1.1	38.0
Washington State	7.8M	1.3%	7.7M	2.52	1.2	38.9
United States	334.0M	0.7%	332.1M	2.58	1.1	38.8

Sources: Esri Business Analyst 2021, U.S. Census DP04 2020 5-Year

Communities on the higher-end of the jobs-to-housing range should be concerned with the long-term viability of recruiting and retaining workforce for both service industries and agriculture. These communities may either be facing physical constraints to housing development or are lacking community amenities that would cause households to live there. Factors such as commute times, fuel costs, and public transit availability all also factor into this equation. Such communities include Bridgeport (1.6), Dryden (1.4), Malaga (1.4), Waterville (1.3) and Rock Island (1.3). Communities on the lower end of the scale are more separated from employment and services, which necessarily results in higher transportation and housing costs. Communities in this group include Chelan (0.7), Manson (0.7), Leavenworth (0.8), Orondo (0.8) and Mansfield (0.8).

Table 2: Key Housing Statistics for Cities in Chelan & Douglas Counties

Area	Housing Units	Median Household Income	Median Home Value	Income to Home Value Ratio	Home-owner Vacancy Rate	Renter Occupied Percentage
---Chelan County---						
Wenatchee	14,646	\$55,474	\$352,455	6.6	0.5%	44.5%
Chelan	2,906	\$57,620	\$495,796	6.4	0.0%	42.1%
Cashmere	1,302	\$55,410	\$350,631	8.6	0.0%	43.9%
Malaga	888	\$65,583	\$385,366	7.4	-	-
Leavenworth	1,358	\$62,289	\$461,932	6.3	0.0%	40.4%
Peshastin	902	\$59,442	\$442,908	9.0	-	-
Manson CDP	1,144	\$54,939	\$494,558	7.5	3.7%	28.2%
Entiat	567	\$58,848	\$359,756	5.9	0.0%	28.4%
Monitor	127	\$69,431	\$447,059	6.1	-	-
Dryden	29	\$65,390	\$361,538	6.4	-	-
---Douglas County---						

East Wenatchee	5,664	\$60,206	\$363,648	5.9	1.90%	40.7%
Bridgeport	813	\$48,343	\$91,667	6.0	-	-
Orondo	1,913	\$55,272	\$485,821	8.8	-	-
Waterville	526	\$61,200	\$286,667	1.9	2.2%	19.4%
Rock Island	363	\$54,654	\$362,000	4.7	2.0%	20.5%
Mansfield	311	\$59,571	\$280,263	6.6	0.0%	37.4%
---Regions---						
Chelan County	39,775	\$59,709	\$392,418	6.6	0.7%	28.9%
Douglas County	18,297	\$62,991	\$373,154	5.9	1.3%	27.7%
Washington State	3.3M	\$78,111	\$433,917	5.6	0.9%	31.8%
United States	142.9M	\$64,730	\$264,021	4.1	1.4%	31.2%

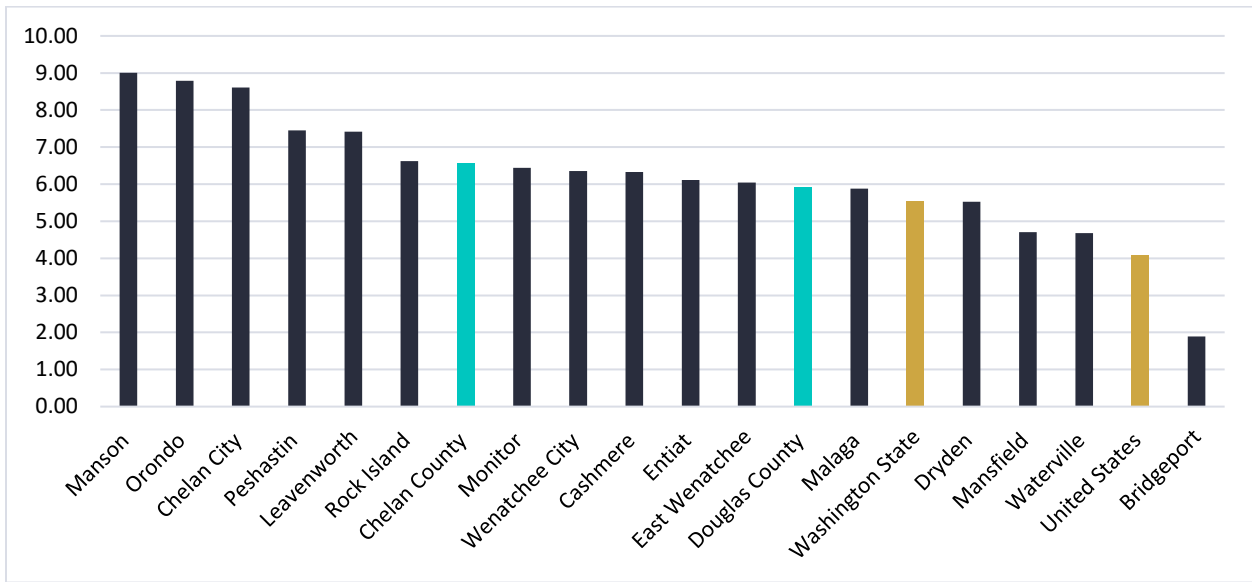
Sources: Esri Business Analyst 2021, Esri Business Analyst Community Profiles, & US Census DP04 2020 5-Year

Table 2 indicates a handful of noteworthy statistics that tie together housing and residents' income. Not surprisingly, communities with the highest cost-pressures tend to be among the those with notably low jobs to housing ratios, and a relatively low number of housing units. All of the following communities possess median home values above the statewide benchmark: Chelan, Manson, Orondo, Leavenworth, Monitor, and Peshastin. Taking into consideration the household income within these communities, most of the remaining cities are also in challenging circumstances in terms of affordability. A simple ratio of median household income to median home value indicates the level of costliness in each market. Nearly all communities in the region are above the statewide benchmark of 5.6.¹ Despite these elevated costs, homeowner vacancy rates indicate that there is little unused supply in any of these communities.

There is one encouraging signal on the affordability front within this data set: most communities in the region possess renter-occupied percentages that are far higher than national and state benchmarks. Most notably, this includes Wenatchee at 44.5%, and East Wenatchee at 40.7%. Achieving residents' acceptance of "rentals" in towns fewer than 50,000 can often be challenging. The unique labor market conditions of North Central Washington seem to incentivize residents and landlords to utilize housing as rentals to a far higher degree than what is normal in other non-urban environments.

Figure 2: Ratio of Median Home Value to Median Household Income, 2021

¹ Exceptions include Dryden, Mansfield, Waterville, and Bridgeport.



Source: Points Consulting using US Census 5-Year Estimates & US Census

3. Demographic & Socioeconomic Trends

Current & Projected Population Trends

Population and demographics are a natural starting point for an assessment of housing needs, particularly given the context of Washington State among the top ten for fastest growing states over the past decade.² Both Chelan and Douglas Counties have experienced population growth over the past eleven years, with Douglas County closely matching the state’s growth rate. Table 3 below details how each county grew from 2010 to 2021, along with select cities within each county. Wenatchee–Chelan County’s most populous community–saw the largest numerical increase in its population from 2010-2021, but the largest percentage increase occurred in Manson, where the population increased 23.8%. Douglas County’s largest city (East Wenatchee) also had the highest increase in terms of raw numbers, but Orondo had the highest percentage increase, with a sizeable growth rate of 56.2%.

Chelan and Douglas Counties both climbed one spot in the county population rankings for the state in the period between 2010 and 2021, ranking 17th and 27th respectively. However, some of the individual cities within these counties decreased in the rankings, with Cashmere going down three spots, and Bridgeport moving down 11 spots. On the other hand, Rock Island went up 21 spots in the rankings during this period, the largest movement among cities in the region. Not included among these rankings are the unincorporated areas of Chelan and Douglas counties, which also experienced considerable growth.

Table 3: Population Change, 2010-2021

Area	2010 Population	2021 Population	Numerical Change	% Change
---Chelan County---				
Wenatchee City	32,882	35,525	2,643	8.0%
Chelan City	3,945	4,480	535	13.6%
Cashmere	3,151	3,296	145	4.6%
Malaga	2,126	2,351	225	10.6%
Leavenworth	1,976	2,187	211	10.7%
Peshastin	1,657	1,925	268	16.2%
Manson CDP	1,468	1,817	349	23.8%

² Population Growth Sputters in Midwestern, Eastern States. A. Fall, M. Maynard, & B. Rosewicz (2021). <https://www.pewtrusts.org/en/research-and-analysis/articles/2021/07/27/population-growth-sputters-in-midwestern-eastern-states>

Entiat	1,112	1,283	171	15.4%
Monitor	312	341	29	9.3%
Dryden	80	88	8	10.0%
---Douglas County---				
East Wenatchee	13,190	14,414	1,224	9.3%
Bridgeport	2,409	2,753	344	14.3%
Orondo	1,849	2,888	1,039	56.2%
Waterville	1,138	1,274	136	12.0%
Rock Island	849	1,059	210	24.7%
Mansfield	489	577	88	18.0%
Chelan County	72,453	79,742	7,289	10.1%
Douglas County	38,431	44,500	6,069	15.8%
Washington State (M)	6.7	7.8	1.1	16.0%
US (M)	308.7	334.0	25.2	8.2%

Source: Points Consulting using Esri Business Analyst and Washington Office of Financial Management, 2021

Table 4: Change in Rank by Population, 2010-2021

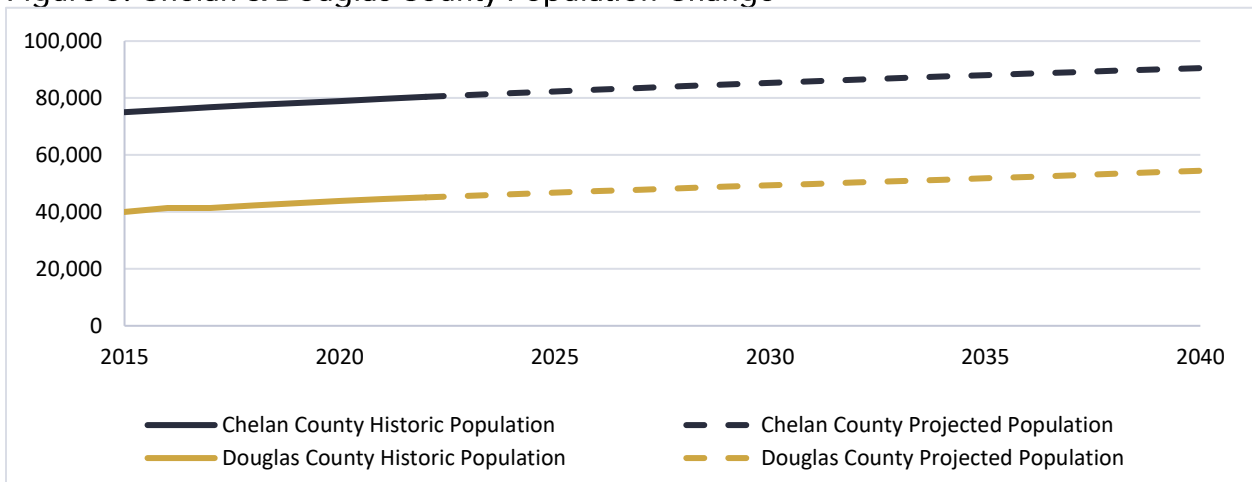
City	2010 Rank by Population Size	2021 Rank by Population Size	Change in Rank
---Chelan County---			
Wenatchee	32	34	(2)
Chelan	128	129	(1)
Cashmere	136	139	(3)
Leavenworth	162	157	5
Entiat	193	188	5
---Douglas County---			

East Wenatchee	65	70	(5)
Bridgeport	151	162	(11)
Rock Island	211	190	21
Waterville	191	195	(4)
Mansfield	248	250	(2)
Chelan County	18	17	1
Douglas County	26	25	1

Source: Washington Office of Financial Management

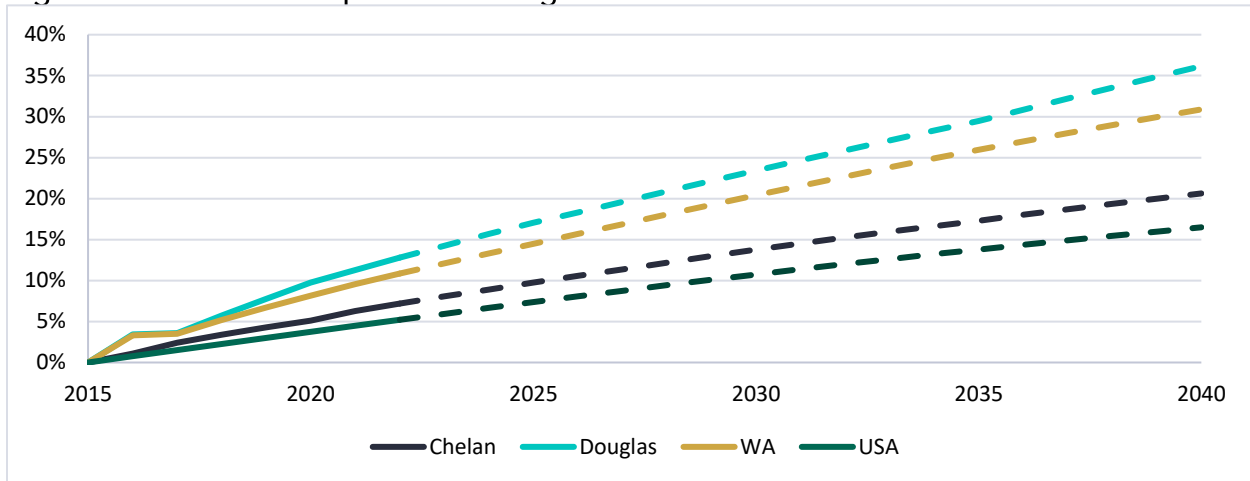
As Figures 3 and 4 show, according to forecasts carried out by the Washington Office of Financial Management, Chelan and Douglas Counties have both grown at a steady rate since 2015 and are expected to maintain this upward trajectory until 2040, with Douglas County slightly outpacing the growth rate for the state. In the short-term, both counties are expected to continue growing at a faster rate than the US, with Douglas County projected to grow the most. These counties together are expected to add around 20K residents to their total population over the next 20 years.

Figure 3: Chelan & Douglas County Population Change



Source: Washington Office of Financial Management, 2022

Figure 4: Cumulative Population Change: 2015-2040



Source: Washington Office of Financial Management and US Census Bureau, 2022

Table 5: Population Growth over Time in Chelan and Douglas Counties³

Region	CAGR Past 10 Years	CAGR Past 5 Years	2020 Population	CAGR 5-yr	CAGR 9-Yrs
Chelan County	0.81%	1.00%	78,868	0.86%	0.79%
Douglas County	1.31%	1.88%	43,883	1.30%	1.18%
Washington State	1.25%	1.58%	7.6M	1.14%	1.08%
US	0.71%	0.69%	331.8M	0.73%	0.69%

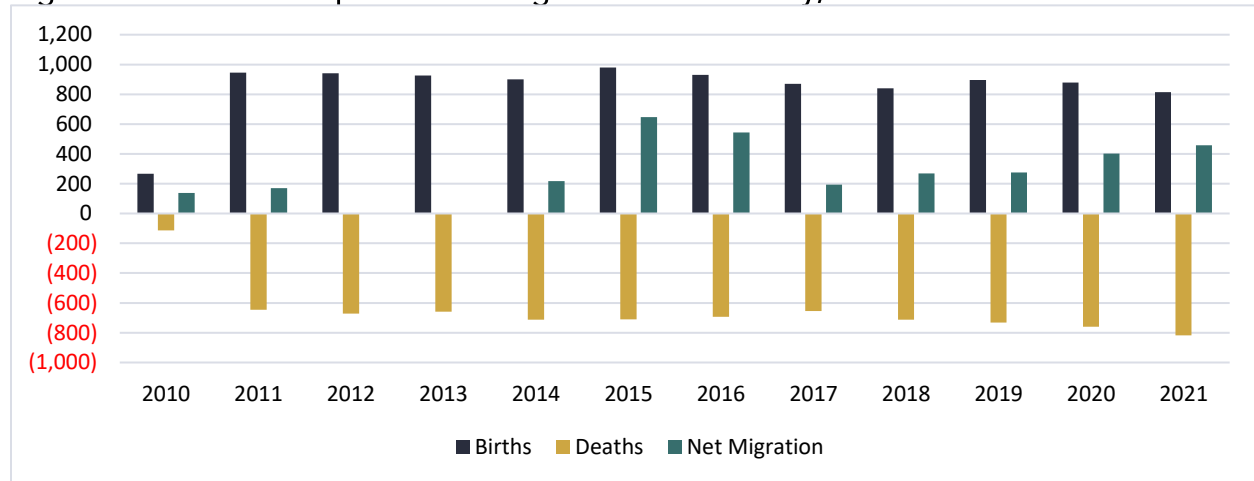
Source: Washington Office of Financial Management and US Census Bureau, 2022

Recent Population Changes

Population growth is driven by three main factors: births, deaths, and migration. As shown in Figures 5 and 6, recent growth within Chelan County has been driven by births more than migration, while the growth in Douglas County has been driven both by higher migration and higher birth rates. Net migration in Douglas County, in particular, picked up considerable steam between 2015 and 2021.

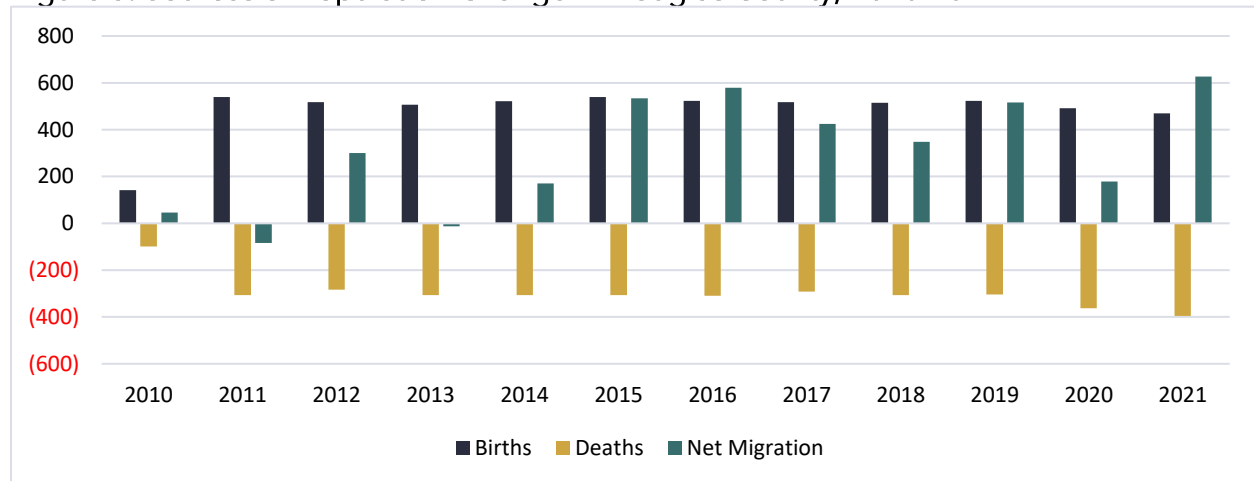
³ Note: CAGR stands for Compound Annual Growth Rate, a common way of measuring change over time.

Figure 5: Sources of Population Change in Chelan County, 2010-2021



Source: US Census Bureau, Population and Housing Unit Estimates

Figure 6: Sources of Population Change in Douglas County, 2010-2021



Source: US Census Bureau, Population and Housing Unit Estimates

Migration trends have become a hot topic in the nation over the past several years, particularly during the pandemic and the associated increase in work-from-home opportunities. While the region has continued to gain population, more urban locations such as King County have lost large swaths of its population. Counties that have fared best in the net migration calculations include both those that are far distant from western Washington (Spokane County), and those on the outskirts of urban areas (i.e., Clark and Snohomish counties). Chelan and Douglas are in-between those two extremes and are predictably in the middle of the state's distribution in terms of net population increases.

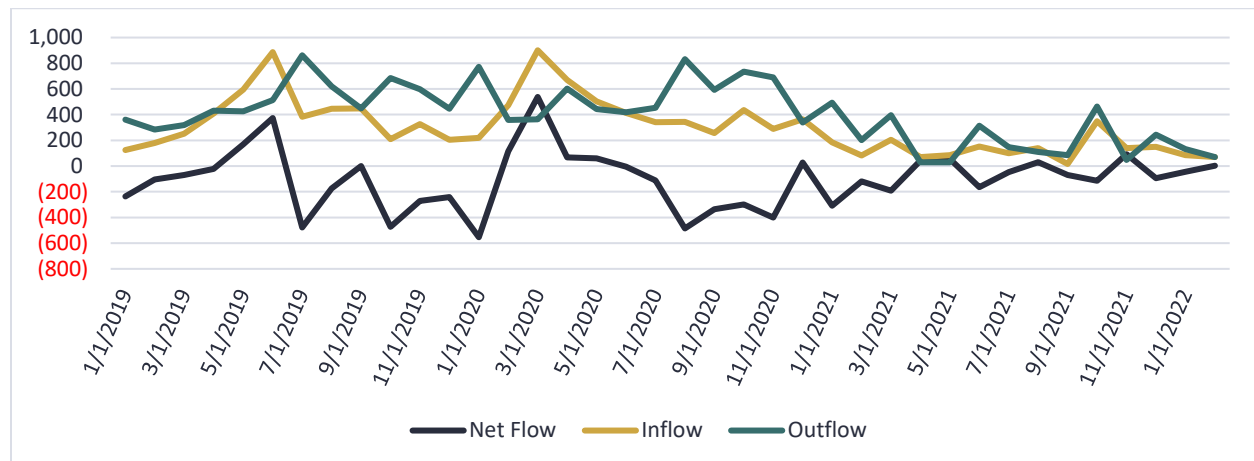
Locational Migration & COVID Trends

As noted, net migration had a notable increase in Chelan and Douglas Counties in 2015 and has remained consistently positive since then, fluctuating between sizeable and moderate changes year by year. Tables 31 and 32 in [Appendix A](#) contain detailed data regarding where the in-migration was originating from in the period from 2015 to 2019. Both counties

received the most migratory inflows from each other, meaning that in Douglas County, most out-migration is headed toward Chelan County, and vice versa. Most people coming into and out of Chelan County in this period were from different counties in Washington State, with the top three in and out migration locations all being counties located within the state. Douglas County, on the other hand, had people coming in from Umatilla County, Oregon and others going to Kent County, Delaware among their top three in and out-migration counties.

Figures 7 and 8 below show the monthly migration trends for both counties from 2019 to 2022 based on cell phone geolocation data. They display a similar pattern, in that most of the in and out movement tamped down around January 1st, 2021. Like many areas, there was a period of high in-migration in the early stages of the pandemic, but it did not persist.⁴ Before this, Chelan County saw a peak in net flows in March of 2020, while in Douglas County the highest net flow in this period occurred a year later in March of 2021.

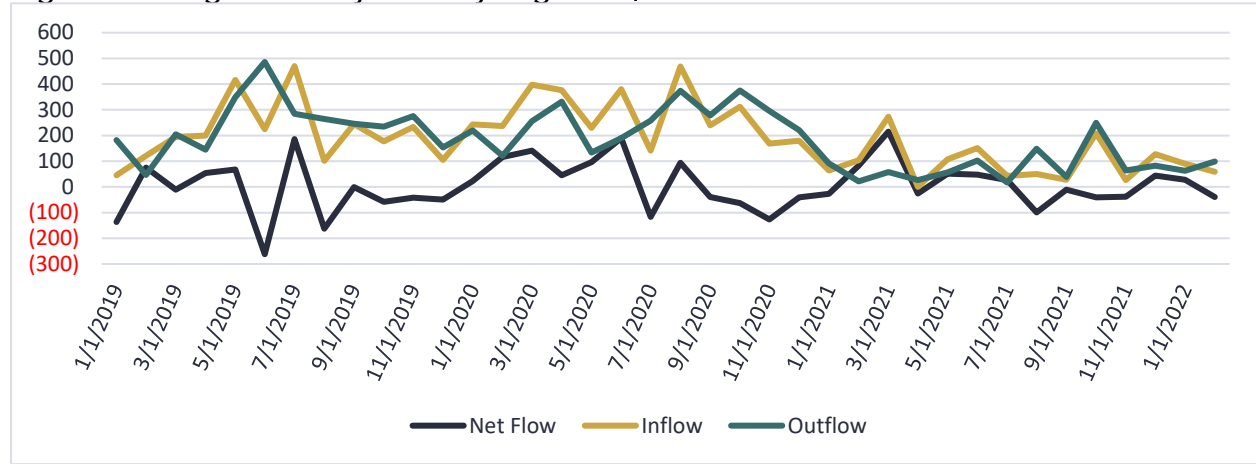
Figure 7: Chelan County Monthly Migration, 2019-2022



Source: Unacast Monthly Migration Trend Data, 2022

⁴ State population steadily increases, tops 7.7 million residents in 2021. M. Mohrman (2021) https://ofm.wa.gov/sites/default/files/public/dataresearch/pop/april1/ofm_april1_press_release.pdf

Figure 8: Douglas County Monthly Migration, 2019-2022



Source: Unacast Monthly Migration Trend Data, 2022

Race/Ethnicity & Age Demographics

Tables 6 and 7 below display race and ethnicity population data for Chelan County, Douglas County, Washington State, and the nation. Race ethnicity characteristics are a critical factor associated with housing needs, as factors such as multi-generational living, income levels, and persons per household are highly associated with race/ethnicity. The Hispanic and American Indian or Alaska Native (AIAN) populations are the most significant non-white categories in North Central Washington.

Most cities in the region have a higher proportion of Hispanics or Latinos than the rest of the state, and the US. Manson has the highest proportion of Hispanics in Chelan County, with 41.5% of residents identifying as such, while Bridgeport in Douglas reports that close to 80% of its residents are Hispanic. Leavenworth, on the other hand, has a 10.4% share of Hispanic residents, which is below the rate for the county, state, and nation. Both Monitor and Malaga have AIAN populations above the state and national proportions, but Mansfield in Douglas County has the highest percentage of AIANs, making up 4.3% of the population. Some other race also plays a significant role in the region, with figures averaging 17.5% in Chelan County and 18.0% in Douglas County.

Table 6: Race and Ethnicity Comparison for Cities in Chelan County, 2021

Region	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some other race	Two or more races	Hispanic or Latino
Cashmere	73.2%	0.6%	1.1%	0.5%	0.1%	21.1%	3.4%	32.4%
Chelan City	74.6%	0.6%	1.4%	1.2%	0.2%	18.5%	3.5%	29.4%

Dryden	73.9%	0.0%	0.0%	0.0%	0.0%	23.9%	2.3%	34.1%
Entiat	79.0%	0.8%	0.3%	0.3%	0.5%	14.6%	4.6%	22.0%
Leavenworth	90.3%	0.5%	1.1%	0.7%	0.2%	4.8%	2.3%	10.4%
Malaga	80.0%	0.6%	2.1%	1.0%	0.0%	14.2%	2.0%	26.7%
Manson	73.1%	0.7%	0.6%	0.7%	0.0%	22.1%	2.8%	41.5%
Monitor	71.3%	0.6%	1.8%	1.5%	0.3%	22.3%	2.3%	27.6%
Peshastin	75.0%	0.7%	0.9%	0.4%	0.3%	20.3%	2.4%	27.7%
Wenatchee City	73.6%	0.9%	1.3%	1.4%	0.2%	18.9%	3.7%	32.0%
Chelan County	76.2%	0.7%	1.1%	1.1%	0.2%	17.5%	3.3%	28.7%
Washington State	71.8%	4.3%	1.6%	9.8%	0.8%	6.1%	5.6%	13.5%
US	72.4%	12.6%	0.9%	4.8%	0.2%	6.2%	2.9%	16.3%

Source: Points Consulting using Esri Business Analyst, 2021

Table 7: Race and Ethnicity Comparison for Cities in Douglas County, 2021

Region	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some other race	Two or more races	Hispanic or Latino
Bridgeport	54.8%	0.8%	0.6%	0.4%	0.0%	40.7%	2.7%	79.5%
East Wenatchee	76.2%	0.5%	1.4%	1.3%	0.2%	16.0%	4.5%	26.8%
Mansfield	87.9%	0.0%	4.3%	1.0%	0.0%	4.3%	2.4%	13.5%
Orondo	68.3%	0.7%	0.8%	0.6%	0.0%	27.3%	2.3%	60.7%
Rock Island	63.6%	2.0%	0.5%	0.4%	0.2%	31.5%	1.8%	50.7%
Waterville	92.8%	0.0%	1.4%	0.9%	0.2%	3.1%	1.6%	11.8%

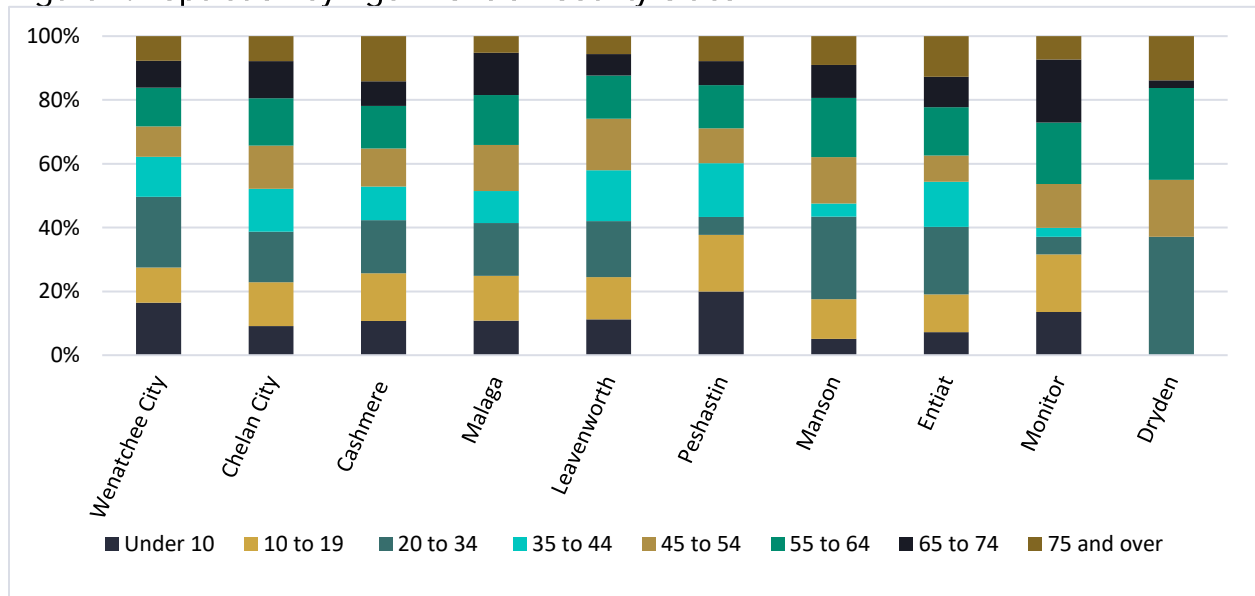
Douglas County	75.6%	0.6%	1.2%	1.0%	0.2%	18.0%	3.4%	33.0%
Washington State	71.8%	4.3%	1.6%	9.8%	0.8%	6.1%	5.6%	13.5%
US	72.4%	12.6%	0.9%	4.8%	0.2%	6.2%	2.9%	16.3%

Source: Points Consulting using Esri Business Analyst, 2021

Housing needs vary based on population, including factors such as parcel size, home size, and proximity to services. Age is also important to monitor when considering the next ten to 20 years, as many in the Baby Boomer generation will have vacated their homes over this period of time. Figures 9-11 below show the distribution of age ranges in Chelan and Douglas Counties, select cities within these counties, Washington State, and the US.

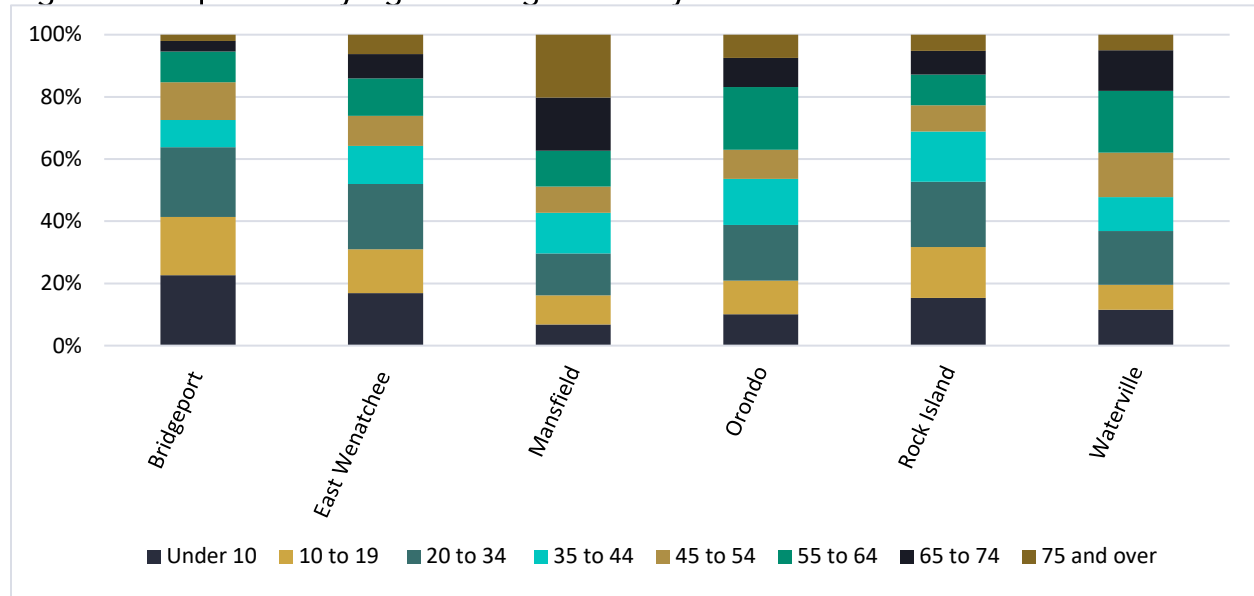
Chelan and Douglas Counties have a higher proportion of residents on both ends of the age distribution when compared to Washington, with a greater share of 0 to 19-year-olds and of those aged 65 and over. On the other hand, the age ranges at the middle of the distribution—ages 20 to 54—make up the majority of the population at the state and national level. Wenatchee, Chelan County’s largest city, has a large 20 to 34-year-old cohort, with its second largest share being made up of those under 10. This means Wenatchee has a mostly young population when compared to the county totals. East Wenatchee is quite similar, with a larger share of the population that is 19 and under when compared to the county-wide proportions. The cities with the greatest percentage of older residents are Mansfield—where around 37% of the population is 65 and over—and Monitor, where about 26% of the population are 65-years and older. Dryden sticks out in particular, given its lack of reporting for age cohorts below 20 years of age, and the largest share of those 55 to 64 years of age.

Figure 9: Population by Age in Chelan County Cities



Source: 2020 Census ACS 5-year Estimates

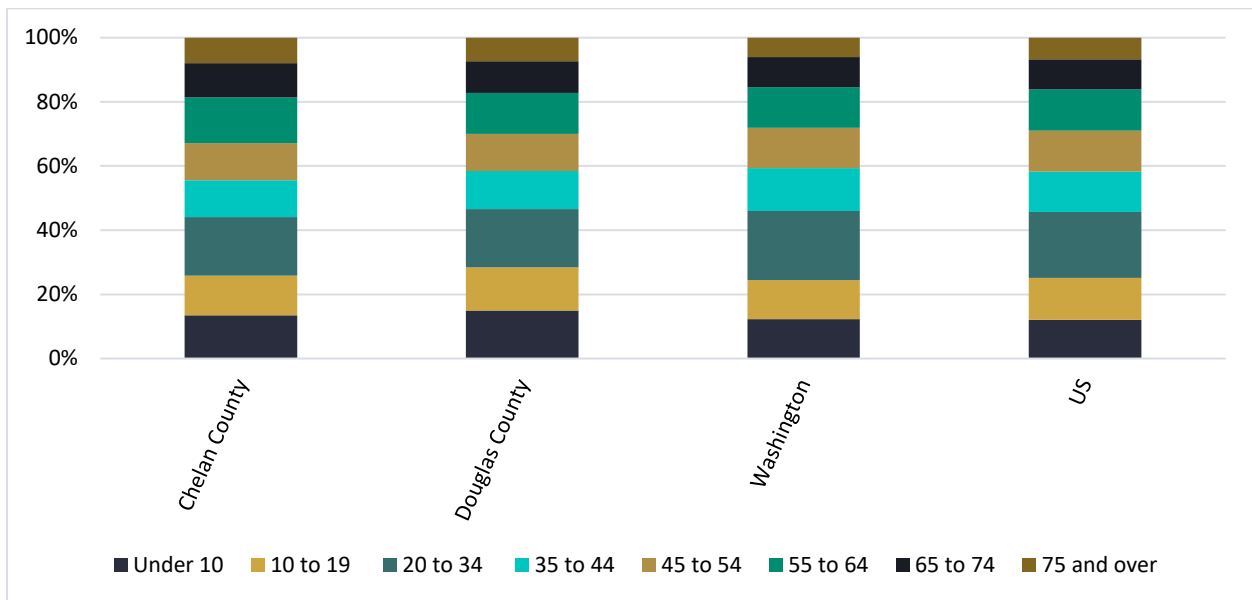
Figure 10: Population by Age in Douglas County Cities



Source: 2020 Census ACS 5-year Estimates

The inordinately young population for North Central Washington’s primary cities (Wenatchee and East Wenatchee), combined with the relatively low persons per household could prove to sync well with the local push for denser urban in-fill development. Populations younger than 35 years have proven to be the most amenable to such forms of housing. The demographics point to a pending turnover of housing stock in communities flush with elderly persons (i.e., Monitor, Dryden, Orondo, Waterville, etc.). Incidentally, audiences above 65 have also proven to be strong candidates for denser housing development. These factors combined could help open up more opportunities for those aging into the middle brackets (35-55 years), who desire lower-density housing and more space in rural areas.

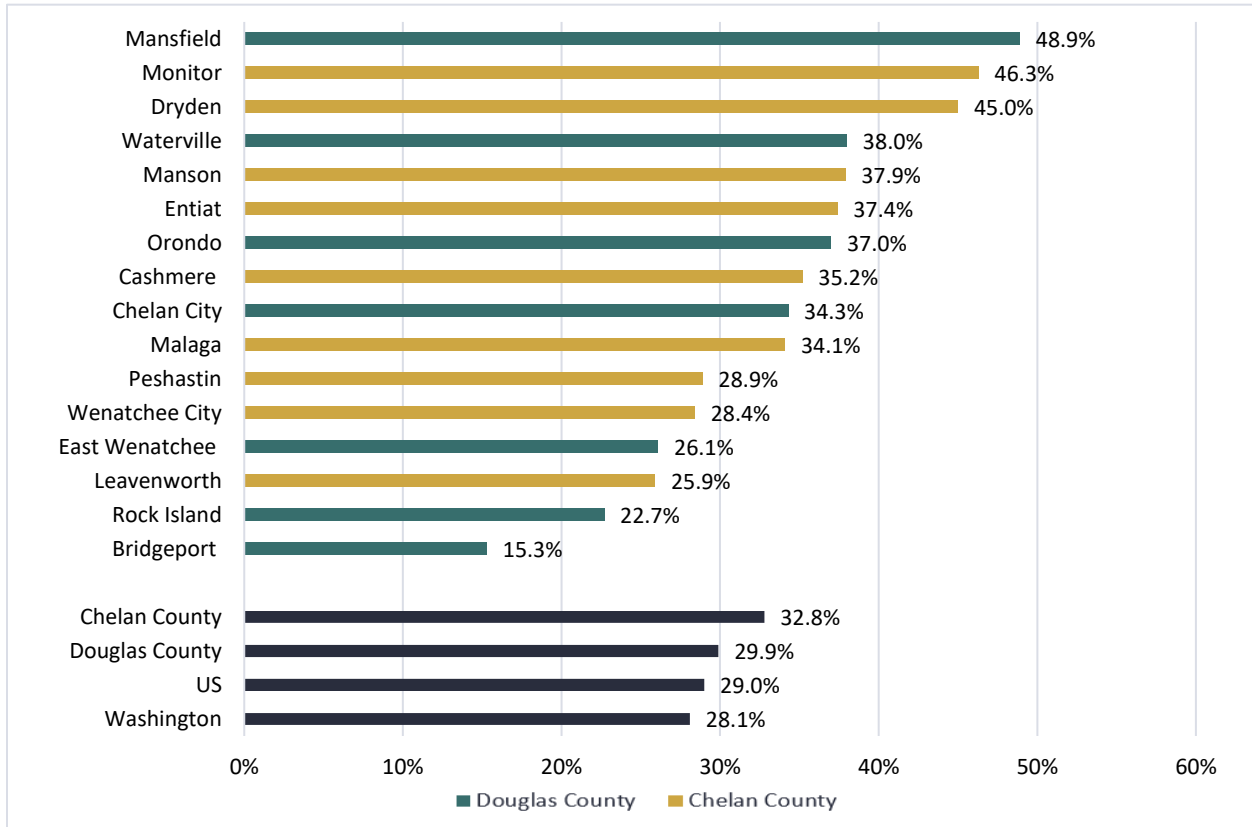
Figure 11: Population by Age in Chelan County, Douglas County, Washington & USA



Source: 2020 Census ACS 5-year Estimates

As previously mentioned, Mansfield in Douglas County, and Monitor in Chelan County have the greatest percentage of senior citizens among both counties' cities—each have a share of persons 55 and over that is about 20% higher than the state and national figures. This is illustrated in Figure 12, which shows the population 55 and older in select cities in both Chelan and Douglas Counties, as well as Washington State and the US. The city in Douglas County with the lowest number of senior residents is Bridgeport, while in Chelan County the city with the smallest number of seniors is Leavenworth.

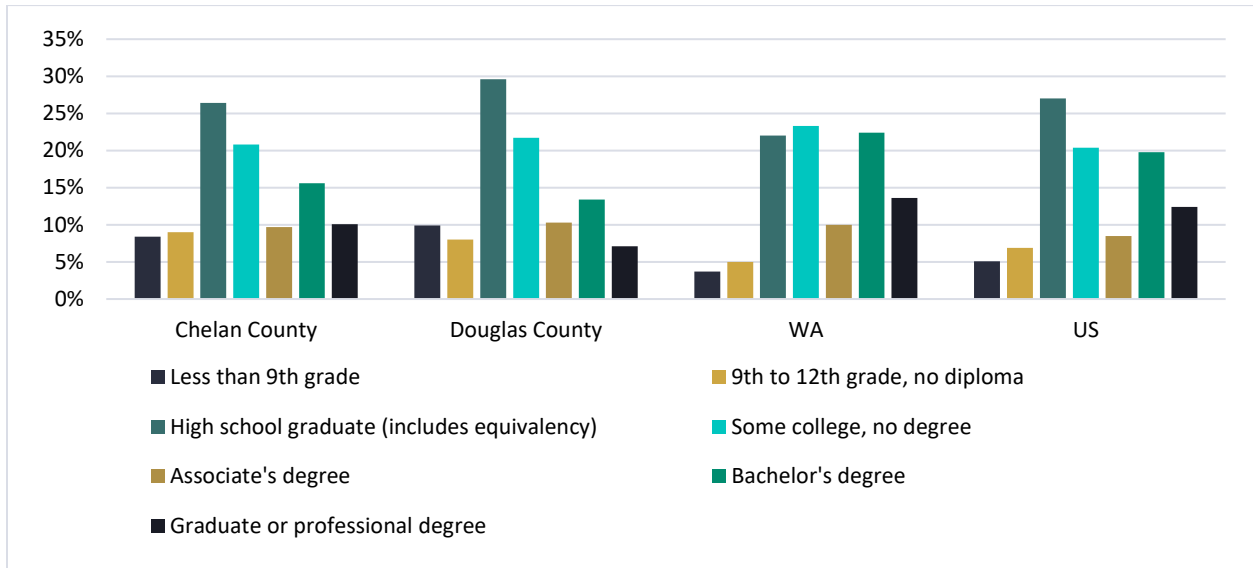
Figure 12: Population 55+ by City, County, and Region



Source: 2020 Census ACS 5-year Estimate

Figure 13 illustrates the level of educational attainment in Chelan and Douglas Counties, Washington State, and the US. Both counties lag behind Washington and the US in terms of high school diploma attainment, with a greater share of the population having only attained a 12th grade education or less. Around 17% of the population in both counties did not complete high school. However, in both counties, the highest educational attainment the majority of the population has achieved is a high school diploma, which matches up to the rates observed at the national level. These statistics are significant as educational attainment is often closely associated with some of the special population considerations following (such as poverty and disability levels).

Figure 13: Educational Attainment in Chelan County, Douglas County, Washington State, and the US, 2020



Source: 2020 Census ACS 5-year Estimates

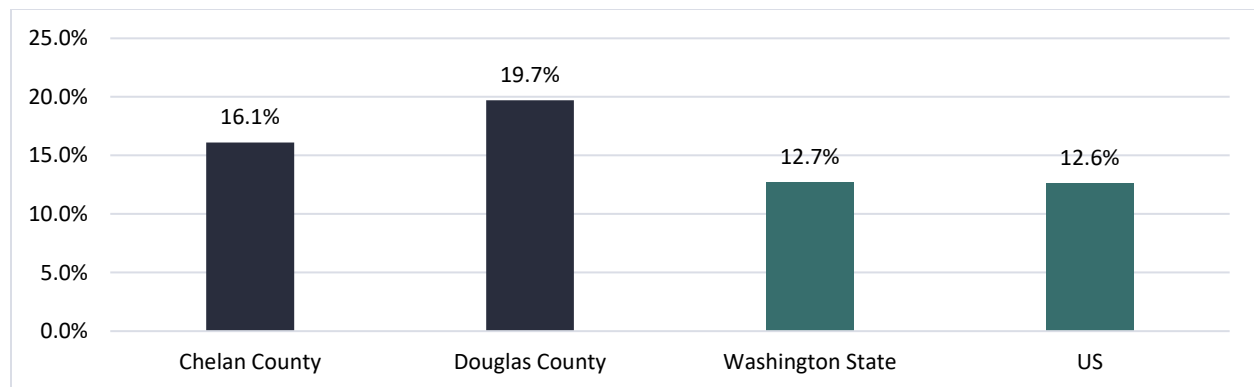
Underserved Populations

Disabled Population

Figure 14 below shows the percentage of the population with some form of disability in Chelan and Douglas Counties and compares it to the state and the rest of the nation. The disabilities accounted for include hearing, vision, cognitive, ambulatory, self-care, and independent living difficulties. Both counties have a higher rate of disabled persons than Washington State or the US. In total there are over 12,000 disabled persons in Chelan County and 8,000 in Douglas County. Table 8 below shows a further breakdown of these figures by city. In Chelan County, the city with the highest rate of disabled persons occurs in Malaga, with 32.3% of the population having some form of disability, whereas in Douglas County, the highest rate can be found in Mansfield, where 45.1% of the population are reported to have a disability.

This is a noteworthy piece of information given that disabled individuals are overrepresented in America's undereducated and poor.⁵ This is due in part to a lower labor participation rate compared to those without disabilities. In fact, disabilities in one family member may adversely affect the economic outcomes of an entire family. Housing amenable for disabled persons is also in short-supply at the national level, and given the higher proportion locally, the situation is more challenging within the region.

Figure 14: Percentage of Population with Disabilities in Chelan County, Douglas County, Washington State, and the US, 2020



Source: 2020 Census ACS 5-year Estimates

⁵ Disability and Socioeconomic Status. (2010)

<https://www.apa.org/pi/ses/resources/publications/disability#:~:text=Despite%20these%20and%20other%20forms,age%20and%20want%20to%20work>

Table 8: Population with Disabilities in Chelan County, Douglas County, Washington State, and the US, 2020

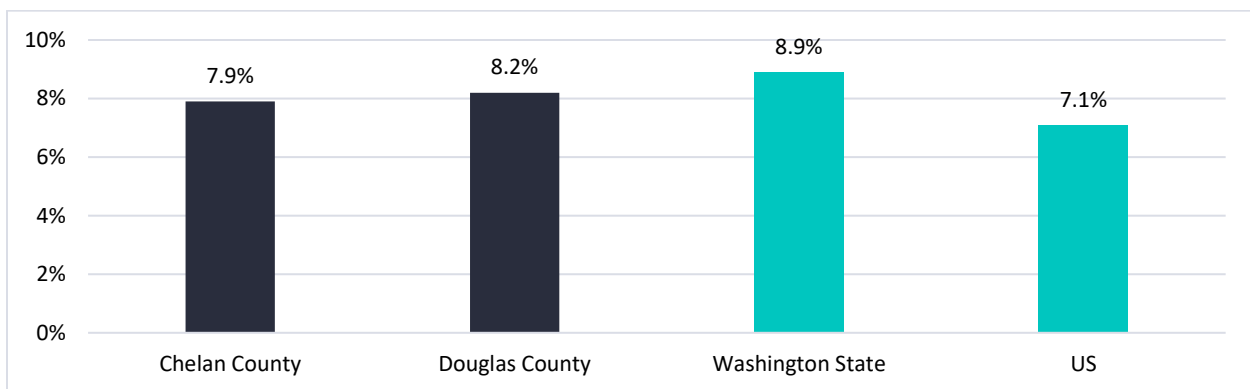
Area	Population with a Disability	Percent With a Disability
---Chelan County---		
Wenatchee City	5,349	15.9%
Chelan City	824	20.0%
Cashmere	789	25.7%
Malaga	660	32.3%
Manson CDP	373	26.0%
Peshastin	333	14.5%
Leavenworth	308	12.4%
Entiat	227	23.3%
Monitor	137	14.4%
Dryden	132	13.2%
---Douglas County---		
East Wenatchee	3,066	21.9%
Bridgeport	457	17.8%
Orondo	452	20.7%
Waterville	329	23.1%
Rock Island	304	24.5%
Mansfield	134	45.1%
Chelan County	12,171	16.1%
Douglas County	8,252	19.7%
Washington State	925K	12.7%
US	40.3M	12.6%

Source: 2020 Census ACS 5-year Estimates

Veteran Population

Chelan and Douglas Counties have a smaller veteran population when compared to the state, but they have a larger share of veterans than the national average. Most veterans in Chelan County can be found in Monitor, with 11.5% of the population reported as veterans, while the city in Douglas County with the most veterans is Mansfield. In general, veterans and their families tend to fare better than non-veterans in economic terms.⁶ Veteran households have higher incomes and on average are not as likely to be in poverty. This is particularly true for veterans that are in racial minority groups, and those that have a lower level of education.

Figure 15: Percentage of Veteran Population in Chelan County, Douglas County, Washington State, and the US, 2020



Source: 2020 Census ACS 5-year Estimates

Table 9: Veteran Population in Chelan County, Douglas County, Washington State, and the US, 2020

Area	Veteran Population	Percent of Total Population
---Chelan County---		
Wenatchee City	1,799	7.1%
Chelan City	309	9.4%
Malaga	193	11.4%
Cashmere	174	7.2%
Manson CDP	112	9.5%
Leavenworth	111	5.8%

⁶“Veteran households in U.S. are economically better off than those of non-veterans”. J. Bennett (2019) <https://www.pewresearch.org/fact-tank/2019/12/09/veteran-households-in-u-s-are-economically-better-off-than-those-of-non-veterans/>

Entiat	82	10.1%
Monitor	78	11.5%
Peshastin	60	4.1%
Dryden	11	1.1%
---Douglas County---		
East Wenatchee	956	9.6%
Waterville	119	10.1%
Rock Island	68	7.7%
Orondo	56	3.1%
Bridgeport	52	3.3%
Mansfield	39	15.4%
Chelan County	4,592	7.9%
Douglas County	2,592	8.2%
Washington State	518K	8.9%
US	17.8M	7.1%

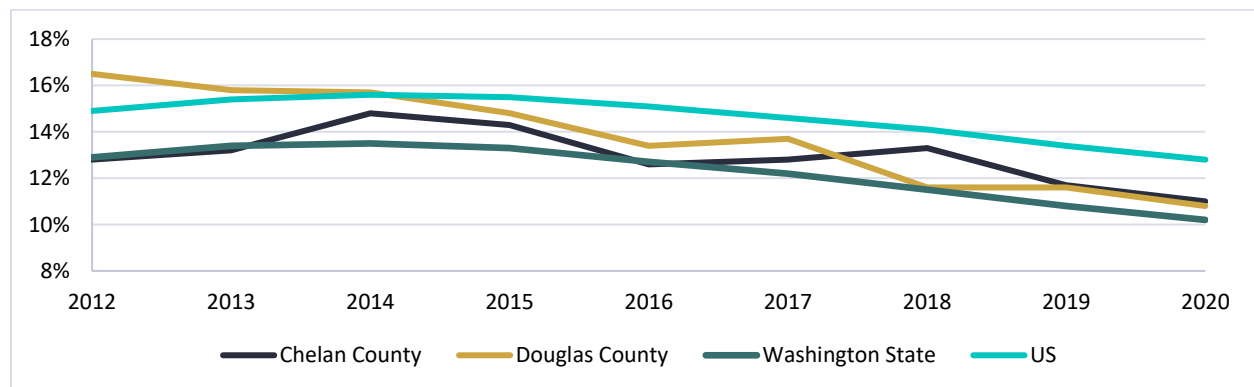
Source: 2020 Census ACS 5-year Estimates

Population in Poverty

Figure 16 below shows the change in the percentage of the population in poverty in Chelan and Douglas Counties, and compares them to the state and national levels. Although some years saw increases in the poverty rate, poverty has decreased overall in both counties between 2012 to 2020. In fact, official poverty, as measured by the Census Bureau, has been decreasing since the 1960s across the US.⁷ Official poverty is calculated by taking a family's before tax income, and comparing it against thresholds that vary by the size of a family and the age of its members. This reduction in poverty levels can be attributed in part to the programs implemented under The War on Poverty in the 1960s, along with the economic security programs that were introduced later on. Programs such as food assistance, tax credits for working families, health care coverage, and worker employment support have aided in lifting millions of Americans out of poverty, with 37 million people coming out of poverty in 2018.⁸

Douglas County, in particular, has seen a marked decrease in poverty levels, with a 5% decrease when comparing the 2010 rate to the 2020 level. However, Chelan ranks more favorably at the state level than Douglas County in terms of poverty levels. According to Small Area Income and Poverty Estimates (SAIPE) Census data, Chelan County ranks as the county with the fourth lowest poverty rate in the state, whereas Douglas County had the 12th lowest rate.⁹ Nevertheless, both counties have a lower poverty rate than the majority of the counties in the state.

Figure 16: Percentage of Population in Poverty in Chelan County, Douglas County, Washington State, and the US, 2020



Source: 2020 Census ACS 5-year Estimates

⁷ Poverty in the United States: 50-Year Trends and Safety Net Impacts. A. Chaudry (2016)

<https://aspe.hhs.gov/sites/default/files/private/pdf/154286/50YearTrends.pdf>

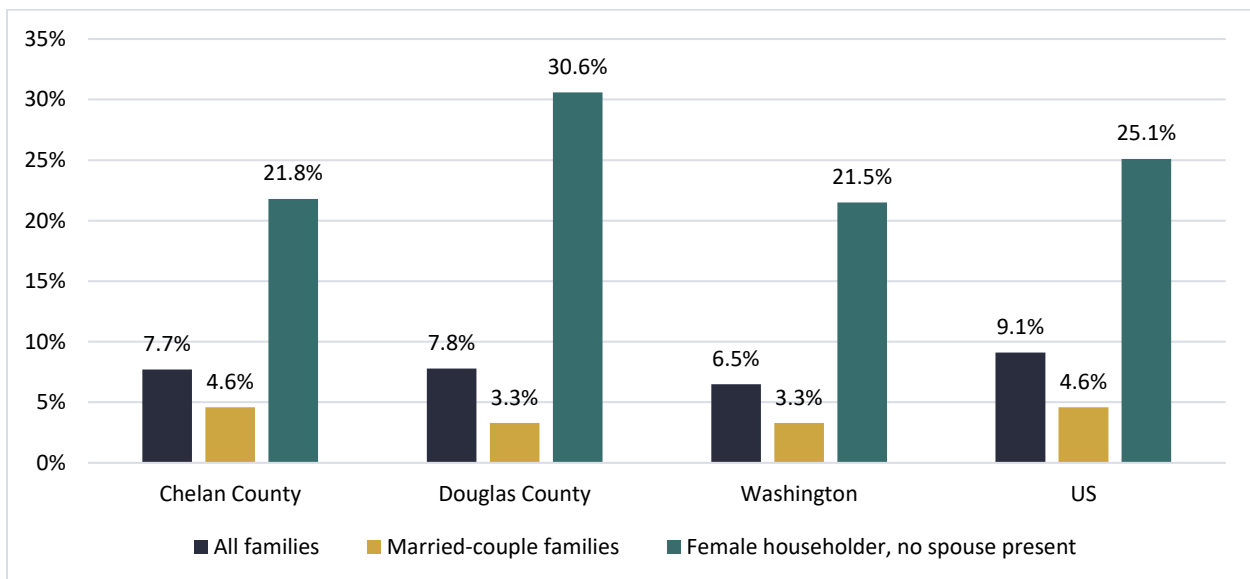
⁸ Economic Security Programs Cut Poverty Nearly in Half Over Last 50 Years. M. Saenz & D. Trisi (2019)

<https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-cut-poverty-nearly-in-half-over-last-50>

⁹ U.S. Census Bureau, Small Area Income and Poverty Estimates, 2020

Poverty levels can vary greatly based on demographic cohort. Although poverty levels are lower in North Central Washington than other parts of the state, that is not the case for particular at-risk groups. As Figure 17 below shows, Chelan County has higher percentages of families in poverty—both married couples and female-headed households with no spouse—when compared to the state levels, but remains lower than the national percentages. Douglas County matches the poverty rate for married couples at the state level—1.3% lower than the rate observed for this group in the US as a whole—but exceeds the levels of poverty for all families and female householders when compared to both Chelan County and Washington. Female-headed households have the highest poverty rates, especially true for households with children.¹⁰

Figure 17: Percentage of Families in Poverty by Composition in Chelan County, Douglas County, Washington State, and the US, 2020



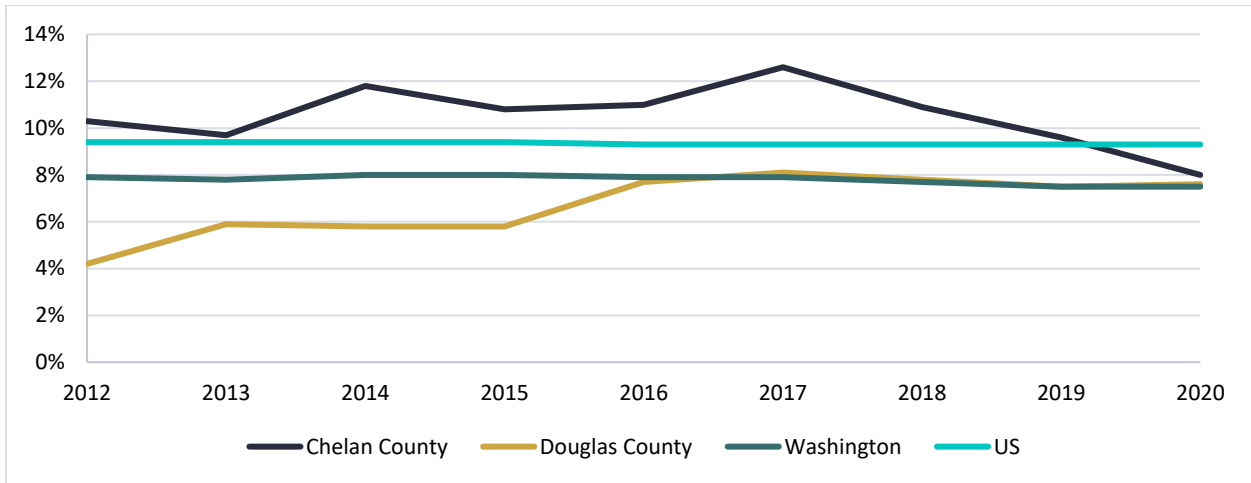
Source: 2020 Census ACS 5-year Estimates

Figure 18 shows the percentage of seniors in poverty in Chelan and Douglas counties, Washington, and the US, while Figure 19 shows the percentage of veterans in poverty for the same regions. In both figures, around 2017 Chelan’s poverty rates decrease to lower rates than those of the US, after initially being higher. Conversely, Douglas County has experienced a 3.4% increase in its senior poverty rate, while seeing a decrease of around 1% in veteran poverty rate. As of 2020, Chelan and Douglas Counties had similar rates of senior poverty and lower rates of veteran poverty than the state.

¹⁰ Families in poverty by household type. (2021)

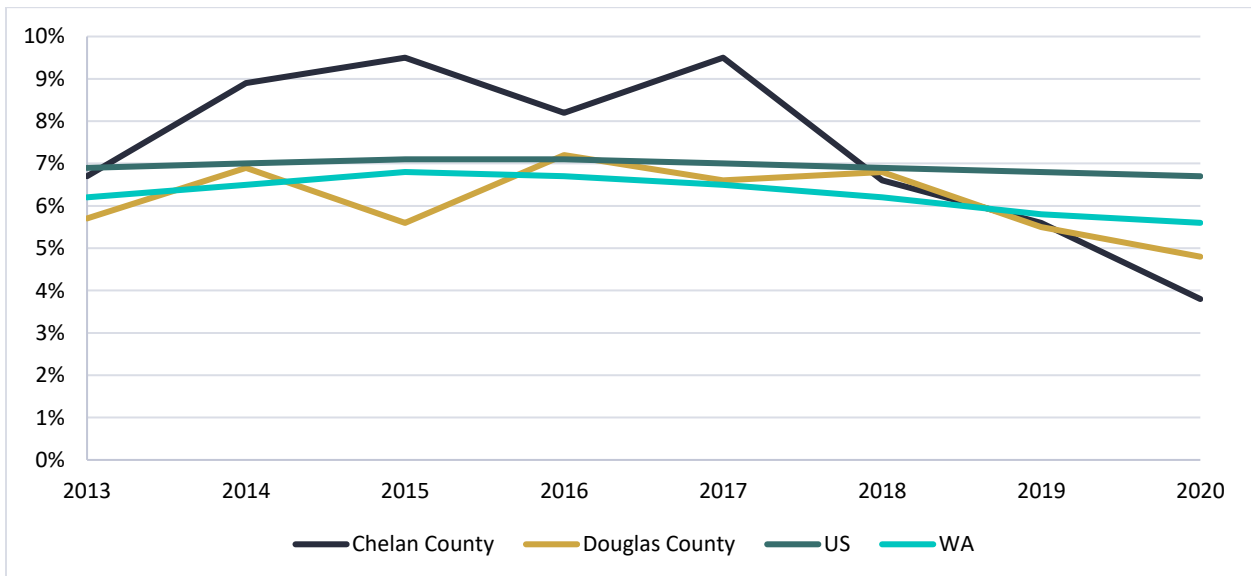
<https://ofm.wa.gov/washington-data-research/statewide-data/washington-trends/social-economic-conditions/families-poverty-household-type>

Figure 18: Percentage of Population Age 65+ in Poverty in Chelan County, Douglas County, Washington State, and the US, 2012-2020



Source: U.S. Census Bureau, Small Area Income and Poverty Estimates, 2020

Figure 19: Percentage of Veteran Population in Poverty in Chelan County, Douglas County, Washington State, and the US, 2013-2020

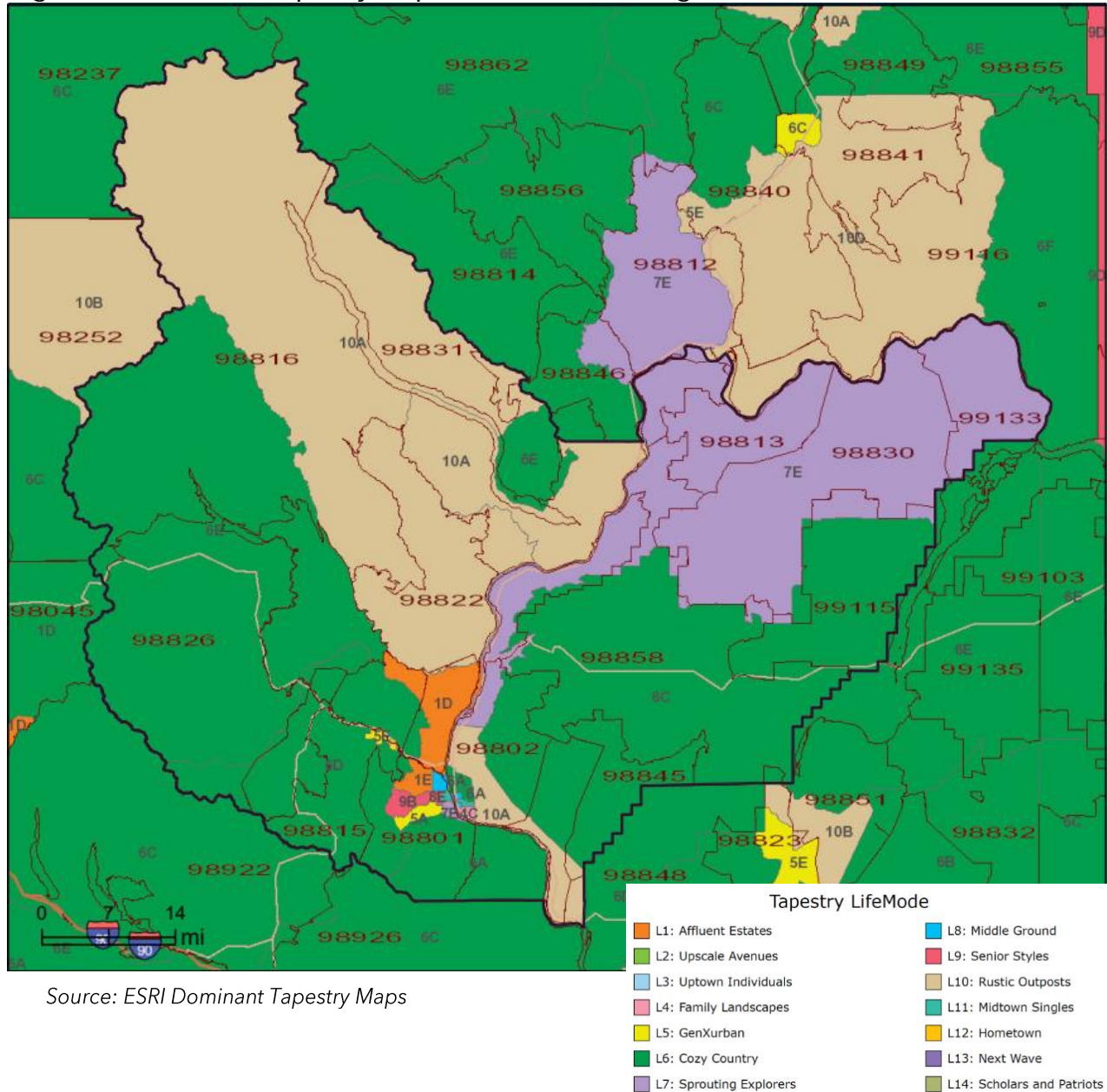


Source: U.S. Census Bureau, Veteran Status


Community Tapestries

Esri's Tapestry Segmentation Profiles are a consumer analysis tool that identifies distinctive markets in the US based on socioeconomic and demographic characteristics to provide an accurate, comprehensive profile of US consumers. Though often used for market research for products and services, these Tapestry profiles are also helpful for diagnosing housing needs. In essence, each tapestry provides consumer market profiles that categorize households based on their preferences for goods, leisure activities, and housing.

Figure 20: Dominant Tapestry Map for Chelan and Douglas Counties



Source: ESRI Dominant Tapestry Maps



The population distribution of these tapestry segmentations is detailed in Tables 10 and 11, and the geographic distribution is displayed in the color-coded map Figure 20. Each color represents a larger category that includes multiple Tapestry Segments. The two dominant groups in Chelan County are “Cozy Country” and “Rustic Outposts.” The categories that cover the largest area in Douglas County are “Cozy Country” and “Sprouting Explorers.” Though somewhat abstract on their own, the key housing and lifestyle characteristics of each tapestry segment is explained in more detail in [Appendix A](#).

The mix of green “Cozy Country,” lavender “Sprouting Explorers,” and orange “Affluent Estates” hints at the socioeconomic diversity within the North Central Washington region. The Cozy Country life modes group is composed primarily of empty nesters who are politically conservative and have a variety of income levels. These groups inhabit the majority of the territory of North Central Washington. The Sprouting Explorer group includes young households with families who tend to be multilingual and multigenerational. Such households are concentrated in the northern areas surrounding Bridgeport and extending along the Columbia through Entiat and Orondo. The Affluent Estates group, inhabiting patches around Wenatchee, tends to be well-educated, well-travelled, and possesses high levels of income and assets.

Chelan County Tapestry Segmentation Details

Table 10 displays the ten most represented Tapestry Segmentations found in Chelan County. These tapestries make up 70% of all households and show a diverse mix of young and older households with varying household incomes, and a general interest in the outdoors. The top three tapestry segments, Green Acres (11.1%), Front Porches (9.9%), and Rural Resort Dwellers (9.3%) display considerable diversity of age, income levels, and occupancy norms.

- **Green Acres** populations are middle-aged, above average income, and generally own their homes. They tend to be concentrated to the south and west of Wenatchee
- **Front Porches** are lower-than-average income and typically rent or live in higher density housing (duplexes, mobile home parks, etc.). They tend to be concentrated in Wenatchee and Cashmere.
- **Rural Resort Dwellers** tend to be seasonal and late middle-aged. They tend to be concentrated in Leavenworth and Manson.

Table 10: Tapestries Segmentation Distribution for Chelan County

Tapestry Segment	Chelan County	Washington State	U.S.
Green Acres (6A)	11.1%	5.5%	3.3%
Front Porches (8E)	9.9%	19.0%	1.6%
Rural Resort Dwellers (6E)	9.3%	1.9%	1.0%
Southern Satellites (10A)	6.9%	1.8%	3.2%
The Great Outdoors (6C)	6.7%	4.9%	1.6%
Midlife Constants (5E)	6.3%	1.7%	2.5%
Parks and Rec (5C)	5.6%	3.6%	2.0%
Exurbanites (1E)	4.9%	2.6%	1.9%
NeWest Residents (13C)	4.4%	0.4%	0.8%
Farm to Table (7E)	4.0%	1.2%	0.2%
Grand Total	69.1%	42.6%	18.1%

Source: Esri Business Analyst

Table 11: National-Level Characteristics of Chelan County Tapestry Segments

Rank	Tapestry Segments	Median HH Income	Median Age	Avg. HH Size	Median Home Value	% Own Home	Typical Housing Types
1	Green Acres (6A)	\$76,800	43.9	2.70	\$235,000	86.1%	Single Family
2	Front Porches (8E)	\$43,700	34.9	2.57	\$913 (Rent)	46.6%	Single Family; Multi-Units
3	Rural Resort Dwellers (6E)	\$50,400	54.1	2.22	\$209,200	81.1%	Single Family/Seasonal
4	Southern Satellites (10A)	\$47,800	40.3	2.67	\$128,000	77.7%	Single Family; Mobile Homes
5	The Great Outdoors (6C)	\$56,400	47.4	2.44	\$239,500	77.5%	Single Family

Source: Esri Business Analyst

Douglas County Tapestry Segmentation Details

Table 12 below shows the top ten most represented Tapestry Segmentations found in Douglas County. These tapestries compose 83% of the counties' households and show a concentration of households with a median age of around 40, with varying household incomes and a taste for outdoor activities. The top three segments include Southern Satellites (15.3%), Green Acres (15.3%), and Middleburg (13.3%).

- **Southern Satellites** populations are middle-aged, middle income, and typically occupy their own home or manufactured home. They are located primarily in East Wenatchee.
- **Green Acres** populations are middle-aged, above average income, and likely to own their homes. These groups are also concentrated in East Wenatchee.
- **Middleburg** are middle of the road in terms of age and income, and tend to have children living at home. They tend to be concentrated in East Wenatchee.

Table 12: Tapestries Segmentation Distribution for Douglas County

Tapestry Segment	Douglas County	Washington State	U.S.
Southern Satellites (10A)	15.3%	3.2%	3.2%
Green Acres (6A)	15.3%	5.5%	3.3%
Middleburg (4C)	13.3%	4.1%	3.0%
Farm to Table (7E)	8.7%	1.2%	0.2%
The Great Outdoors (6C)	7.5%	4.9%	1.6%
Parks and Rec (5C)	5.6%	3.6%	2.0%
Prairie Living (5C)	5.0%	0.5%	1.1%
Old and Newcomers (8F)	4.7%	3.1%	2.3%
Metro Fusion (11C)	4.3%	2.0%	1.4%
Bright Young Professionals (8C)	3.5%	3.5%	2.3%
Grand Total	83.3%	31.6%	9.1%

Source: Esri Business Analyst

Table 13: National-Level Characteristics of Douglas County Tapestry Segments

Rank	Tapestry Segments	Median HH Income	Median Age	Avg. HH Size	Median Home Value	% Own Home	Typical Housing Types
1	Southern Satellites (10A)	\$47,800	40.3	2.67	\$128,000	77.7%	Single Family; Mobile Homes
2	Green Acres (6A)	\$76,800	43.9	2.70	\$235,000	86.1%	Single Family
3	Middleburg (4C)	\$59,800	36.1	2.75	\$175,000	73.4%	Single Family
4	Farm to Table (7E)	\$35,300	27.4	3.98	\$825 (Rent)	43.4%	Single Family
5	The Great Outdoors (6C)	\$56,400	47.4	2.44	\$239,500	77.5%	Single Family

Source: Esri Business Analyst



Economic Drivers

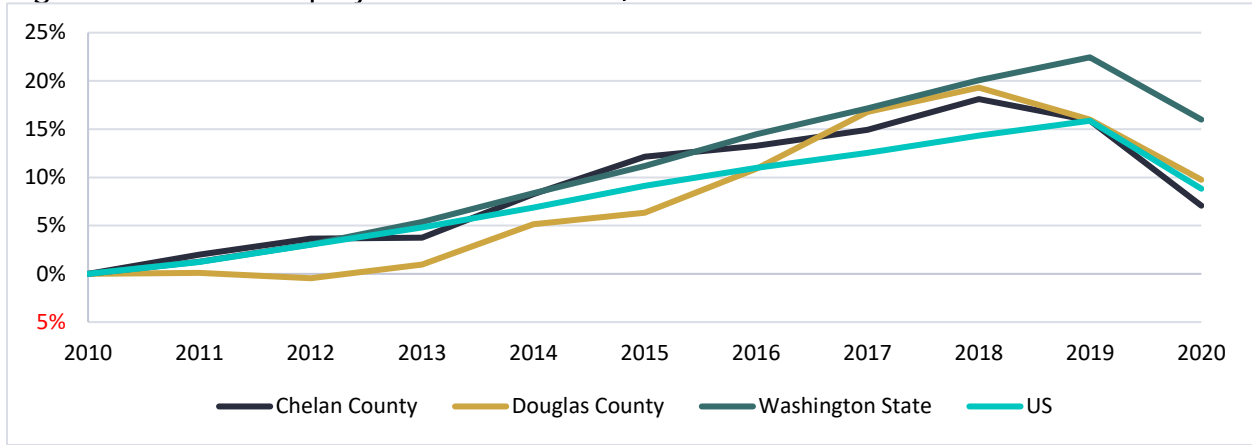
The economies of Chelan and Douglas Counties rely on agriculture, retail, and tourism—a mixture that has some strong seasonal trends.¹¹ However, the main economic driver is agriculture, with the production of tree fruit such as apples, cherries, pears, and peaches, generating an abundance of the employment activity in the area. In fact, agriculture made up 21% of total employment in 2019, accounting for the majority of jobs in both counties. Wineries also factor into the regional economy, growing in importance in the agriculture sector and bringing in tourist dollars.

Figures 21 through 24 show the trends for employment, establishments, and wages in the area for the period between 2010 to 2020. In terms of employment, Chelan and Douglas Counties have kept up with the rates at the state and national level. Douglas County lagged initially but as of 2016 has caught up and surpassed the national employment growth rate. Both counties, however, fall short of the Washington state employment growth rates. This is a similar case to the wage growth rate for these regions in the same period, with both counties showing a higher growth rate from around 2015 onward, but not keeping up with the state-level rate across the entire period of time. In both cases, growth rates were affected by the pandemic and the policy responses to it, with wage growth rates leveling off slightly, and employment growth rates taking a steep dive in 2020/21. Lastly, establishment growth rates have had a similar trajectory in Chelan and Douglas Counties along with Washington state—increasing until around 2013, then remaining fairly level until about 2018, when growth picks back up again. All three regions fell short of the US rate of growth which remained fairly linear throughout.

Historically, Douglas County has a smaller economy that has been more concentrated on agriculture. Though agriculture still contributes 16% of all jobs, over time industries such as healthcare, retail, and professional services have grown in significance (see Tables 33 and 34 in [Appendix A](#)). Chelan County's employment base is still nearly four times larger than Douglas County, which partly contributes to percentage growth being lower over the past ten-years. Agriculture is still the largest employing sectors (12% of jobs), but retail, transportation and utilities, and healthcare have expanded significantly.

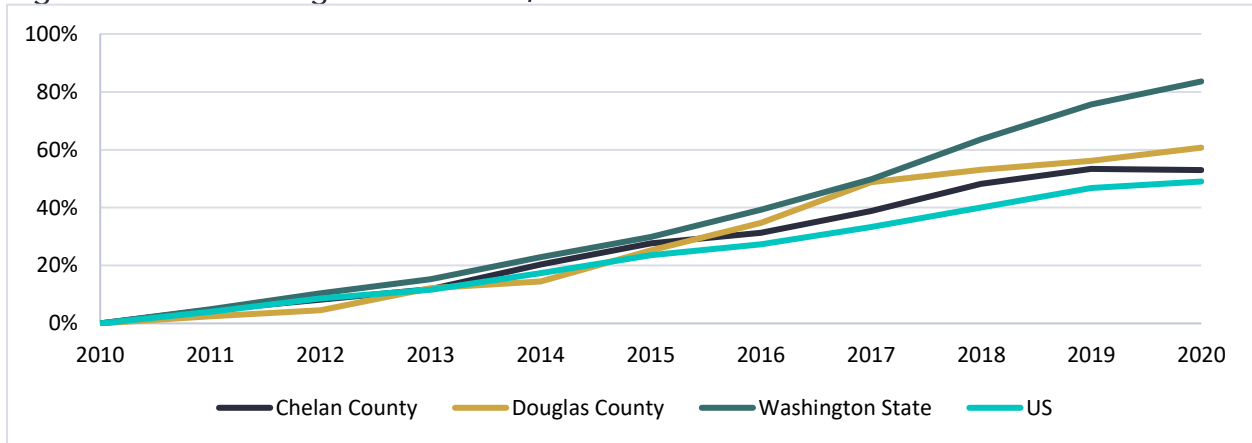
¹¹ Chelan and Douglas County Profiles. D. Meseck (2021)
<https://media.esd.wa.gov/esdwa/Default/ESDWAGOV/labor-market-info/Libraries/Regional-reports/County-Profiles/Chelan-douglas-county-profiles-2020.pdf>

Figure 21: Annual Employment Growth Rate, 2010-2020



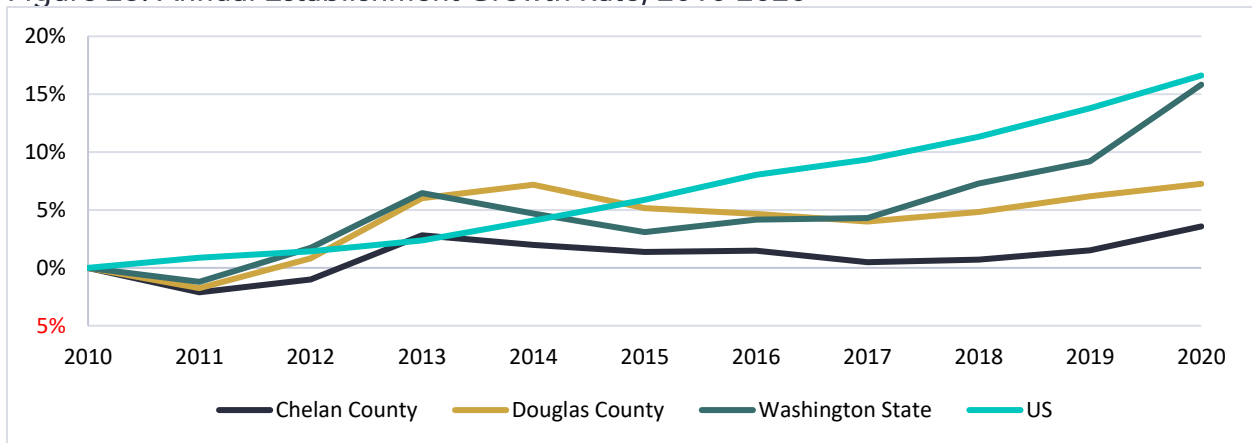
Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010-2020

Figure 22: Annual Wage Growth Rate, 2010-2020



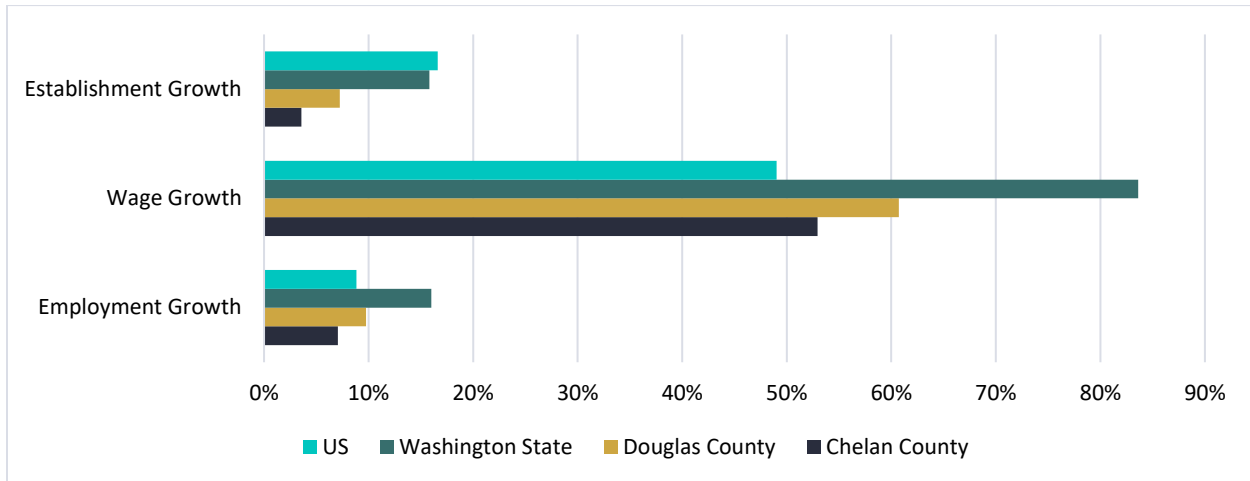
Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010-2020

Figure 23: Annual Establishment Growth Rate, 2010-2020



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010-2020

Figure 24: Comparison of Annual Establishment, Wage, and Employment Growth in Chelan County, Douglas County, Washington State, and the US, 2010-2020



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010-2020

Tables 33 and 34 in [Appendix A](#) show a detailed breakdown of employment by industry for Chelan and Douglas Counties, Washington State, select cities within both counties, and the US. Most cities in these counties, along with the counties themselves, have the highest concentration of workers in the service industry, which matches up to the proportions observed at the state and national levels. The rest of the cities have most of their employees in the agriculture/mining industry.

The highest rate of employment in the service industry—51.4%—is in Chelan. One of the largest employers in the city is Campbell’s Resort, but the city has large shares of employees in health care, food service, and retail trade as well.¹² There are three cities where the largest percentage of workers are in agriculture and mining. These are Orondo—with 48.1% of workers in that industry classification, Bridgeport—45.5%, and Manson—35.9%. The agricultural products in these areas include apples, cherries, and pears, among others.

¹² Chelan Top 10 Community Facts and Trends Comprehensive Plan Update 2017. (2017) <https://cityofchelan.us/pdffdocs/2016/12/Top10-CommFacts-andTrends.pdf>

4. Housing Trends

This chapter focuses on highlighting important trends related to various housing topics. Tables 35-47 in the [Appendix A](#) and Table 14 below—Percent Housing by Type—provide a broad summary of all housing related factors in Chelan and Douglas counties.

Due in part to the residency needs of the seasonal workforce, both counties have an unusually high proportion of housing units serving as rentals (36.5% in Chelan County and 31.9% in Douglas County). Like most areas of its size, most owned units are single-family detached. The rental market, however, does possess a variety of density types including single-family, detached, three-to-four unit, and 50+ unit developments. Medium-density units (between three and 25 units), which are favored by many in the planning community, do have some presence in the region already. For example, three-to-nine-unit buildings compose 5.8% and 5.1% of the housing stock for Chelan and Douglas, respectively. That is roughly on-par with the much more urban parts of the state. That said, the most common development type over the past decade has been larger units (50+ units), particularly in Douglas County.

Existing Housing Stock

Table 14: Percent Housing by Type

	Chelan Co.		Douglas Co.		WA	USA
	#	%	#	%	%	%
Occupied housing units	29,383	100.0%	15,435	100.0%	100.0%	100.0%
1, detached	20,020	68.1%	10,556	68.4%	63.4%	62.8%
1, attached	670	2.3%	263	1.7%	4.1%	6.1%
2 apartments	880	3.0%	443	2.9%	2.3%	3.4%
3 or 4 apartments	1,128	3.8%	468	3.0%	3.6%	4.2%
5 to 9 apartments	601	2.0%	323	2.1%	4.4%	4.5%
10 or more apartments	3,032	10.3%	802	5.2%	16.2%	13.4%
Mobile home or other type of housing	3,052	10.4%	2,580	16.7%	6.0%	5.5%

Source: American Community Survey, 2010 and 2020 5-Year Estimates, Table S2504

Table 15: Chelan, Douglas, Statewide, and U.S. Change in Housing Density, 2010-2020

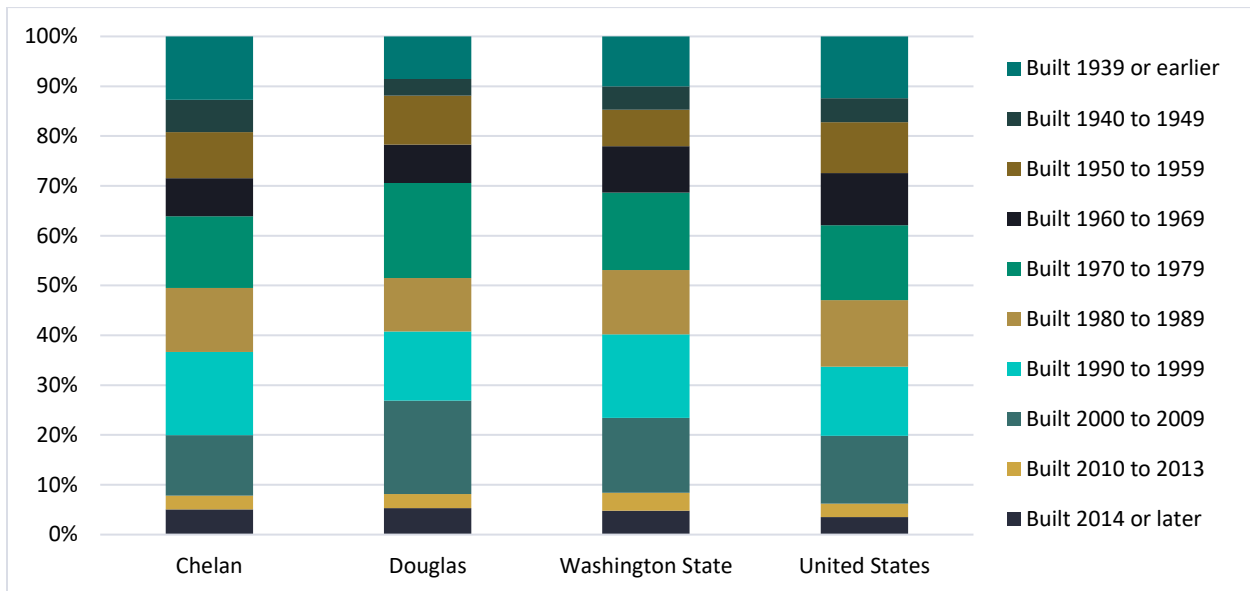
	Chelan Co		Douglas Co		WA	USA
	#	% Change	#	% Change	% Change	% Change
Occupied housing units	29,383	10.1%	15,435	11.8%	12.7%	7.1%
1, detached	20,020	9.4%	10,556	19.1%	11.8%	6.5%
1, attached	670	128.3%	263	-20.6%	29.5%	11.1%
2 apartments	880	(17.5%)	443	23.4%	(2.2%)	(2.1%)
3 or 4 apartments	1,128	17.5%	468	-0.3%	8.9%	5.5%
5 to 9 apartments	601	(19.5%)	323	-16.4%	5.5%	5.8%
10 or more apartments	3,032	47.6%	802	32.1%	28.1%	18.3%
Mobile home or other type of housing	3,052	(6.2%)	2,580	-7.5%	(6.0%)	(4.6%)

Source: American Community Survey, 2010 and 2020 5-Year Estimates, Table S2504

Improving affordability depends partly on providing a wide variety of housing types. Table 15 shows how the preceding unit composition changed from 2010-2020. Douglas County saw growth in the percentage of single family detached housing, at 19.1%, while Chelan County (9.4%) and the state (11.8%) only grew in that category a bit more rapidly than the nation did. Chelan County (128.3%) saw an even larger growth in single family attached housing—such as townhomes—far outpacing Douglas County (-20.6%), the state (29.5%) and the nation (11.1%) in that category. Douglas County’s change in housing types was mixed with attached singles decreasing, duplexes increasing by 23.4%, while buildings with five to nine units decreased by 16.4%. Douglas’s buildings of 10 or more units increased by 32.1%, but it also lost mobile home (or other) units. For both counties, the data show some consolidation of housing types away from smaller apartment buildings and mobile homes into larger apartment complexes.

As shown in Figure 25, Chelan and Douglas counties’ distribution of homes by age are fairly similar to state benchmarks and have a slightly younger housing stock than the nation. Chelan and Douglas have alternated decades of “booming” over the last eight decades. Chelan’s biggest boom periods were during the 1990s, during which 16.7% of its housing stock was developed. Douglas County outproduced during the 2000s, however. Despite the recent building trends, the majority of housing stock is over forty-years old. As is often the case in the rural west, the oldest homes are either in the best shape or the worst shape, depending on how well owners have cared for them over the years.

Figure 25: Age of Chelan, Douglas, Washington State, and U.S. Housing Stock by Percentage of Total



Source: U.S. Census ACS 2020 DP04

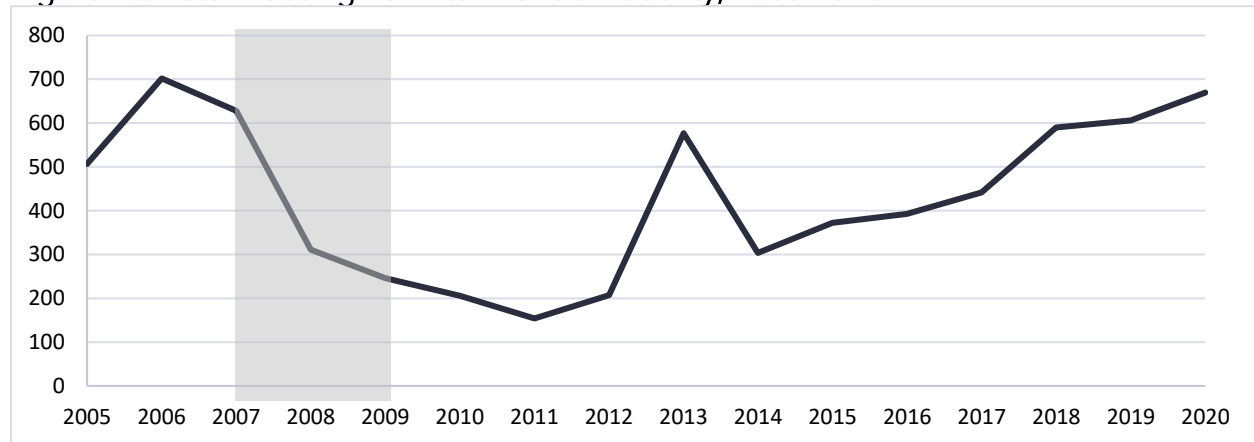
The topic of home age is relevant to affordability in that older houses are more expensive to maintain, and more often require careful or expensive mitigation processes when being updated or improved to modern standards. Various rules of thumb exist for homeowners' budgeting for home maintenance. Some suggest that owners set aside up to 4% of their house's value (not price, since maintenance costs go up with inflation along with value) if their house is older than 30-years, the climate includes large seasonal swings and snow, or if the previous owner hadn't reliably taken care of regular maintenance.

With about 63.4% of Chelan County homes being 30 years or older, and the median Chelan County home valued at \$392K, most Chelan County homeowners should be budgeting about \$1,300 per month for maintenance. In Douglas County, 59.2% of the houses are older than 30 years, the median home value is \$373K, and the recommended budget for maintenance would be \$1,200 per month. These costs of ownership are not discussed as often as price and income when it comes to the question of affordability.

New Housing Production

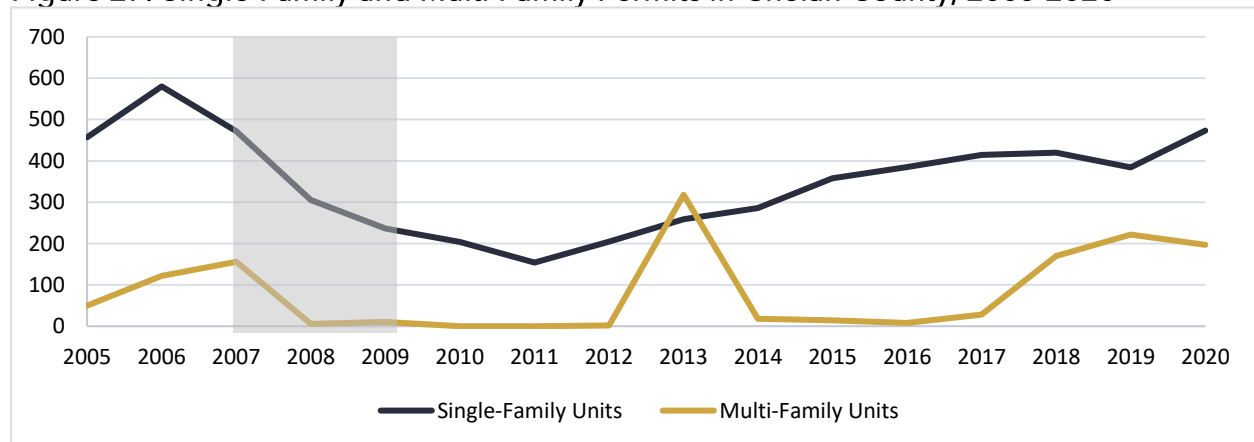
Total housing permits in Chelan County have had several highs and lows between 2005 and 2020, as shown in Figures 26 through 27 below. Total permits reached their peak of 702 in 2006 before the Great Recession and haven't reached those same levels since. Like many areas of the country, the loss of labor force in the construction industry is one of the primary reasons for the reduced productivity. There was a swift increase from 2012 to 2013, but after coming back down the following year, total permit growth has been on a slower but steady climb.

Figure 26: Total Housing Permits in Chelan County, 2005-2020



Source: U.S. Census Bureau, Building Permits Survey

Figure 27: Single-Family and Multi-Family Permits in Chelan County, 2005-2020



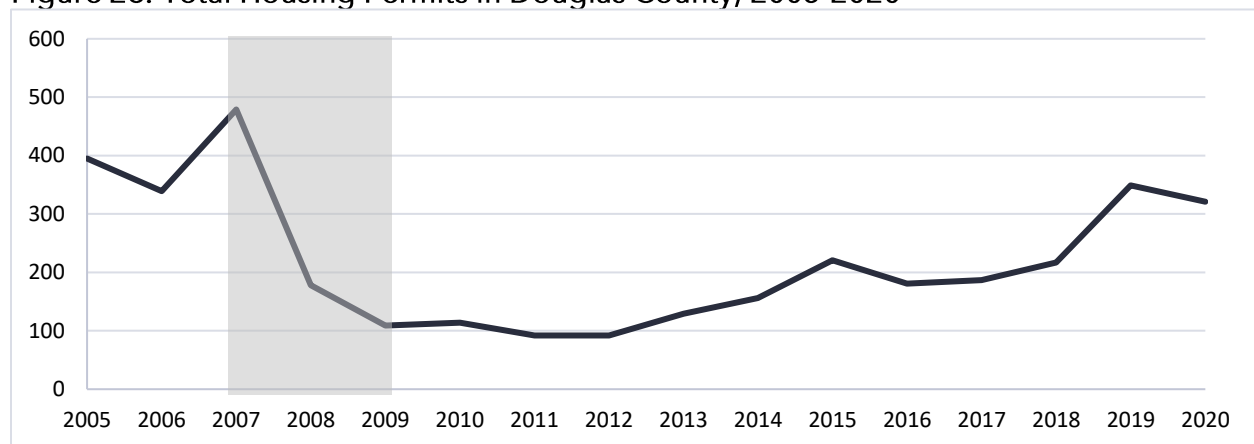
Source: U.S. Census Bureau, Building Permits Survey

The trend for single-family permits (Figure 27) is quite similar to that of total permits for this period. These permits peaked in 2006 at 580 and have been slowly increasing since their biggest dip in 2011 and have yet to reach 2006 levels. Lastly, multi-family permits in Chelan County have had an unpredictable trend with long troughs and sporadic peaks. Their highest peak occurred in 2013, with 318 permits. The years after this saw a steep decline in permits followed by a modest increase starting in 2017. Multifamily permits tend to follow this trend

as they are issued sporadically for larger developments, as appears to be the case in years such as 2013, 2019, and 2020 in Chelan County.

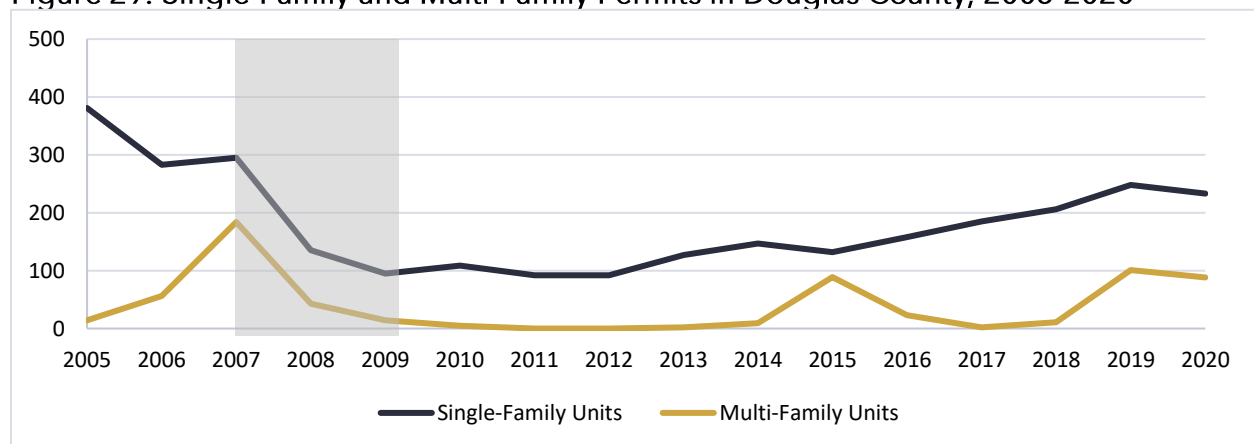
Total permits in Douglas County—shown in Figure 28—were a similar story, with a pre-recession peak that hasn't since been reached again. The peak year for permits was 2007 with 479 issued, and although there has been a recovery, it has been slow with the occasional drop. Figure 29 shows how single and multi-family permits fluctuated during this same period. Single-family permits actually had their peak of 381 in 2005, and have been slowly recovering since their lowest point of 92 in the two consecutive years of 2011 and 2012. On the other hand, multi-family permits have had intermittent peaks, while remaining consistently low. The highest issuance of multi-family permits occurred in 2007, with 184 permits. After the high point, these permits followed a similar path to Chelan County's multi-family permits—long troughs interrupted by a series of small peaks.

Figure 28: Total Housing Permits in Douglas County, 2005-2020



Source: U.S. Census Bureau, Building Permits Survey

Figure 29: Single-Family and Multi-Family Permits in Douglas County, 2005-2020



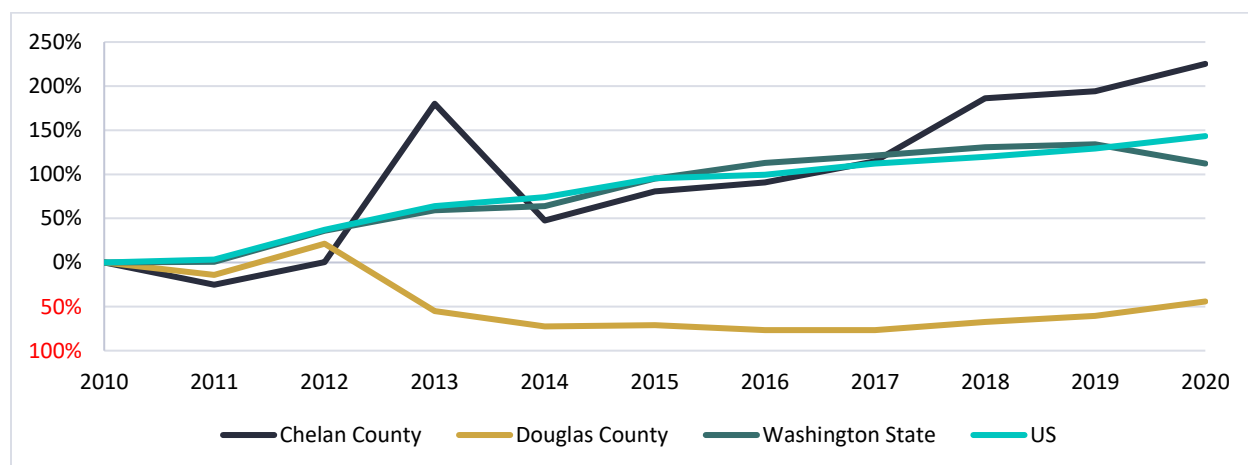
Source: U.S. Census Bureau, Building Permits Survey

The trajectory that housing permits have taken in Chelan County in recent years has resembled that of the US as a whole, where the effects of the Great Recession are still

evident. Figure 30 shows the compound annual growth rate for total housing permits for both counties, Washington State, and the US from 2010 to 2020. Although both counties seem to have under-produced after the Great Recession, Douglas County in particular remained stagnant on the permit front. Housing permits took around 12 years after 2007 to reach levels similar to the pre-recession figures.¹³

This lag in recovery after the recession in-turn created a significant amount of pent-up demand. This may explain in-part the occasional peaks followed by drops after the recession in the preceding figures. Also, recovery to pre-recession levels in Washington State was hampered by measures taken during the pandemic that halted residential construction for a period in 2020.¹⁴

Figure 30: Compound Annual Growth Rate of Housing Permits in Chelan County, Douglas County, Washington State, and the US, 2010-2020



Source: U.S. Census Bureau, Building Permits Survey

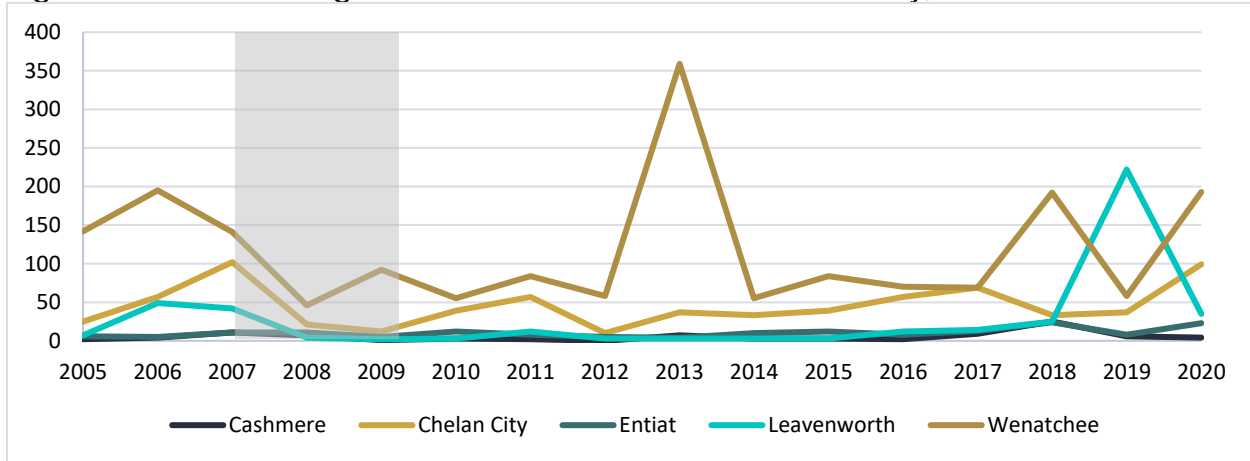
Figures 31 and 32 below show the change in total housing permits in several cities in Chelan and Douglas County. Wenatchee and East Wenatchee both have prominent peaks that align with those seen at the county level in the figures above, indicating that they are driving much of movement in permits for their respective counties. Wenatchee saw a significant increase in permits, going from 58 in 2012 to 359 in 2013. East Wenatchee, on the other hand, had two prominent peaks in this period, 103 in 2007 and 89 in 2015. Other cities had noteworthy increases in permits issued as well, including Leavenworth and Rock Island. Leavenworth

¹³ U.S. housing starts, building permits scale 12-year high. L. Mutikani (2019) <https://www.reuters.com/article/us-usa-economy-housingstarts/u-s-housing-starts-building-permits-scale-12-year-high-idUSKBN1W31LF>

¹⁴ Inslee allows some construction projects to reopen with safety rules to protect against the coronavirus. J. O'Sullivan (2020) <https://www.seattletimes.com/seattle-news/politics/inslee-releases-plan-to-make-construction-sites-safe-from-coronavirus-should-industry-reopen/>

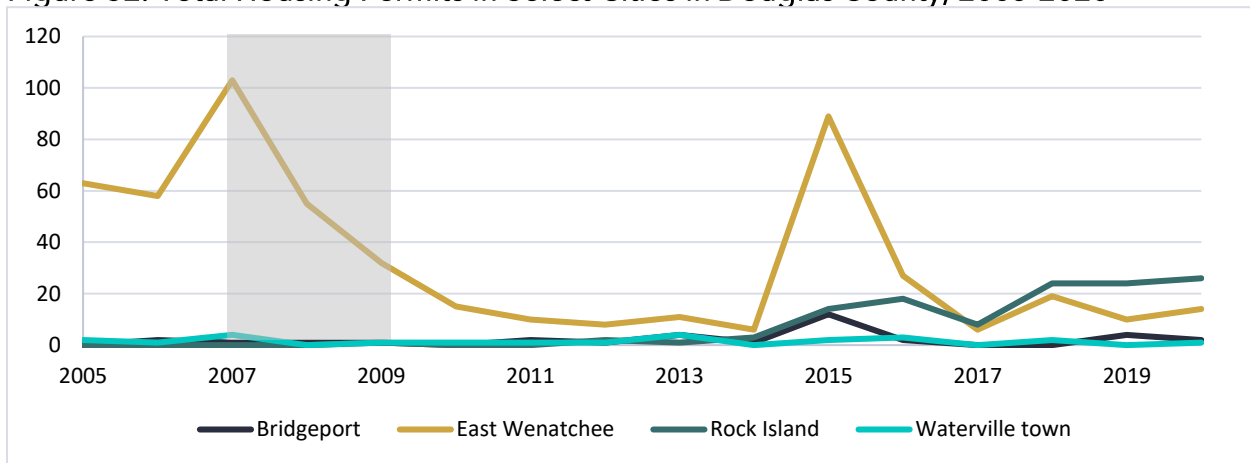
went from 25 total permits in 2018 to 222 in 2019, while Rock Island went from 8 in 2017 to 24 in 2018.

Figure 31: Total Housing Permits in Select Cities in Chelan County, 2005-2020



Source: U.S. Census Bureau, Building Permits Survey

Figure 32: Total Housing Permits in Select Cities in Douglas County, 2005-2020



Source: U.S. Census Bureau, Building Permits Survey

Table 16: Single-Family Housing Permits in Chelan and Douglas Counties

	2010	2020
-----Chelan County-----		
Cashmere	3	4
Chelan City	39	99
Entiat	12	11

Leavenworth	3	18
Wenatchee City	37	27
-----Douglas County-----		
Bridgeport	0	2
East Wenatchee	10	4
Rock Island	0	26
Waterville town	1	1
Chelan County	204	473
Douglas County	109	233

Source: U.S. Census Bureau, Building Permits Survey

Table 17: Multi-Family Housing Permits in Chelan and Douglas Counties

	2010	2020
-----Chelan County-----		
Cashmere	0	0
Chelan City	0	0
Entiat	0	12
Leavenworth	0	17
Wenatchee City	18	166
-----Douglas County-----		
Bridgeport	0	0
East Wenatchee	5	10
Rock Island	0	0
Waterville town	0	0
Chelan County	2	197
Douglas County	5	88

Source: U.S. Census Bureau, Building Permits Survey

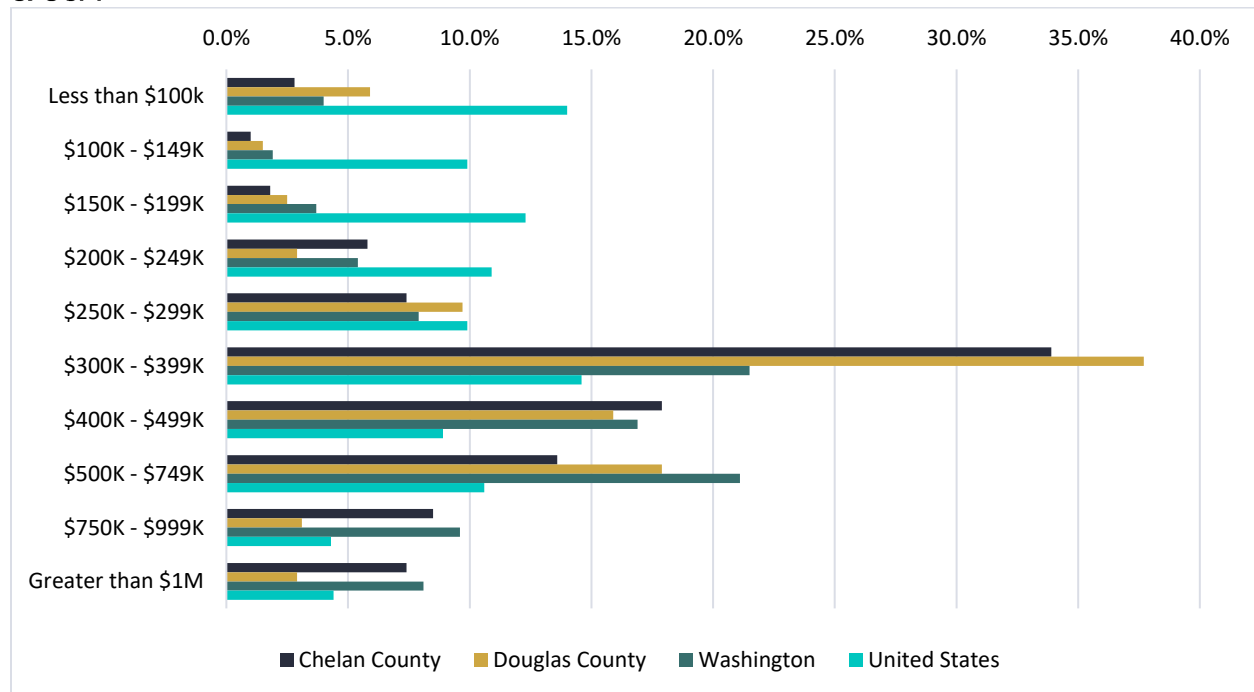
Home Value Trends

Housing conversations often revolve around mid-point estimates such as averages and medians, but housing values are distributed unevenly, resulting in the loss of valuable information. As indicated in Figure 33 and Table 18, the vast majority of North Central Washington’s housing stock is valued in the \$300K to \$399K range, 33.9% and 37.7%, respectively. When reviewing these values, please keep in mind that they are largely “pre-pandemic” level and have likely increased 15% to 20% since that time. The same is not the case in the US, which is more evenly distributed. This is also not the case in the state of Washington, where peaks and troughs are at lower and higher value levels.

It is worth breaking down these values in conjunction with regional income levels. A house purchased for \$350K using a conventional 30-year mortgage with a 20% down payment would require a \$70,000 down payment and a roughly \$1,500 monthly payment. Such a house would put any household with a \$60,000 or lower income into the cost-burdened category just based on the mortgage payment, which does not include property taxes, utilities, or maintenance costs. That income amount is higher than the median income in all the cities highlighted, except for five: Malaga (\$65,500), Leavenworth (\$62,300), Monitor (\$69,400), Dryden (\$65,400), and Waterville (\$61,200). Furthermore, it is worth noting that the next lowest value range of \$250,000 - \$299,999 contains only 7.4% of the occupied housing units in Chelan County and 9.7% in Douglas County.

Distribution of Home Values

Figure 33: Owner Occupied Housing Units by Value 2021, Chelan, Douglas, Washington & USA




Source: Esri Business Analyst

Table 18: Owner Occupied Housing Units by Value, Median Home Value, Chelan and Douglas Counties 2021k

	Chelan Co.		Douglas Co.		WA	USA
	Number	%	Number	%	%	%
Number of Units	19,258	--	10,968	--	1.98M	81.9M
< \$50K	366	1.9%	472	4.3%	2.4%	5.3%
\$50K - \$99K	173	0.9%	175	1.6%	1.6%	8.7%
\$100K - \$149K	193	1.0%	165	1.5%	1.9%	9.9%
\$150K - \$199K	347	1.8%	274	2.5%	3.7%	12.3%
\$200K - \$249K	1117	5.8%	318	2.9%	5.4%	10.9%
\$250K - \$299K	1425	7.4%	1064	9.7%	7.9%	9.9%
\$300K - \$399K	6528	33.9%	4135	37.7%	21.5%	14.6%
\$400K - \$499K	3447	17.9%	1744	15.9%	16.9%	8.9%
\$500K - \$749K	2619	13.6%	1963	17.9%	21.1%	10.6%
\$750K - \$999K	1637	8.5%	340	3.1%	9.6%	4.3%
\$1M - \$1.5M	1040	5.4%	274	2.5%	5.2%	2.5%
\$1,5M- \$1.9M	289	1.5%	0	0.0%	1.3%	0.8%
\$2M +	96	0.5%	44	0.4%	1.6%	1.1%
Median Home Value	\$392,418	--	\$373,154	--	\$433,917	\$264,021

Source: Esri Business Analyst

Tables 19 and 20 display these same data for the cities within Chelan and Douglas counties. Analysis at this finer level of geographic detail provides further contour to the market. The cities of Chelan, Manson, and Leavenworth are the most top-heavy pertaining to home values, with relatively little supply for less than \$400K. Whereas, Bridgeport and Entiat are the most bottom-heavy, with most homes valued at less than \$400K. There are several middling communities with an array of values. Being off the Columbia River, it is not surprising that Waterville and Mansfield fit that description. Within the core of the region, Wenatchee, Cashmere, Rock Island, and Peshastin are the most balanced in home values, all things considered.



All this to say, there is clearly a more limited variety of home values in Chelan and Douglas County compared to the rest of the nation and other parts of Washington. This creates difficulty at numerous levels, most obviously, for people seeking to enter the housing market for the first time. It also can clog-up the market for people seeking to upgrade into more luxury homes, thereby prevents people moving up from entry-level to mid-level homes, and so on down the line.

Table 19: Owner Occupied Housing Units by Value, Chelan County Cities, 2021

	Chelan	Manson	Leavenworth	Pesh-ashtin	Wen-atchee	Cashmere
Total Units	1,085	448	669	501	7,501	699
< \$50K	0.5%	0.7%	0.4%	0.8%	3.3%	2.4%
\$50K - \$99K	0.3%	0.2%	0.3%	0.6%	1.1%	1.0%
\$100K - \$149K	0.4%	0.2%	0.1%	0.2%	1.8%	1.4%
\$150K - \$199K	0.6%	0.7%	0.3%	0.4%	3.0%	3.9%
\$200K - \$249K	2.2%	2.7%	1.2%	2.2%	10.2%	8.4%
\$250K - \$299K	3.9%	5.1%	2.4%	3.6%	10.3%	9.9%
\$300K - \$399K	22.3%	9.4%	37.1%	30.1%	38.8%	45.4%
\$400K - \$499K	20.8%	32.8%	13.2%	28.1%	14.8%	6.6%
\$500K - \$749K	17.1%	14.1%	20.2%	10.0%	7.5%	12.2%
\$750K - \$999K	11.7%	10.3%	20.2%	9.0%	5.8%	5.6%
\$1M - \$1.5M	16.9%	11.2%	2.1%	0.2%	2.5%	3.3%
\$1,5M- \$1.9M	1.4%	8.5%	2.5%	14.8%	0.9%	0.0%
\$2M +	2.1%	4.2%	0.0%	0.0%	0.0%	0.0%
Median Home Value	\$495,796	\$494,558	\$461,932	\$442,908	\$352,455	\$350,631

Source: Esri Business Analyst

Table 20: Owner Occupied Housing Units by Value, Douglas County Cities, 2021

	Orondo	East Wen-atchee	Rock Island City	Entiat	Water-ville	Mans-field	Bridge-port
Total Units	520	3,507	223	328	352	184	399
< \$50K	1.0%	3.7%	5.8%	1.2%	0.0%	13.0%	40.6%
\$50K - \$99K	1.2%	0.6%	3.1%	0.3%	6.8%	7.6%	11.3%

\$100K - \$149K	1.2%	0.9%	1.8%	1.2%	5.7%	6.5%	7.3%
\$150K - \$199K	1.2%	2.1%	3.1%	3.7%	9.1%	8.2%	7.3%
\$200K - \$249K	4.4%	2.3%	8.1%	5.5%	3.4%	2.2%	0.5%
\$250K - \$299K	2.3%	11.0%	21.1%	8.2%	34.1%	20.7%	7.3%
\$300K - \$399K	16.7%	46.1%	11.2%	50.0%	10.8%	0.5%	22.1%
\$400K - \$499K	25.8%	15.0%	10.3%	8.2%	17.0%	18.5%	1.8%
\$500K - \$749K	35.0%	13.4%	31.8%	14.0%	12.5%	13.6%	0.5%
\$750K - \$999K	3.8%	1.8%	2.7%	7.3%	0.3%	0.5%	0.5%
\$1M - \$1.5M	6.7%	0.0%	0.9%	0.3%	0.3%	8.7%	1.0%
\$1,5M - \$1.9M	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
\$2M +	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Median Home Value	\$485,821	\$363,648	\$362,000	\$359,756	\$286,667	\$280,263	\$91,667

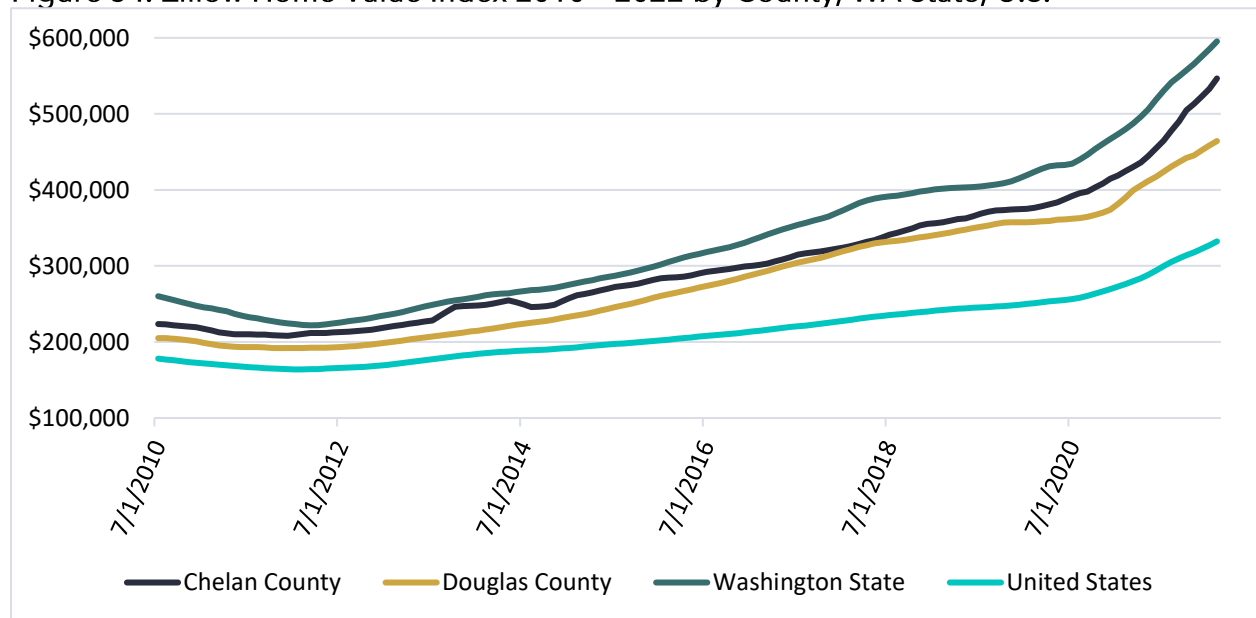
Source: Esri Business Analyst

Single Family Home Value Trends

In addition to already having an unbalanced inventory, North Central Washington has recently experienced significant home value appreciation. Price escalation exceeding inflation extends back for at least the past five years. COVID and associated policy decisions during 2020/21 hyper-charged these trends to create unprecedented home value appreciation across the country.

As indicated in Figure 34, home values were already on a stable ascent between 2010 and 2020; but starting around January 2021, values in Washington, Chelan County, and Douglas County all hit stretch run of a J-shaped curve extending at least into February 2022. The effect is so dramatic that it is worth isolating the past 12-months on a city-by-city basis, as shown in Table 21. There is a clear correlation between value appreciation and the value distribution data previously shown in Figure 34. Expensive and amenity-rich communities, such as Manson and Leavenworth, got even more expensive. However, even relatively affordable areas, such as Bridgeport and Rock Island, experienced 15%+ value growth within a one-year span.

Figure 34: Zillow Home Value Index 2010 - 2022 by County, WA State, U.S.



Source: Points Consulting Using Zillow ZVHI

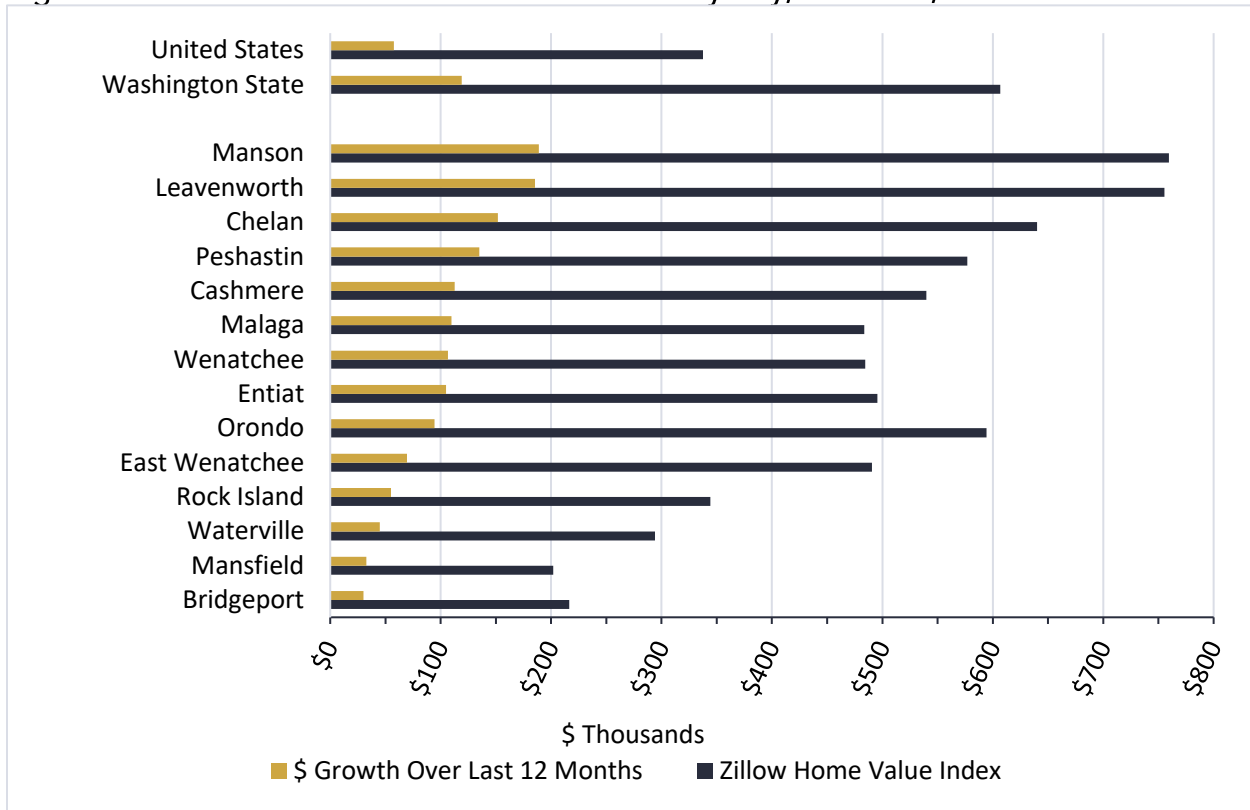
Table 21: Zillow Home Value Growth of Chelan and Douglas County Cities 2010 - 2022

Region	ZHVI	Dollar Growth Past 12 Months	--CAGR--		
			10 Years	5 Years	3 Years
Bridgeport	\$216,532	\$30,042	10.0%	4.7%	2.7%

Cashmere	\$539,891	\$112,704	9.7%	6.5%	4.5%
Chelan	\$640,121	\$151,799	8.8%	6.2%	4.8%
East Wenatchee	\$490,685	\$69,389	9.4%	4.7%	3.0%
Entiat	\$495,371	\$104,758	9.9%	7.1%	4.9%
Leavenworth	\$755,351	\$185,504	11.0%	7.3%	5.3%
Malaga	\$483,696	\$109,840	10.6%	6.3%	4.2%
Mansfield	\$202,089	\$32,738	9.9%	5.3%	3.4%
Manson	\$759,497	\$188,950	9.8%	6.5%	4.6%
Orondo	\$594,392	\$94,558	8.1%	4.4%	3.1%
Peshastin	\$576,852	\$135,077	9.6%	6.8%	5.0%
Rock Island	\$344,209	\$54,988	9.9%	5.4%	3.8%
Waterville	\$294,029	\$44,972	9.4%	4.6%	3.1%
Wenatchee	\$484,617	\$106,687	10.3%	6.0%	4.1%
Washington State	\$606,643	\$119,056	10.6%	5.9%	4.2%
United States	\$337,560	\$57,677	7.5%	4.6%	3.3%

Source: Points Consulting Using Zillow ZVHI

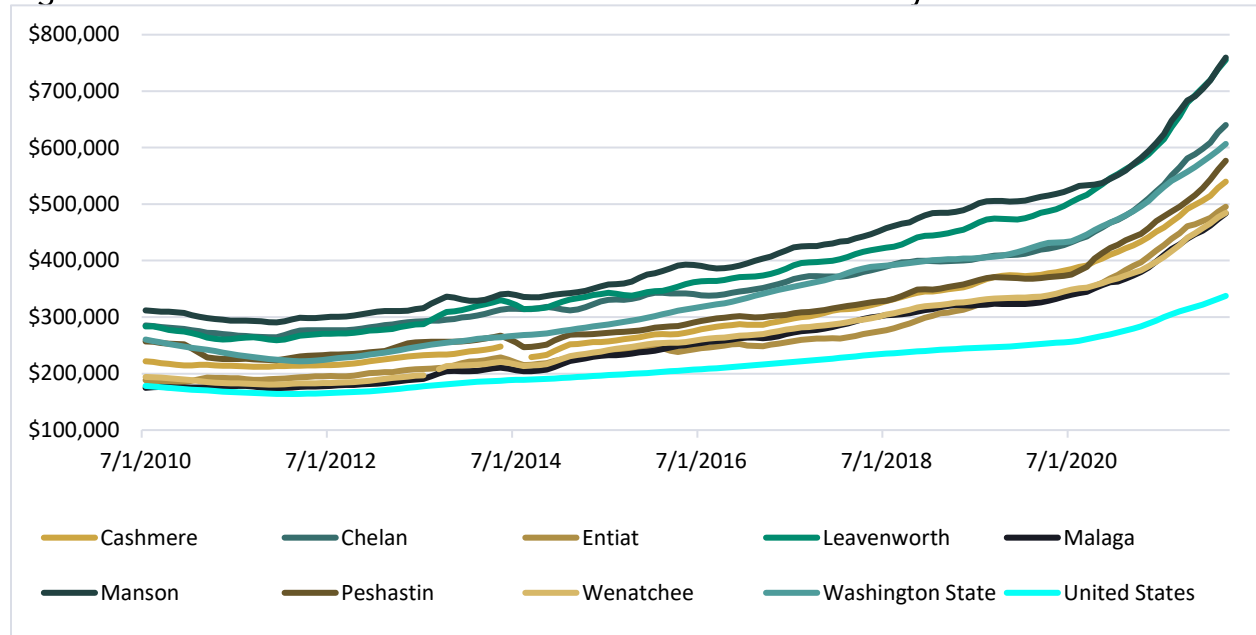
Figure 35: Zillow Home Value Index 2010 - 2022 by City, WA State, U.S.



Source: Points Consulting Using Zillow ZVHI

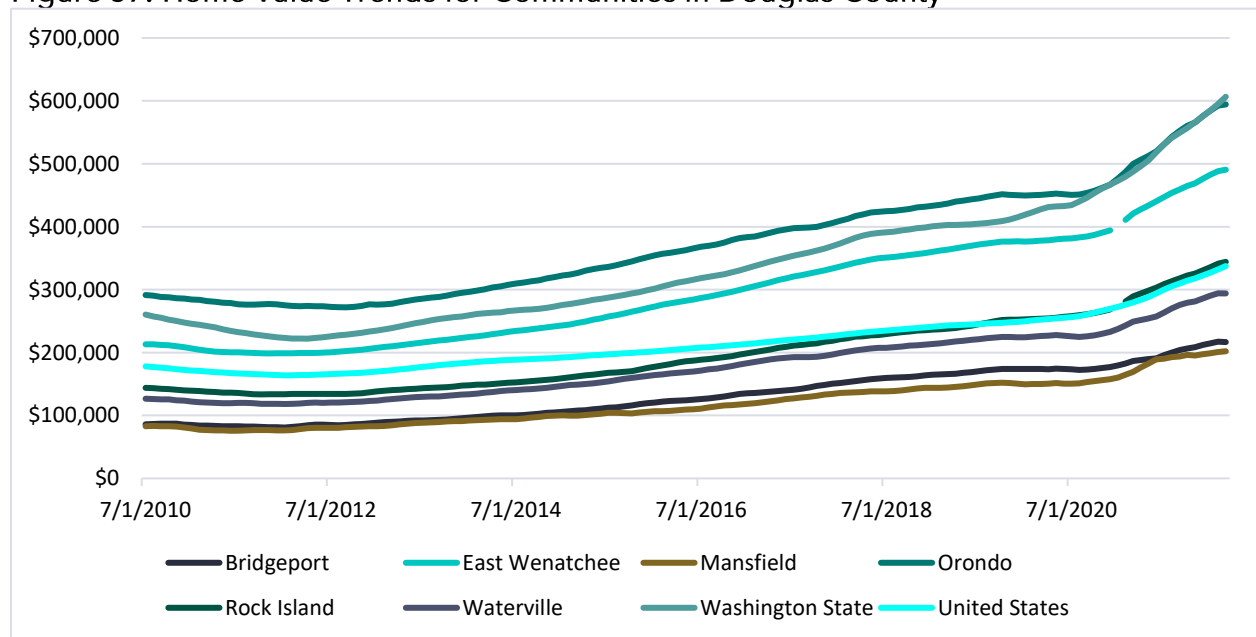
Figures 36 and 37 break down these same trends for the cities within Chelan and Douglas County individually. All cities in Chelan County outpaced US value appreciation rates between 2014 and 2022. However, only Leavenworth, Mason, and Chelan exceeded statewide benchmarks. The story is more mixed in Douglas County, where four cities were at or below national home value appreciation rates—Mansfield, Waterville, Bridgeport and Rock Island. East Wenatchee and Orondo, meanwhile, broke away from the pack starting around 2014.

Figure 36: Home Value Trends for Communities in Chelan County



Source: Points Consulting Using Zillow ZVHI

Figure 37: Home Value Trends for Communities in Douglas County



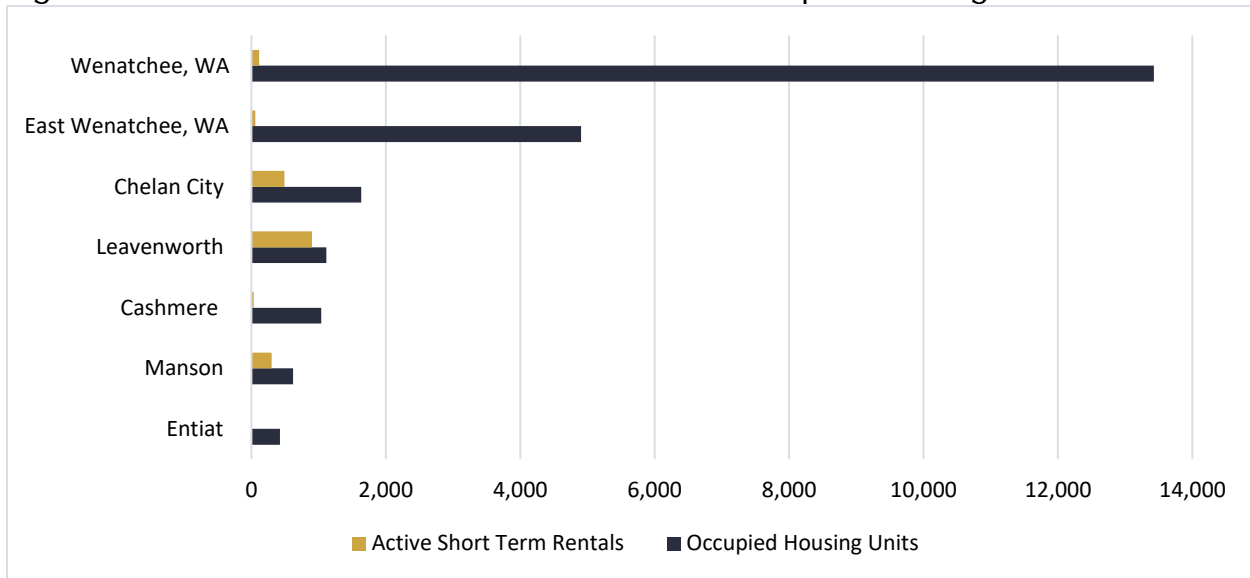
Source: Points Consulting Using Zillow ZVHI

Short-Term Rentals

The short-term rental industry (i.e., AirBnB) is increasingly playing a significant role in local housing markets. The model is a two-edged sword, in that it provides a potential source of “side-hustle” revenue for existing residents, but also has the opportunity to increase home prices further because single-family homes could be valued at the expectation levels of commercial real estate.

PC’s analysis of various STR databases indicate that this model indeed could be affecting the housing market. The number of housing units serving as STR’s is truly gaudy in some communities, reaching nearly 81% in Leavenworth, and almost 50% in Manson. Even in communities such as Wenatchee the industry is anticipated to be earning nearly \$1M per year in revenue.¹⁵

Figure 38: Active Short Term Rental Units and Total Occupied Housing Units



Source: AirDNA.com, May 2022

Table 22: Active Short-Term Rental (STR) Units and Total Occupied Housing Units

----Short-Term Rental Statistics----					
Community	Occupied Housing Units	Percentage STR Stock	Median Occupancy Rate	Avg Daily Rate	Approx. Minimum Revenue Total
Wenatchee	13,427	0.9%	68.0%	\$196	\$943,236

¹⁵ PC also estimates a conservative minimum approximate total revenue amount for each city’s STR segment by taking into account only the units that are active at least 180 days per year, median occupancy rates, and average daily rates.

East Wenatchee	4,907	1.2%	61.0%	\$281	\$819,066
Chelan City	1,632	30.1%	47.0%	\$322	\$7.6M
Leavenworth	1,117	80.6%	71.0%	\$321	\$25.6M
Cashmere	1,037	3.1%	57.0%	\$182	\$372,534
Manson	621	48.5%	52.0%	\$379	\$4.7M
Entiat	423	1.7%	63.0%	\$128	\$41,890
Peshastin	-	-	68.0%	\$303	\$1.1M
Monitor	-	-	35.0%	\$96	\$22,624
Orondo	-	-	51.0%	\$384	\$377,865

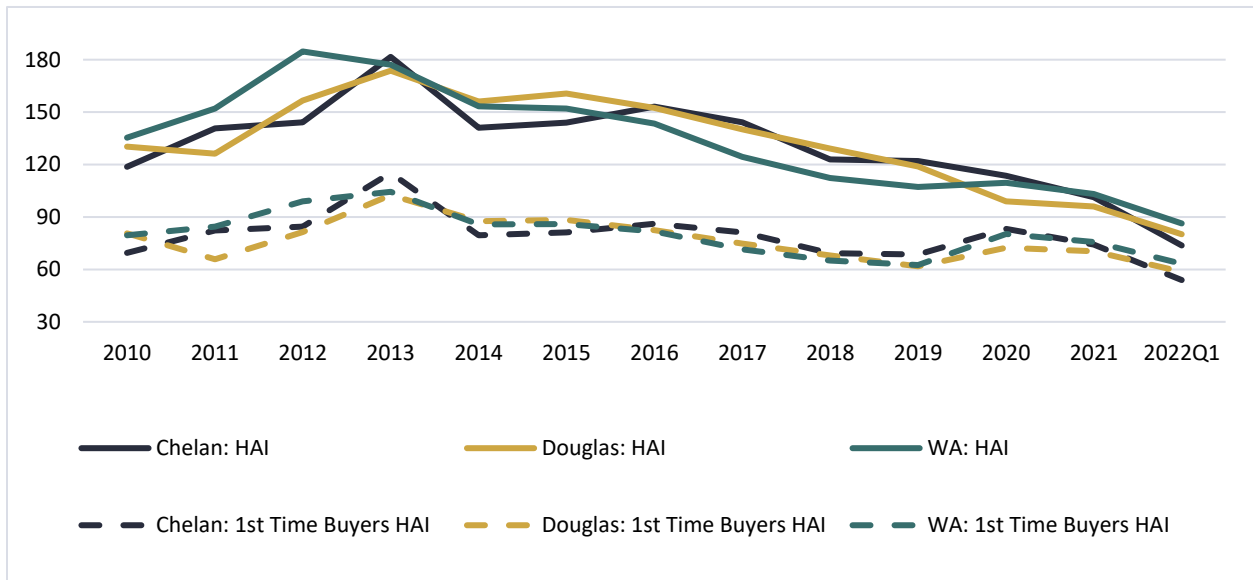
Source: AirDNA.com, May 2022 and U.S. Census ACS 2020 DP04

First-Time Home Buyers

One of the common concerns in areas with rapidly escalating real estate costs is the challenge presented to first-time home buyers. Fortunately, the Washington Center for Real Estate Research (WCRER) produces a Home Affordability Index (HAI) for both general audiences and first-time homebuyers. Figure 39 displays HAI for Chelan and Douglas, both overall and for first-time buyers, where higher values indicate greater affordability.

As of 2022Q1, First-Time Buyer HAI for Chelan and Douglas are slightly worse than the statewide average (53.9 and 58.6, respectively, compared to 63.2). Chelan ranked eighth worst in First-Time Buyers' HAI among Washington's 39 counties, and Douglas County ranked 13th. Chelan was on par with King County, and Douglas on par with Spokane and Peirce counties.

Figure 39: Home Affordability Index (HAI), and HAI (1st Time Buyers) 2010 - 2022



Source: University of Washington, State's Housing Market 2010 - 2022Q1

Table 23: Home Value & Affordability Q1 2022

Region	HAI	HAI (First-Time Buyers)
Chelan	73.7	53.9
Douglas	80.1	58.6
Okanogan	70.6	51.6
Grant	114.4	83.8
Statewide	86.3	63.2

Source: University of Washington, State's Housing Market 2022Q1

Rental Market Trends

Given these cost and affordability challenges, it is not surprising that a large number of households in North Central Washington choose to or are forced to rent rather than own a home. Generally speaking, there are fewer metrics available on rental markets, as it is more difficult for federal agencies to track, and for-profit data providers do not have as much incentive to collect and report such information.

Data that are available indicate that rents in Chelan and Douglas Counties for both one-bedroom and two-bedroom apartments rose considerably faster than the state between 2020 and 2021. In particular, rents increased 13.5% for one-bedrooms, and 18.9% for two-bedroom units. Furthermore, at roughly \$1,600 rental rates, two-bedroom units are nearly equal in the region to the statewide average. Fortunately, the cost per square foot for one-bedroom apartments is 24.8% lower than the statewide average, but this could also indicate there is still room to rise to meet statewide averages. Rental markets can be challenging in markets such as North Central Washington because there is an adequately large affluent rental market willing to pay premium rates for desirable locations, while more affordable communities tend to have little to no multi-family options.

Table 24: One Bedroom and Two Bedroom Metrics for Chelan / Douglas Counties and Statewide

	Avg. Sq Ft.	Avg. Rent	Percent Change 2020 - 2021	Cost Per SF	Vacancy Rate
---One Bedroom Apartments---					
Chelan / Douglas	702	\$1,254	13.5%	\$1.79	1.9%
Statewide	678	\$1,610	8.4%	\$2.38	1.4%
---Two Bedroom Apartments---					

Chelan / Douglas	897	\$1,629	18.9%	\$1.82	3.3%
Statewide	870	\$1,606	8.1%	\$1.85	2.2%

Source: University of Washington, State's Housing Market 2022Q1

The United States' Department of Housing and Urban Development (HUD) keeps annual estimates of Fair Market Rents (FMR) for metropolitan areas and nonmetropolitan counties, which is useful for discerning affordable rental costs in Chelan and Douglas Counties. FMR's are references that help HUD define standard amounts for programs such as Housing Choice Vouchers, Section 8 contracts, Housing Assistance Payments, and others.¹⁶

The FMR's that HUD uses in its calculations are 26.8% lower for one-bedroom apartments, and 30.9% lower for two-bedroom apartments in the Wenatchee MSA than the average for Chelan / Douglas County seen in the previous table.

Table 25: 2021 - 2022 Fair Market Rents in Wenatchee, WA MSA (incl. Chelan and Douglas Counties)

2022 Fair Market Rents						
	1 Bedroom	Percent Change 2021 - 2022	2 Bedrooms	Percent Change 2021 - 2022	3 Bedrooms	Percent Change 2021 - 2022
Wenatchee MSA	\$917	5.9%	\$1,126	1.7%	\$1,546	2.3%

Source: Housing and Urban Development, Small Area Fair Market Rents


Housing Affordability

Across the US there are many households that earn above the Federal Poverty Level (FPL), but are still struggling to get by financially. United for ALICE provides research on those individuals and households that can't afford basic necessities in communities across several states. ALICE stands for *asset limited, income constrained, employed*. Households that fall below the ALICE threshold earn above the FPL, but not enough to afford a basic household budget that includes housing, food, transportation, health care, and childcare. [Appendix A](#) has a breakdown of the FPL dollar amount by persons per household.

According to a Washington State overview report published by United for ALICE's research center in the period between 2007 to 2018, 33% of Washington's 2.8 million households still struggled to make ends meet, despite the sustained economic improvement the state has made throughout the years.¹⁷ Additionally, 23% of Washington households fell below the

¹⁶ FMR amounts are defined by HUD as estimates of rent plus utilities, and are generally set at the 40th percentile rent for "standard quality rental housing." The FMR calculation excludes units that are new construction, substandard, or public housing, and selects from among rentals of all units within the FMR area occupied by tenants who have recently moved.

¹⁷ Alice in Washington: A Financial Hardship Study. United for Alice (2020)



ALICE threshold in 2018, with 10% of the state’s households living below the FPL. In Chelan County, 3,365 (12%) of households were found to be in poverty, while 8,411 (30%) were under the ALICE threshold. Douglas County, on the other hand, had 1,657 in poverty (11%), with 3,464 households (23%) under the ALICE threshold that same year.

Single female-headed households—referring to women that take care of a family by themselves due to circumstances such as a divorce, widowhood, or separation—were found to have the most severe rates of poverty in both counties, with a 28% rate of poverty in Chelan County, making up 403 households, and a 45% rate in Douglas County, for a total of 451 households. This means that close to a third of households in Chelan County, and almost a quarter of households in Douglas County were experiencing a varying degree of financial difficulties in 2018.

Low Income Population Groups

The tree maps in Figures 40 and 41 below give a visual representation of the composition of low-income households in Chelan and Douglas County.¹⁸ The largest sector of extremely low-income households—with a total of 1,095 households in Chelan County—are those of elderly people living alone, making up around 4% of the households in the county. This is also the case in Douglas County, where there are 405 extremely low-income households composed of elderly persons living alone close to 3% of all households.

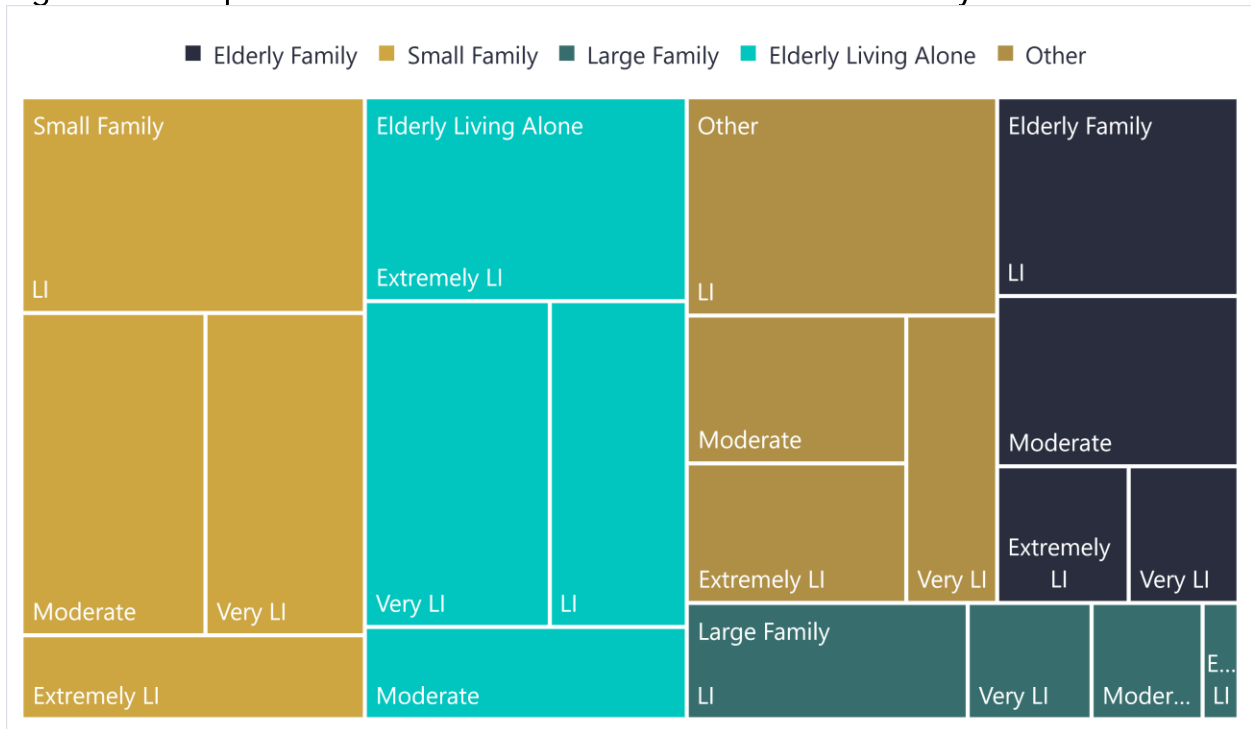
These results correspond with data collected at the national level, showing that older Americans who live alone are more likely to be poor than those living with others.¹⁹ The largest percentage of low-income households in Chelan County are small families—households with two to four persons under 62 years of age. They make up 4.4% of all households in the county, with a total of 1,235 households. Low-income, small families are also the most common type of low-income household in Douglas County, accounting for around 5% of households.

In general, large families make up a lower share of low-income households in Chelan County than in Douglas County. Large family households are those that are composed of five or more persons. In Chelan County these households make up around 4% of total households, whereas in Douglas County they represent almost 7% households. However, Chelan County has a higher percentage of extremely low-income households than Douglas County, with 9% compared to 7% in Chelan County. Both counties have about the same percentage of moderate-income households, which is the highest income subgroup within those classified as low income, standing at around 10% of households.

¹⁸ Please keep in mind with these data that household and population values are based on 2018 and are therefore less accurate than previously presented data on population. They are, however, very valuable for uncovering cost-burdened details.

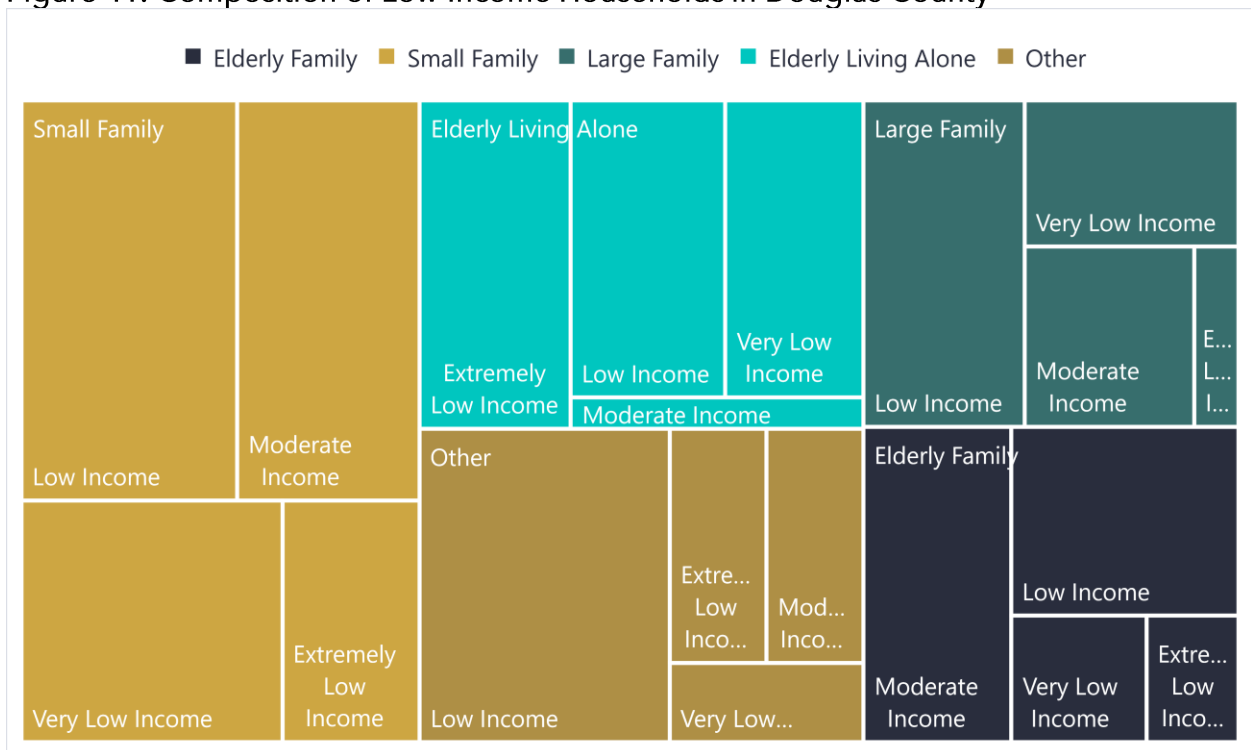
¹⁹ Well-being of older adults living alone. R. Stepler (2016)
<https://www.pewresearch.org/social-trends/2016/02/18/3-well-being-of-older-adults-living-alone/#:~:text=These%20survey%20findings%20are%20in,with%20others%20to%20be%20poor>

Figure 40: Composition of Low-Income Households in Chelan County



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Figure 41: Composition of Low-Income Households in Douglas County



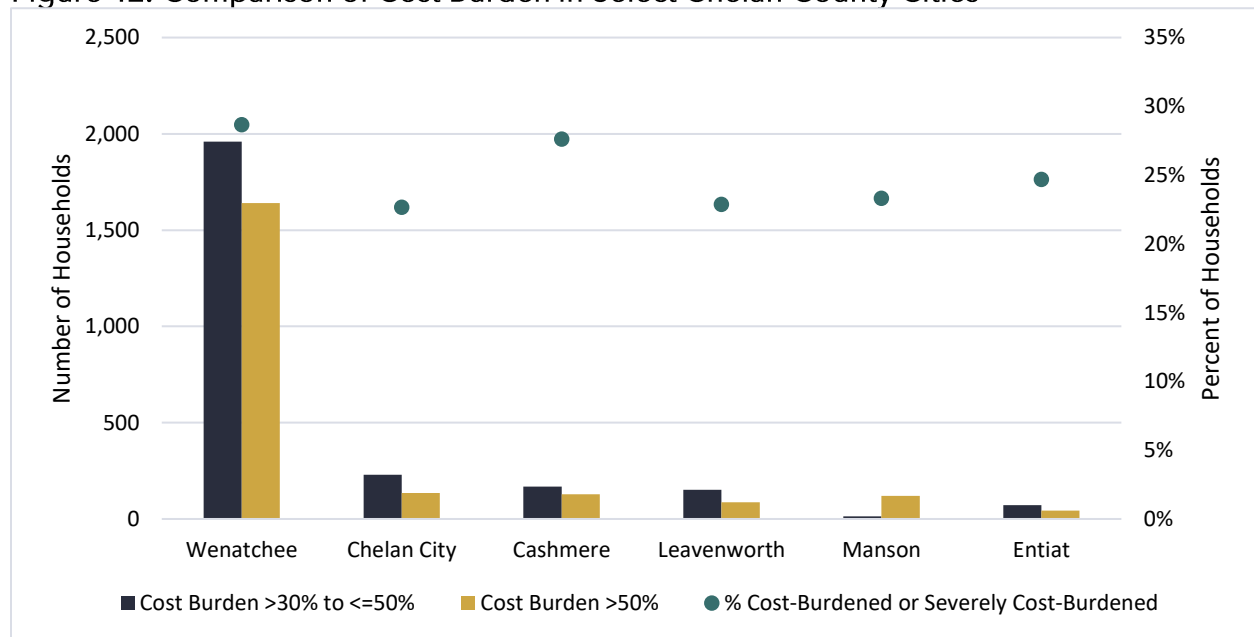
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Housing Cost Burdened Populations

Figures 42 and 43 show the cost burden for several cities in Chelan and Douglas Counties. Cost-burdened families are defined by HUD as those who spend more than 30% of their income on housing and may have difficulty affording food, clothing, transportation, and health care.²⁰ Within Chelan County, Wenatchee has the highest rate of cost-burdened households, with 28.7% of households classified as cost-burdened. Chelan hosts the lowest proportion of cost burden households of the six cities presented, but not by much; it still has 22.7% of its households identified in this category. Manson sticks out in that its number of severely cost-burdened households—households that spend more than half of their income on housing—exceeds that of cost-burdened households.

In Douglas County, both East Wenatchee and Rock Island have a rate of 25.2% cost-burdened households. These two cities have the highest rates in the county, whereas Bridgeport has the lowest cost-burdened rate, at 15.5%. This shows that Douglas County's cities have a lower percentage of its households in a cost-burdened situation. About a quarter of Chelan County households, on the other hand, are cost-burdened.

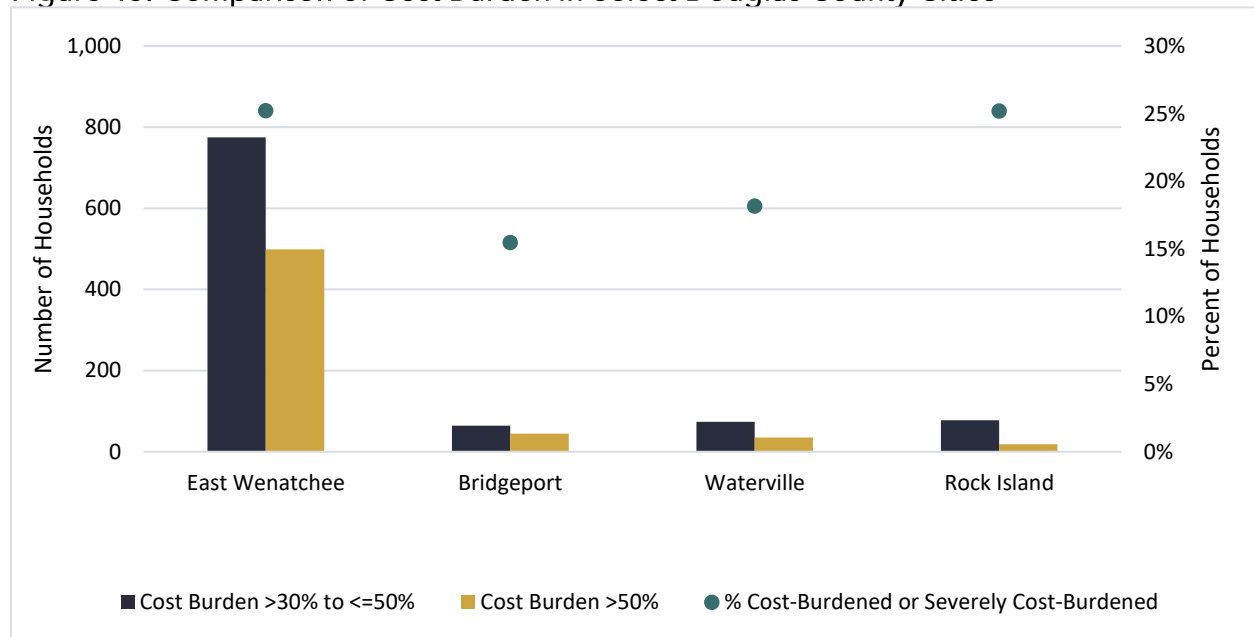
Figure 42: Comparison of Cost Burden in Select Chelan County Cities



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

²⁰ Rental Burdens: Rethinking Affordability. PD& R Edge U.S. Department of Housing and Urban Development Measures https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html#:~:text=HUD%20defines%20cost%2Dburdened%20families,of%20one's%20income%20on%20rent

Figure 43: Comparison of Cost Burden in Select Douglas County Cities



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Table 26 gives a detailed breakdown of cost burden within cities in both counties. The two cities in Chelan County with the highest rate of severely cost-burdened households are Wenatchee and Cashmere. However, the city with the highest cost burden in general in Chelan County is Wenatchee, at a rate of 28.7% of households. Sunnyslope is the city with the highest amount of households that are not cost-burdened.

In Douglas County, Rock Island has the largest amount of severely cost-burdened households, with 20.3% of households. It is tied with East Wenatchee for the highest amount of severely or cost-burdened households, at 25.2%. Bridgeport has the lowest amount of cost-burdened households, with 84.4% of households identified as not being cost-burdened.

Table 26: Housing-Burden in Select Chelan County and Douglas County Cities

City	Number of Households	Severely Cost-Burdened	Cost-Burdened	Severely or Cost Burdened	Not Cost-Burdened
---Chelan County---					
Wenatchee	12,560	15.6%	13.1%	28.7%	70.3%
Chelan City	1,610	14.3%	8.4%	22.7%	74.5%
Sunnyslope	1,410	5.7%	9.6%	15.2%	84.3%
Cashmere	1,075	15.6%	12.0%	27.6%	71.1%

Leavenworth	1,045	14.5%	8.3%	22.9%	75.0%
Manson	575	2.4%	20.9%	23.3%	76.5%
South Wenatchee	535	0.0%	24.3%	24.3%	73.8%
Entiat	470	15.3%	9.4%	24.7%	67.9%
---Douglas County---					
East Wenatchee	5,055	15.3%	9.9%	25.2%	74.3%
Bridgeport	705	9.1%	6.4%	15.5%	84.4%
Waterville	600	12.3%	5.8%	18.2%	80.7%
Rock Island	385	20.3%	4.9%	25.2%	71.9%

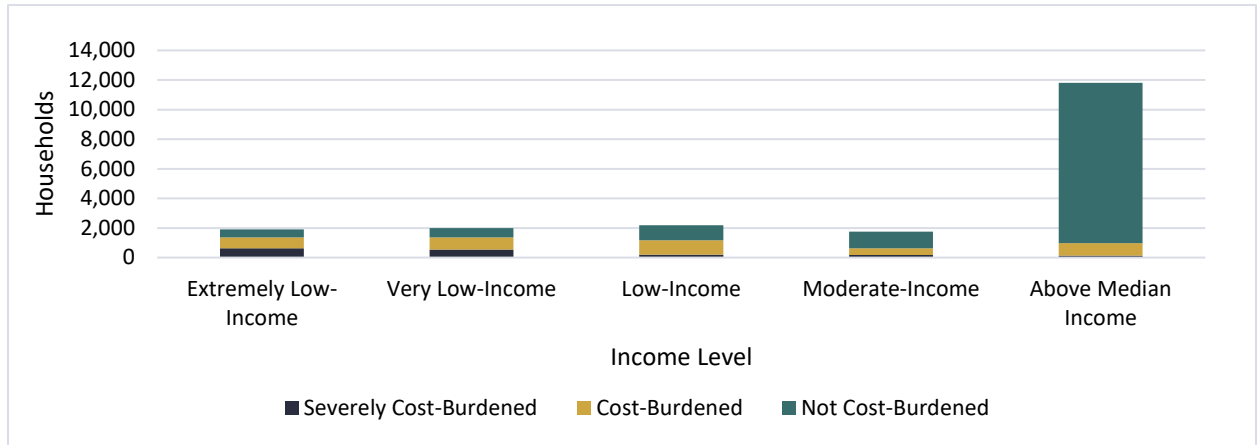
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Cost Burden for Owner-Occupied Households

In addition to cost-burdened data by geographic area, the HUD data also divide population by area median income levels, and by housing tenure (i.e., owner or renter-occupied housing). PC presents multiple cross-sections of these data, as these are among the most crucial data for this analysis.

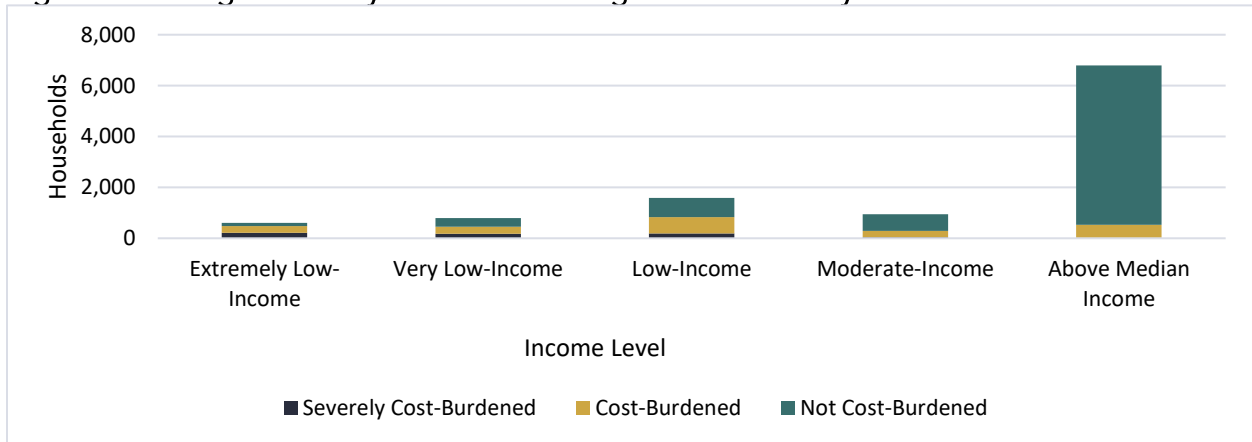
Figures 44-47 show cost burden by median income category for Chelan and Douglas Counties, and their largest cities Wenatchee and East Wenatchee. Chelan and Douglas Counties both have the highest rates of cost-burdened homeowners concentrated on the low-income end of the scale, with 5.2% of owners in Chelan County being cost-burdened low-income earners, and 6.1% of owners in Douglas County. It is also worth noting that Wenatchee's highest cost-burdened sector are owners with very low incomes (5.5% of owners), while in East Wenatchee, the low-income group has higher numbers of cost-burdened owners than those who earn lower incomes, with 5.1% of low-income owners classified as cost-burdened.

Figure 44: Chelan County Owners' Housing Cost-Burden by AMI²¹



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

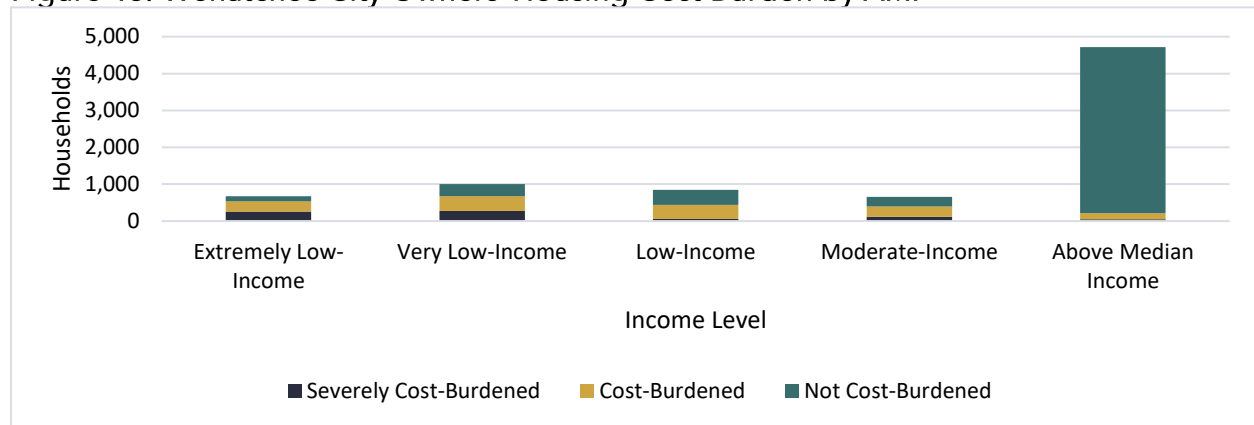
Figure 45: Douglas County Owners' Housing Cost-Burden by AMI



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

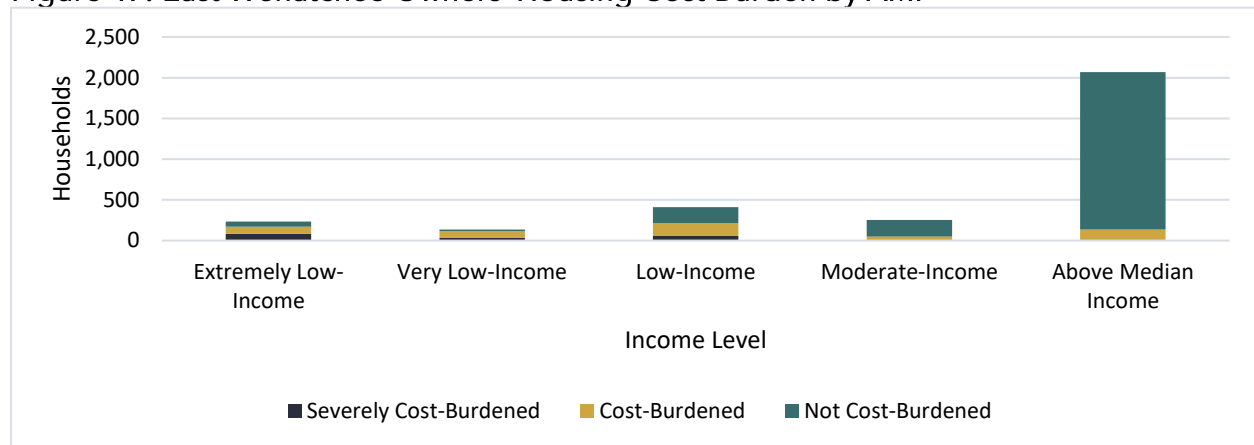
²¹ AMI Category definitions: Extremely low-income is ≤ 30% AMI, very low-income >30% to <50% of AMI, low-income >50% to ≤80% AMI, moderate-income is >80% to ≤100% AMI, and above median income is >100% AMI

Figure 46: Wenatchee City Owners' Housing Cost-Burden by AMI



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Figure 47: East Wenatchee Owners' Housing Cost-Burden by AMI



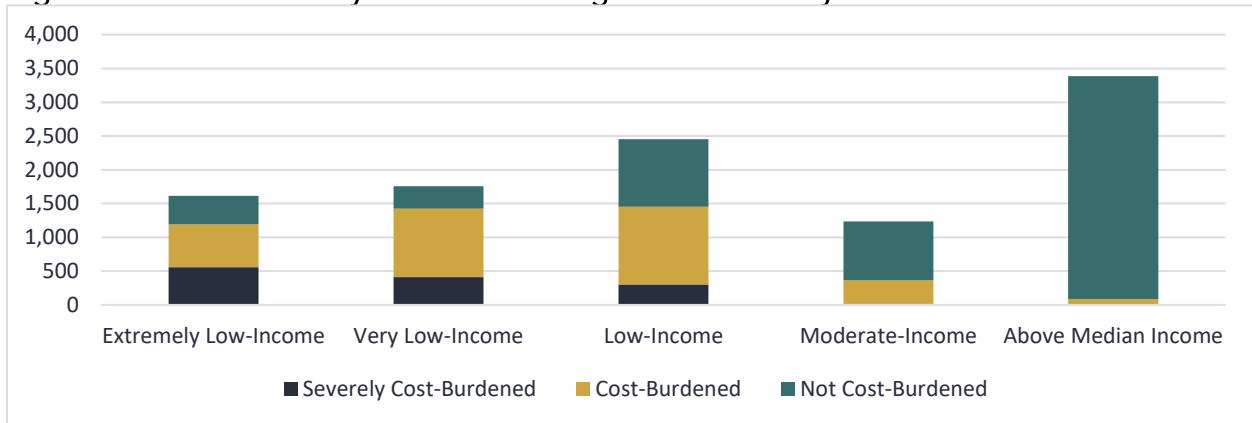
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Cost Burden for Renter-Occupied Households

Cost burden in the case of renters is different than that of owners. In general, renters have lower incomes and tend to be more cost-burdened than homeowners.²² Chelan County has most of its cost-burdened renters in the low-income category, with 5% of renters spending at least 30% of their income on housing. In Douglas County most cost-burdened renters, with around 10% of the total, are those with very low incomes. Both counties' largest cities follow the same pattern as the county-level figures. The largest group of cost-burdened renters in Wenatchee City are the low-income renters, making up 13% of the total. In East Wenatchee, 13% of cost-burdened renters are in the very low-income category. As indicated in the Figures below, housing affordability is a challenge for a large portion of renters in Chelan and Douglas Counties.

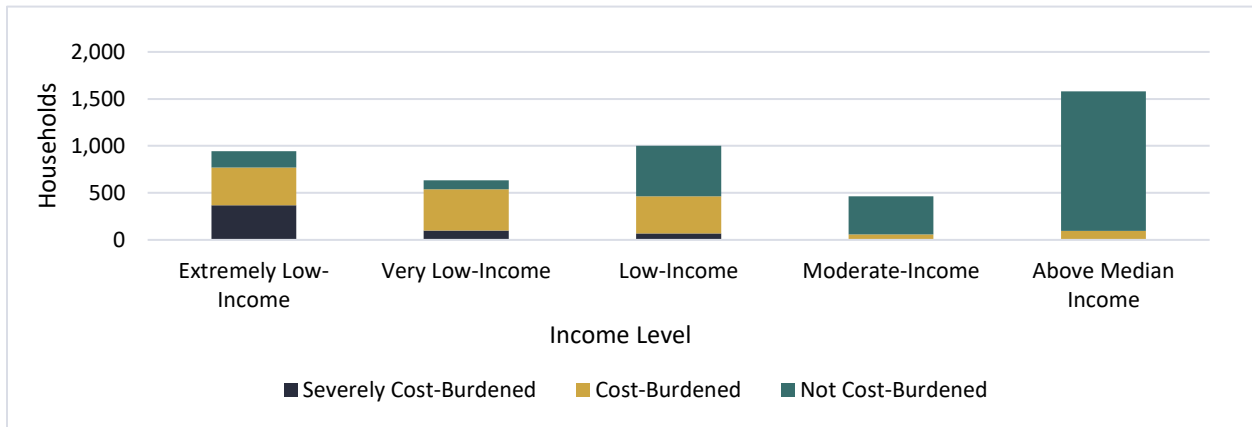
²² Low-income homeowners are as burdened by housing costs as renters. L. Goodman & B. Ganesh (2017), <https://www.urban.org/urban-wire/low-income-homeowners-are-burdened-housing-costs-renters#:~:text=Over%20a%20quarter%20of%20renters,explain%20most%20of%20this%20difference>

Figure 48: Chelan County Renters' Housing Cost-Burden by AMI



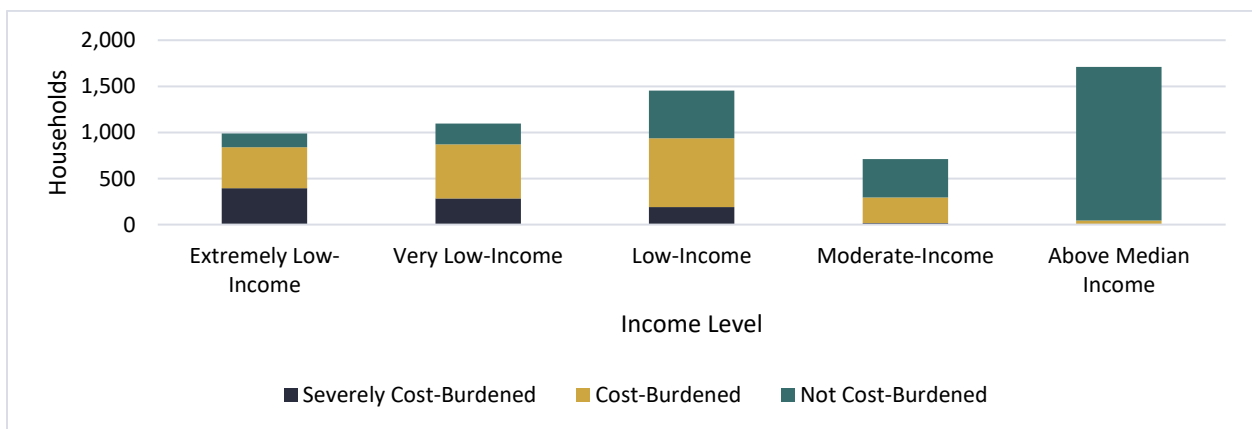
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Figure 49: Douglas County Renters' Housing Cost-Burden by AMI



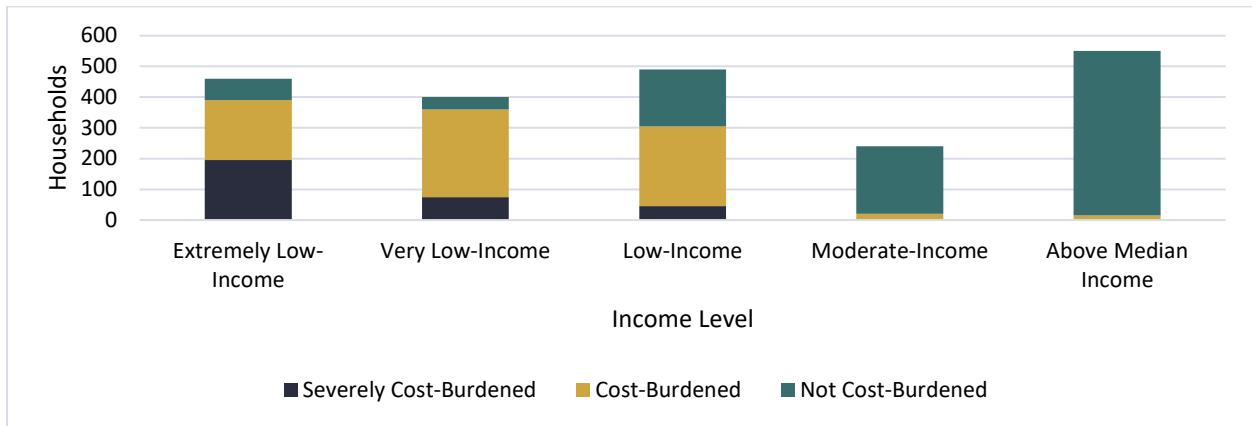
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Figure 50: Wenatchee City Renters' Housing Cost-Burden by AMI



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

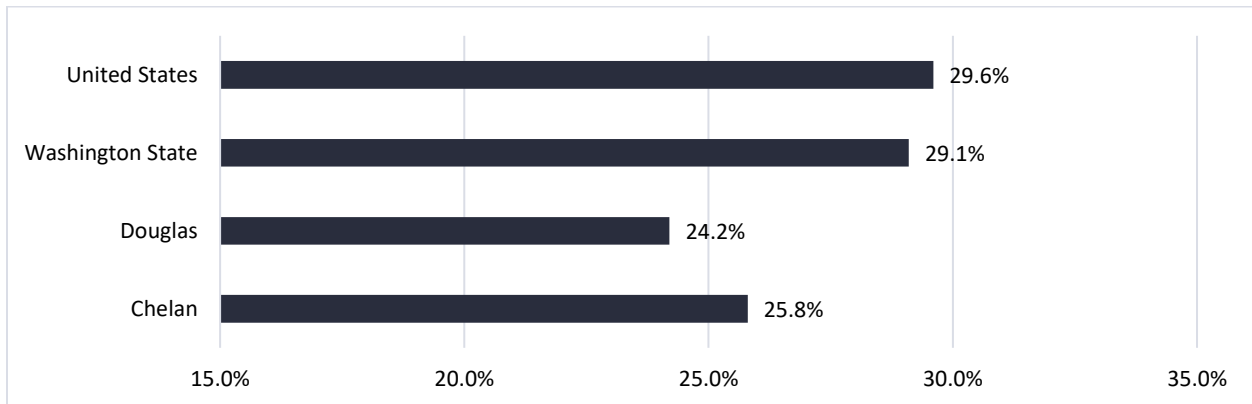
Figure 51: East Wenatchee Renters' Housing Cost-Burden by AMI



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2014-2018

Census also provides a look at cost-burden for renters while comparing local conditions to the state and nation. Figure 52 presents Median Gross Rent as Percentage of Household Income in Last 12 Months. Both counties are lower than the state and nation, but each also only has a little headroom before one third of its households become cost-burdened by rent alone.

Figure 52: Median Gross Rent as Percentage of Household Income in Last 12 Months



Source: U.S. Census 2020 ACS B25071

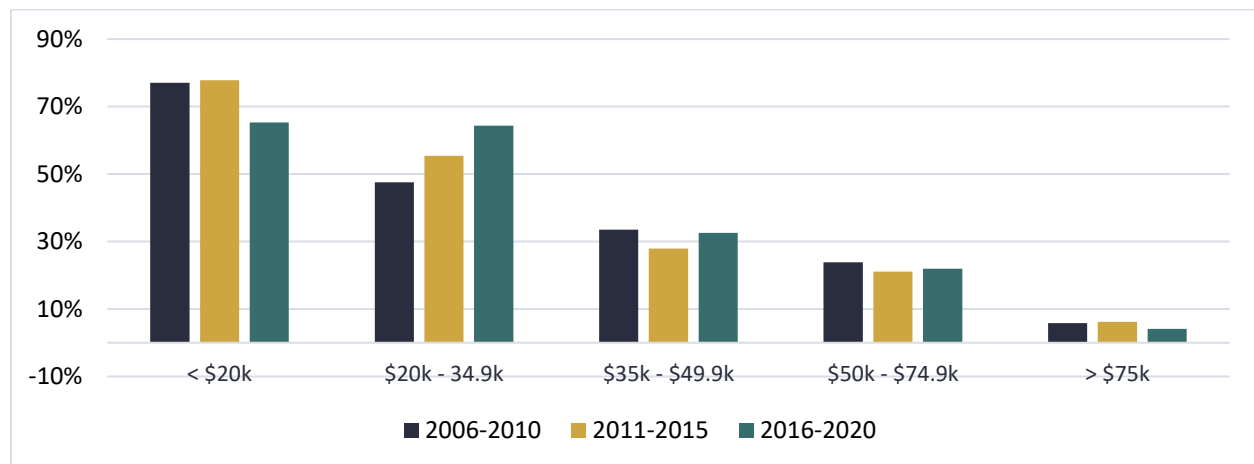
This chart doesn't include the costs of utilities, which is also a factor in HUD's official definition of being cost-burdened. When one considers the fact that landlords still have rising maintenance costs as buildings age and inflation increases the cost of insurance, supplies, and labor, and that supply chain problems have caused havoc on maintenance and improvement schedules and budgets nationwide, it's a reminder that landlords have limited control over rent costs.

Cost-Burdened Populations: Change Over Time

Prior charts on the cost-burden topic are static, focused on the most recent period of data availability. The next series of charts provides a deeper glimpse into how the cost-burdened picture developed over time by examining five income groups (<\$20K, \$20 to \$35K, \$35K to \$50K, \$50 to \$75K, and \$75K and above).²³ One would expect lower-income ranges to bear the brunt of housing cost-burden; although true, it is surprising how the classification has become more widespread in more recent years.

In Douglas County, the general pattern from 2006 - 2020 has been a rising cost-burdened trend in the lower four income ranges, and a decreasing trend in the top range. This is fitting with the national narrative of the disappearing middle class, combined with an affluent class that continues to accumulate wealth. But in Chelan County the picture is more mixed, with cost-burden decreases within three ranges: less than \$20K, \$50K to \$75K and \$75K+. At the same time, considerable cost-burden accumulated for those in the lower-middle ranges (\$20K to \$50K). It is difficult to discern exactly why this trend is occurring in Chelan County but not in Douglas County. One would expect that the concentrated development of affordable housing in Chelan (but not so much in Douglas) is playing a role. Perhaps part of the answer is also due to outmigration from Chelan to Douglas of the moderate-income categories.

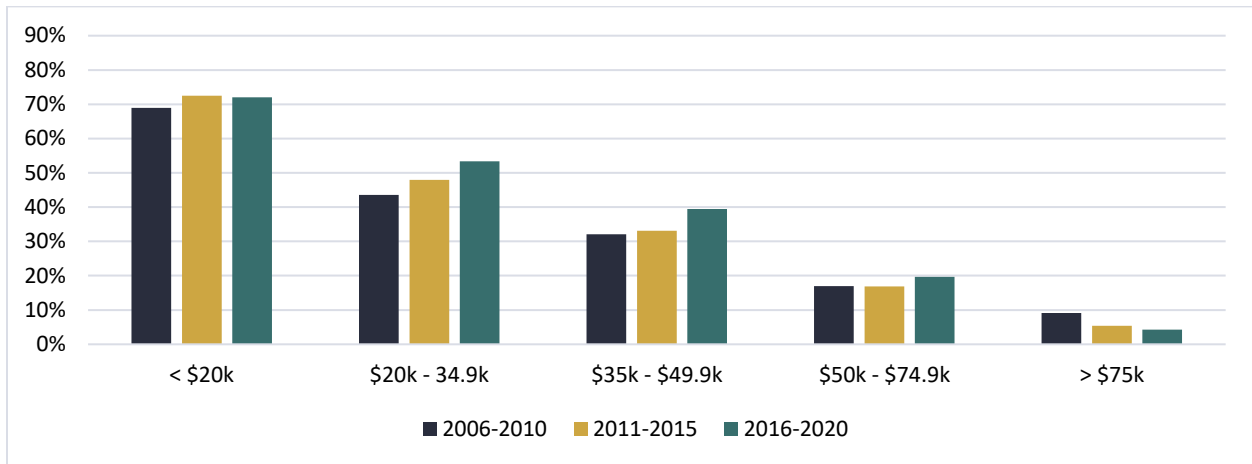
Figure 53: Percent of Cost-Burdened Households by Income Range in Chelan County



Source: US Census Bureau ACS B25106 5 Year 2010 - 2020

²³ Census American Community Survey (ACS) collects panel data for five-year periods (e.g., 2016-2020) and reports new estimates each year. Each panel, therefore, is not a single year snapshot but an estimate over a range of years.

Figure 54: Percent of Cost-Burdened Households by Income Range in Douglas County



Source: US Census Bureau ACS B25106 5 Year 2010 - 2020

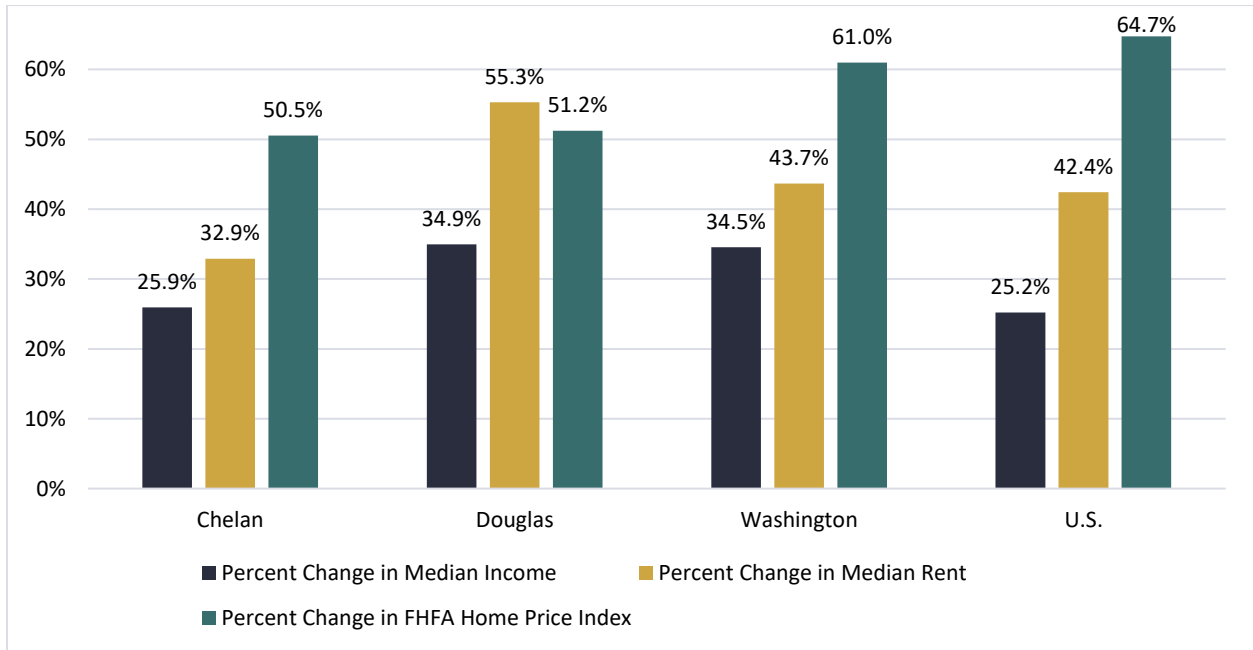
From 2010 - 2020, median income households have experienced increasing difficulty in affording housing, partly because income growth has trailed both rent and home value growth. Figure 55 displays the different rates of change for median incomes, house prices, and rent. The FHFA House Price Index (FHFA HPI) is a broad index of house price movement that uses data from mortgages securitized by Fannie Mae and Freddie Mac in order to track average same-house changes in sales price or refinance value going back to the 1970s.²⁴

When comparing each county to Washington and to the United States in Figure 55, it is notable that the changes in Chelan County have reflected those of the state and nation; but in Douglas County, the percent change in median rent has outpaced the percent change in FHFH House Price Index. Median incomes have changed the least in Chelan County, but the price of homes has increased as much as in Douglas County, where the median income has grown a bit more.

The gap between the median income growth and the FHFA Home Price Index is large in all regions, especially in the case of the state—the median income grew 34.5% over 10 years while the FHFA Home Price Index grew 61.0%, and the median rent grew by 43.7%. In Chelan County, the median income grew by 25.9% while the FHFA Home Price Index grew by 50.5%. Incomes in these counties have not been stagnant as they have in some rural counties in neighboring states, but rents have risen faster. Pair up the torrid pace of home price appreciation along with rapidly rising rents with 0% interest rates on savings accounts for ten years and it's clear that saving money for a down payment has been hard even in these counties where median incomes have been healthily rising since 2010.

²⁴ The FHFA HPI is different than the previously used Zillow Home Value Index (ZHVI) because the ZHVI takes into account the value of homes that aren't on the market, whereas the FHFA HPI tracks actual sales and refinance transactions.

Figure 55: Percent Change in Median Income, Median Rent, and FHFA House Price Index 2010 – 2020



Sources: U.S. Census ACS, FHFA Home Price Index

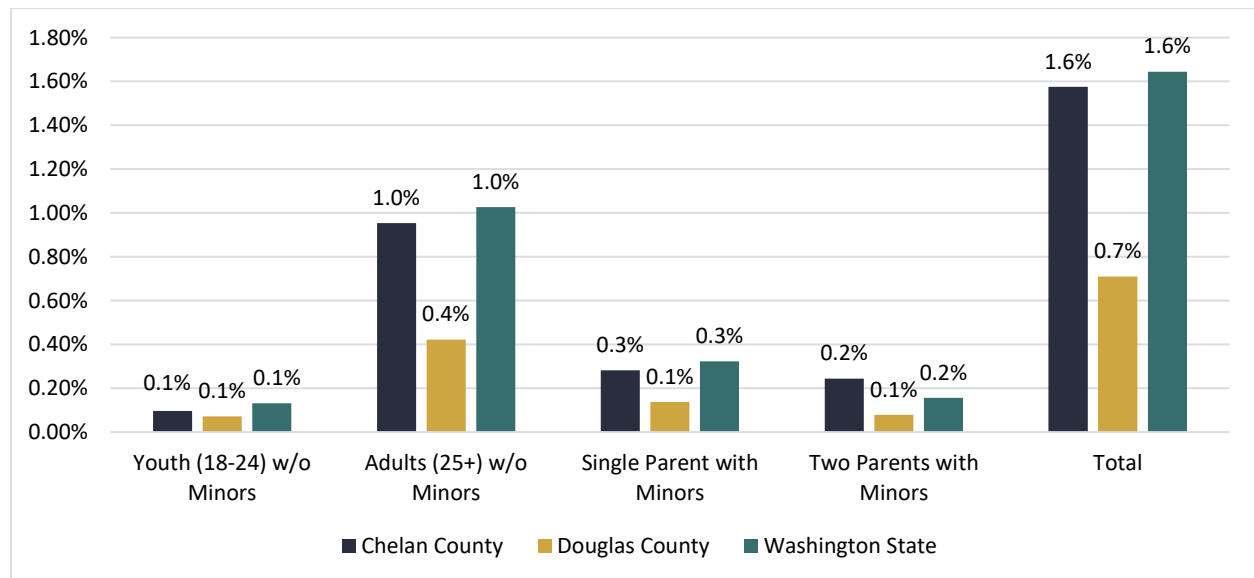
Homelessness

In 2020, Washington State reported the highest number of homeless individuals within the Pacific Northwest region—over 22K people (3.8% of the population).²⁵ Of these individuals, 2,100 are family households, over 1,600 are Veterans, and 1,700 are young adults between 18 to 24-years old.

Figures 56 and 57 below illustrate the status of homeless individuals in both counties and the state in 2021. When taking into account both homeless and unstably housed persons, Chelan County has a similar rate to the rest of the state, at 1.6%. Douglas County, on the other hand has lower rates of homelessness for every type of household composition. The majority of homeless or unstably housed are adults without minors, followed by single parents with minors, then two parents with minors, and lastly youth without minors. When looking at homelessness alone by year, the rates for these regions have remained fairly consistent from 2014 to 2021, with a slight increase in 2020 and 2021. Chelan County saw the largest increase in their homeless population, with a 0.2% increase.

Table 27 gives a detailed breakdown of homelessness numbers for these regions, along with county rankings in 2021. Chelan ranks 20th in terms of per capita homelessness, with 15.4 residents for every 1,000 in a state of homelessness, whereas Douglas County ranks 37th, with 7.1 for every 1,000. Table 40 in [Appendix A](#) shows the full county ranking.

Figure 56: Percentage of Population Homeless or Unstably Housed in Chelan County, Douglas County, and Washington State, 2021

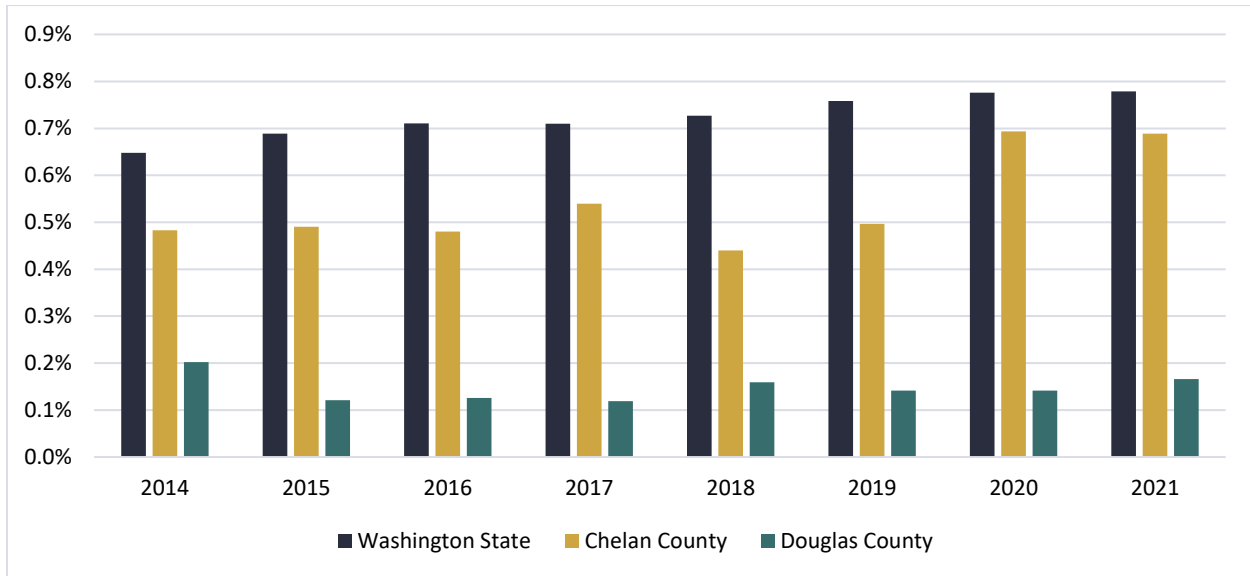


Source: Washington State Department of Commerce, Snapshot of Homelessness in Washington State

²⁵ Washington Homelessness Statistics. United States Interagency Council on Homelessness (2020)

<https://www.usich.gov/homelessness-statistics/wa/>

Figure 57: Percentage Change in Homelessness (Emergency Shelter or Unsheltered) in Chelan County, Douglas County, and Washington State, 2014-2021



Source: Washington State Department of Commerce, Snapshot of Homelessness in Washington State

Table 27: Homeless and Unstably Housed per 1,000 Residents in Chelan and Douglas Counties, 2021

County	Total Homeless or Unstably Housed	Population	Homeless or Unstably Housed per 1,000 Residents	Rank
Chelan County	1,256	81,600	15.4	20
Douglas County	316	44,600	7.1	37
Washington State	127,718	7,766,925	16.4	-

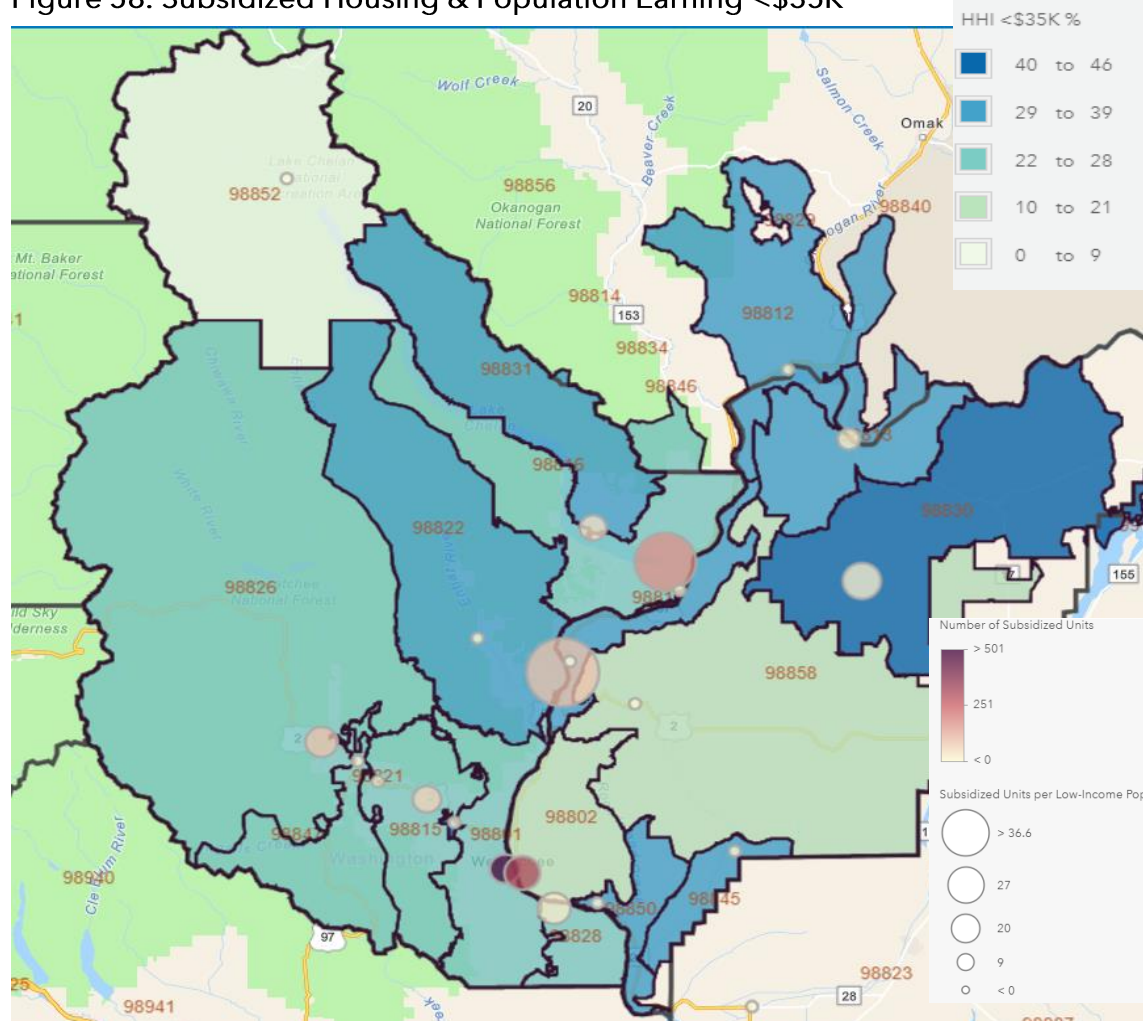
Source: Points Consulting using Washington State Department of Commerce, Snapshot of Homelessness in Washington State

Subsidized Housing Availability

Cities within Chelan and Douglas Counties in 2020 had a notable disconnection between the number of subsidized housing units and amount of households receiving at or below \$35K in income. For instance, Leavenworth has 92 units, while 22.6% of household income is below \$35K. Compare that to Orondo which does not report any subsidized units, yet 32.6% of residents income fall under \$35K.

The map below, Figure 58, showcases the percentage of households whose income is less than \$35k by zipcode. The dots display the number of subsidized units by color scale ranging from 0 to greater than 151 units, and the size of the dots are determined by the amount of subsidized units per income of \$35K or less. Table 28 displays a detailed overview of the household income and number of subsidized units by zip code and correlating city. All things considered, the communities with the most outstanding need for affordable housing appear to be Cashmere, Manson, Bridgeport, Wenatchee, and Leavenworth, in that order.

Figure 58: Subsidized Housing & Population Earning <\$35K



Source: ArcGIS Business Analyst, 2020 Household Income

Table 28: Low-Income and Subsidized Units per Zip Code

Zip Code (City)	# of HH's <\$35K	% of HH's <\$35K	Number of Subsidized Units	Ratio of Persons <\$35K to Subsidized Units
98801 (Wenatchee)	4,828	26.4%	501	9.64
98802 (East Wenatchee)	2,400	18.6%	268	8.96
98826 (Leavenworth)	870	22.6%	92	9.46
98815 (Cashmere)	760	24.3%	66	11.52
98816 (Chelan City)	719	25.3%	175	4.11
98831 (Manson)	419	32.3%	39	10.74
98813 (Bridgeport)	288	31.6%	18	16.00
98822 (Entiat)	272	33.7%	92	2.96
98843 (Orondo)	261	32.6%	0	N/A
98828 (Malaga)	189	24.0%	24	7.88
98847 (Peshastin)	188	25.6%	0	N/A
98858 (Waterville)	186	21.2%	0	N/A
98850 (Rock Island)	158	31.3%	0	N/A
98830 (Mansfield)	78	43.7%	18	4.33
98817 (Chelan Falls)	22	25.0%	0	N/A
98836 (Monitor)	17	46.3%	0	N/A
98845 (Palisades)	17	32.7%	0	N/A
98821 (Dryden)	5	0.0%	0	N/A

Source: U.S. Census Bureau ACS S1901 5-Year Estimates 2010-2020, Points Consulting Calculations, & Personal communication with Chelan County Housing Authority

5. Regional Contextual Overview

Housing availability and price develops within the context of a given communities' socioeconomic trends, policy decisions, and other community factors. As such, it is important to scan other regional reports and studies related to socioeconomic issues to determine what common threads are affecting housing policy and availability. The following are summaries of the studies reviewed by PC in this process, which were the most up to date material available at the time of publishing this report.


Recent State & Local Housing Initiatives & Investments

The state of Washington incentivizes, funds, or administrates affordable housing initiatives in a number of different ways. Per RCW 82.14.530, Sales and Use Tax for Housing and Related Services allows counties and cities to implement a sales or use tax of 0.1% to go towards housing services. Such a tax was previously subject to the county legislative authority first making the proposition, then a majority of voters approving it. But as of June 2020, no voter approval is required, and any city's legislative body may enact that tax even if the county has not. If a county imposes that tax after a city within it does, then the county must give a credit for the full amount of tax imposed by that city against the county's tax. The bill authorizes counties or cities that have imposed that tax to issue revenue bonds or general obligation bonds in order to construct or acquire affordable housing, facilities providing housing services, land for those purposes, or behavioral health-related facilities. The housing and facilities' housing-related programs are to be offered only to populations of certain groups, and only if their income is 60% or less than the median income of the county. Those groups include persons with behavioral health disabilities, veterans, senior citizens, persons or families who are homeless or at risk of becoming homeless, unaccompanied homeless youth or young adults, persons with disabilities, or domestic violence survivors. Fifteen percent (15%) of the units of any housing or facility acquired under that statute must be offered to people who live within or near the city in which the facility will be located.

Wenatchee and East Wenatchee passed ordinances implementing the new sales tax in 2021, joining four other Washington cities that had done so. Wenatchee expects \$800,000 - \$900,000 in annual revenue from the new tax, and East Wenatchee expects \$400,000. Wenatchee and East Wenatchee recommend that the money be used to build a 40 hut/shed low-barrier sleep center, capable of sheltering 40 to 80 people, to service the chronically homeless and unsheltered homeless adults.²⁶

There are other recent pieces of state legislation seeking to help local governments address the housing affordability issue. HB 1406 (Affordable Housing Sales Tax Credit) gives cities and counties a window from July 2019 to July 2020 to become eligible to participate in a sales tax revenue-sharing program and receive a portion of state sales tax revenue for the next 20 years. Those moneys must be used for acquiring, rehabbing, or constructing affordable housing, operating and maintaining such facilities, loaning or granting to nonprofits or public housing authorities, repay bonds, or rental assistance. According to the aforementioned state ordinance, counties and cities must first declare the existence of an

²⁶ City of Wenatchee, Strategies to House the Unsheltered Homeless Population and Decrease Community Impacts in Chelan and Douglas Counties, February 12, 2021. <https://www.wenatchee.gov>



emergency regarding availability of housing for “low-income” or “very low-income” households. Then municipalities may impose an additional property tax levy up to \$0.50 per \$1,000 in assessed valuation, for up to 10 years. Such revenues could be used for affordable housing, affordable homeownership, owner-occupied home repair, and programs for low-income household foreclosure prevention. A simple majority of the city or county legislative authority may impose the new levy without voter approval, but in order to receive larger revenue shares from this state tax credit, cities or counties might decide to first impose a “qualifying local tax,” which would require approval by a simple majority of voters.

Washington’s Growth Management Act is a collection of statutes requiring rapidly-growing counties and cities to comprehensively plan for management of that growth, and providing guidance on 13 objectives dealing with issues such as sprawl reduction, urban growth, critical areas, and natural resource lands. Chelan County was required by the GMA to “plan fully,” and Douglas County opted in. Any jurisdiction that is considered to be fully planning under the Growth Management Act, and is imposing the second Real Estate Excise Tax (REET) of 0.25% (RCW 82.46.035) may be able to use some of that revenue for projects that address affordable housing until 2026. Within the state of Washington, only San Juan County is currently eligible. However, the state is allowing cities and counties fiscal flexibility, from May 2021 to December 2023, to use some of their REET 1 revenues for capital projects, including services to affordable housing residents, or shelter units. They may also increase the portion of REET 2 revenues that they use for those purposes.

A Multifamily Tax Exemption program may be established by any city with a population of at least 15,000, in order to incentivize the building in designated areas of new, rehabbed, or converted multifamily housing, including affordable housing, according to Chapter 84.14 RCW. Even much smaller cities could be eligible by the definitions found in RCW 81.14.010(3). Eligible projects will have at least four units, and the value of the improvements will be exempted for eight to 12 years from property taxes, as long as the owner sells or rents at least 20% of the units to low and moderate-income households. The state further incentivizes cities to implement affordable housing inclusionary zoning requirements in exchange for being able to provide a 20-year exemption for any qualifying property that is also near high-frequency, high-capacity transit lines. For example, Wenatchee gives 12-year tax exemptions for improvements in certain residentially-deficient urban centers, per Ch. 5.88 of its Municipal Code.

The State also allows cities and counties to use revenues from their Lodging Taxes to repay bonds that were issued to finance grants or loans to public housing authorities or nonprofit organizations for affordable workforce housing that is within half a mile of a transit station. It defines “affordable workforce housing” as housing for people or families earning 80% of the county median income or less, and “transit station” is defined broadly enough to include any bus stop (RCW 67.28, RCW 9.91.025).

The Washington State Department of Commerce administers both the HUD National Housing Trust Fund and the Washington State Housing Trust Fund, which it funds mainly via the state’s capital budget. Local housing authorities and governments may apply for loans or grants from the trusts. Most projects that are funded serve those with incomes below 30% of

the Area Median Income, or people with special needs, but projects serving residents with up to 80% of AMI can also be eligible.

The Department of Commerce is also the agency through which rural cities and counties can apply for the state's Community Development Block Grants (larger communities apply directly via HUD). The grants can fund such housing-related items as housing rehabilitation, infrastructure that supports affordable housing, sewer, water, streets, sidewalks, and other infrastructure, as long as the items primarily benefit low and moderate-income people. Communities may make one request per program year, per fund. Tribal organizations are not eligible directly, but they can be partners or sub-recipients with eligible community applicants.

HUD's HOME Rental Development Program is also administered by the Washington State Department of Commerce through its Housing Trust Fund. It provides block grants to nonprofits, local and tribal governments, and housing authorities for the purpose of creating or preserving affordable housing (with HUD-compliant rents) for low-income households. "HOME Participating Jurisdictions" receive such funds from HUD.

Lastly, the Washington State Housing Finance Commission administers the IRS's Low-Income Housing Tax Credit program, through which investors can receive tax credits in exchange for building and maintaining affordable rental housing.

Our Valley, Our Future: Action Plan 2022-2026

In 2021 "Our Valley, Stronger" was launched as a community strategic project which led into the 2022-2026 Action Plan. Residents, community leaders, nonprofit organizations, and many others gave feedback, all claiming to value the region's natural resources and recreation the most. The Valley intends to plan for ongoing improvements and expansion by connecting jobs, homes, transportation, and local amenities while establishing a high quality of life and wellbeing.

The intended actions and events for the area were listed as follows:

- Shared Prosperity
- Regional Planning
- Environment
- Safety, health, and support
- Education
- Inclusivity and engagement

Community Outreach Report – 2022

Following the "Our Valley, Stronger" community visioning and planning project, the Our Valley, Our Future team published results from their community outreach in 2021. The responses from the community provided viable information to frame the foundation for an upcoming Action Plan. The questions were asked during the COVID-19 pandemic. More than 2,000 people responded in interview, public surveys, focus groups, and panel discussions. More than 67% were from Chelan County and 31% from Douglas County. Demographically

most of the respondents were 60 years of age or older, primarily white, and most resided in Wenatchee or East Wenatchee.

From the responses they were asked, "What is the biggest challenge for the future of our valley?" Ranking from greatest to least were the overall answers:

- | | |
|---------------------------------|------------------------------|
| 1. Adapting to growth | 6. Providing social services |
| 2. Housing | 7. Community divisiveness |
| 3. Building resiliency | 8. Improving education |
| 4. Bridging the cultural divide | 9. Sustainable tourism |
| 5. Better jobs, economy | 10. Adapting to change |

When asked, "In what areas do you think racial and social equity barriers exist in our valley?" The following are the shared overall responses:


- | | |
|-------------------------------|---------------------------------|
| • Language: 64.1% | • Health care: 33.9% |
| • Housing: 58.0% | • Business opportunities: 31.7% |
| • Culture: 50.2% | • Childcare: 30.1% |
| • Education: 45.5% | • Job training: 25.4% |
| • Workplace: 37.1% | • Access to loans: 24.3% |
| • Criminal justice: 34.7% | • Transportation: 21.1% |
| • Access to technology: 34.2% | • There are no barriers: 8.6% |

The biggest challenges the area faces are adapting to growth, basic needs, social division, and inclusion. These issues stem from the diverse demographics, resources, retaining workers and younger generations to stay in the area, and the nationwide effects from the COVID-19 pandemic.

"Where Will We Live?" Housing Solutions Group Recommendations -2019

Project called "Regional Housing Approach Game-Changer" was established from a previous community outreach done in 2015-2016. Major employers reported that positions they were unable to fill was due to the lack of affordable and available homes in the community. Current homeowners have been forced to double up in homes, resulting in a slowdown in both real estate and economic activity. Although construction of multi-family homes has increased, they have not been able to keep up with the local demand. With the booming demand of homes and infrastructure in both Seattle and Portland, developers have less incentive to transition to the Chelan & Douglas areas to work.

From the above stated issues, the Greater Wenatchee Urban Housing Study was conducted in 2016. Housing focus was primarily on market-rate and multi-family housing. A community survey was facilitated in 2017 by Our Valley, Our Future with 1,700 residents from both counties responding. The barriers and challenges of housing were primarily the most popular responses, and those residents spending more than 70% of income on housing. At the time of publishing this report, OVOF was in process of conducting another survey on housing issues.



After the survey and public forums were complete, the final report was to be anticipated to be published by fall of 2018 instead of the following year. The Housing Solutions Group made the decision to narrow the focus on middle-market housing since it impacts a larger group of residents in both counties: those in 80th and 175th percentiles of median income—\$51,845 with the range between \$41,000 and \$73,000. To aid in the research on this direct issue, the Solutions Group was able to form four committees:

- Inventories
- Communications
- Barriers and Incentives
- Regulations, Codes & Zoning

From multiple meetings (over 880 hours of work), research, and survey responses, the study identified multiple important findings. At the same time in 2018 the researchers published a white paper to compare and contrast costs of housing to explain and quantify the differences while expanding upon the barriers and opportunities. They reviewed comparisons of Wenatchee to other cities and counties such as Yakima, Benton County, Ellensburg, and Spokane the researchers were able to visually explain the pricing and value costs of homes between the areas. The conclusion summarized five key takeaway points:

- Cost of land was not the only reason for cost disparity
- Permit fees are within range of other markets
- A significant challenge is land availability, particularly in large tracts of land
- With labor and contractor shortages creates a catalyst to pursue higher profit construction and incapacity to act on market demands within the middle markets
- Prices of materials are higher in the Wenatchee area

The four newly established committees, that were created during and for this research, provided their own findings and recommendations for their areas of focus. The Housing Type Committee reported a SWOT analysis and recommendations for homes in the Wenatchee market area. Regulations, Codes & Zoning Committee provided a list of specified needs to properly identify. Housing Barriers & Incentives Committee provided lists of barriers and incentives for the short-term, mid-term, and long-term efforts of the Chelan & Douglas Counties. The Housing Inventories Committee gave brief data points for several areas researched within the Counties.

Our Valley: Housing In Our Valley -2019

The review of the 2017 Action Plan, which included plans to improve housing opportunities for the community, was followed by an 11-month study done in 2019 titled “*Where Will We Live?*” done by the Housing Solutions Group, providing 18 recommendations to support the middle-market housing group. Additionally, most of the information and data were provided by the Pacific Appraisal Associates, Washington Center for Real Estate Research, and local government offices.

By 2019 most of the housing construction in the Chelan and Douglas counties were apartments that lead to a spike of vacancy rates, notably the first time in several years. The

rate of vacation and rental homes increased to such a degree that full-time residents were unable to buy homes within market rate.

An overview on data and statistics were listed in the following categories:

- Building Permits
- New Listings and Sales
- Number Of Homes
- Median Home Prices
- First-Time Home Buyers
- Rental Vacancy Rate

Between 2013 to 2018 the housing inventory in Chelan and Douglas County increased 5.8%, and multi-family housing inventory 2%. The 2019 Housing Solution Groups 18 recommendations involved major tasks and subtasks describing the action, listing key partners, desired outcome, and status at the time of the report.


Wenatchee Valley Technology and Innovation Development Analysis – 2019
Within the Chelan and Douglas Counties, the tech industry has grown due to influx of growth from Seattle. This has served both as a blessing and a curse for the area. The overarching goal of the report is to determine the impact from the developing technology sector in Wenatchee and highlight the thresholds for economic growth. The role in technology is not limited to the business sector, but those in agriculture, processing, etc. also use modern tools and resources related to tech. To properly determine occupations in Wenatchee, the report asked three main questions:

- Does the occupation directly produce technology?
- Does the occupation facilitate the use of technology by others?
- Would the occupation exist without the technology?

In addition to the questions, the standard occupation classification (SOC) system and NAICS's were used to organize and pinpoint the occupations thoroughly, followed by an assessment of competitive advantage in some industries from using the Shift Share Analysis and potential growth in others from Regional Industry SOW.

It reported brief historic and geographics reviews of the area, followed by figures provided by the Bureau of Economic Analysis to display gross product and growth rate from 2009 to 2018 between U.S., Washington State, and Wenatchee. This was followed by a percent change chart between MSA's in the Pacific Northwest and some Mountain States compared to Wenatchee.

Employment change and industry shift were calculated through EMSI over the course of 10-years from 2008 to 2018. The industries were determined by using 2-digit NAICS. This was further broken down into detail by the amount of jobs for the beginning and end year, difference in change, and calculated annual median earnings for each sector.



Regional and Gap analysis were provided for technology industry sectors through EMSI. While using the IPED, the completions of programs in Wenatchee Valley College in 2017 was reported, the most popular programs being Liberal Arts, Early Childhood Education, Farm/Ranch Management, all Nursing programs, and Medical Assistants. These industries in Wenatchee may experience a surplus of employment, which may result in below market wages in the area. It is recommended to address issues related to technological skills in order to grow the sector in both labor market and capital infrastructure experience gaps, while simultaneous constraints in geography and housing will hinder progressive growth.

After reviewing both Douglas and Chelan PUD's they estimate that 4 million MWh of electricity are exported on the wholesale market, falling under \$160 million as new dollars coming into the area. These would be able to provide wages and employment. Impacts on two different assumptions were forecasted using IMPLAN and the organizations own calculations to estimate tax, revenue, and wages. The first assumption was to determine output from a reduction in energy exports. The second was reducing revenue when selling electricity locally. From the results of the two scenarios a tax impact was then ran for production and imports, household, and corporations.

Spending amounts within the technology sector were again determined using IMPLAN and the organizations calculations. From the reported data at the time, Wenatchee spends more on imported inputs than local. Purchase amounts were showcased using EMSI from the 6-digit NAICS codes within the Wenatchee tech sector's imports. In total, Wenatchee Valley purchases over \$116 million in the technology sector imports.

Housing Needs Assessment & Market Demand Study, 2016

The areas observed in this housing study of the Wenatchee Urban Area were cities within Wenatchee and East Wenatchee, parts of Rock Island, and other surrounding unincorporated lands. The report outlines the challenges under the understanding that housing costs are on the rise in Wenatchee area, which create affordability issues for locals and potential new residents to the area. Housing and rental prices are rising steadily in the valley, but multifamily vacancy rates are low while 10% of rental units are overcrowded. Households are cost burdened—those between 2010 to 2014 spend 30% or more of their income on housing costs. Also, there is a mismatch of housing stock and household size from homes with multiple bedrooms; 60% of owners tend to be only one to two people, and studio or single bedrooms are short in supply. At the time, there is a lengthy waitlist for housing vouchers and more than 1,700 people receive a subsidy for housing units. Much like the rest of the nation, an increase in elder groups to or within the area are expected to rise as the "Baby Boomer" generations continues into retirement.

The report provided eight recommended strategies to meet demand and increase supply of needed housing:

- Increase marketing and outreach for housing developers and trades to grow access to builders and subcontractors.
- Spread out and influence the Multifamily Tax Exemption (MFTE) program.
- Evaluate parking standards.
- Assess the barriers when developing the 'missing middle' housing types

- Examine the Washington State Housing Finance Commission's Low Income Housing Tax Credit (LIHTC) with local developers to better understand the ways in which the city can contribute to competitive projects.
- Determine opportunities for additional residential density
- Deliver new opportunities to develop affordable units through land contributions and other incentives
- Uphold awareness on basic development costs

The Washington State Office of Financial Management provided historical and forecasted data from 1960 to 2040 in order to showcase population growth in Chelan and Douglas County. Followed by age distribution in Wenatchee, notable cohorts within the ages of 65 years and older are expected to greatly increase over the course of the next 10 to 20 years.

The study looked at basic demographics of the area; unsurprisingly those who identify as white and not Hispanic/Latino make up most of the area. Growth of households between 2010 to 2015 were grouped by the cities of Wenatchee, East Wenatchee, and Rock Island compared to the unincorporated area. Both areas steadily increase within the 5-year period. The study looked at renter and owner-occupied houses by household size: two person households that are owned make up more than 7,000 of the area's residents. Single person households both rented and owned were nearly identical, with over 2,900 individuals for both. Surprisingly, older cohorts 65+ have more owner and renter occupations for housing.


Owner and renter income levels in the area demonstrated that most individuals make above median income. The median income for families of four is roughly \$63,000; those 100% above the median were 70% owners and 38% of renters. Senior households only had 36% above the median, and 20% were under 30% of the median.

In 2014 Chelan and Douglas counties had over 9,000 jobs in the agricultural industry. In Washington, 75% of farmworkers are year-round residents and 25% are migrant workers. In 2018-2019, agriculture employment was surveyed in the area, but discontinued for undisclosed reasons on reporting.

The study reviewed the data for the homeless population, to the best of their ability, between 2006 to 2016 for both counties, finding that the number of individuals, children, chronically homeless, etc. fluctuated between growth and decrease over the years.

New, current, and years built of housing stock were exhibited by bedroom, housing type, and location between the market area. Charts that breakdown income, tax credits, and section 8 limitations were displayed and reflected on the current status in the Wenatchee area. Median rental rates for the City of Wenatchee have gradually increased over the years provided by the Washington Center for Real Estate Research. Housing type values, provided by Zillow, were compared quarterly to the market areas and by housing type.

The report displayed renter and homeowner burdens by income within the market area. Those that made moderately and above the median income were not burdened, but 30% of residents were cost burdened, and more than 12% were reportedly severely cost burdened.



A comparison of housing availability to housing need was added to the report. It reviewed the income and availability of rental units for lower income, expanding on the breakdown of rental types of users, i.e., workforce housing, senior and disabled, farmworker housing, and permanent supportive housing for individuals and families. By 2014, roughly 3,000 households reported incomes less than 50% of the average median income, which generated the increased demand for subsidized housing.

In the appendix, a list of subsidized housing inventories was provided within the report's market area in great detail of names, owners, address, type, total units, types, etc.

Appendix A: Detailed Data

Population Topics

Table 29: Population by Age by City, County, and Region, 2020

Region	Under 10	10 to 19	20 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 and over
---Chelan County---								
Wenatchee City	5,630	3,792	7,581	4,296	3,265	4,187	2,885	2,613
Chelan City	382	573	665	557	565	624	482	326
Cashmere	337	475	522	331	373	424	242	444
Malaga	495	638	760	455	655	715	602	238
Leavenworth	278	330	435	398	403	337	167	141
Peshastin	459	408	127	386	253	308	173	181
Manson	73	179	370	59	209	265	148	130
Entiat	70	116	207	137	80	148	93	124
Monitor	129	173	52	27	131	183	189	69
Dryden	0	0	371	0	179	288	24	138
---Douglas County---								
Bridgeport	582	485	576	228	311	254	87	51
East Wenatchee	2,376	1,969	2,941	1,714	1,359	1,675	1,109	869
Mansfield	20	28	40	39	25	34	51	60
Orondo	222	238	392	322	203	442	203	163
Rock Island	190	204	259	202	104	122	94	65
Waterville	165	116	248	157	204	285	188	72
Chelan County	10,313	9,416	13,933	8,791	8,823	10,776	8,199	5,978
Douglas County	6,333	5,635	7,563	5,021	4,890	5,352	4,180	3,049

Washington State	0.9M	0.9M	1.6M	1.0M	0.9M	0.9M	0.7M	0.4M
US	39.6M	42.2M	67.3M	41.3M	41.5M	42.1M	30.5M	21.8M

Source: 2020 Census ACS 5-year Estimates

Table 30: Educational Attainment in Chelan County, Douglas County, Washington State, and the US, 2020

Area	< 9th grade	9th to 12th grade	High school diploma	Some college, no degree	Assoc. Degree	Bach. degree	Graduate Degree +
---Chelan County---							
Cashmere	16.0%	7.4%	21.2%	23.1%	12.8%	12.1%	7.3%
Chelan City	9.3%	7.1%	26.4%	27.5%	9.7%	10.3%	9.7%
Dryden	16.5%	0.0%	15.8%	38.6%	4.4%	12.1%	12.6%
Entiat	2.0%	7.2%	37.3%	29.9%	11.0%	10.6%	2.1%
Leavenworth	0.7%	4.7%	18.1%	19.6%	6.6%	34.4%	15.9%
Malaga	10.7%	10.1%	26.2%	22.2%	8.3%	17.6%	4.9%
Manson CDP	13.7%	4.6%	41.8%	16.9%	5.6%	5.5%	11.8%
Monitor	20.9%	9.7%	35.4%	13.0%	7.3%	5.7%	8.0%
Peshastin	1.1%	16.4%	23.4%	30.8%	7.2%	16.4%	4.7%
Wenatchee City	7.8%	8.6%	25.1%	22.3%	10.8%	16.4%	8.9%
---Douglas County---							
Bridgeport	44.6%	16.2%	17.5%	16.2%	3.6%	1.9%	0.0%
East Wenatchee	7.8%	9.3%	28.5%	23.7%	10.1%	15.2%	5.4%
Mansfield	0.8%	11.6%	31.4%	31.8%	6.2%	15.3%	2.9%
Rock Island	24.0%	13.4%	31.5%	19.8%	7.4%	2.1%	1.7%
Waterville	4.3%	13.2%	34.2%	18.9%	10.7%	11.7%	6.9%
Orondo	20.6%	8.2%	27.3%	22.1%	5.6%	11.3%	4.8%
Chelan County	8.4%	9.0%	26.4%	20.8%	9.7%	15.6%	10.1%
Douglas County	9.9%	8.0%	29.6%	21.7%	10.3%	13.4%	7.1%

Washington State	3.7%	5.0%	22.0%	23.3%	10.0%	22.4%	13.6%
US	5.1%	6.9%	27.0%	20.4%	8.5%	19.8%	12.4%

Source: 2020 Census ACS 5-year Estimates

Table 31: Top In and Out Migration Locations for Chelan County, 2015–2019

Top In-Migration Counties	Number	Top Out-Migration Counties	Number
Douglas County, Washington	1,384	Douglas County, Washington	(1233)
King County, Washington	378	Grant County, Washington	(517)
Benton County, Washington	281	King County, Washington	(420)
Washington County, Oregon	260	Clark County, Washington	(295)
Snohomish County, Washington	186	Pierce County, Washington	(250)
Grant County, Washington	185	Latah County, Idaho	(244)
Whatcom County, Washington	169	Kittitas County, Washington	(216)
Yakima County, Washington	111	Spokane County, Washington	(213)
Summit County, Utah	99	Snohomish County, Washington	(197)
Okanogan County, Washington	99	Okanogan County, Washington	(130)

Source: US Census Bureau, Flows Mapper

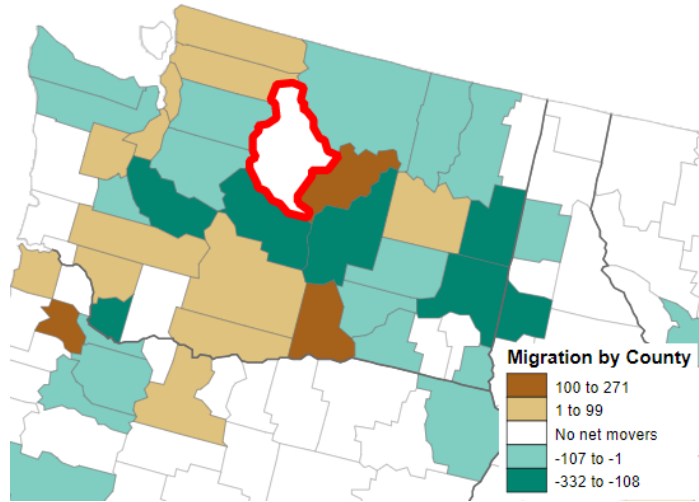
Table 32: Top In and Out Migration Locations for Douglas County, 2015–2019

Top In-Migration Counties	Number	Top Out-Migration Counties	Number
Chelan County, Washington	1,233	Chelan County, Washington	(1,384)
Snohomish County, Washington	218	Franklin County, Washington	(194)
Umatilla County, Oregon	120	Kent County, Delaware	(115)
Juneau City and Borough, Alaska	113	Okanogan County, Washington	(110)
Grant County, Washington	88	Canyon County, Idaho	(97)
Spokane County, Washington	72	Clark County, Washington	(96)
Napa County, California	70	Marion County, Oregon	(90)

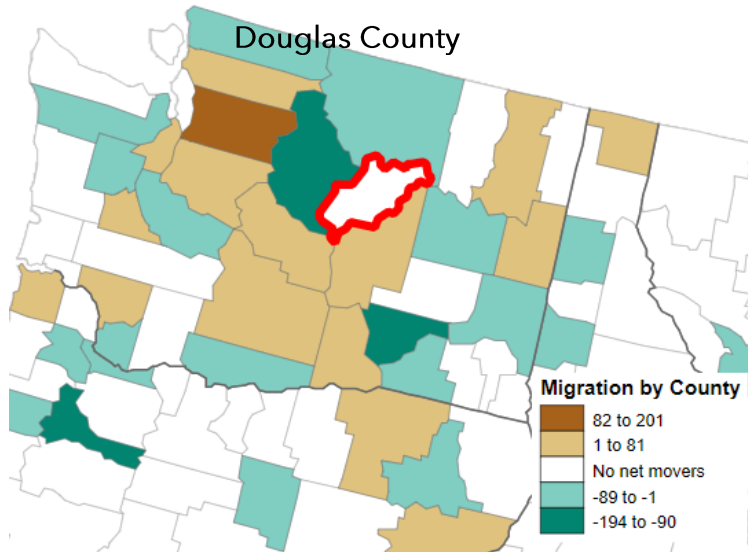
Anchorage Municipality, Alaska	66	DeSoto County, Mississippi	(73)
Okanogan County, Washington	65	Umatilla County, Oregon	(65)
King County, Washington	55	Pierce County, Washington	(65)

Source: US Census Bureau, Flows Mapper

Chelan County



Douglas County



Source: US Census Bureau, Flows Mapper



Tapestry Group Descriptions

Green Acres – Residents who enjoy country living and are self-reliant. They are avid do-it-yourselfers, maintaining and remodeling their homes, with a priority on gardening, especially growing vegetables. They engage in a variety of outdoor sports, such as hunting, fishing, and motorcycling.

Front Porches – Blend of households with more single families and young families with children than average. Most rent their homes, and many of these homes are duplexes or older town homes. Family and friends are central to them and influence household buying decisions.

Southern Satellites – Slightly older and settled married-couple families who own their homes. Most homes are single family, but a third are mobile homes. They have below average median household incomes, and work in a variety of industries such as manufacturing, retail trade, health care, and have higher than average proportions in mining and agriculture than the rest of the nation. They prefer DIY projects and outdoor living.

Rural Resort Dwellers – Older residents whose lives are centered on enjoying the resort or outdoor activities in the area. Often blue-collar workers travel further for work and are passionate about their hobbies, such as fishing and hunting.


The Great Outdoors – Educated empty nesters, with incomes slightly above the national level, who live an active but modest lifestyle. They are focused on land and are likely to invest in real estate or a vacation home. They are avid gardeners and are partial to home-cooked meals. Although close to retirement, many of these residents will choose to still work.

Midlife Constants – Seniors who are retired or close to retirement, with an above average net worth, and below average labor force participation. They tend to live in smaller communities outside the central cities. They are generous, but do not like to squander.

Parks and Rec – Suburbanites that have purchased homes within their means, which are mostly older houses, townhomes, and duplexes. Many of these families are married, two-income couples nearing retirement. However, many do not plan on retiring or moving any time soon.

Exurbanites – These residents are approaching retirement and are active in their communities, giving generous donations, and frequently traveling. They support the arts, taking advantage of their proximity to large metropolitan centers, but they tend to larger, more expansive homes in neighborhoods that are less crowded.

NeWest Residents – Young families that are new to America and the English language, with about one-third of households being linguistically isolated. Many pursue risky employment opportunities, and put in long hours in blue collar jobs, primarily in the service industry. Skilled workers tend to work in construction and manufacturing, while female labor force participation is somewhat low.



Farm to Table – Young families with children, frequently with multiple generations living under the same roof. A third of these residents are foreign-born, and 32% of households are linguistically isolated, meaning they primarily speak a non-English language and have a low mastery of English. They prefer taking care of and spending time with their family. They tend to rent their homes rather than rent, and have lower than average household incomes, which they supplement with self-employment, and public assistance.

Middleburg – Traditional and family-oriented, they are frugal but willing to vary some debt and are investing in their future. They choose to buy American and travel within the US.

Prairie Living – This is Tapestry Segmentation’s most rural market, made up of mostly self-employed farmers. They are mostly married-couple families that own single-family homes and many vehicles. They have a slightly higher than average labor force participation rate, with a median income similar to the US average. They prefer outdoor activities.

Old and Newcomers – Mainly composed of renters who are either just beginning their careers or are close to retirement. Some are in college, while others may be taking adult education courses. They are environmentally conscious and like to support charity causes.

Metro Fusion – Many of these residents do not speak English fluently and have moved in recently to their homes. They are very mobile, and the majority of homes are occupied by renters. Many have young children, and most live in midsize apartments. They are dedicated to climbing the ladders of their careers and social lives.

Bright Young Professionals – Located mostly on the urban outskirts of large metropolitan areas, and mostly made up of young, educated, working professionals. A third of householders in under the age of 35. More tend to rent than own their homes, with more than two-fifths living in single-family homes, and over a third living in 5+ unit buildings. They have a high rate of labor force participation, with a mix of white-collar, food service, and part-time jobs. Their median household incomes, median home values, and average rent are close to the national averages.

Employment Topics

Table 33: Employment Industry Category Distribution by Community in Chelan County

	Ag/ Mining	Con- structio n	Manu- facturi ng	Whole- sale	Retail	Trans. & Util.	Infor- mation	FIRE	Srvcs.	Gov't
Wenatchee	9.4%	5.5%	4.7%	3.3%	13.0%	5.9%	1.9%	3.9%	47.3%	5.1%
Chelan	1.6%	8.1%	6.7%	10.7%	8.6%	4.4%	0.0%	4.1%	51.4%	4.4%
Cashmere	9.1%	8.2%	5.0%	10.5%	15.5%	10.1%	0.7%	4.0%	31.8%	5.1%
Malaga	20.9%	6.6%	1.4%	10.0%	5.6%	11.7%	0.0%	3.8%	37.0%	3.0%
Leavenworth	4.3%	7.2%	3.6%	4.5%	10.3%	5.4%	0.8%	8.6%	48.7%	6.4%
Peshastin	16.6%	2.6%	7.9%	1.2%	9.4%	9.2%	0.0%	8.5%	42.8%	2.0%
Manson	35.9%	10.3%	1.2%	0.7%	9.1%	1.3%	0.1%	8.6%	29.8%	3.0%
Entiat	4.5%	11.7%	10.1%	3.2%	19.3%	10.3%	2.0%	0.5%	37.8%	0.5%
Monitor	8.8%	4.7%	0.6%	16.4%	1.8%	19.9%	0.0%	3.5%	39.8%	4.7%
Dryden	12.5%	5.0%	5.0%	0.0%	12.5%	17.5%	0.0%	7.5%	32.5%	7.5%
Chelan County	11.8%	7.1%	4.5%	4.8%	10.8%	6.8%	1.2%	5.1%	42.9%	4.9%
Washington	2.5%	7.4%	9.4%	2.8%	11.1%	5.9%	2.1%	5.5%	47.6%	5.8%
USA	1.7%	7.1%	9.9%	2.5%	10.7%	6.0%	1.8%	7.1%	48.0%	5.2%

Source: Esri Business Analyst, May 2022

Table 34: Employment Industry Category Distribution by Community in Douglas County

	Ag/ Mining	Con- structio n	Manu- facturi ng	Whole- sale	Retail	Trans. & Util.	Infor- mation	FIRE	Srvcs.	Gov't
Bridgeport	45.5%	4.7%	1.3%	8.7%	3.6%	1.8%	2.8%	0.0%	28.9%	2.8%
East Wenatchee	10.3%	7.7%	4.4%	2.5%	15.1%	6.9%	1.2%	3.9%	43.1%	4.9%
Mansfield	22.0%	14.6%	0.4%	3.1%	0.8%	13.8%	0.0%	0.8%	38.2%	6.3%
Orondo	48.1%	4.1%	6.2%	2.3%	3.9%	9.3%	0.1%	1.9%	22.2%	2.1%

Rock Island	20.0%	12.9%	2.1%	5.8%	20.5%	6.3%	1.5%	1.7%	27.8%	1.5%
Waterville	11.1%	4.7%	9.5%	6.9%	10.2%	3.5%	1.8%	6.6%	34.3%	11.4%
Douglas County	16.1%	8.2%	4.3%	4.0%	12.5%	7.4%	0.9%	2.6%	39.0%	5.0%
Washington	2.5%	7.4%	9.4%	2.8%	11.1%	5.9%	2.1%	5.5%	47.6%	5.8%
USA	1.7%	7.1%	9.9%	2.5%	10.7%	6.0%	1.8%	7.1%	48.0%	5.2%

Source: Esri Business Analyst, May 2022

Housing Topics

Table 35: Housing Characteristics Comparison

	Chelan		Douglas		WA	United States
	#	%	#	%	%	%
Occupied housing units	29,383	100.0%	15,435	100.0%	100.0%	100.0%
Units in Structure						
1, detached	20,020	68.1%	10,556	68.4%	63.4%	62.8%
1, attached	670	2.3%	263	1.7%	4.1%	6.1%
2 apartments	880	3.0%	443	2.9%	2.3%	3.4%
3 or 4 apartments	1,128	3.8%	468	3.0%	3.6%	4.2%
5 to 9 apartments	601	2.0%	323	2.1%	4.4%	4.5%
10 or more apartments	3,032	10.3%	802	5.2%	16.2%	13.4%
Mobile home or other type of housing	3,052	10.4%	2,580	16.7%	6.0%	5.5%
Year Structure Built						
2014 or later	1,377	4.7%	892	5.8%	4.8%	3.5%
2010 to 2013	739	2.5%	440	2.9%	3.6%	2.8%
2000 to 2009	3,560	12.1%	2,567	16.6%	15.1%	13.8%
1980 to 1999	8,060	27.4%	3,865	25.0%	29.8%	27.4%
1960 to 1979	6,502	22.1%	4,253	27.6%	24.9%	25.5%
1940 to 1959	5,198	17.7%	2,106	13.6%	12.0%	15.1%
1939 or earlier	3,947	13.4%	1,312	8.5%	9.8%	12.0%
Rooms						
1 room	742	2.5%	281	1.8%	3.1%	2.1%
2 or 3 rooms	3,390	11.5%	1,455	9.4%	13.0%	11.1%
4 or 5 rooms	11,137	37.9%	5,625	36.4%	31.8%	34.1%

6 or 7 rooms	8,129	27.7%	4,604	29.8%	28.6%	30.8%
8 or more rooms	5,985	20.4%	3,470	22.5%	23.5%	22.0%
Bedrooms						
No bedroom	763	2.6%	287	1.9%	3.5%	2.3%
1 bedroom	2,870	9.8%	1,023	6.6%	11.1%	10.3%
2 or 3 bedrooms	19,864	67.6%	10,135	65.7%	61.8%	64.6%
4 or more bedrooms	5,886	20.0%	3,990	25.9%	23.6%	22.8%

Source: American Community Survey, 5-Year Estimates (2016-2020), Table S2504

Table 36: Chelan, Douglas, Statewide, and U.S. Change in Housing Characteristics 2010 - 2020

	Chelan Co			Douglas Co			WA		USA	
	#	%	% Change	#	%	% Change	%	% Change	%	% Change
Occupied housing units	29,383	--	10.1%	15,435	--	11.8%	--	12.7%	--	7.1%
-----Units in Structure-----										
1, detached	20,020	68.1%	9.4%	10,556	68.4%	19.1%	63.4%	11.8%	62.8%	6.5%
1, attached	670	2.3%	128.3%	263	1.7%	(20.6%)	4.1%	29.5%	6.1%	11.1%
2 apartments	880	3.0%	(17.5%)	443	2.9%	23.4%	2.3%	(2.2%)	3.4%	(2.1%)
3 or 4 apartments	1,128	3.8%	17.5%	468	3.0%	(0.3%)	3.6%	8.9%	4.2%	5.5%
5 to 9 apartments	601	2.0%	(19.5%)	323	2.1%	(16.4%)	4.4%	5.5%	4.5%	5.8%
10 or more apartments	3,032	10.3%	47.6%	802	5.2%	32.1%	16.2%	28.1%	13.4%	18.3%
Mobile home or other type of housing	3,052	10.4%	(6.2%)	2,580	16.7%	-7.5%	6.0%	(6.0%)	5.5%	(4.6%)

Source: American Community Survey, 2010 and 2020 5-Year Estimates, Table S2504

Table 37: Chelan, Douglas, Statewide, and U.S. Owner-Occupied, Percent Change 2010 - 2020

	Chelan Co			Douglas			Statewide		United States	
	#	%	% Change	#	%	% Change	%	% Change	%	% Change
Owner-occupied housing units:	18,658	63.5%	2.8%	10,504	68.1%	5.9%	63.3%	10.1%	64.4%	3.6%
1, detached	16,031	54.6%	6.3%	8,618	55.8%	14.4%	53.5%	11.3%	53.1%	4.5%
1, attached	297	1.0%	77.8%	181	1.2%	(14.6%)	2.2%	21.0%	3.8%	5.5%
2	74	0.3%	21.3%	68	0.4%	(13.9%)	0.4%	24.2%	0.8%	(5.4%)

3 or 4	74	0.3%	(46.4%)	37	0.2%	19.4%	0.4%	10.5%	0.6%	2.0%
5 to 9	79	0.3%	(57.8%)	4	0.0%	(78.9%)	0.5%	(1.5%)	0.5%	(1.1%)
10 to 19	42	0.1%	0.0%	0	0.0%	-	0.5%	2.6%	0.4%	(0.9%)
20 to 49	152	0.5%	120.3%	0	0.0%	(100.0%)	0.6%	24.8%	0.4%	7.8%
50 or more	0	0.0%	(100.0%)	0	0.0%	(100.0%)	0.6%	42.6%	0.8%	12.3%
Mobile home	1,855	6.3%	(21.2%)	1,579	10.2%	(21.1%)	4.4%	(8.7%)	3.9%	(8.3%)
Boat, RV, van, etc.	54	0.2%	200.0%	17	0.1%	(32.0%)	0.1%	9.3%	0.1%	15.4%

Source: U.S. Census ACS 2010 - 2020 5 Year B25032 Tenure by Units in Structure

Table 38: Chelan, Douglas, Statewide, and U.S. Renter-Occupied, Percent Change 2010 - 2020

	Chelan Co			Douglas			Statewide		United States	
	#	%	% Change	The s#	%	% Change	%	% Change	%	% Change
Renter-occupied housing units:	10,725	36.5%	25.7%	4,931	31.9%	27.1%	36.7%	17.6%	35.6%	14.2%
1, detached	3,989	37.2%	23.6%	1,938	39.3%	45.4%	27.0%	15.2%	27.3%	18.9%
1, attached	373	3.5%	198.4%	82	1.7%	(32.2%)	5.3%	44.0%	6.4%	24.6%
2	806	7.5%	(20.0%)	375	7.6%	36.9%	5.1%	(7.0%)	7.3%	(0.4%)
3 or 4	1,054	9.8%	29.6%	431	8.7%	(0.2%)	8.5%	7.2%	10.3%	6.7%
5 to 9	522	4.9%	(5.1%)	319	6.5%	(12.6%)	10.6%	6.3%	11.4%	6.0%
10 to 19	818	7.6%	94.8%	209	4.2%	(7.1%)	11.8%	3.7%	10.8%	7.0%
20 to 49	969	9.0%	27.0%	181	3.7%	(32.5%)	10.8%	16.4%	8.7%	15.4%
50 or more	1,051	9.8%	42.2%	412	8.4%	333.7%	16.9%	70.8%	13.5%	35.3%
Mobile home	1,143	10.7%	29.3%	929	18.8%	28.5%	3.8%	(2.3%)	4.2%	3.2%
Boat, RV, van, etc.	0	0.0%	-	55	1.1%	25.0%	0.3%	85.6%	0.1%	41.2%

Source: U.S. Census ACS 2010 - 2020 5 Year B25032 Tenure by Units in Structure

Table 39: Federal Poverty Guidelines by Persons in Household

Persons in family/household ²⁷	Poverty guideline
1	\$12,880
2	\$17,420
3	\$21,960
4	\$26,500
5	\$31,040
6	\$35,580
7	\$40,120
8	\$44,660

Source: Office of the Assistant Secretary for Planning and Evaluation, 2021

²⁷ For families/households with more than 8 persons, add \$4,540 for each additional person.

Table 40: Homeless and Unstably Housed per 1,000 Residents in Washington State Counties, 2021

County	Total Homeless or Unstably Housed	Total Population	Homeless or Unstably Housed per 1,000 Residents	Rank
Grays Harbor	2,429	75,450	32.2	1
Cowlitz	3,496	111,800	31.3	2
Mason	1,593	66,250	24.0	3
Asotin	553	23,000	24.0	4
Lewis	1,933	81,250	23.8	5
Spokane	12,377	527,600	23.5	6
Pend Oreille	323	14,000	23.1	7
Pacific	497	22,075	22.5	8
Yakima	5,727	261,300	21.9	9
Clallam	1,676	77,550	21.6	10
Okanogan	935	43,525	21.5	11
Thurston	6,092	295,300	20.6	12
Pierce	18,562	917,100	20.2	13
Columbia	80	4,200	19.0	14
Ferry	145	8,000	18.1	15
Wahkiakum	76	4,275	17.8	16
Whatcom	4,061	228,700	17.8	17
Skagit	2,222	131,800	16.9	18
Grant	1,620	102,400	15.8	19
Chelan	1,256	81,600	15.4	20
Walla Walla	951	62,350	15.3	21
Klickitat	346	23,150	14.9	22
King	33,339	2,293,300	14.5	23

Kitsap	3,944	275,600	14.3	24
Jefferson	462	32,450	14.2	25
Stevens	631	46,400	13.6	26
Benton	2,782	209,300	13.3	27
Clark	6,708	512,800	13.1	28
San Juan	204	17,500	11.7	29
Snohomish	9,439	844,400	11.2	30
Franklin	1,070	99,500	10.8	31
Skamania	122	12,450	9.8	32
Lincoln	101	11,150	9.1	33
Kittitas	422	47,400	8.9	34
Island	754	86,350	8.7	35
Adams	166	20,800	8.0	36
Douglas	316	44,600	7.1	37
Whitman	287	48,000	6.0	38
Garfield	10	2,250	4.4	39
Washington State	127,718	7,766,925	16.4	-

Source: Points Consulting using Washington State Department of Commerce, Snapshot of Homelessness in Washington State

Waitlist Data from Housing Authority of Chelan County & City of Wenatchee

Table 41: Waitlist for Subsidized Housing in Wenatchee by Type and Bedroom Size

	Multifamily	Year-Round Ag	Senior/Disabled
One bedroom	--	38	233
Two bedroom	--	17	--
Three bedroom	--	13	--
Four bedroom	--	10	--
Grand Total	0	78	233

Source: Personal communication with Chelan County/Wenatchee Housing Authority, 2022

Table 42: Waitlist for Subsidized Housing in East Wenatchee by Type and Bedroom Size

	Multifamily	Year-Round Ag	Senior/Disabled
One bedroom	--	51	--
Two bedroom	--	64	--
Three bedroom	--	27	--
Four bedroom	---	6	--
Grand Total	0	148	0

Source: Personal communication with Chelan County/Wenatchee Housing Authority, 2022

Table 43: Waitlist for Subsidized Housing in Chelan by Type and Bedroom Size

	Multifamily	Year-Round Ag	Senior/Disabled
One bedroom	207	0	139
Two bedroom	54	2	--
Three bedroom	25	0	--
Four bedroom	--	--	--
Grand Total	286	2	139

Source: Personal communication with Chelan County/Wenatchee Housing Authority, 2022

Table 44: Waitlist for Subsidized Housing in Manson by Type and Bedroom Size

	Multifamily	Year-Round Ag	Senior/Disabled
One bedroom	--	4	128
Two bedroom	--	9	2
Three bedroom	--	4	--
Four bedroom	--	6	--
Grand Total	0	23	130

Source: Personal communication with Chelan County/Wenatchee Housing Authority, 2022

Table 45: Waitlist for Subsidized Housing in Entiat by Type and Bedroom Size

	Multifamily	Year-Round Ag	Senior/Disabled
One bedroom	52	31	--
Two bedroom	50	26	--
Three bedroom	24	15	--
Four bedroom	--	4	--
Grand Total	126	76	0

Source: Personal communication with Chelan County/Wenatchee Housing Authority, 2022

Table 46: Waitlist for Subsidized Housing in Cashmere by Type and Bedroom Size

	Multifamily	Year-Round Ag	Senior/Disabled
One bedroom	256	--	--
Two bedroom	81	--	--
Three bedroom	--	--	--
Four bedroom	--	--	--
Grand Total	337	0	0

Source: Personal communication with Chelan County/Wenatchee Housing Authority, 2022

Table 47: Waitlist for Subsidized Housing in Leavenworth by Type and Bedroom Size

	Multifamily	Year-Round Ag	Senior/Disabled
One bedroom	10	--	82
Two bedroom	6	--	--
Three bedroom	2	--	--
Four bedroom	--	--	--
Grand Total	18	0	82

Source: Personal communication with Chelan County/Wenatchee Housing Authority, 2022

Appendix B: About Points Consulting

This study was conducted by Points Consulting (PC), a management consulting firm based in Idaho that specializes in economic development and real-estate related issues. Points Consulting (PC) was founded by firm President, Mr. Brian Points, following twelve-years of working in the management consulting industry. At PC we believe in the power of people's interests, passions, and behaviors to shape the world around us. Our work is focused not only on how people impact communities and organizations, but on how to align their potential to create more successful outcomes for individuals, communities, and businesses. PC partners with a variety of industries including state and local government agencies, higher education, not-for-profits, real estate developers, and private companies. At Points Consulting we believe in "Improving Economies. Optimizing Workforce."

PC has completed 17 feasibility and impact studies related to various real estate projects over the past five years for clients across the United States, including Washington. This total includes several comprehensive Regional Housing Needs Assessments for local and municipal government agencies, and seven studies for real estate developers focused on the feasibility of specific real estate products in specific geographic areas.

With this study, PC intends to provide a third-party perspective on the feasibility of the development to address the unique needs of the local community. Data sources for each chart and table are cited beneath the associated data points. Where data are not cited, the source is the same as the preceding chart or graph.