CITY OF WASHOUGAL
CITY COUNCIL WORKSHOP
Monday, June 9, 2025
5:00 PM

MEETING INFORMATION
Please click the link below to join the webinar:
https://us02web.zoom.us/j/87432227784

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENTS

IV. NEW BUSINESS

A. Community Services and Strategy: Creative District Certification

B. Community Development: Housing Element and Code Updates

V. REPORTS AND COMMUNICATIONS

A. CITY MANAGER

B. MAYOR

C. CITY COUNCIL

VI. ADJOURNMENT

UPCOMING MEETINGS: Monday, June 23, 2025, Workshop at 5:00 PM & Council at 7:00 PM

BUSINESS OF THE CITY COUNCIL

City of Washougal, Washington

FOR AGENDA OF:
6/9/2025

SUBJECT:
Community Development: Housing Element and Code Updates

DEPT. OF ORIGIN:
Community Development

REVIEWED AT:

TO BE RETURNED TO COUNCIL:

Yes

ATTACHMENTS:
1. Washougal Housing Analysis Technical Memo (05-14-2025)
2. Washougal Comp Plan Housing Element (05-14-2025)
3. CC Housing Element & Code Update (06-09-2025)

EXPENDITURE REQUIRED:	BUDGETED:	APPROPRIATION REQ'D:
$0	$0	$0

SUMMARY STATEMENT

Housing Element

This Housing Element addresses Goal 4[1] of the Growth Management Act and is intended to guide the community's needs and desires for housing. The Housing Element supports other elements of the Comprehensive Plan, including transportation, land use, economic development, capital facilities, and natural resources elements.

Growth Management Act Requirements

The Growth Management Act requires that all Comprehensive Plans include a housing element, to outline goals and strategies that effectively address housing needs and shortages, ensuring housing access to residents of all backgrounds and economic status.[2] Baseline requirements for the Housing Element include:

- Planning sufficient land capacity for all economic backgrounds and income levels, including emergency and supportive housing, and outlines policies and regulations that address racially disparate impacts and exclusionary housing practices.
- Incorporating an adequate mix of housing stock and types, including moderate density housing within Urban Growth Areas (UGAs), especially duplexes, triplexes, and townhomes. This will be accomplished by documenting an inventory of current and forecasted housing needs, including units for moderate, low, very low, and extremely low-income households, as well as for emergency and supportive housing units.
- Documenting and outlining housing needs for residents of all economic backgrounds, including provisioning programs and action items needed to be taken to achieve these goals.
- Highlighting and identifying inequities in existing housing policies and regulations, and providing guidance on ways to mitigate and eliminate these impacts, and establishing anti-displacement policies.
    1. As communities should give consideration to the preservation of historical and cultural communities, policies to combat anti-displacement that should also be considered include: “equitable development initiatives, inclusionary zoning, community planning requirements, tenant protections, land disposition policies, and consideration of land that may be used for affordable housing.”

New Statutory Planning Requirements

- In 2021, GMA planning requirements were updated with the passage of House Bill 1220 (HB 1220), which requires local governments to plan for and accommodate housing affordable to all income levels.
- In 2023 Washington State Legislature passed HB 1337, which requires local governments to include accessory dwellings units (ADUs) as a planning and development mechanism, as a means to address a greater number of missing middle housing units.

HB 1110 was also passed and adopted into Washington state law in 2023, requiring many areas traditionally designated as single-family detached zoning to allow for multiunit development, in an aim to increase density, stimulate the development of housing near transit, and increase the availability of affordable housing. Planning requirements outlined in HB 1110 are differentiated by three tiers, including: 1) Cities with a population of at least 75,000, 2) Cities with a population of at least 25,000 but less than 75,000, and 3) Cities with a population under 25,000 that are contiguous with an urban growth area (UGA) that includes the largest city in a county with a population over 275,000. Based on its population and location within Clark County, Washougal falls within the third tier, and is required to fulfill less development requirements as identified for tiers 1 and 2[3].

[1] RCW 36.70A.020 Outlines all Planning Goals for counties and cities required to adhere to GMA planning requirements, of which there are 15 in total.

[2] RCW 36.70A.020

[3] Middle Housing in Washington: Fact Sheet for Implementing E2SHB 1110; Washington State Department of Commerce; https://deptofcommerce.app.box.com/s/yjo6h53f2jhj1xopbc6lxzo28dsh2h9k.

RECOMMENDED ACTION

No formal action. General discussion regarding the Comprehensive Plan Update of the Housing Element.

Technical Memorandum

To: Read Stapleton, Planning Group Manager; Jessica Herceg, Senior Planner, DOWL
From: Elliot Weiss, Senior Planner, Community Attributes, Inc.
Date: May 14, 2025

RE: CITY OF WASHOUGAL HOUSING ANALYSIS REPORT

This technical memorandum analyzes and summarizes housing data for the City of Washougal and serves as context for the Housing Element update in Phase 2 of the periodic Comprehensive Plan update. This memorandum also helps to ensure that Washougal is planning for compliance with relevant Washington State statutes. Data included in this memorandum respond to guidance from the Washington Department of Commerce and inform key findings for long-range planning such as anticipated growth in Washougal, quantifiable housing needs for residents and workers, and housing units required at various prices to maintain affordability.

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EXECUTIVE SUMMARY

This housing analysis identifies existing and future housing conditions and needs. It contains summary data and information about population and household characteristics, workforce composition, existing housing stock, and an assessment of housing gaps and needs. The following findings are the results of the housing analysis conducted.

Demographic and Household Characteristics

Washougal's demographic trends highlight the community's need for a range of housing types to accommodate its population, such as housing for larger households (with four or more members), families with children, seniors or those living with a disability, and smaller one- and two-person households.

- Washougal's population has grown steadily in the past decades to reach 18,026 in 2023. While the population growth rate has slowed slightly since 2010, current growth trends suggest that the city is on track to meet Clark County's adopted population projection for 2045, which is 24,874.
- Washougal's population of older adults (aged 65 and older) has grown faster than other age cohorts in the past decade. This proportion is likely to continue growing, as future projections for Clark County show the oldest age cohort growing with the fastest rate through 2050.
- While Washougal's population has become slightly more racially diverse in the past decade, it is more homogeneous than Clark County.
- In 2022, about 12% of Washougal's population lives with a disability. Disability is much more common among older adults than it is in other age cohorts, and elderly households are slightly more likely to be cost burdened compared to all other households in Washougal (24% compared to 22%).
- Both the rate of homelessness and the number of homeless individuals have increased in Clark County over the past decade, a trend which may have been exacerbated by the COVID-19 pandemic. By the 2023 point-in-time count, there are 1,300 individuals experiencing homelessness in Clark County.
- While the proportion of children experiencing homelessness has dropped by 18% since 2019, the proportion of seniors experiencing homelessness has increased by 93%.
- For Washougal, the most common household size is two people, making up 39% of households. However, a little more than one-quarter of households in Washougal are comprised of four or more persons, and Washougal's average household size is larger than that of Clark County (2.79 compared to Clark County's 2.65).
- In 2022, three-quarters of households in Washougal own their homes, a higher proportion than the city showed in 2012 (70%) and a higher proportion than is seen in Clark County (68%).
- Following national trends, median household incomes in Washougal have increased in the past decade and are generally higher than those in Clark County ($97,300 in 2022 compared to Clark County's $90,120).
- In 2022, more than half (52%) of households in Washougal earn incomes that are higher than the Area Median Income (AMI). Renters are much more likely to fall into lower income brackets than homeowners.

Employment and Commuting Patterns

Washougal's employment and commuting trends suggest that the city has a higher concentration of housing units than jobs when compared to the region. A large portion (81%) of Washougal's workers live outside of the city. This suggests that many of the city's workers either may not be able to afford suitable housing inside the community or the available housing may not meet their needs or preferences.

- Employment has increased in Washougal at a compound annual growth rate of 3.7% from 2010-2023, which is a higher rate than Washougal's overall population has grown (with a CAGR of 1.7% from 2010-2023).
- Historically, Washougal's top industries for employment are manufacturing and educational services. While manufacturing has been trending slightly downwards over time, it has recently seen some modest increases in employment. Washougal's fastest growing industry is professional, scientific, and technical services.
- Washougal and Clark County both have a diverse pool of employment across many industries. Countywide, the health care and social assistance sector accounts for a larger share of total employment (17%) than it does locally in Washougal (6%), which may suggest opportunities for employment growth in these industries in the city.
- About 92% of Washougal residents commute to work outside of the city. On the other hand, 19% of Washougal's workers are also residents of Washougal, leaving 81% of Washougal's workers commuting in from outside of the city. Those commuting to Washougal for work are largely from Clark County (70%).
- Housing unit production has been outpacing job growth in Washougal. The city has a lower jobs-to-housing unit ratio (0.48) than Clark County as a whole (0.78).

Existing Housing Stock and Affordability

This housing analysis reveals a surplus of large and more expensive housing types, combined with a deficit of smaller and more affordable housing options, based on household size, median household income, and existing housing stock. It also reveals Washougal's declining housing affordability. Rising regional prices have corresponded with increased housing costs in Washougal, resulting in more Washougal households to be cost burdened by housing costs.

- Washougal has steadily increased its housing stock, adding 3,340 housing units between 2000 and 2023. Most of these new units were single-family units.

- Washougal's single-family unit production has outpaced that of multi-family units since 2000. By 2023, 79% of all housing units are classified by the Washington Office of Financial Management as single unit detached.
- There is a mismatch between the size of housing units offered in Washougal's existing housing stock, and the size of Washougal's households. More than 70% of Washougal's housing units have three or more bedrooms, yet the majority (57%) of the households have only one or two members.
- Following national trends, housing prices in Washougal have increased. The median home value in Washougal increased by more than 260% from 2012 to 2024, reaching approximately $700K. The median home price across Clark County is $552K, which has increased by 215% during the same time period.
- In contrast, rental prices in Washougal have increased at a slower rate, offering more affordable housing options for Washougal residents on average than even the county. Monthly average rents increased in Washougal by 68% since 2010 to reach $1,397 per month in gross rent in 2022. In comparison, Clark County's rental prices increased more (by 84%), reaching $1,584 per month.
- The total vacancy rate in both Washougal (2.5%) and Clark County (4.5%) were relatively low in 2022, with homeownership vacancy rates at less than 1% in Washougal.
- 70% of Washougal's housing units available for ownership are only affordable for those making 80% AMI or higher. Rental housing does provide some more affordable options for low-income households, but overall, only 9% of Washougal's housing units are affordable for extremely low-income households.
- In Washougal, there is a greater percentage of households making less than 50% AMI (21%) than there are housing units available at these levels of affordability (15%).

Future Housing Needs

Under the amended Growth Management Act, the City of Washougal is required to plan for and accommodate housing affordable to all income levels. Clark County has adopted housing growth targets and allocations by level of income, using tools provided by the Department of Commerce, assigning targets for population, housing, and employment growth for Washougal through 2045. Housing targets would require that Washougal produce far more affordable units than the market would likely produce absent policy changes and other interventions.

- Clark County's projection for future housing need is 103,695 additional housing units by 2045. Of these, 3,734 net new housing units are allocated to Washougal.
- Of the 3,734 net new housing allocated for Washougal by 2045, 53%, or 1,961 units, need to be affordable to households making 80% AMI or less. Of those new affordable units, more than one-third (34%, or 657 units) are allocated to extremely low-income households (making less than 30% AMI).
- To meet these allocations, the City of Washougal will need to ensure that its zoning will accommodate a larger share of housing units for very low- and extremely low-income households by 2045 than currently exist in the city.
- The targeted distribution of housing units by income level for 2045 more closely matches the existing distribution of households in Washougal by income level than does the current housing stock in Washougal.

Exhibit 1. Washougal Housing Needs by Income Level, Clark County Allocations, 2024

Income Level	Baseline Units (2023)	Housing Need (2023-2045)	Total Housing Need, 2045
0-30% AMI	242	657	899
31-50% AMI	677	523	1,200
51-80% AMI	1,641	781	2,422
81-100% AMI	1,119	417	1,536
101+% AMI	2,977	1,356	4,333
Total	6,656	3,734	10,390

Source(s): Clark County 2025 Population, Housing and Employment Allocation, 2024; CAI, 2024.

Housing Planning and Policy Context

State Context

The Growth Management Act (GMA) is a series of State of Washington statutes that require the state's fastest-growing cities and counties to undertake comprehensive planning to manage their population growth. Under the GMA, local jurisdictions like Washougal are mandated to create and regularly update a Comprehensive Plan. The Comprehensive Plan is the centerpiece of local planning and articulates a series of goals, objectives, policies, actions, and standards that are intended to guide day-to-day decisions by elected officials and local government staff.

An essential part of comprehensive planning is the housing element. House Bill 1220 (HB 1220), amending the GMA, directs local governments to plan for diverse housing types and densities to accommodate projected growth and ensure affordable housing availability across all economic segments. House Bill 1110 (otherwise known as the “middle housing bill”) further directs localities to adopt regulations allowing for middle housing types in residential areas, following guidance and assistance from the Department of Commerce.

Under these provisions of the GMA, an inventory of existing and projected housing needs, such as this housing analysis, informs the housing element of Washougal’s comprehensive plan.

Regional and Local Context

In 2023, Clark County began the process of updating its Comprehensive Growth Management Plan. Following the GMA, a key step in the planning process includes allocation of population, housing and jobs projections to the various localities within the county. Through an allocation and adoption process, by the end of spring 2024, Washougal is assigned a population growth allocation of 6,848 for 2023-2045, which would bring the City’s total population up to a little less than 25,000 persons by 2045. In addition, a total of 3,374 net new housing units and 2,961 additional jobs are allocated for Washougal from 2023 – 2045. These targets will be utilized in the following housing analysis to understand future housing needs.

Demographic and Economic Character of Washougal

The following demographic and economic analyses provide a current snapshot of Washougal’s population, household characteristics and economy. They also describe historic trends, providing useful context about the forces affecting housing demand in Washougal.

Population and Demographics

Population and demographics offer valuable insights into Washougal and its residents. Factors such as population growth, age distribution, ethnicity, and household income provide essential context about the community, trends, and factors influencing housing demand. Analyzing these demographic shifts is an important step to enable the city to develop strategies which meet evolving household needs effectively.

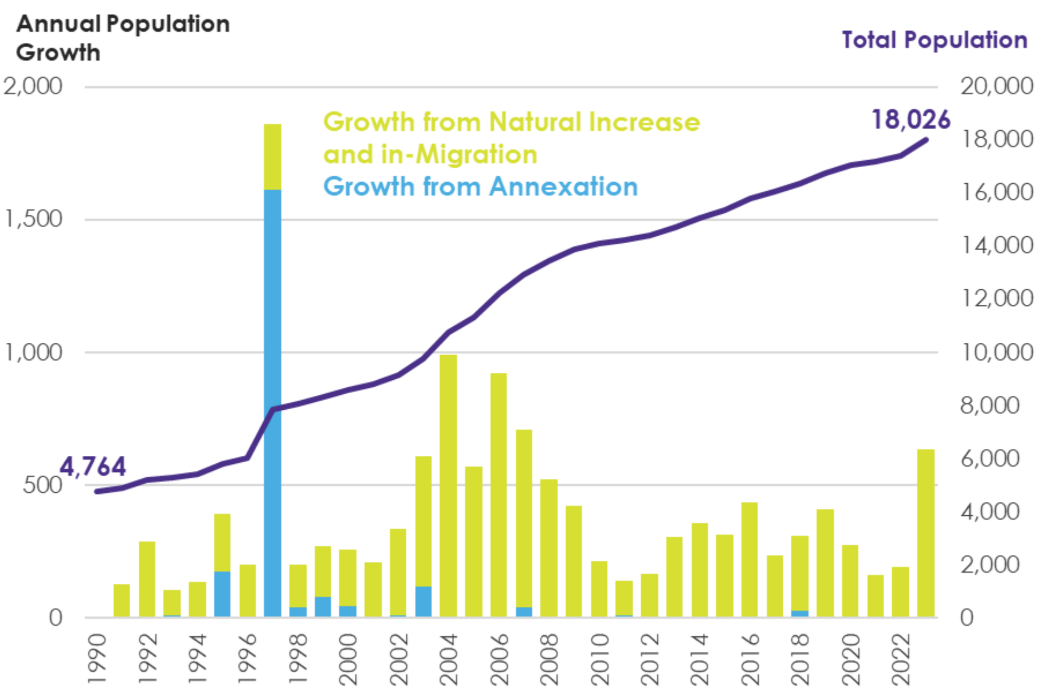
Washougal’s population has grown steadily in the past decades to reach 18,026 in 2023. While the population growth rate has slowed

slightly since 2010, current growth trends suggest that the city is on track to meet Clark County's adopted population projections for 2045.

Exhibit 2 shows that Washougal has experienced consistent population growth over the years, with the population increasing from 4,764 in 1990 to 18,026 in 2023. Growth has been driven primarily by in-migration and natural population increase, with a few peaks in growth observed during years of annexation such as 1997. Over time, this population growth has slowed some. From 1990 to 2010, the compound annual growth rate (CAGR) of Washougal's population was almost 6%. However, from 2010 – 2023, Washougal's population CAGR dropped to 1.9%.

According to the Clark County adopted Growth Management Act population targets, the City of Washougal is expected to grow by 6,848 people from 2023 to 2045 and reach a total population of 24,874. This translates to an average annual growth rate of 1.7% between 2023 and 2045, which is less than the 4.8% average annual growth rate recorded for Washougal's population since 2000. This suggests that Washougal is well positioned to meet the Clark County adopted population projections for 2045, even with some slowing of population growth (affordability requirements for individual housing units, based on HB-1220 notwithstanding).

Exhibit 2. Historic and Projected Population, Washougal, 1990 – 2045



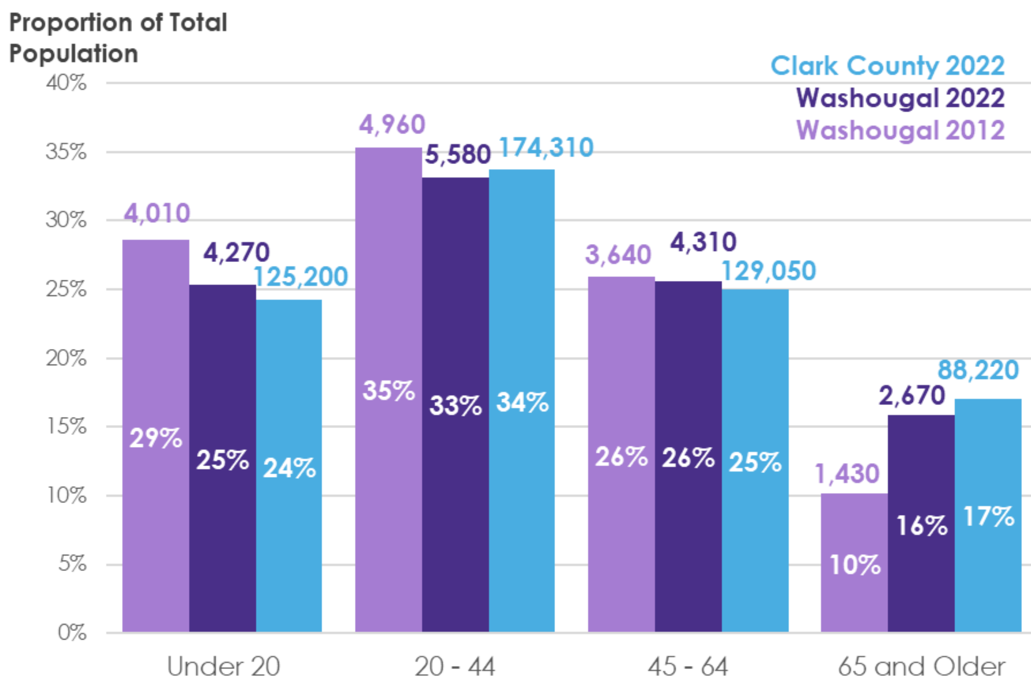
Source(s): Washington Office of Financial Management, 2003, 2016 & 2024; Clark County 2025 Population, Housing, and Employment Allocation, 2023; CAI, 2024.

Types of housing in demand are influenced by household compositions, including age demographics. Examining the age distribution of residents can provide insights into whether there is a greater need for homes with multiple bedrooms for families with children, or smaller, affordable units tailored for income-restricted seniors or young singles.

Washougal's population of older adults has grown faster than other age cohorts in the past decade. This proportion is likely to continue growing, as future projections for Clark County show the oldest age cohort growing with the fastest rate through 2050.

Between 2012 and 2022, Washougal's population has been aging, increasing the median age from 36.7 in 2012 to 38.8 in 2021 (**Exhibit 3**). This is similar to Clark County's median age in 2022 of 38.9. Compared to Clark County, Washougal has very similar proportions for each age group, differing only by 1% increments. When it comes to slight differences, Washougal has a slightly lower share of older residents (aged 65 and older) and a slightly higher share of young residents (younger than 20) than Clark County.

Exhibit 3. Total Population and Share by Age, Washougal and Clark County, 2022

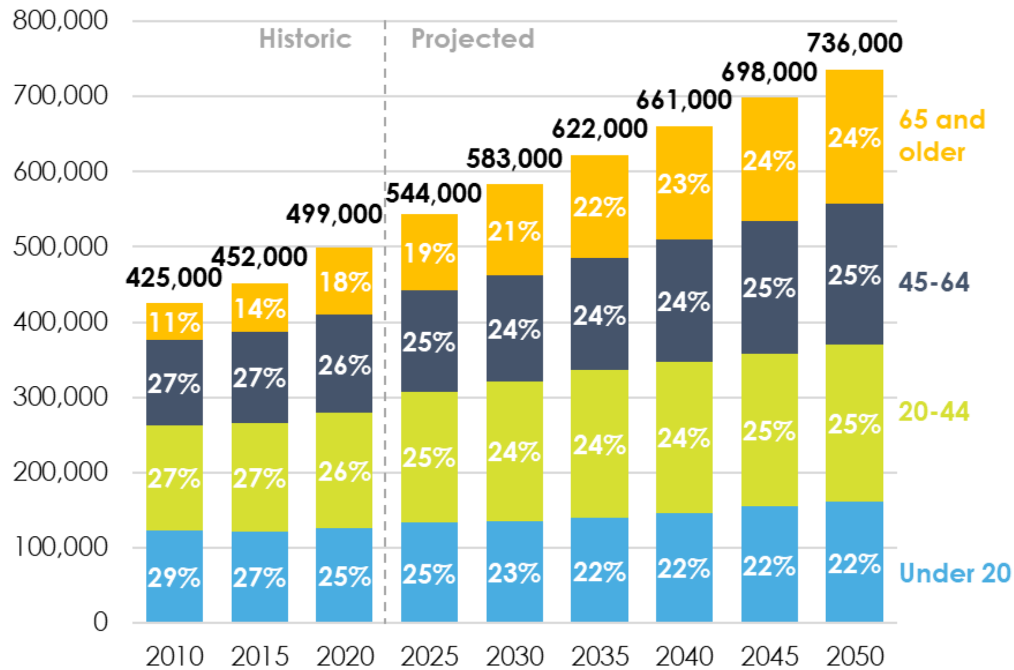


Source(s): American Community Survey, 2012 & 2022; CAI, 2024.

Exhibit 4 summarizes growth estimates by age cohort for Clark County. While Washougal has slightly different proportions of age cohorts than the county, countywide trends can provide an indication of changes to expect that may impact the city. The forecasts for the county show the following expected changes:

- The proportion of school aged children is expected to decrease slightly, from 25% in 2020 to 22% by 2050.
- As the population grows, working aged residents (20-64) are expected to maintain a relatively consistent proportion of the region's population, around 50%, through 2050.
- The share of older residents (65 and older) is projected to increase substantially from 18% in 2020 to 24% in 2050.

Exhibit 4. Population Projections by Age Group, Clark County, 2010-2050

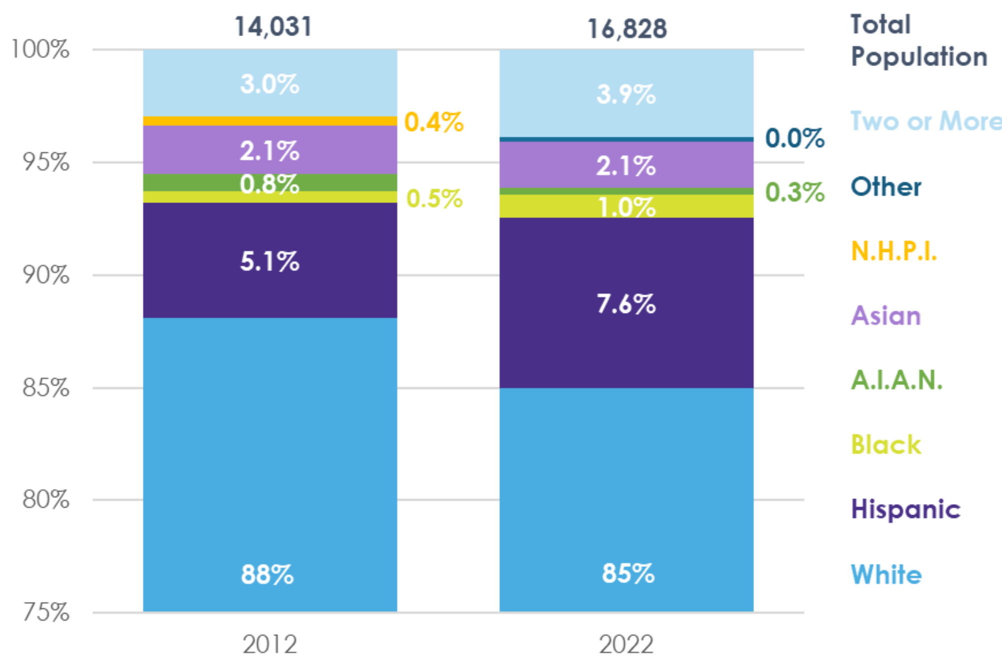


Source(s): Washington Office of Financial Management, 2024; Growth Management Act Population Projections for Counties: 2010 to 2040, County Projections, Five-year Intervals Medium Series; CAI, 2024.

While Washougal's population has become slightly more racially diverse in the past decade, it is more homogeneous than Clark County.

Exhibit 5 shows that the proportion of Washougal's population who identified as something other than white increased by 3%, from around 12% in 2012 to 15% in 2022. However, the city is less diverse than the county, where 27% of the population identified as non-white in 2022. In 2022, the most commonly represented racial or ethnic group in Washougal was white (85%) followed by Hispanic (7.6%), multi-racial (3.9%), and Asian (2.1%).

Exhibit 5. Population by Race and Ethnicity, Washougal, 2012 & 2022



Source(s): American Community Survey, 2012 & 2022; CAI, 2024.

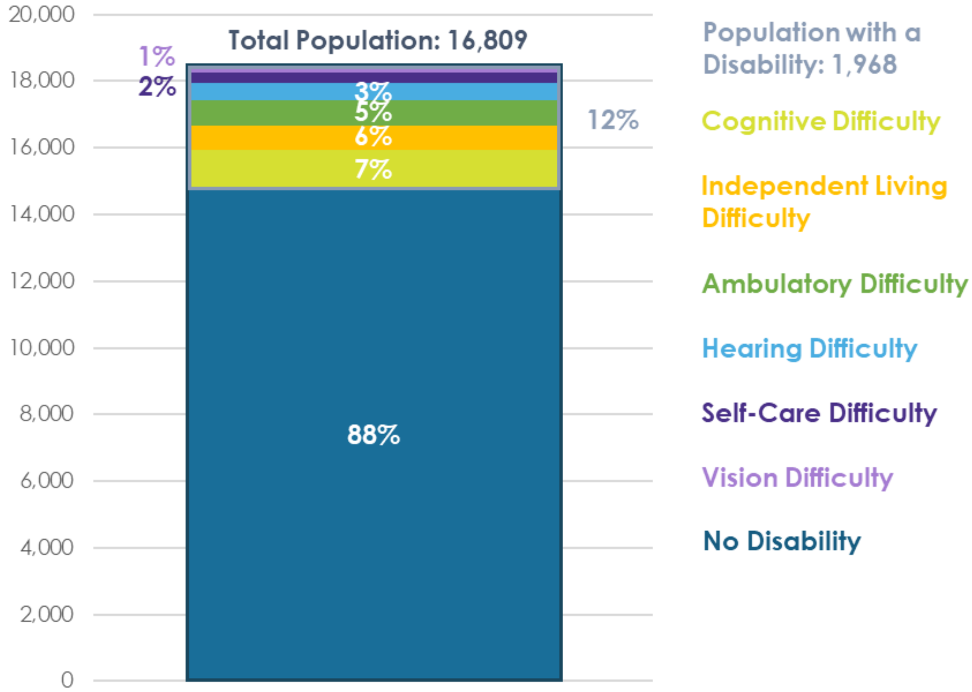
Special Housing Needs

Several segments of Washougal's community may have special housing needs, such as adults with disabilities, older adults, college and university students, individuals experiencing homelessness, and others.

In 2022, about 12% of Washougal's population lived with a disability. Disability is much more common among older adults than it is in other age cohorts, and elderly households are slightly more likely to be cost burdened compared to all other households in Washougal (24% compared to 22%).

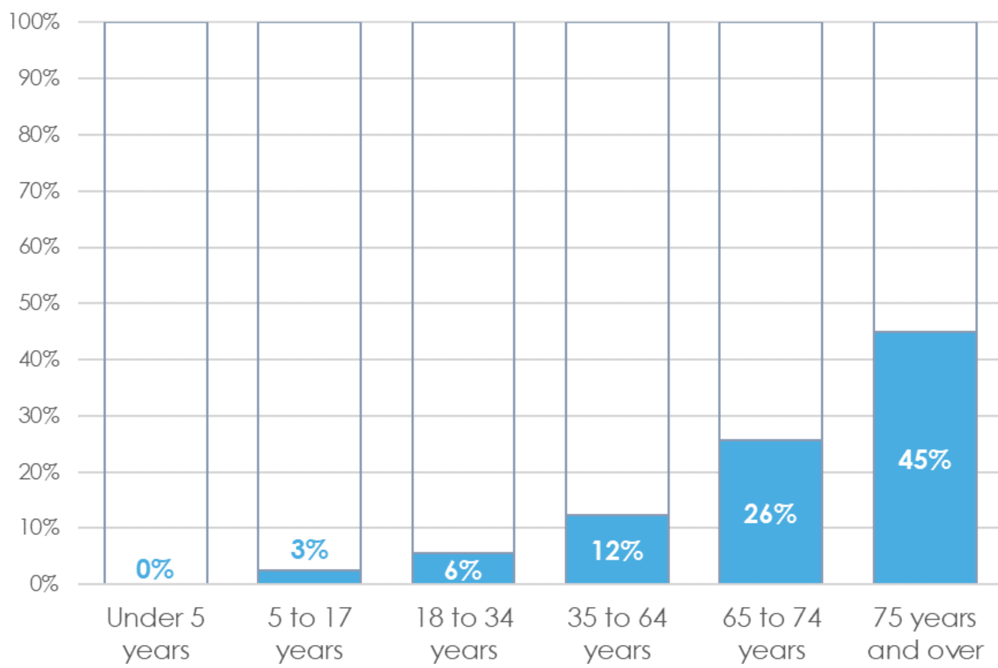
According to **Exhibit 6**, 12% of Washougal's population in 2022 lives with a disability. This closely matches the proportion of Clark County's population who lives with a disability, which is recorded as 13% in 2022. The most common disability is cognitive difficulty, followed by independent living difficulty and ambulatory difficulty. **Exhibit 7** further shows that older adults are more likely to be living with a disability. In 2022, 26% of Washougal's adults aged 65 – 74 are living with a disability, as are 45% of adults 75 and older.

Exhibit 6. Population by Disability Status, Washougal, 2022



Source(s): American Community Survey, 2022; CAI, 2024.

Exhibit 7. Disability by Age Group, Washougal, 2022

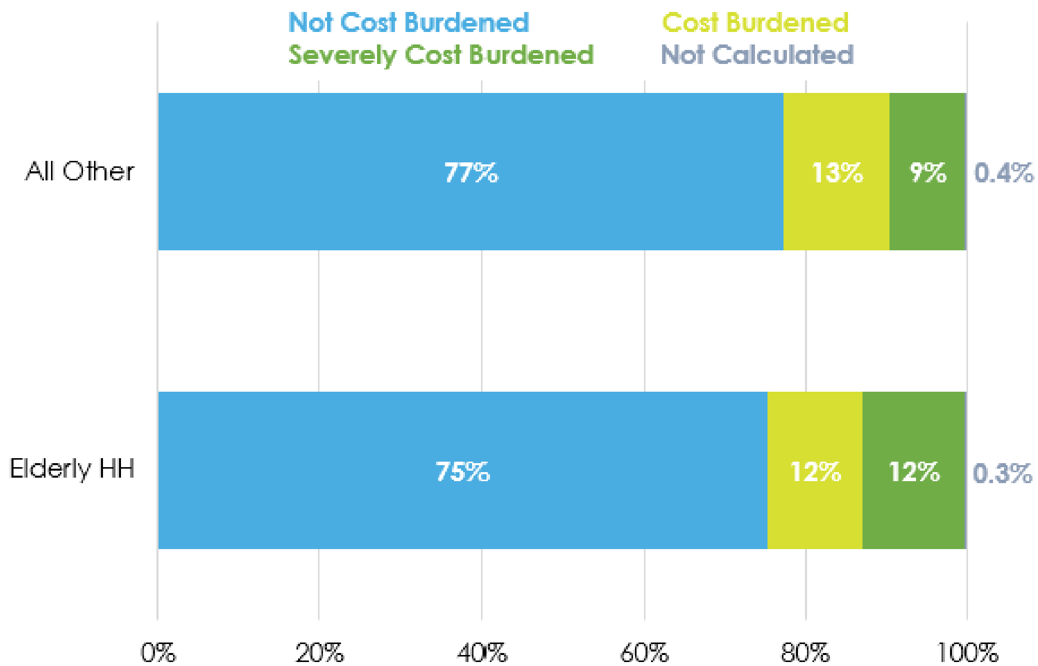


Source(s): American Community Survey, 2022; CAI, 2024.

The number of households that are cost-burdened, or spending too much of their income on housing, is an indicator of affordable housing need. HUD defines a household as "cost burdened" if they pay more than 30% of their gross household income for housing, and "severely cost burdened" if they pay more than 50% of their gross household income on housing.

Elderly households in Washougal have a slightly higher share of cost burdened and severely cost burdened households compared to all other Washougal households (**Exhibit 8**). Roughly 24% of elderly households pay more than 30% of their household income for housing compared to 22% of other households.

Exhibit 8. Cost Burden for Elderly Households (62+), Washougal, 2020



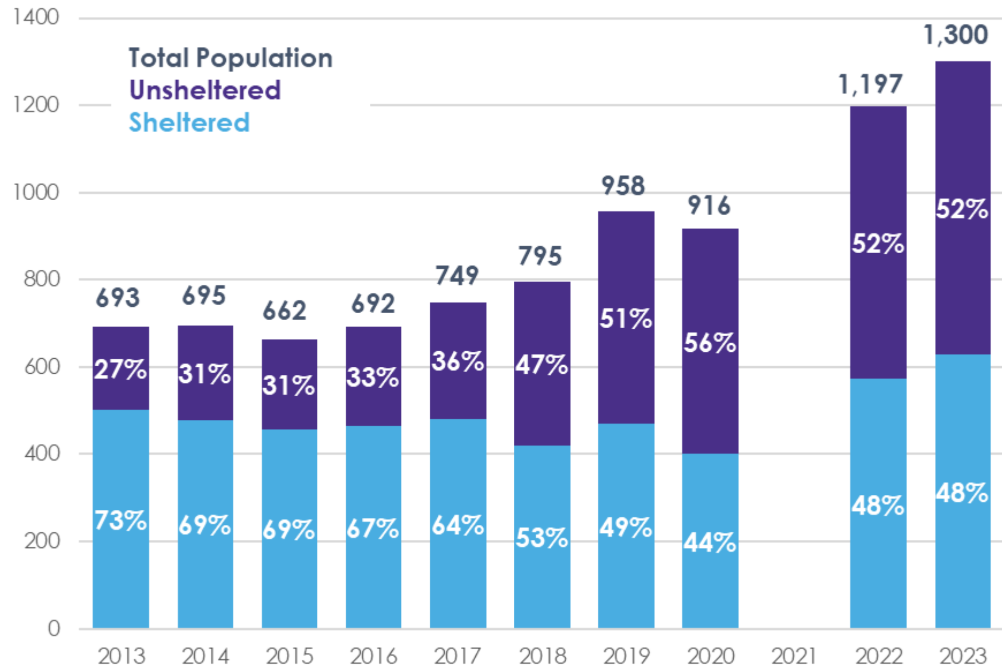
Source(s): HUD CHAS, 2016-2020; CAI, 2024.

Both the rate of homelessness and the number of homeless individuals have increased in Clark County over the past decade, a trend which may have been exacerbated by the COVID-19 pandemic. By the 2023 point-in-time count, there are 1,300 individuals experiencing homelessness.

The Point-in-Time Count for Clark County conducted by the Council for the Homeless, displayed in **Exhibit 9**, shows that the population of people experiencing homelessness in Clark County has increased in the past decade, particularly since the COVID-19 pandemic. This count also shows that the compound annual growth rate of homelessness in Clark County was 6% from

2013-2023, and 12% for 2020-2023. [1] More than half of Washougal's population experiencing homelessness in 2023 is unsheltered (52%).

Exhibit 9. Point-in-Time Homeless Population, Sheltered and Unsheltered, Clark County, 2013 - 2023



Source(s): Council for the Homeless Point-in-Time Count, 2013-2023; CAI, 2024.
Note: Data not available for 2021, due to data collection disturbances related to COVID-19.

While the proportion of children experiencing homelessness has dropped by 18% since 2019, the proportion of seniors experiencing homelessness has increased by 93%.

The proportion of children experiencing homelessness has decreased greatly in Clark County from 2019 to 2023 (**Exhibit 10**). In 2023, 17% of all individuals counted during the homeless Point-in-Time were under 18 years old, less than the 22% in 2019. However, the proportion of seniors, or adults aged 62 and older, experiencing homelessness increased by 2% in this same time period.

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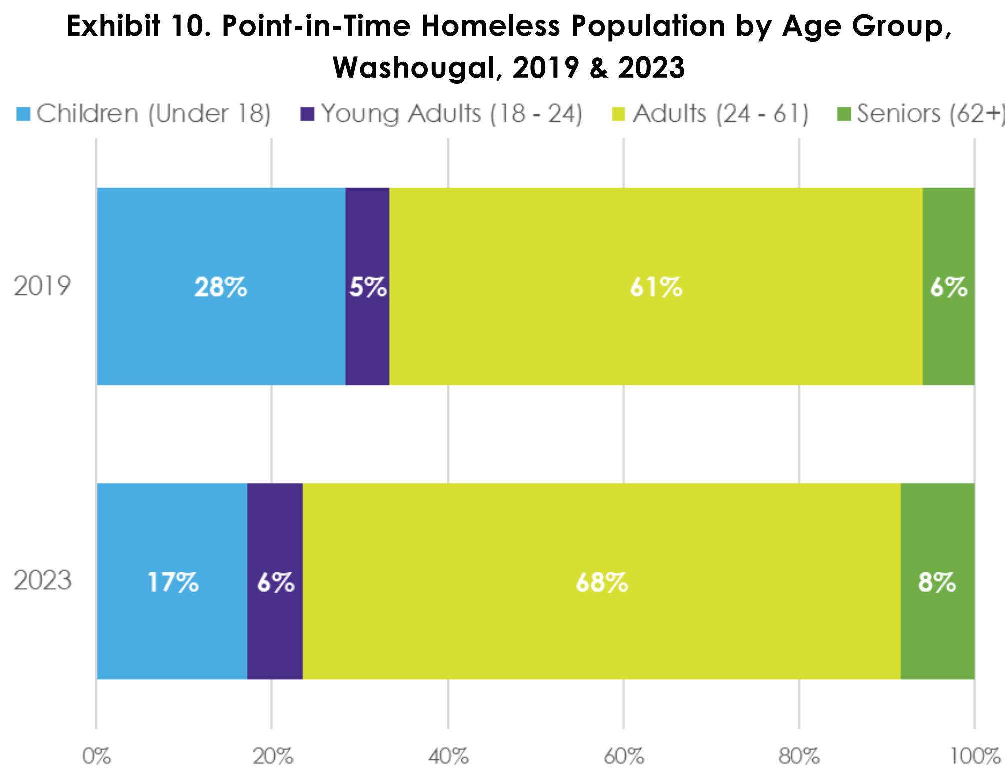
[1] Point-in-Time count estimates may be lower than official estimates, reflecting the challenges of counting a large, geographically distributed unsheltered population over a 24-hour period.



Source(s): Council for the Homeless Point-in-Time Count, 2019 & 2023; CAI, 2024.

Household Characteristics

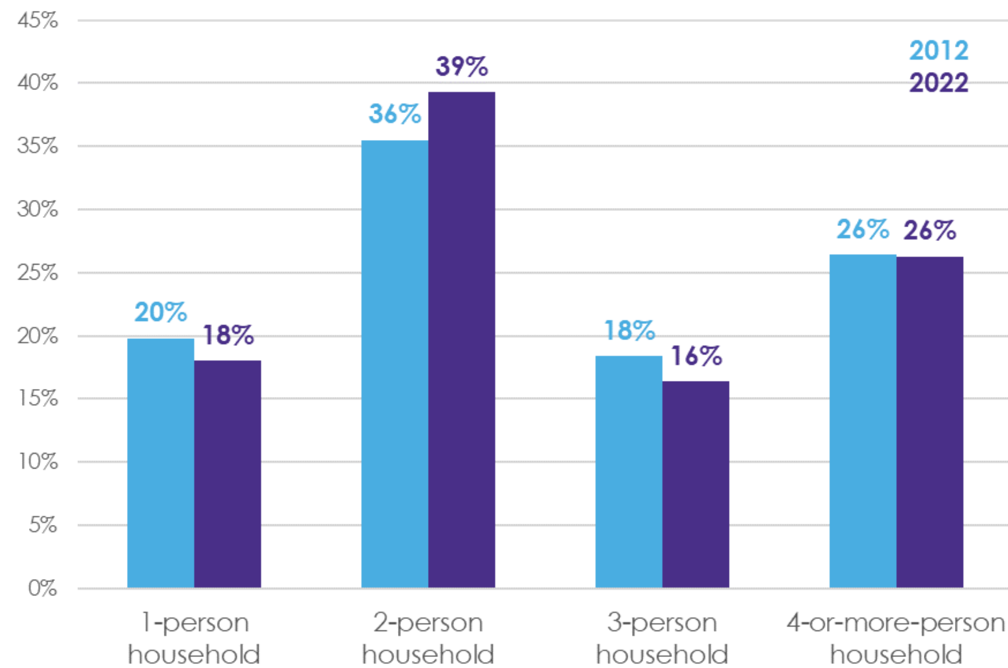
The characteristics and demographics of households also offer valuable insights into Washougal and its residents. Factors such as household size, tenure, and income may indicate demand for certain types, sizes, and styles of housing and help to describe the ability of Washougal's community to afford housing. Analyzing these household characteristics is a crucial step to enable the city to develop strategies to effectively meet evolving household needs.

Household size is an important factor impacting housing needs. Larger households often seek homes with three or more bedrooms, while smaller households, such as singles and couples, may prefer smaller housing types such as townhomes, multiplexes, small-lot single-family homes, and cottages.

For Washougal, the most common household size is two people, making up 39% of households. However, a little more than one-quarter of households in Washougal are comprised of four or more persons, and Washougal's average household size is larger than that of Clark County (2.79 compared to Clark County's 2.65).

In Washougal, couples, or 2-person households, are most common, making up 39% of households in 2022 (**Exhibit 11**). This represents an increase of 3% in this category since 2012. The next largest grouping is large households with 4 or more people at 26%. The average household size in Washougal in 2022 was 2.79, which is high compared to Clark County's average household size of 2.65 in 2022.

Exhibit 11. Household Size, Washougal, 2012 & 2022



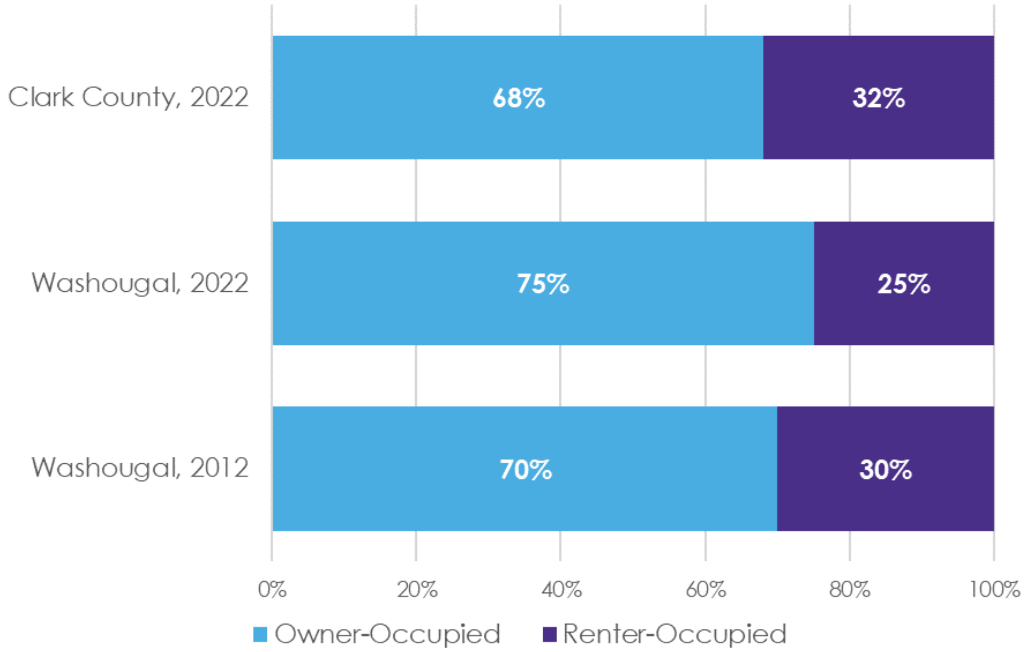
Source(s): American Community Survey, 2012 & 2022; CAI, 2024.

In 2022, three-quarters of households in Washougal own their homes, a higher proportion than the city showed in 2012 (70%) and a higher proportion than is seen in Clark County (68%).

A healthy housing market includes a mix of both ownership and rental housing types to meet the needs of a diversity of households and income levels.

As of 2022, three quarters of all households in Washougal are homeowners, compared to one quarter of households who are renting (**Exhibit 12**). The proportion of homeowners in Washougal in 2022 is higher than it was in 2012, when it was 70%. This value is also higher than the proportion of households in Clark County who are homeowners in 2022, 68%.

Exhibit 12. Housing Tenure, Clark County and Washougal, 2012 & 2022



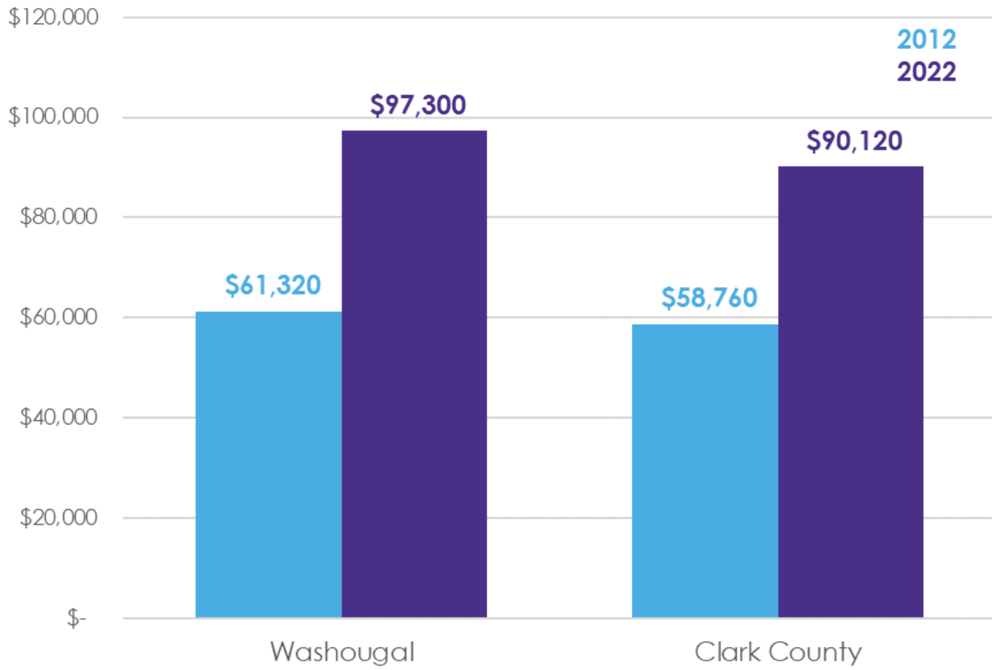
Source(s): American Community Survey, 2012 & 2022; CAI, 2024.

Household income can also be an indicator for people's ability to afford a home. The median household income, where half the residents earn more and half earn less, is useful for comparing with other areas or with median home values. Analyzing the geographic distribution of income can highlight disparities within the community.

Following national trends, median household incomes in Washougal have increased in the past decade and are generally higher than those in Clark County ($97,300 in 2022 compared to Clark County's $90,120).

Compared with Clark County, Washougal's median household income was higher in 2012 and in 2022 (**Exhibit 13**). In 2022, Washougal's median household income was a little over $97,000, over $7,000 greater than Clark County's. The city's median household income increased by compound annual growth rate (CAGR) of 4.7% in the decade between 2012 and 2022. Clark County's median household income grew at a slightly lower CAGR of 4.4%.

Exhibit 13. Median Household Income, Washougal and Clark County, 2012 & 2022



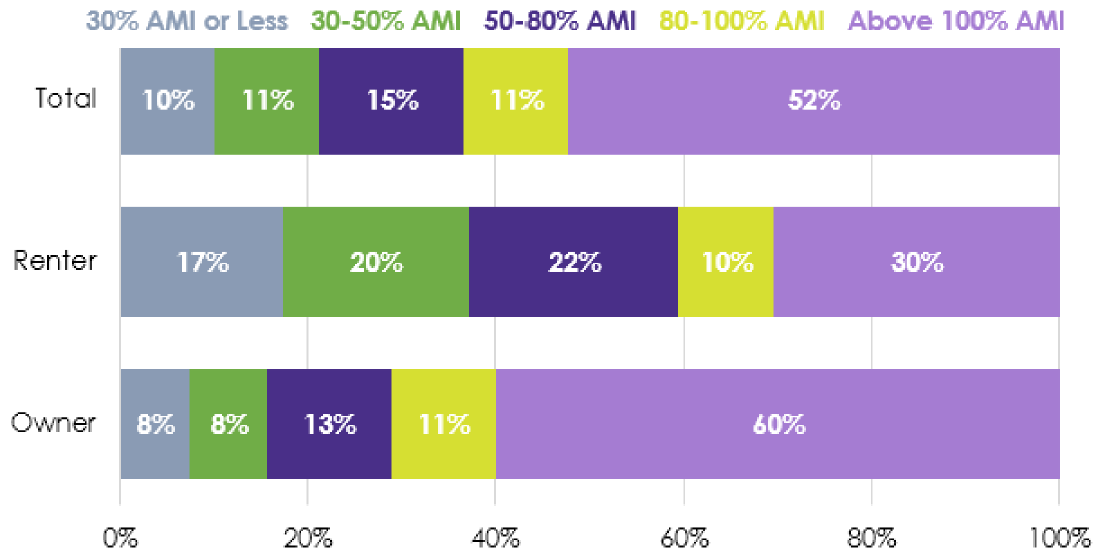
Source(s): American Community Survey, 2012 & 2022; CAI, 2024.

In 2022, more than half (52%) of households in Washougal earn incomes that are higher than the Area Median Income (AMI). Renters are much more likely to fall into lower income brackets than homeowners.

In 2022, approximately 63% of all households in Washougal are moderate- to high-income, earning more than 80% of the AMI (**Exhibit 14**). On the other hand, 21% of households in Washougal are very low-income, earning between 30% and 50% AMI, or extremely low-income, earning 30% AMI or less.

Among owner-occupied households, 71% earn above 80% AMI, compared to 40% of renter-occupied households. Furthermore, there is a significantly higher proportion of extremely low-income households among renters (37%) than among homeowners (16%). Renter households also have a significantly higher share of extremely low-income households – 17% compared to 8% of owner households.

Exhibit 14. Percentage of Households by AMI and Tenure, Washougal, 2020



Source(s): HUD CHAS, 2016-2020; CAI, 2024

Employment and Commuters

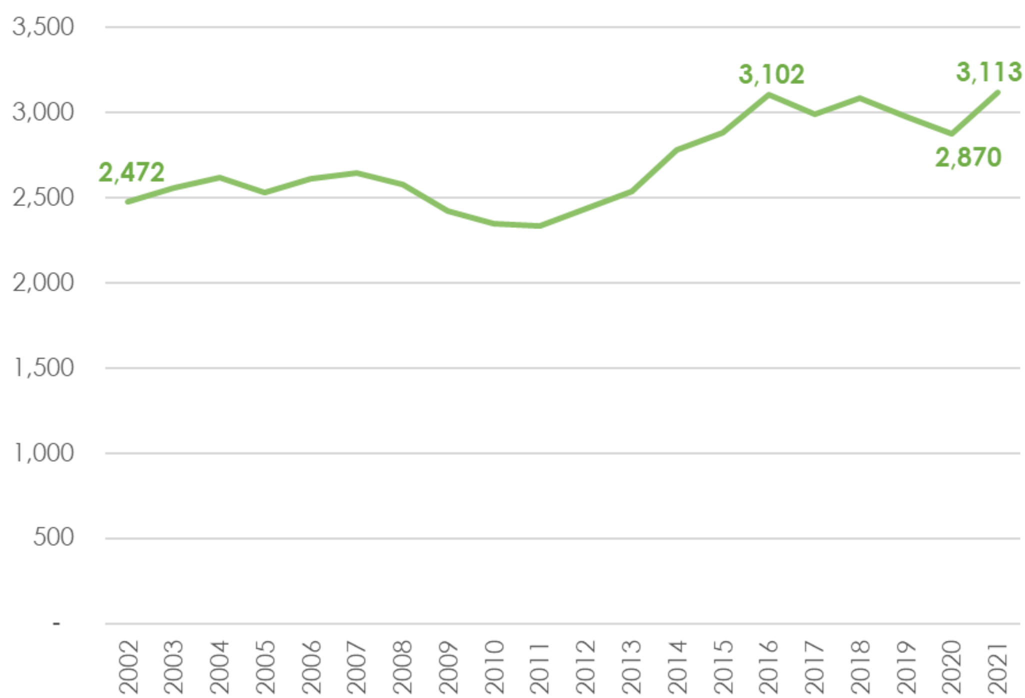
Understanding Washougal's workforce profile and commuting trends provides valuable insights into current and future housing needs. The jobs-to-housing ratio and commuting patterns can indicate how many people live and work within the city. If many workers commute into Washougal, it may suggest a shortage of housing or insufficient housing options that match the needs and affordability levels of the workforce.

Employment has increased in Washougal at a compound annual growth rate of 3.7% from 2010-2023, which is higher rate than Washougal's overall population has grown (with a CAGR of 1.7% from 2010-2023).

Exhibit 15 shows historic employment in Washougal, increasing from 2,472 jobs in 2022 to 3,113 jobs in 2021. The trend for employment growth in Washougal was interrupted in two instances – the first instance occurred in the years following the market crash in 2008, and the second corresponds with the COVID-19 pandemic in 2020. In 2021, employment in Washougal reached a new high for employment, signifying that employment recovered quickly from the pandemic.

According to the Clark County adopted Growth Management Act employment growth targets, Washougal is estimated to have about 3,770 existing jobs as of 2023. The city is further expected to add 2,961 net new jobs by 2045 to reach a total employment of 6,731. This projection represents a slower growth rate for employment than the city has experienced over the past decade – at a 1.6% average annual growth rate from 2023 to 2045, compared to 4.7% from 2010 to 2023.

Exhibit 15. Total Historic Employment, Washougal, 2002-2021



Source(s): U.S. Census OnTheMap, 2002-2021; CAI, 2024.

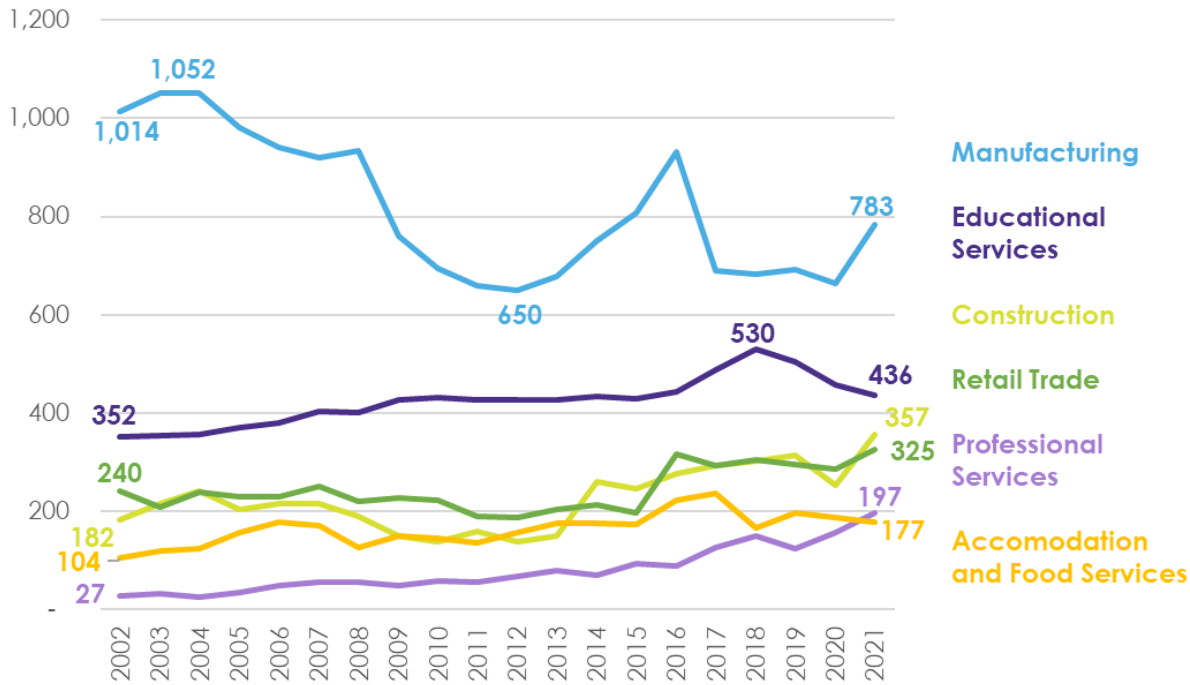
Historically, Washougal's top industries for employment are manufacturing and educational services. While manufacturing has been trending slightly downwards over time, it has recently seen some modest increases in employment. Washougal's fastest growing industry is professional, scientific, and technical services.

Exhibit 16 shows Washougal's top industries for employment, from 2002 – 2021. Manufacturing, Washougal's long-time top industry for employment, has generally trended downwards since 2004, at a compound annual growth rate of -1.4%. However, a recent spike in manufacturing employment brings the total up to 783 jobs in 2021. Educational services, the second highest employing industry in Washougal saw steady growth pre-pandemic, reaching a peak of 530 jobs before dropping to reach 436 by 2021. Washougal's fastest growing industry is professional, scientific, and technical services, with a CAGR of 11% from 2002-2021.

Other fast-growing industries in Washougal are Health Care and Social Assistance (with a CAGR of 6.2% from 2002-2021) and Wholesale Trade (with

5.3%). The fastest declining industry in Washougal is transportation and warehousing, with a CAGR of -2.1% from 2002 – 2021.

Exhibit 16. Historic Employment in Top Industry Sectors, Washougal, 2002 - 2021

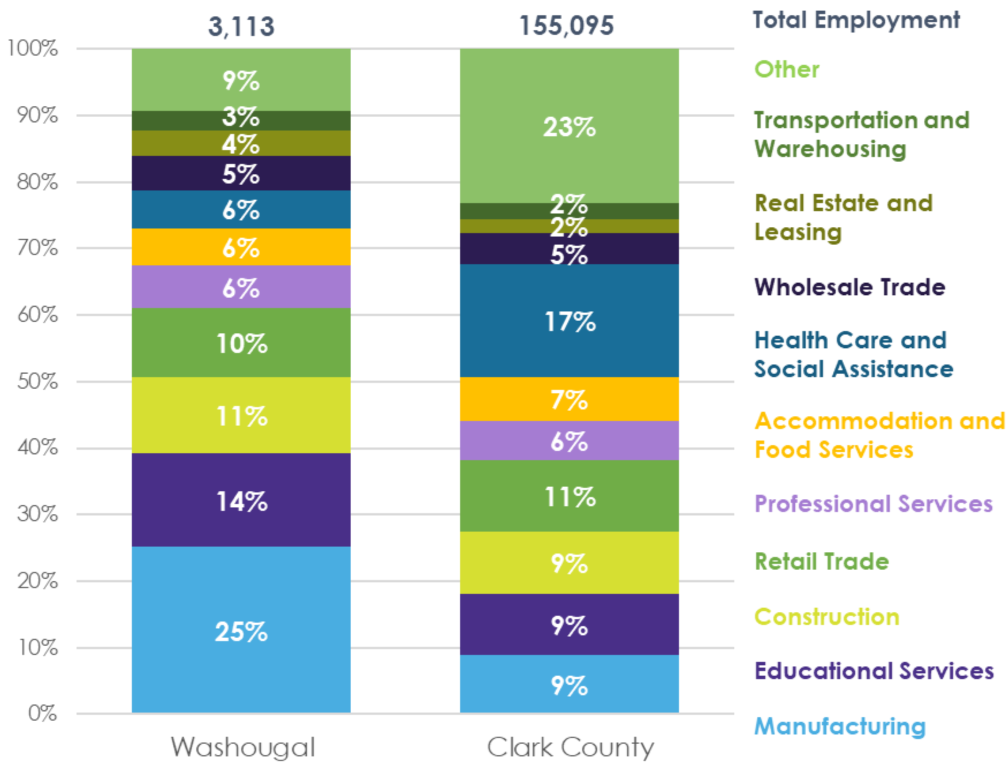


Source(s): U.S. Census OnTheMap, 2002-2021; CAI, 2024.

Washougal and Clark County both have a diverse pool of employment across many industries. Countywide, the health care and social assistance sector accounts for a larger share of total employment (17%) than it does locally in Washougal (6%), which may suggest opportunities for employment growth in these industries in the city.

In 2021, both Washougal and Clark County's employment is fairly diverse. However, there is a much higher proportion of manufacturing jobs in Washougal (25%) than there is in Clark County (9%) (**Exhibit 17**). In contrast, Clark County's top industry by employment is health care and social assistance (17%), which only makes up 6% of employment in Washougal. Clark County also has a much larger "Other" category, which is mostly made up of jobs in either administration (5.4%), finance and insurance (4.0%), public administration (3.1%), or other services (3.0%).

Exhibit 17. Employment Share by Industry, Washougal and Clark County, 2021



Source(s): U.S. Census OnTheMap, 2021; CAI, 2024.

American Community Survey estimates, summarized by the Census Bureau and LEHD Origin-Destination Employment Statistics, provides a comparison of income for people of working age who are living in Washougal versus people who are working in Washougal. According to estimates from 2021, the proportion of Washougal residents making an income less than $1,250 a month, or less than $15,000 annually, is very similar to that of Washougal workers, with both showing 11%. However, for the proportion of Washougal residents making more than $3,333 per month, or almost $40,000 a year, the proportion is slightly higher for Washougal residents than it is for Washougal workers, at 63% and 59% respectively (**Exhibit 18**).

Exhibit 18. Income Estimates for Residents and Employees, Washougal, 2021

Income Estimate	Residents		Workers	
	Count	(%)	Count	(%)
$1,250 per month or less	828	11%	333	11%
$1,251 to $3,333 per month	1,873	26%	932	30%
More than $3,333 per month	4,637	63%	1,848	59%

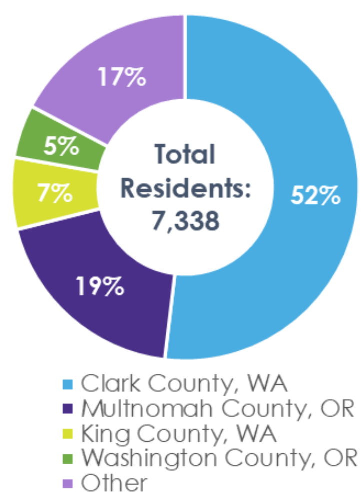
Source(s): U.S. Census OnTheMap, 2021; CAI, 2024.

More than 90% of Washougal residents commute to work outside of the city. On the other hand, 19% of Washougal's workers are also residents of Washougal, leaving 81% of Washougal's workers commuting in from outside of the city. Those commuting to Washougal for work are largely from Clark County (70%).

In 2021, more than half (52%) of all Washougal residents who work are working somewhere inside of Clark County (**Exhibit 19**). However, only 8% of Washougal residents work in Washougal itself. 25% of Washougal residents work in Vancouver, 16% work in Portland, and 9% work in Camas. The second most common county for Washougal residents to work in is Multnomah County, OR (19%).

Exhibit 19. Where Washougal Residents Work, 2021

Place	Total Jobs	(%)
Vancouver	1,799	25%
Portland	1,184	16%
Camas	691	9%
Washougal	**605**	**8%**
Seattle	215	3%
Gresham	130	2%
Hazel Dell CDP	115	2%
Hillsboro	103	1%
Longview	93	1%
Beaverton	84	1%
Other	2,319	32%



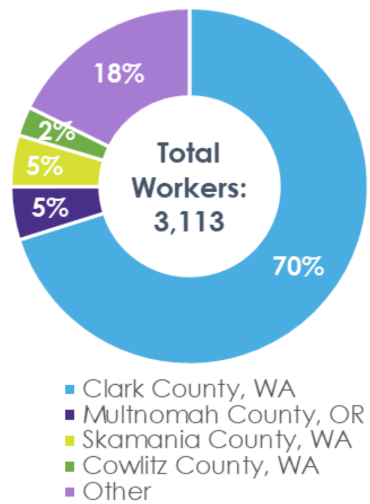
Source(s): U.S. Census OnTheMap, 2021; CAI, 2024.

On the flip side of this coin, **Exhibit 20** shows where the workers of Washougal reside, or where they are commuting from for work. The largest proportion of Washougal's workers (19%), come from Washougal itself. Further, 70% of Washougal's workers reside somewhere inside of Clark

County. 17% of Washougal's workers commute to work in Washougal from Vancouver, 8% commute from Camas, and 4% commute from Portland. The large proportion of workers who live outside of the city suggests that many of the city's workers either may not be able to afford suitable housing inside the community or the available housing may not meet their needs or preferences.

Exhibit 20. Where Washougal Workers Live, 2021

Place	Total Jobs	(%)
Washougal	**605**	**19%**
Vancouver	537	17%
Camas	262	8%
Portland	120	4%
Orchards CDP	99	3%
Battle Ground	57	2%
Hazel Dell CDP	47	2%
Five Corners CDP	46	1%
Salmon Creek CDP	44	1%
North Bonneville	35	1%
Other	1,261	41%



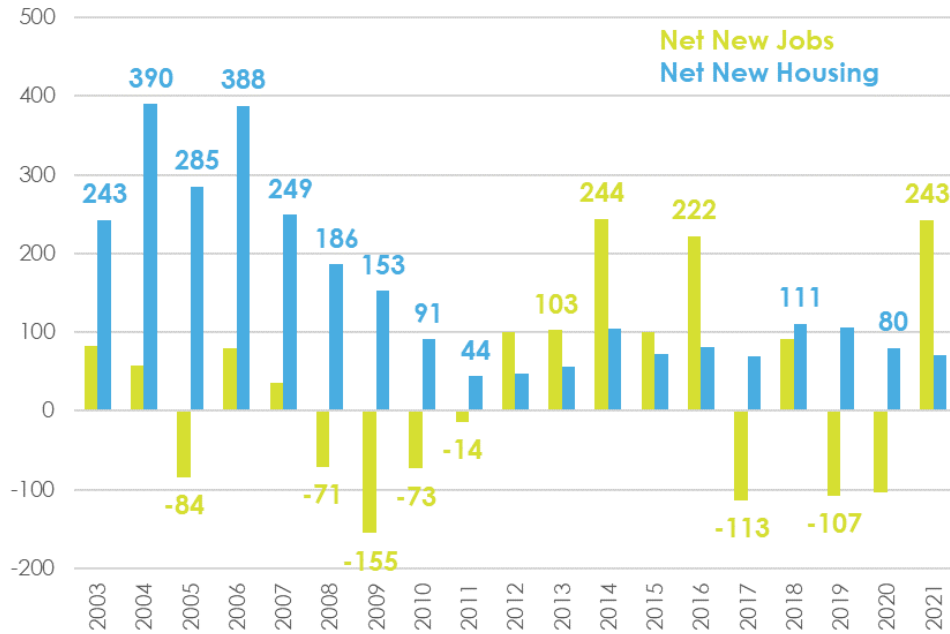
Source(s): U.S. Census OnTheMap, 2021; CAI, 2024.

Housing production has long outpaced job growth in Washougal, leading the city to have a much lower jobs-to-housing unit ratio (0.48) compared to Clark County as a whole (0.78).

Housing production in Washougal has far outpaced the growth in jobs between 2002 and 2021. While employment grew by 641 jobs during this period, the number of housing units grew by 2,827 (**Exhibit 21**). Therefore, Washougal gained 0.2 net new jobs for every one net new housing unit from 2002-2021.

From 2002 to 2010, the annual net delivery of housing units frequently exceeded 100 units. During this time, job growth was modest, often experiencing small net increases of less than 100 jobs or net decreases, with the most significant job loss occurring in 2009 with a reduction of 155 net jobs. Post-2011, job growth accelerated in Washougal, peaking in 2014 with an addition of 244 net new jobs. In contrast, housing unit production decreased, fluctuating between a high of 111 and a low of 44 net new units annually.

Exhibit 21. Net Gain/Loss of Jobs and Housing, Washougal, 2000 – 2023

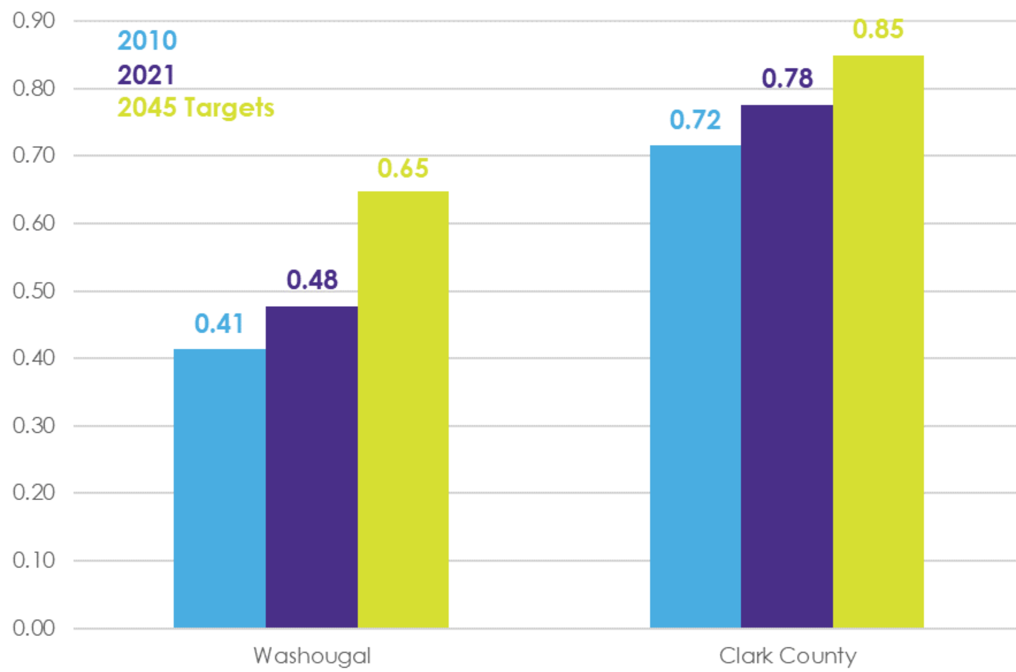


Source(s): Washington Office of Financial Management, 2003, 2016 & 2024; U.S. Census OnTheMap, 2002-2021; CAI, 2024.

The jobs-to-housing unit ratio is a metric to assess the balance between employment opportunities and available housing within a specific area. It is calculated by dividing the number of jobs in a region by the number of housing units in that same region. A ratio less than 1 indicates that there are fewer jobs compared to housing units, which might suggest that the area is more residential in nature.

In 2010, there were 0.41 jobs for every housing unit in Washougal (**Exhibit 22**). The ratio of net new jobs to net new housing units increased slightly by 2021, reaching 0.48. Comparatively, Clark County consistently exhibited a higher job-to-housing unit ratio, increasing from 0.72 in 2010 to 0.78 in 2021. This exhibit further uses employment and housing targets adopted by Clark County and allocated to its cities at the end of spring, 2024, to calculate the jobs-to-housing unit ratio for 2045. For both Clark County and Washougal, the jobs-to-housing unit ratio is expected to increase by 10% for Clark County and by 36% for Washougal.

Exhibit 22. Jobs to Housing Unit Ratio, Washougal and Clark County, 2010, 2021, & 2045



Source(s): U.S. Census OnTheMap, 2010 & 2021; Washington Office of Financial Management, 2003, 2016 & 2024; Clark County 2025 Population, Housing and Employment Allocation, 2024; CAI, 2024.

Current Housing Patterns and Supply

This section analyzes Washougal's current housing stock and market conditions, comparing them with regional trends. Although Washougal's housing policies and programs apply exclusively to its own territory, many of its housing commitments and strategies are influenced by broader regional factors and interjurisdictional considerations.

Housing Stock

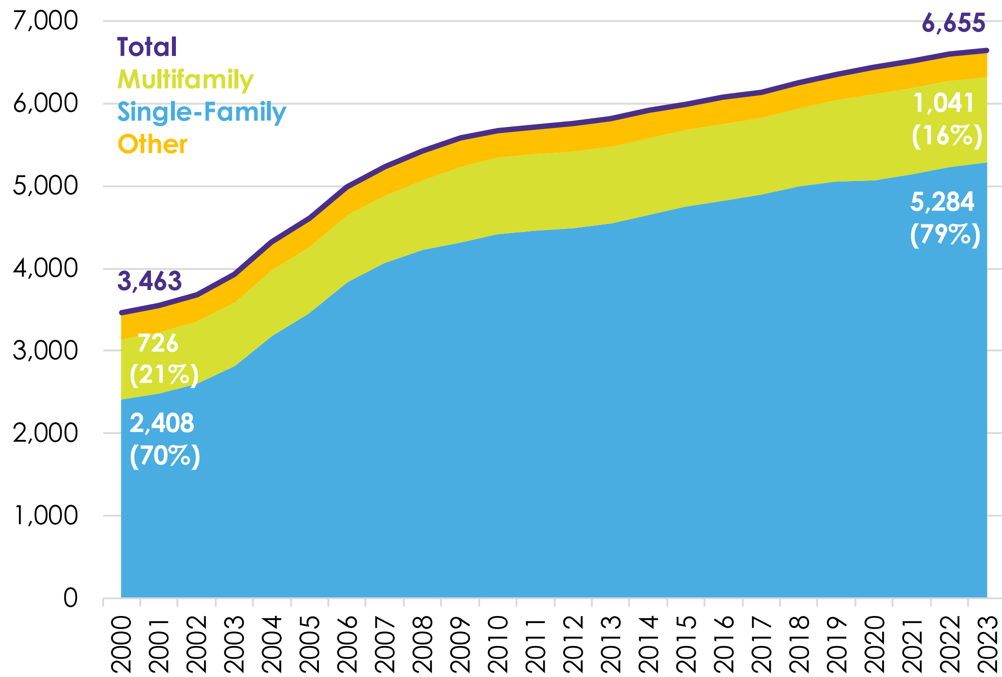
The purpose of this section is to describe Washougal's current housing stock, emphasizing characteristics such as type, size, and tenure. These characteristics are often compared to those of Washougal households to assess how well the current housing meets residents' needs. The analysis also addresses the housing needs of special populations within the community.

Washougal's single-family home production has outpaced that of multi-family homes since 2000. By 2023, 79% of all housing units are single unit detached. This distribution suggests that there may be a

need for greater diversity in Washougal's housing stock, to better meet the needs of the city's diverse community.

As of 2023, Washougal has 6,655 housing units, 79% of which are single, detached units, otherwise known as single-family homes. Compared to Clark County, Washougal has a higher share of single-family homes. Roughly 67% of Clark County's housing stock is made up of single-family homes. Of the 3,192 new housing units built in Washougal since 2000, 2,877 of them (or 90%) were single family homes. The 'Other' category includes mobile homes and special housing units. These made up 10% of Washougal's total housing stock in 2000 but have since decreased to 5% of total housing units in the city (**Exhibit 23**).

Exhibit 23. Housing Units by Number of Units in Structure, Washougal, 2000 -2023



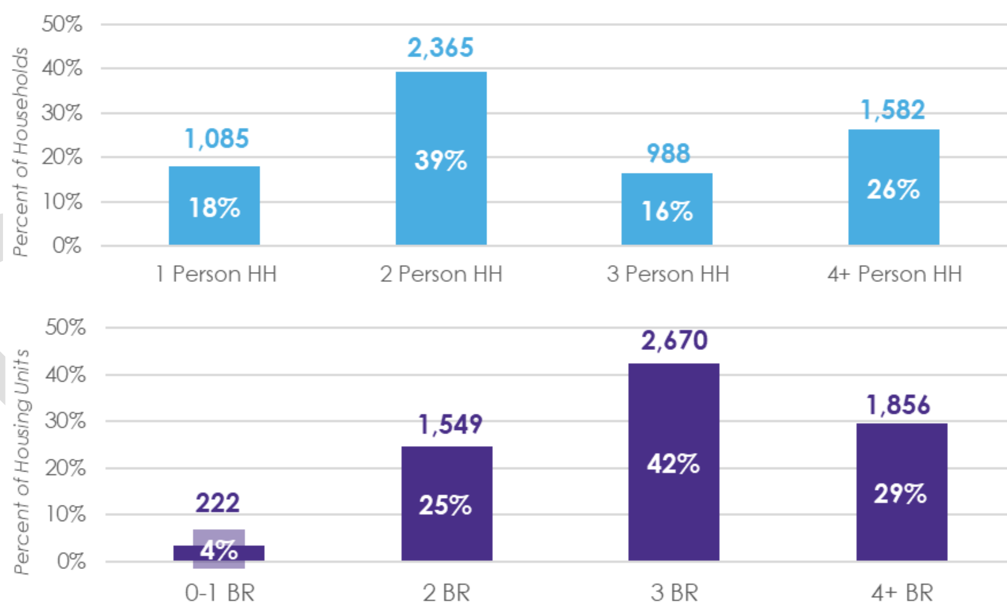
Source(s): Washington Office of Financial Management, 2003, 2016 & 2024; CAI, 2024.

There is a mismatch between the size of housing units offered in Washougal's existing housing stock, and the size of Washougal's households. More than 70% of Washougal's housing units have three or more bedrooms, yet the majority (57%) of the households have only one or two members.

Exhibit 24 compares the distribution of household size (the number of individuals living in Washougal households) with that of housing unit size (the number of bedrooms in Washougal housing units). Washougal has an average household size of 2.79 individuals per housing unit. More than half of Washougal households (57%) are made up of 1 or 2 people. However, the majority of housing units in Washougal are built for larger households. Housing units in Washougal are generally large, with 71% of housing units having 3 bedrooms or more. Only 4% of Washougal's housing stock, or 222 units, have 1-bedroom or less (studios), compared to 1,085 households in Washougal with only 1 person.

This may indicate single workers or small families seeking to live in Washougal, or existing households, such as retirees, who may wish to downsize their home and stay in the community may find it difficult to access smaller format housing. This also indicates that a portion of one- and two-person households likely live in a housing unit with at least one unoccupied bedroom, which may reduce the number of larger homes available for larger households. Larger households take many different forms and could include households with large family sizes, multigenerational households, families doubling-up to save money, or other situations.

Exhibit 24. Comparison of Distributions of Housing Unit Size and Household Size, Washougal, 2022



Source(s): American Community Survey, 2022; CAI, 2024.

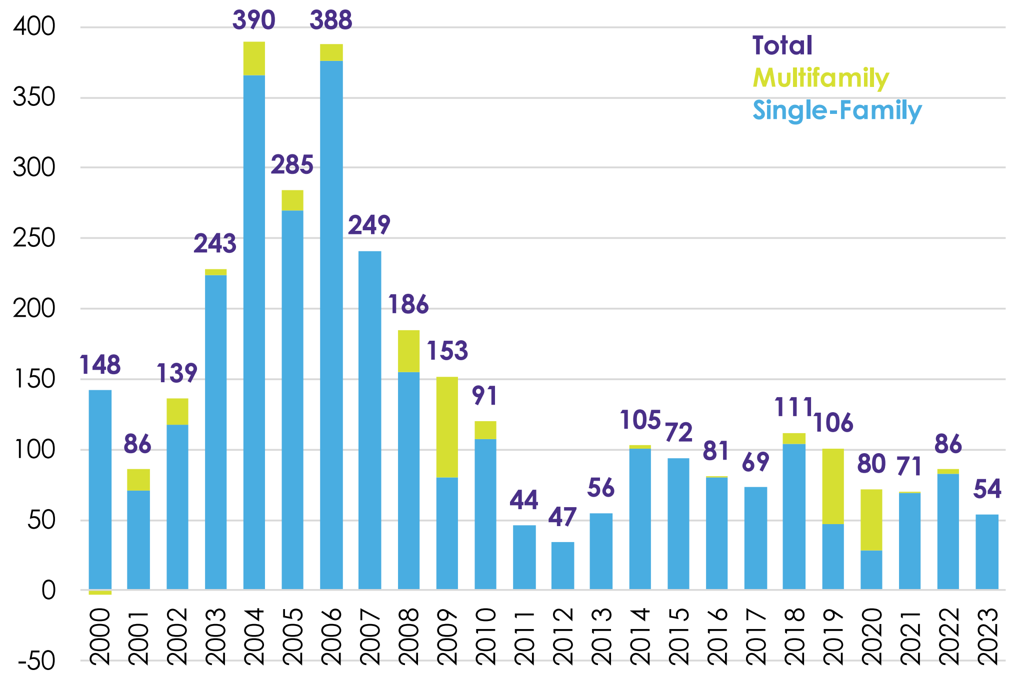
Housing Market Conditions and Trends

Indicators like housing unit production, home values, rental costs, and vacancy rates offer crucial insights into the health and competitiveness of the local housing market. They can also highlight potential gaps in housing inventory or types.

Washougal has steadily increased its housing stock, adding 3,340 housing units between 2000 and 2023. Most of these new units were single-family units.

Exhibit 25 shows the annual net change in housing units in Washougal. Washougal's housing stock increased by 3,340 units since 2000, with the majority (3,018) of added units falling into the single-family housing type and only 312 units in the multifamily housing type. Housing production was largely higher before 2010, though some added units in years like 2003 or 2007 are attributable to annexations. Housing production decreased dramatically following 2010, consistent with national trends associated with the 2008 financial crisis. For the years 2011 and beyond, the highest annual value for net gain of housing units was 111, in 2018. 2019 and 2020 represent the only years in this time period where multifamily housing deliveries outnumbered single family unit deliveries.

Exhibit 25. Net Change in Housing Units by Year, Washougal, 2000 – 2023

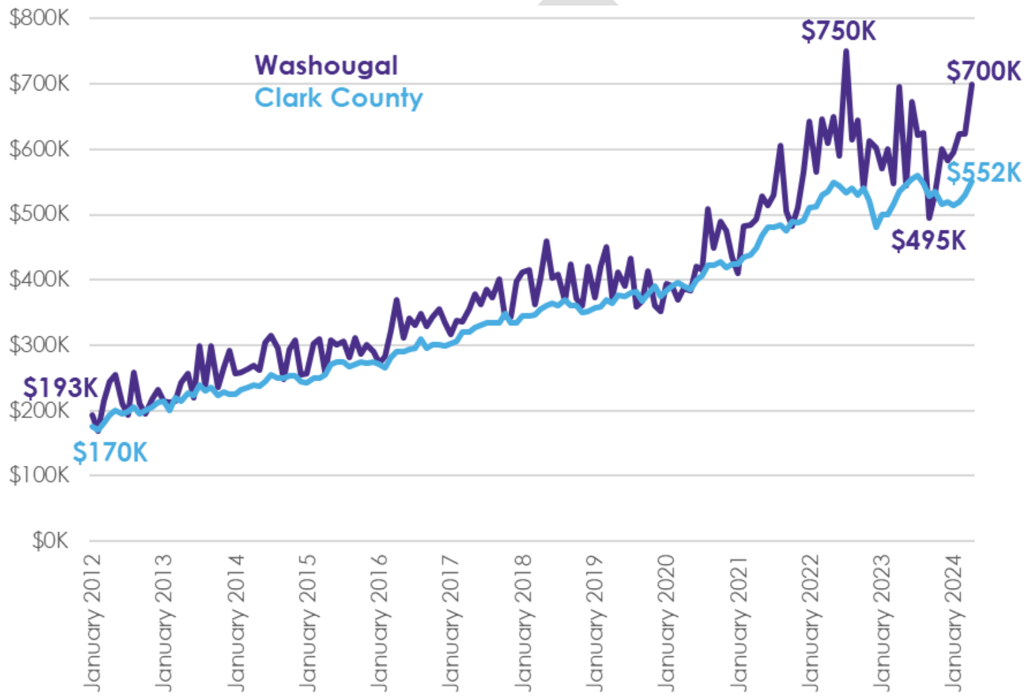


Source(s): Washington Office of Financial Management, 2003, 2016 & 2024; CAI, 2024.

Following national trends, housing prices in Washougal have increased. The median home value in Washougal increased by more than 260% from 2012 to 2024, reaching approximately $700K. The median home price across Clark County is $552K, which has increased by 215% during the same time period.

As of April 2024, the median home value in Washougal was $700K (**Exhibit 26**). This represents an increase of more than 260% since 2012, although the most current home values are down from a peak of $750K in July of 2022. Washougal has historically had higher median home values than Clark County as a whole, although the county has followed a similar trend of appreciating home values. The median home value in Clark County in April 2024 was $552K, a 215% increase since 2012. Washougal's home values grew by a compound annual growth rate (CAGR) of 11%, while countywide home values increased at a 10% CAGR.

Exhibit 26. Median Home Value, Washougal and Clark County, 2000 – 2023

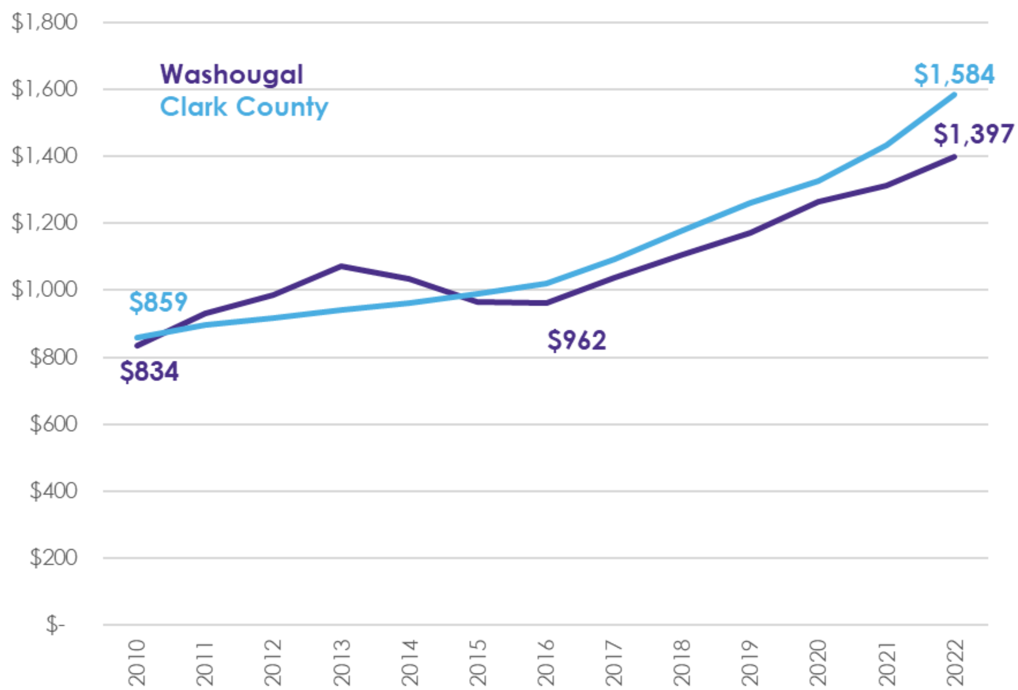


Source(s): Redfin, 2024; CAI, 2024.

In contrast, rental prices in Washougal have increased at a slower rate, offering more affordable housing options for Washougal residents on average than even the county. Monthly average rents increased in Washougal by 68% since 2010 to reach $1,397 per month in gross rent in 2022. In comparison, Clark County's rental prices increased more (by 84%), reaching $1,584 per month.

Average rents in Washougal have also steadily increased since 2010 (**Exhibit 27**). From 2010 to 2022, rents in Washougal increased from $834 monthly to $1,397 which represents a compound annual growth rate (CAGR) of 4.4% and overall increase of 68%. By 2022, Washougal's median rent is slightly lower than that of Clark County. Rents in Clark County increased at a comparable CAGR of 5.2% from 2010 to 2022, making an overall increase of 84%. As rents rise, fewer higher-income renters will be able to build sufficient savings to purchase homes.

Exhibit 27. Median Gross Rent, Washougal and Clark County, 2010 – 2022



Source(s): American Community Survey, 2010-2022; CAI, 2024.

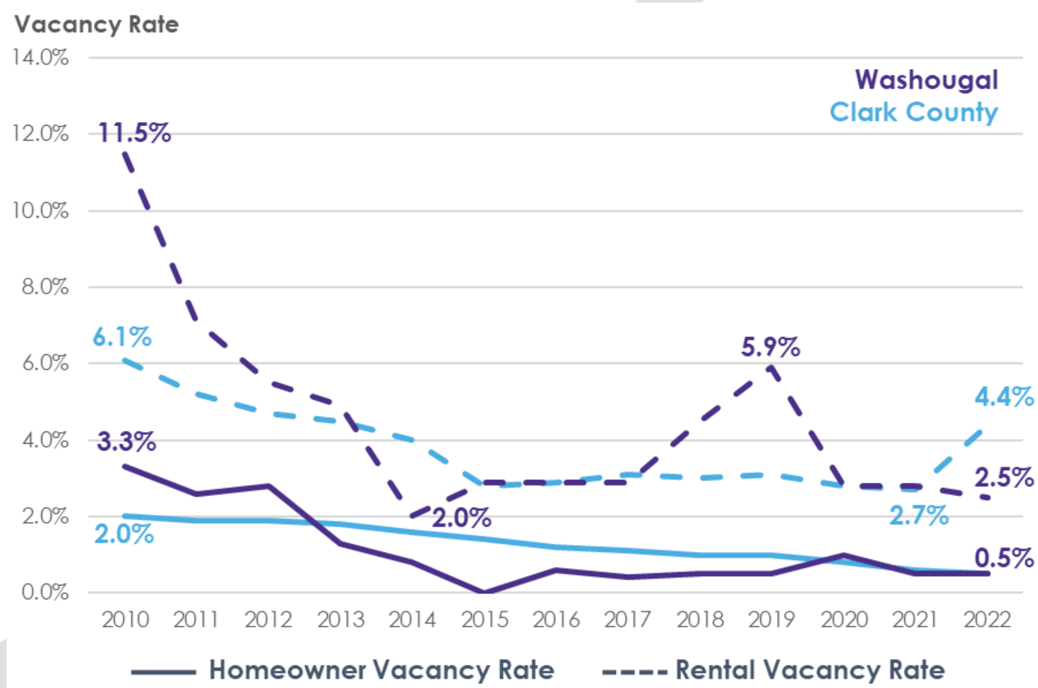
Vacancy rates in both Washougal and Clark County are low in 2022, with homeownership rates at less than 1%, and vacancy rates at 2.5% and 4.5% respectively.

Vacancy rates are another valuable indicator of housing supply and demand. Communities with low vacancy rates might face a limited housing supply and insufficient housing production to meet demand. Conversely, high vacancy rates could indicate an oversupply of housing, decreased desirability of an area, or low demand. Ideal vacancy rates vary between ownership and rental properties. Over the long term, average vacancy rates for rental housing typically range from 7-8%.

Rental vacancies in Washougal dropped from a high of 11.5% in 2010 to a low of 2.0% in 2014 (**Exhibit 28**). Since then, rental vacancy has hovered around 2-3%, with a small spike to 5.9% in 2019. By 2022, rental vacancy had dropped back down to 2.5%. Rental vacancies in Clark County steadily decreased from 6.1% in 2010 to 2.7% in 2021. Since then, rental vacancy rates in Clark County have jumped up to 4.4% in 2022.

Homeowner vacancies for both Washougal and Clark County are lower than rental vacancies. Washougal's homeowner vacancy, recorded at 3.3% in 2010, dropped to no vacancies in 2015. Between 2015 and 2022, Washougal's homeowner vacancy fluctuated around 1%, landing at 0.5% in 2022. Clark County's homeowner vacancy rate steadily decreased from 2.0% in 2010 to 0.5% in 2022.

Exhibit 28. Homeowner and Rental Vacancy Rates, Washougal and Clark County, 2010 – 2022



Source(s): American Community Survey, 2010-2022; CAI, 2024.

Housing Affordability

The term "affordable housing" denotes a household's capacity to secure housing that fits within its financial constraints. The Area Median Income (AMI), a commonly accepted metric created by the US Department of Housing and Urban Development (HUD) used for assessing housing affordability, is used to evaluate housing affordability and determine eligibility for subsidized housing. HUD sets income thresholds categorized as extremely low, very low, low, and median for households ranging from one to eight members. These income limits are specified only for particular metropolitan areas. **Exhibit 29** shows the 2024 income limits by household size in the Portland-Vancouver-Hillsboro metro area, which includes Washougal. These metrics are used to understand the affordability of the existing housing stock in Washougal as well as to consider issues of affordability in housing projections. For 1 person in the Portland-Vancouver-Hillsboro metro area, the AMI is shown as $81,850 while low income is designated as $66,100 or less.

Exhibit 29. HUD Household Income Limits, Portland-Vancouver-Hillsboro HUB Metro FMR Area, 2024

Income Level	Household Size (Persons in Family)							
	1	2	3	4	5	6	7	8
Extremely Low (30% AMI)	$24,800	$28,350	$31,900	$35,400	$38,250	$41,960	$47,340	$52,720
Very Low Income (50% AMI)	$41,300	$47,200	$53,100	$59,000	$63,750	$68,450	$73,200	$77,900
Low Income (80% AMI)	$66,100	$75,550	$85,000	$94,400	$102,000	$109,550	$117,100	$124,650
Median Income	**$81,850**	**$93,500**	**$105,200**	**$116,900**	**$126,250**	**$135,600**	**$144,950**	**$154,300**

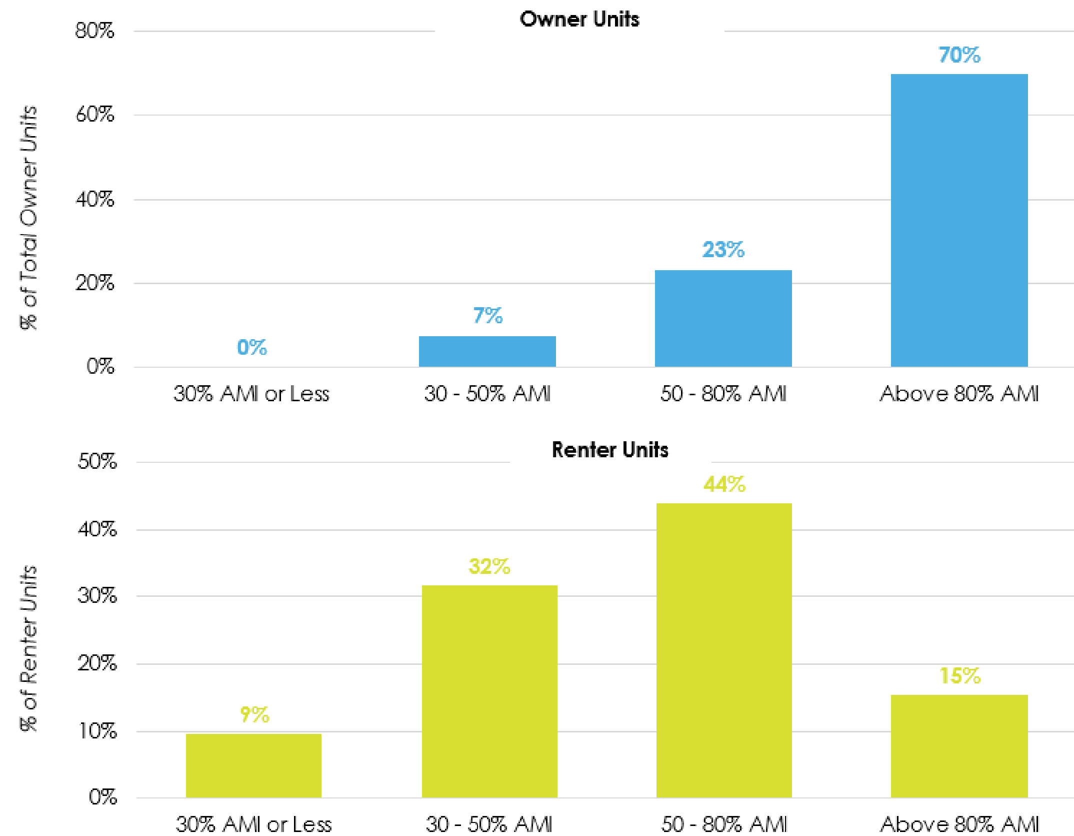
Source(s): HUD CHAS, 2024; CAI, 2024.

70% of Washougal's housing units available for ownership are only affordable for those making 80% AMI or higher. While rental housing provides some affordable options for low-income households, still only 9% of all housing units in Washougal are affordable for extremely low-income households.

Exhibit 30 outlines the share of owner- and renter-occupied housing units that are affordable by income level. The vast majority of owner-occupied housing units (70%) are affordable for households earning at or above 80% AMI. Approximately 7% of these units are affordable to very low-income households and 23% are affordable to low-income households.

More renter-occupied units are available to low-income households, with 9% affordable to extremely low-income households (or those making 30 % AMI or less), 32% affordable to very low-income households, and 44% available to low-income households. Only around 15% of rental units are affordable to moderate- and high-income households.

Exhibit 30. Number of Owner- and Renter-Occupied Units Affordable to Each Income Level, Washougal, 2020

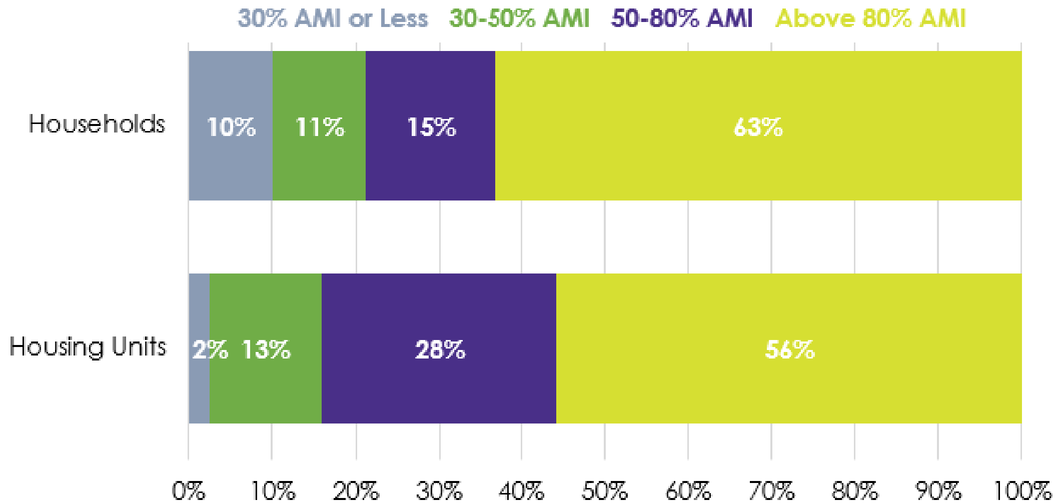


Source(s): HUD CHAS, 2016-2020; CAI, 2024.

In Washougal, there are more households making less than 50% AMI than there are housing units available at these levels of affordability.

Exhibit 31 compares the distribution of households by AMI level to the total number of housing units available at that same income level. While 21% of Washougal households earn less than 50% AMI, only 15% of Washougal's housing stock is affordable at that income level. Washougal has more housing units affordable at 50 to 80% AMI and above 80% AMI than households that earn incomes at those levels.

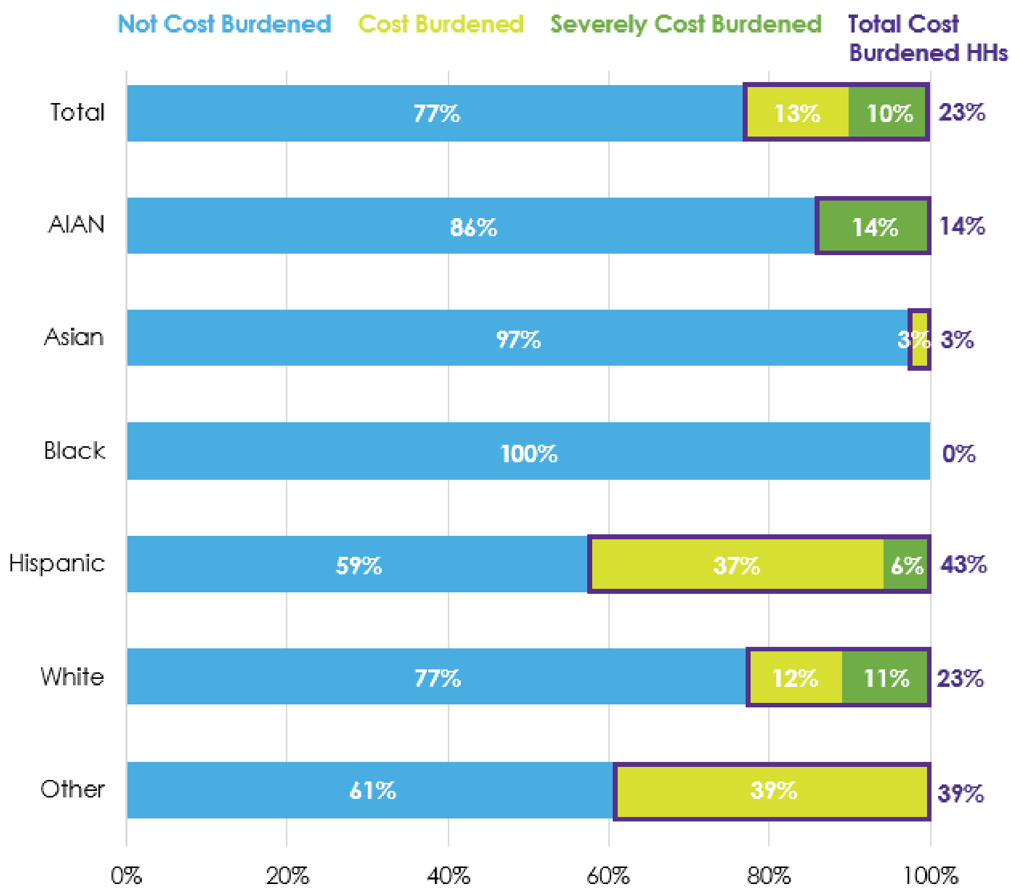
Exhibit 31. Affordability of Housing Units Compared to Household Incomes, Washougal, 2020



Source(s): HUD CHAS, 2016-2020; CAI, 2024.

On the whole, 23% of households in Washougal experience cost burden, or spend more than 30% of income on housing costs. Hispanic households and other racial or ethnic groups are the most likely to be cost burdened, with a 43% and 39% of households experiencing cost burden, respectively. American Indian and Alaska Native households are the most severely cost-burdened, with 14% of households affected. Black households have the lowest percentage of cost-burdened households at 0%, followed by Asian households at 3% (**Exhibit 32**).

Exhibit 32. Cost Burden Status by Householder Race, Washougal, 2020



Source(s): HUD CHAS, 2016-2020; CAI, 2024.
Note: Native Hawaiian and Other Pacific Islander data was reported as zero and excluded from the chart.

Future Housing Needs

Following the GMA, Clark County used the Washington State Department of Commerce's Housing All Planning Tool (HAPT)[2] and the zoning informed Vacant Buildable Lands Model to estimate future housing needs for the county, adopting county-wide growth targets for population, employment, and housing. These targets are further allocated, through a collaborative process with the cities and localities within the county. The projections, targets, or allocations outlined for Washougal help to understand the future

[2] The HAPT tool is available on the Commerce Updating GMA Housing Elements page: https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/updating-gma-housing-elements/

housing needs in the city. They outline the importance of the city ensuring a land use framework which accommodates these growth targets.

Clark County's projection for future housing need is 103,695 additional housing units by 2045. Of these, 3,734 net new housing units are allocated to Washougal.

The HAPT tool provides low, medium, and high estimates for population projections based on the selected year. Clark County, using the adopted population target for 2045 of 718,154, compared to the estimated 2023 housing supply, projects an additional 103,695 housing units needed in Clark County to meet future demand (**Exhibit 32)**. By the end of spring 2024, the value for net new housing units allocated to Washougal from this target through the allocation and adoption process, was 3,734 net new housing units to meet local housing needs by 2045. Thus, by 2045 Washougal is projected to have a total of 10,390 housing units, spread across various income levels.

Exhibit 32. Clark County Adopted vs. Commerce Housing All Planning Tool (HAPT) Housing Growth Target

	Target				
	HAPT - Low	HAPT - Medium	HAPT - High	Clark County Adopted	Washougal Allocation
Population Target, 2045	576,151	698,419	791,809	718,154	24,874
Total Future Housing Needed, 2045	248,472	301,199	341,476	309,711	10,390
Estimated Housing Supply, 2023	206,016	206,016	206,016	206,016	6,656
Net New Housing needed, 2023 - 2045	42,456	95,183	135,460	103,695	3,734

Source(s): Clark County 2025 Population, Housing and Employment Allocation, 2024; Department of Commerce HAPT Tool, 2024; CAI, 2024.

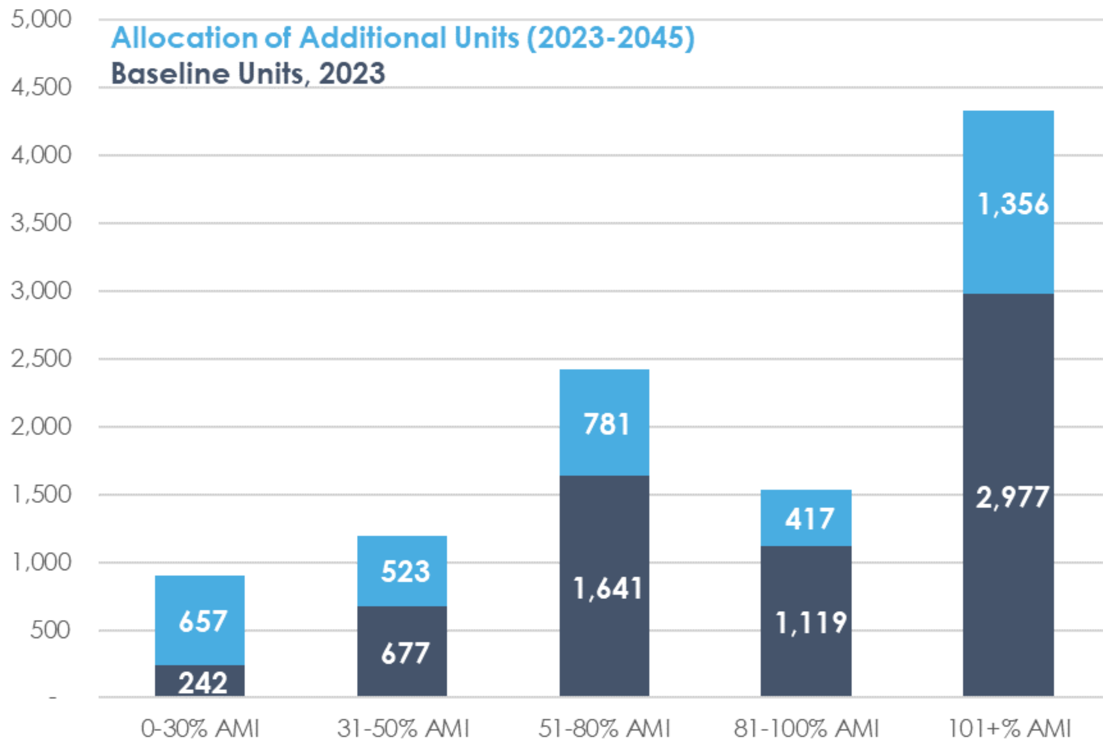
Of the 3,734 net new housing allocated for Washougal by 2045, 53%, or 1,961 units, are allocated to be affordable to households making 80% AMI or less. Of those new affordable units, more than one-third (34%, or 657 units) are allocated to extremely low-income households (making less than 30% AMI).

Exhibit 33 shows the allocation of housing units for Washougal by 2045 by income level, compared to the baseline of existing housing units in 2023.[3] Of the 3,734 net new units allocated for 2045, 1,961 units, or 53%, are affordable at low-income levels (less than 80% AMI). Of these, 657 units, or 34% of the total net new units projected for Washougal, are affordable for the extremely

[3] The baseline for housing units was updated from 2020, used by the original Commerce HAPT, to 2023. It was assumed that all the housing units during that period were provided in the 120% of area median income band.

low-income category (making 30% AMI or less). On the other hand, 1,356 or 36% of added units, are affordable for households making more than the AMI.

Exhibit 33. Washougal Housing Needs by Income Level - Clark County Adopted 2045 Projection



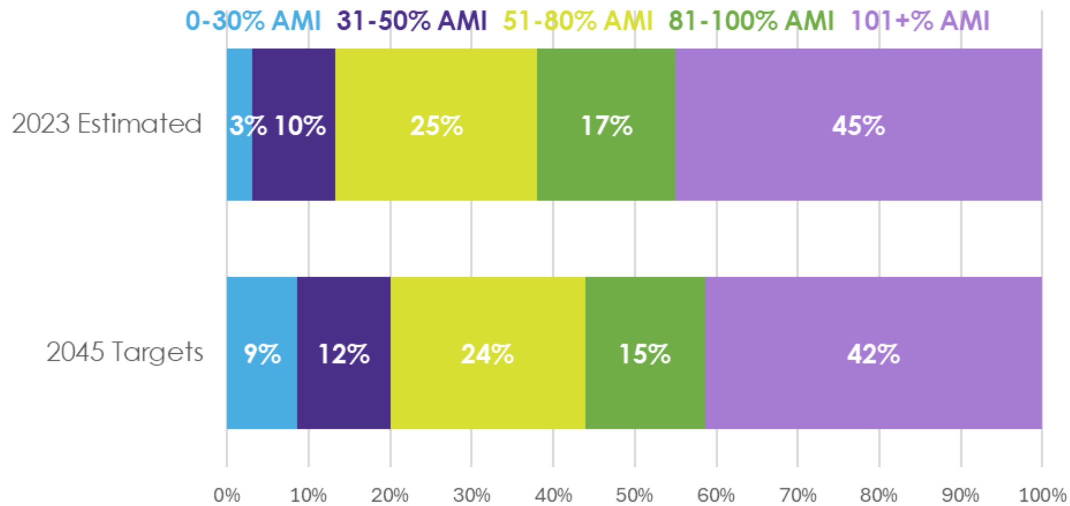
Source(s): Clark County 2025 Population, Housing and Employment Allocation, 2024; CAI, 2024.

To meet these allocations, the City of Washougal will need to ensure zoning designations that will accommodate a larger share of housing units for very low- and extremely low-income households by 2045.

The distribution of housing units by income level targeted for 2045 more closely matches the existing distribution of households in Washougal by income level than does the current housing stock in Washougal.

Exhibit 33 outlines the 2023 existing housing stock by income level, compared to the adopted targets for Washougal by 2045. The most significant area of change from the 2023 estimates to the 2045 targets is in units available to residents whose income falls below 30% of the area median income. The share of housing units in Washougal affordable for extremely low-income households (making less than 30% AMI) is targeted to grow from 3% to 9%. In this same time period, the proportion of housing units available for households making higher than 80% AMI is targeted to decrease by 5%. The distribution of housing units by income level projected for 2045 more closely matches the distribution of households in Washougal by income level as shown in **Exhibit 31**.

Exhibit 33. Washougal Current and Projected Housing Stock by Income Level, 2023 & 2045



Source(s): Clark County 2025 Population, Housing and Employment Allocation, 2024; CAI, 2024.

WASHOUGAL ONWARD

Housing Element

City of Washougal Comprehensive Plan Periodic Update

May 14, 2025

CITY OF WASHOUGAL

Table of Contents

Introduction

Housing Element

This Housing Element addresses Goal 4[1] of the Growth Management Act and is intended to guide the community's needs and desires for housing. The Housing Element supports other elements of the Comprehensive Plan, including transportation, land use, economic development, capital facilities, and natural resources elements.

Growth Management Act Requirements

The Growth Management Act requires that all Comprehensive Plans include a housing element, to outline goals and strategies that effectively address housing needs and shortages, ensuring housing access to residents of all backgrounds and economic status.[2] Baseline requirements for the Housing Element include:

- Planning sufficient land capacity for all economic backgrounds and income levels, including emergency and supportive housing, and outlines policies and regulations that address racially disparate impacts and exclusionary housing practices.
- Incorporating an adequate mix of housing stock and types, including moderate density housing within Urban Growth Areas (UGAs), especially duplexes, triplexes, and townhomes. This will be accomplished by documenting an inventory of current and forecasted housing needs, including units for moderate, low, very low, and extremely low-income households, as well as for emergency and supportive housing units.
- Documenting and outlining housing needs for residents of all economic backgrounds, including provisioning programs and action items needed to be taken to achieve these goals.
- Highlighting and identifying inequities in existing housing policies and regulations, and providing guidance on ways to mitigate and eliminate these impacts, and establishing anti-displacement policies.
    - As communities should give consideration to the preservation of historical and cultural communities, policies to combat anti-displacement that should also be considered include: "equitable development initiatives, inclusionary zoning, community planning requirements, tenant protections, land

[1] RCW 36.70A.020 Outlines all Planning Goals for counties and cities required to adhere to GMA planning requirements, of which there are 15 in total.
[2] RCW 36.70A.020

disposition policies, and consideration of land that may be used for affordable housing."

New Statutory Planning Requirements

- In 2021, GMA planning requirements were updated with the passage of House Bill 1220 (HB 1220), which requires local governments to plan for and accommodate housing affordable to all income levels.
- In 2023 Washington State Legislature passed HB 1337, which requires local governments to include accessory dwellings units (ADUs) as a planning and development mechanism, as a means to address a greater number of missing middle housing units.
- HB 1110 was also passed and adopted into Washington state law in 2023, requiring many areas traditionally designated as single-family detached zoning to allow for multiunit development, in an aim to increase density, stimulate the development of housing near transit, and increase the availability of affordable housing. Planning requirements outlined in HB 1110 are differentiated by three tiers, including: 1) Cities with a population of at least 75,000, 2) Cities with a population of at least 25,000 but less than 75,000, and 3) Cities with a population under 25,000 that are contiguous with an urban growth area (UGA) that includes the largest city in a county with a population over 275,000. Based on its population and location within Clark County, Washougal falls within the third tier, and is required to fulfill less development requirements as identified for tiers 1 and 2[3].

Conditions and Trends

In June of 2024, CAI completed a comprehensive assessment of Washougal's housing market, which informs the Conditions and Trends section of this housing element, and is listed in its entirety in the **appendix**. The housing analysis presents an overview of existing and future housing conditions and needs, summarizes population and demographic households characteristics, and illustrates attributes of Washougal's workforce.

Washougal's demographic trends highlight the community's need for a range of housing types to accommodate its population, such as housing for larger households (with four or more members), families with children, seniors or those living with a disability, and smaller one- and two-person households.

[3] Middle Housing in Washington: Fact Sheet for Implementing E2SHB 1110; Washington State Department of Commerce; https://deptofcommerce.app.box.com/s/yjo6h53f2jhj1xopbc6lxzo28dsh2h9k.

Washougal's employment and commuting trends suggest that the city has a higher concentration of housing units than jobs when compared to the region. A large portion (81%) of Washougal's workers live outside of the city, suggesting that many of the city's workers either may not be able to afford suitable housing inside the community or the available housing may not meet their needs or preferences.

As sustained residential development and continued appreciation of home values have revealed a surplus of large and expensive housing types, combined with a deficit of smaller and more affordable housing options, the declining affordability of Washougal's housing market comes into clearer focus. Rising regional prices have corresponded with increased housing costs in Washougal, resulting in more Washougal households to be cost burdened by housing costs. The contextual data that assesses Washougal's housing market and economy helped inform the shaping of goals and policies presented in this Housing Element, leveraging tangible figures to present a current snapshot of the City's housing market, and a forward-looking strategic approach to determining needs and shortages of all demographics and housing types.

Population & Housing

Washougal's population grew rapidly between 1990 and 2023, nearly quadrupling from more than 4,760 residents in 1990 to more than 18,000 in 2023. In accordance with GMA Act growth targets adopted by Clark County, Washougal's population is expected to increase by nearly 6,900 residents between 2023 and 2045 (Table 1). Similarly, Washougal's housing inventory more than tripled between 1990 and 2023, increasing at an average annual rate of 3.7%, just below the annual rate of population increase of 4.1%.

Table 1. Total Population & Housing Units, Washougal, 1990-2023

Total Population	1990	2000	2023
Washougal	4,764	8,595	18,026
Total Housing Units	**1990**	**2000**	**2023**
Washougal	2,010	3,463	6,655

Sources: Washington Office of Financial Management; Clark County 2025 Population, Housing, and Employment Allocation, 2023; Detailed Housing Characteristics, Washington, 1990 Census of Housing. Bureau of the Census, United States Department of Commerce; Community Attributes, Inc., 2025.

Figure 1 shows the progression of housing units in Washougal between 2000 and 2023, including the change in the total number of housing units, and the evolving breakdown of single-family, multifamily, and other housing types (which includes mobile homes and special housing units). In 2023, there were a total of 6,655 housing units in Washougal, of which nearly 80% (5,284) are single-family dwellings, and 16% are multifamily units. Nearly 3,200 housing units were developed in Washougal between 2000 and 2023.

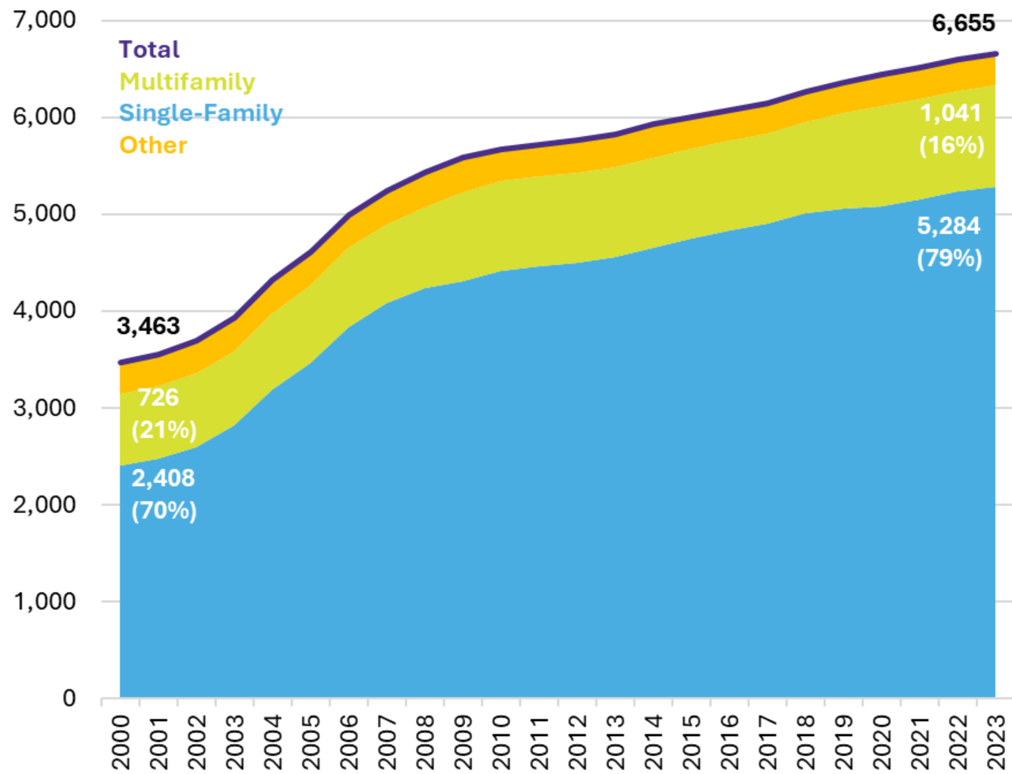


Figure 1. Housing Units by Number of Units in Structure, Washougal, 2000-2023

Household Income

Between 2012 and 2022, Washougal's median household income increased by a compound annual growth rate (CAGR) of 4.7%, a slightly accelerated rate than that of Clark County's median household income, which grew by 4.4% annually over the period (Table 2).

Table 2. Median Household Income, Washougal and Clark County, 2012 & 2022

Median Household Income	2012	2022
Washougal	$61,320	$97,300
Clark County	$58,760	$90,120

Sources: 2012 & 2022 5-Year Estimates, American Community Survey; Community Attributes, Inc., 2025.

Household Characteristics

In 2020, 52% of all households in Washougal earn greater than 100% of the area median income (AMI), while 21% earn less than 50% of AMI. Of all renters, 59% earn less than 80%

AMI, while 60% of all owner households in Washougal earn greater than 100% AMI. **Figure 2** shows the proportion of all renter and owner households in Washougal by AMI cohort.

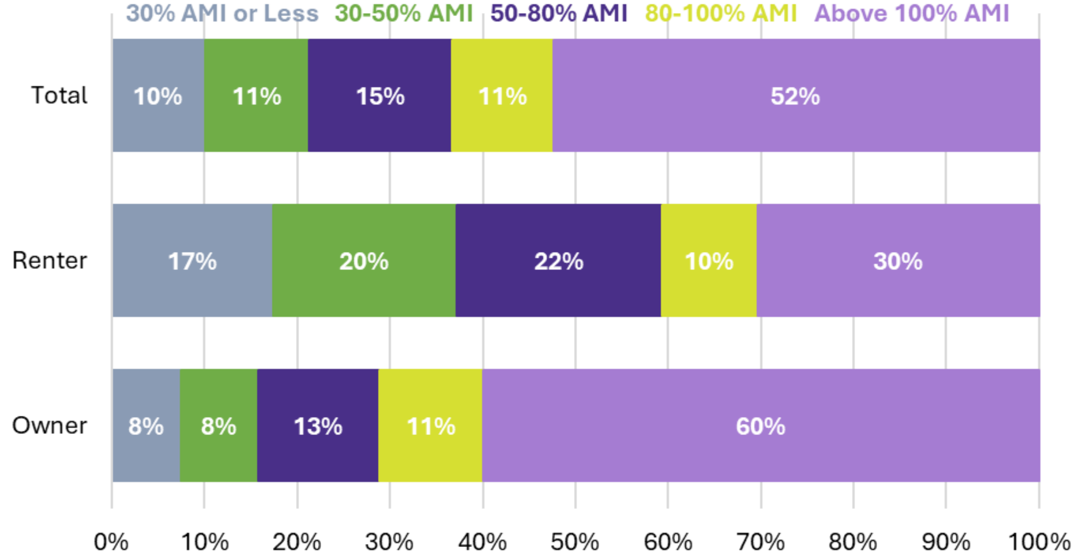


Figure 2. Percentages of Households by AMI and Tenure, Washougal, 2020

In 2022, 75% of all housing units are owner-occupied in Washougal, compared to 68% in Clark County. This represents a slight increase over the 2012 ratio, when 70% of all housing units in Washougal were owner-occupied. **Figure 3** shows the breakdown of renter- vs. owner-occupied units in both Clark County and Washougal.

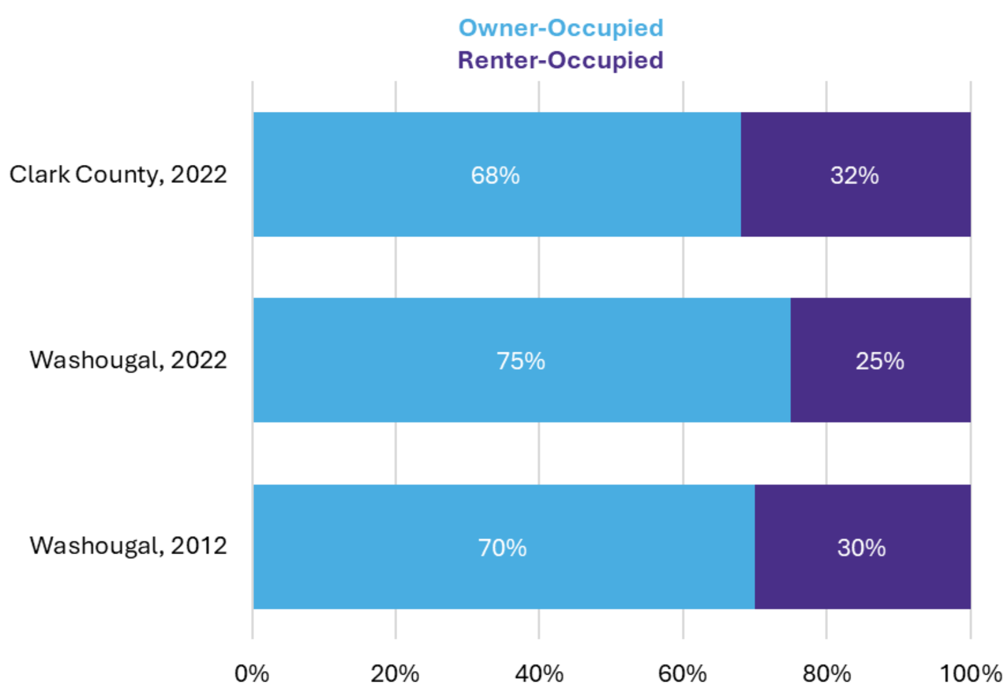


Figure 3. [Housing Tenure, Clark County and Washougal, 2012 & 2022]

Table 3 shows the cost-burden status of all householders by race in Washougal in 2020. A household is considered cost-burdened when they spend greater than 30% of their gross income on rent. In Washougal in 2020, Hispanic and other racial or ethnic groups are the most heavily cost-burdened, as more than one-third (37% and 39% for Hispanic and Other demographics, respectively) are cost-burdened. No Black or American Indian and Alaskan Native households are cost-burdened in Washougal, while Asian householders represent the lowest non-zero cost-burden level at 3% in 2020. Of all households, 10% are severely cost-burdened, where householders spend greater than 50% of their gross income on rent.

Table 3. Cost Burden Status by Householder Race, Washougal, 2020

Householder Race	Not Cost-Burdened	Cost-Burdened	Severely Cost-Burdened
Total	77%	13%	10%
AIAN*	86%	0%	14%
Asian	97%	3%	0%
Black	100%	0%	0%
Hispanic	59%	37%	6%
White	77%	12%	11%
Other	61%	39%	0%

Sources: HUD CHAS, 2016-2020; Community Attributes, Inc., 2025.
**AIAN – American Indian and Alaskan Native*

Housing growth far outpaced job growth in Washougal between 2002 and 2021, increasing by 2,827 units over this period, compared to an increase of 641 jobs during this time. Housing unit production was greater than zero in Washougal every year between 2002 and 2021, while the number of jobs decreased in eight individual years during that same period. However, job growth outpaced housing unit development between 2010 and 2021. In 2021, Washougal's jobs-to-housing unit ratio was 0.48, while Clark County's was 0.78. Employment and housing targets adopted by Clark County, used to calculate the projected jobs-to-housing units ratio in both jurisdictions through the year 2045, forecast that Washougal will add 2,961 net new jobs, and will achieve an estimated jobs-to-housing unit ratio of 0.65, while Clark County's jobs to housing units is forecasted to be0.85 in 2045 (Table 4).

Table 4. Jobs-to-Housing Units Ratio, Washougal and Clark County, 2010, 2021, & 2045

Area Median Income	2010	2021	2045 (Forecast)
Washougal	0.41	0.48	0.65
Clark County	0.72	0.78	0.85

Sources: OnTheMap, 2010 & 2021, United States Census Bureau; Washington Office of Financial Management; 2025 Population, Housing and Employment Allocation, Clark County; Community Attributes, Inc., 2025.

Housing Affordability

Between 2012 and 2022, average asking rents in Washougal increased from $986 to nearly $1,400, or a CAGR of 3.5%, and an overall increase of nearly 30%. In 2022, the median gross rent in Washougal was just below that of Clark County, whose rents increased by a CAGR of 5.6% over the period. Between 2012 and 2022, the typical home value in Washougal nearly tripled, increasing by approximately $406,000 in total value, or a CAGR of 11.2%. Typical home values in Clark County increased by an average annual rate of 10.5% over the period (Table 5).

Between 2012 and 2022, median incomes in Washougal and Clark County increased by an annual average rate of 4.7% and 4.4%, respectively. These rates of increase are similar to the observed CAGR of median rental rates in both geographies over this period, however the annual increase in median income lagged the increase in typical home values over this time. Typical home values in Washougal appreciated at a rate more than three times greater than the observed CAGR for median rental rates between 2012 and 2022. In Clark County, the CAGR for typical home values was nearly double that of the average annual rate of increase observed in median rental rates.

As the typical home value increased at a rate well greater than CAGR's for both median rent and incomes, a typical home gradually became less and less affordable for Washougal and Clark County residents. In 2012, residents of both Washougal and Clark County who were earning the median income in those respective geographies, had annual incomes that were 28.4% and 30.3% of the total price of a typical home value. In 2022, those ratios decreased to 15.6% and 17.1%, respectively, showing how purchasing power for residents has diminished over time within both regions.

Table 5. Typical Home and Rental Values, Washougal & Clark County, 2012 & 2022

Typical Home Value	2012	2022	CAGR
Washougal	$216,000	$622,000	11.2%
Clark County	$194,000	$527,000	10.5%
Median Rental Rate	**2012**	**2022**	**CAGR**
Washougal	$986	$1,397	3.5%
Clark County	$919	$1,584	5.6%

Sources: Redfin, 2024; Community Attributes, Inc., 2025.

Projected Housing Needs

Looking forward, **Figure 4** outlines the current existing housing stock by income level, and these totals shown relative to adopted housing targets for Washougal by 2045. The share of housing units is estimated to increase for extremely low-income households (those making less than 30% AMI), increasing from 3% to 9%, and for households earning between 31% and 50% AMI. The share of housing units available for all other income cohorts is expected to decrease by between 1% and 3%. **Figure 5** shows the target number of housing units by income level that Washougal will need to develop by 2045, relative to 2023 totals.

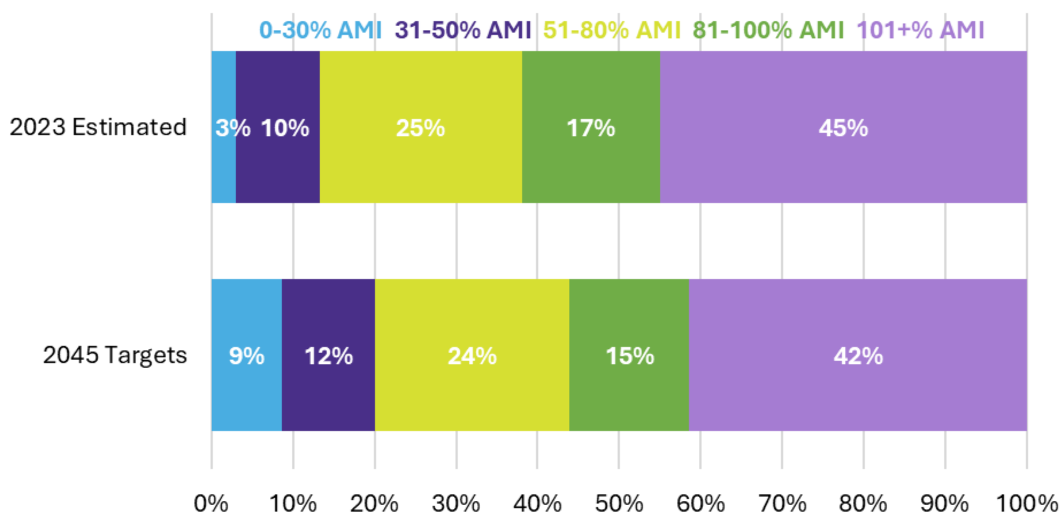


Figure 4. Washougal Current and Projected Housing Stock by Income Level, 2023 & 2045

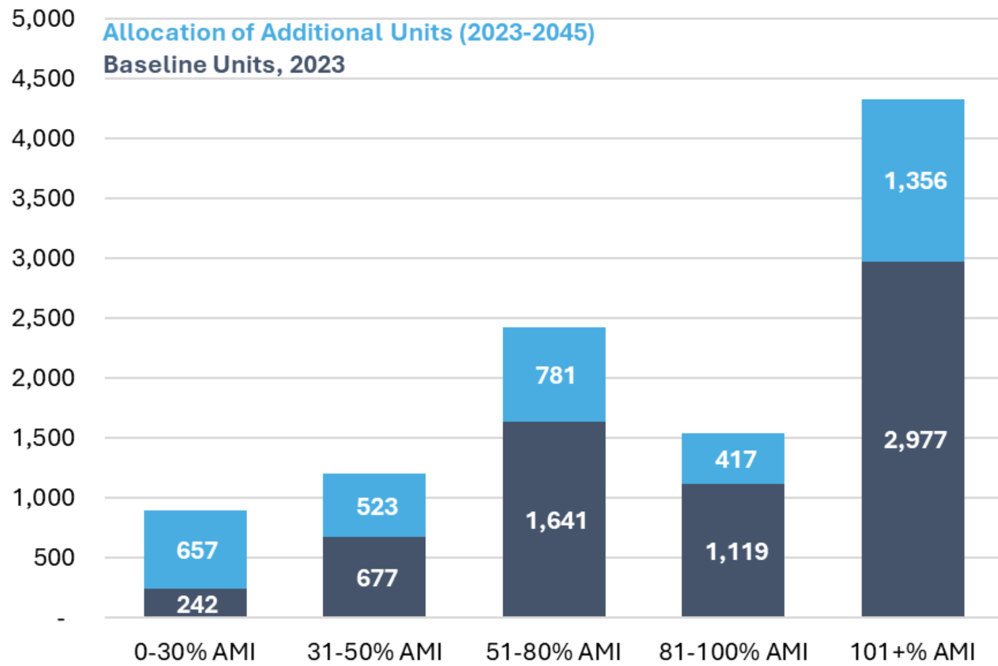


Figure 5. Washougal Housing Needs by Income Level – Clark County Adopted Projection

Middle Housing Analysis

Figure 6 shows Washougal's housing inventory by type, and the change over time from 2012 to 2022. Much of the housing stock that qualifies as middle housing, which is a range of housing types that the Washington Department of Commerce defines as being "intended to be comparable with single-family neighborhoods, including "duplexes, to six-plexes, townhomes, courtyard apartments and cottage housing"[4], remained virtually constant relative to all housing types over the ten-year period. While the proportion of triplexes and quadplexes relative to the citywide housing inventory increased between 2012 and 2022, the ratio of multifamily structures with five or more units diminished. In 2022, more than three-quarters (75%) of Washougal's housing stock are detached single-family housing units.

[4] Planning for Middle Housing, Washington State Department of Commerce; https://www.commerce.wa.gov/growth-management/housing-planning/middle-housing/.

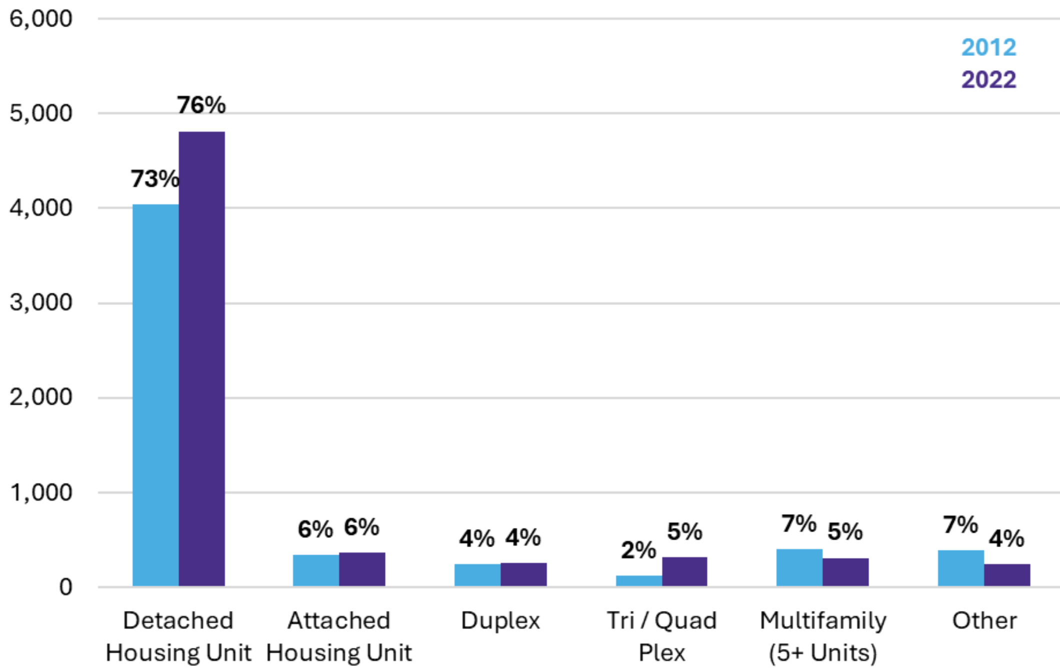


Figure 6. Housing Inventory by Development Type, Washougal, 2012 & 2022

Goals and Policies

GOAL 1: To allow and encourage a range of housing types and affordability levels to meet state requirements and the needs of the Washougal community.

Policy 1-A: The City will zone a sufficient supply of land for residential use which is supported by public services to facilitate phased development over the 20-year plan timeframe.

Policy 1-B: The City will regulate residential development in existing neighborhoods to allow a variety of housing types without adversely affecting the character of surrounding development. The development code will provide for easy partition of land, providing for non-traditional lot shapes, such as flag lots.

Policy 1-C: The City will adjust housing policy – including requirements and incentives, as well as development regulations – based on feedback from the Department of Commerce in order to maintain compliance with State statute.

Policy 1-D: The development code will provide for mobile and manufactured housing in a manner that ensures that such developments contribute to the design quality, landscape standards, and safety of the community.

Policy 1-E: The development code may include provisions for home improvement programs on appropriate lots in order to broaden the current range of housing types available in Washougal.

Policy 1-F: The development code will encourage innovative housing designs for efficient, high-density housing.

Policy 1-G: The City will encourage the development of housing for seniors and low- and moderate-income households in appropriate locations.

Policy 1-H: The City will provide for higher housing densities in locations that are adequately served by infrastructure, schools, public parks, and other amenities, as appropriate.

Policy 1-I: The development code will provide for group homes and other institutional housing for special needs persons.

GOAL 2: To preserve and enhance the value and livability of Washougal's neighborhoods.

Policy 2-A: The City will encourage infill development consistent with the scale and character of the neighborhoods where the development is located.

Policy 2-B: The City will offer, encourage, and publicize home improvement programs that improve exterior and interior conditions and enhance housing values or living conditions in local neighborhoods.

Policy 2-C: The City will encourage and support individual and neighborhood beautification programs using garden clubs, schools, and other local groups.

GOAL 3: To allow and encourage housing appropriate to the needs of Washougal workers.

Policy 3-A: The City will allow and encourage adequate opportunity for housing aligned with local wages within the UGA.

Policy 3-B: The City will ensure that adequate amenities and services are provided to support a full range of housing styles, making Washougal a more attractive place to live.

Policy 3-C: The City will coordinate with employers in the Camas-Washougal Industrial Park in order to improve alignment with housing policy and worker needs.

GOAL 4: To provide housing that takes advantage of the natural features of the landscape in order to encourage views and promote energy efficiency.

Policy 4-A: The City will encourage the development of housing by using the natural slopes to the north and northwest of the downtown, and by designating view corridors.

Policy 4-B: The City will encourage the development of energy efficient housing using passive and active solar designs.

GOAL 5: To encourage innovative design concepts that increase density, energy efficiency, affordability, and good design.

Policy 5-A: The development code will provide for Planned Unit Developments that advance the goals identified above.

Policy 5-B: The development code will provide for small lot and infill development to encourage efficient use of the land as well as the development of affordable housing.

GOAL 6: To implement housing policy in collaboration with other government and private sector housing providers and users.

Policy 6-A: The City will coordinate its housing policy with Clark County, the Vancouver Housing Authority, and other housing partners consistent with State statute.

Other Strategic Considerations

This section identifies some tools and programs that the City of Washougal may wish to consider as strategic avenues to housing development. They include a mix of requirements and incentives that could each be targeted toward the production of housing units of different types and affordability levels. The formal use of any of the following interventions would require additional study by staff, engagement with the Washougal community, and ultimately, action by City Council.

Incentive Zoning

Incentive zoning could be a helpful tool for Washougal, as it gives the community latitude to prioritize certain public benefits in exchange for additional development capacity. While this tool does confer additional density, and the Washougal community has indicated a preference for a cautious approach to dense residential development, so incentive zoning may be best deployed in limited geographic areas where adequate infrastructure and other services are planned or currently exist.

Multifamily Tax Exemption

Multifamily Tax Exemption (MFTE) has been successful in other communities in producing housing units affordable to some local workers. Washougal's existing MFTE program does not currently include affordability requirements, and while Washougal has not seen significant multifamily development in recent years, attaching an affordability requirement to the multifamily tax exemption may not disincentivize residential development when other communities throughout Washington must also plan aggressively for affordable housing production.

Inclusionary Zoning

Inclusionary zoning requires that new housing developments provide some quantity of affordable units as a portion of the total housing units built. These requirements are becoming more common in Washington and can be effective in adding low- to moderate-income housing units. Specific affordability requirements should be tailored to avoid disproportionate impacts to project feasibility so that housing development continues in Washougal.

Financial Subsidies for Affordable Housing

Washougal residents expressed relatively low support for these tools, which can include a sales and use tax, real estate excise tax, or affordable housing levy. However, these tools are useful in generating revenue that can be leveraged to develop housing units at very low levels of affordability, which the private sector is unlikely to build even with incentive or inclusionary zoning. As such, the city should consider these tools on an ongoing basis as it seeks to comply with State statute.

Appendix

Appendix 1: Housing Needs Assessment

Draft Housing Element and Code Updates

Monday, May 9, 2025 - City Council Workshop | Presented by Elliot Weiss, Community Attributes, Inc.

Washougal City Hall Council Chambers

WASHOUGAL ONWARD

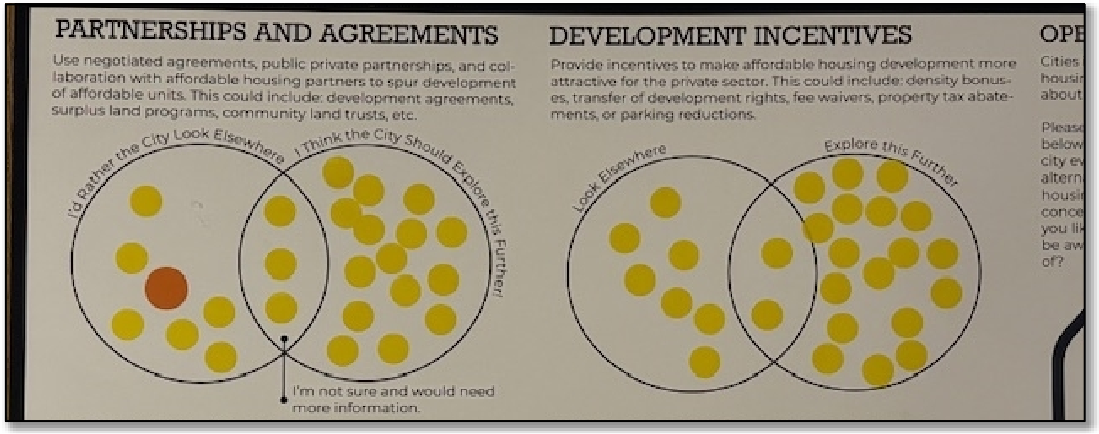
City of Washougal

Agenda

1. Planning Process
2. Washougal Housing Inventory
3. Legislative Context
4. Revised Goals and Policies
5. Development Code Updates
6. Action Items/Next Steps

Planning Process

- **Phase I:** Housing Analysis Report
- **Phase II:** Comprehensive Plan Carnival
- **Phase II:** Middle Housing Outreach & Land Use Scenarios
- **Phase II:** Draft Housing Element & Revised Goals and Policies



Middle Housing Sub-Committee

Meeting 1:
Housing Needs

Meeting 2:
Strategies to Accommodate Needs

- Review Housing Needs Assessment completed in Phase 1
- Summarize community engagement to date
- Integrate new statutory requirements

- Incentives and requirements
- Models and Best Practices
- Potential Tools for Consideration
- Potential Changes to Goals and Policies

Washougal Housing Inventory

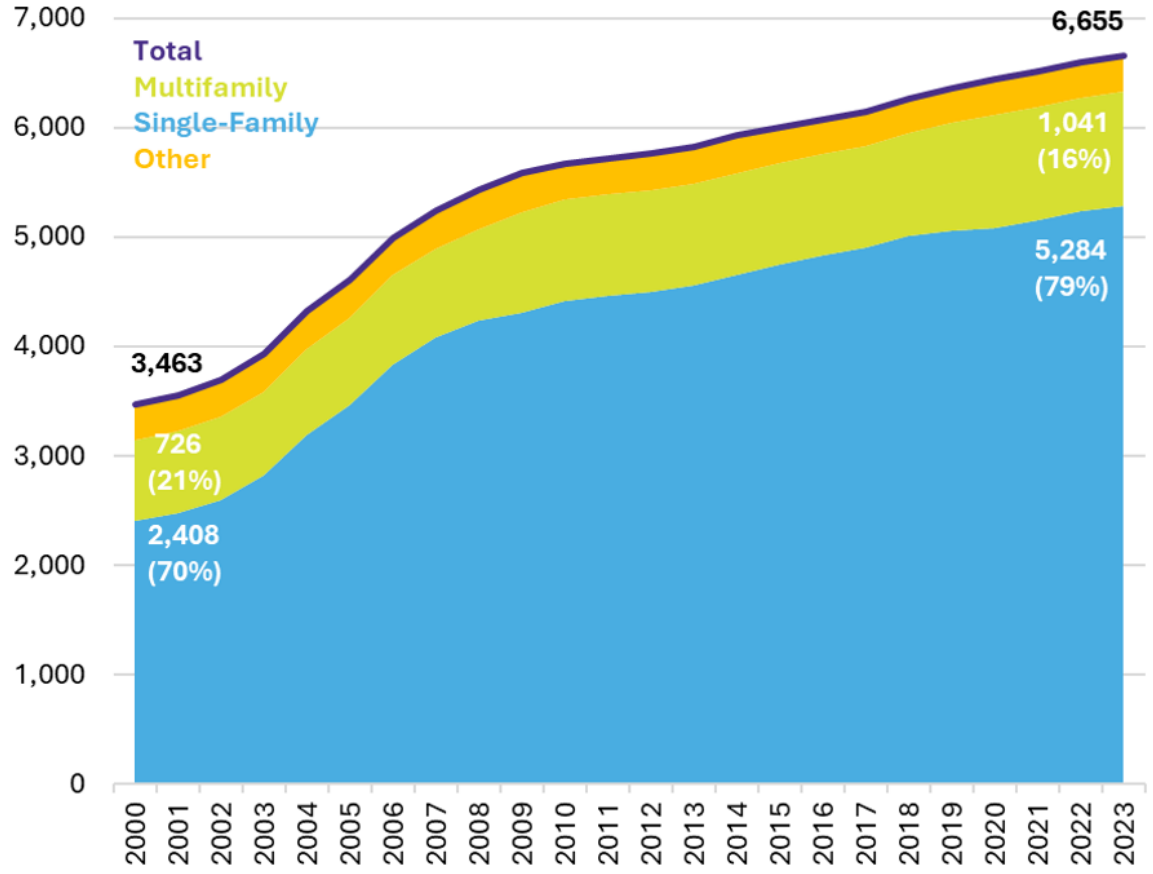
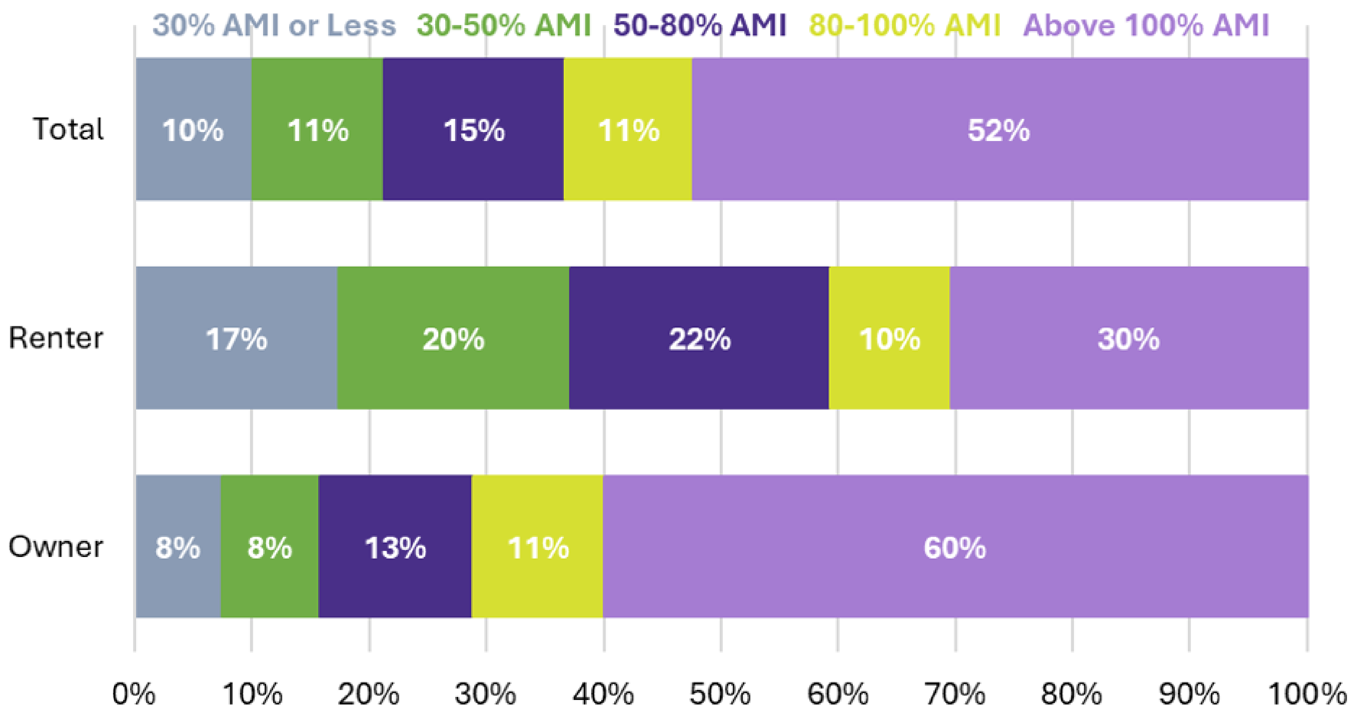


Figure 1. Housing Units by Number of Units in Structure, Washougal, 2000-2023

- Washougal's housing inventory increased rapidly in the 2000's, with housing units growing slowing after the Great Recession.
- Growth since 2009 has been relatively steady.
- Single family units make up the majority of the housing inventory, and significantly more single-family units have been added to the inventory since 2000, when compared to multifamily units.

Washougal Housing Inventory



[Figure 2. Percentages of Households by AMI and Tenure, Washougal, 2020]

- Renter-occupied households are much more likely to earn less than 100% of the Area Median Income (AMI).
- 60% of owner-occupied households earn more than the AMI, suggesting that home ownership is a challenge for Washougal's renters.

Washougal Housing Inventory

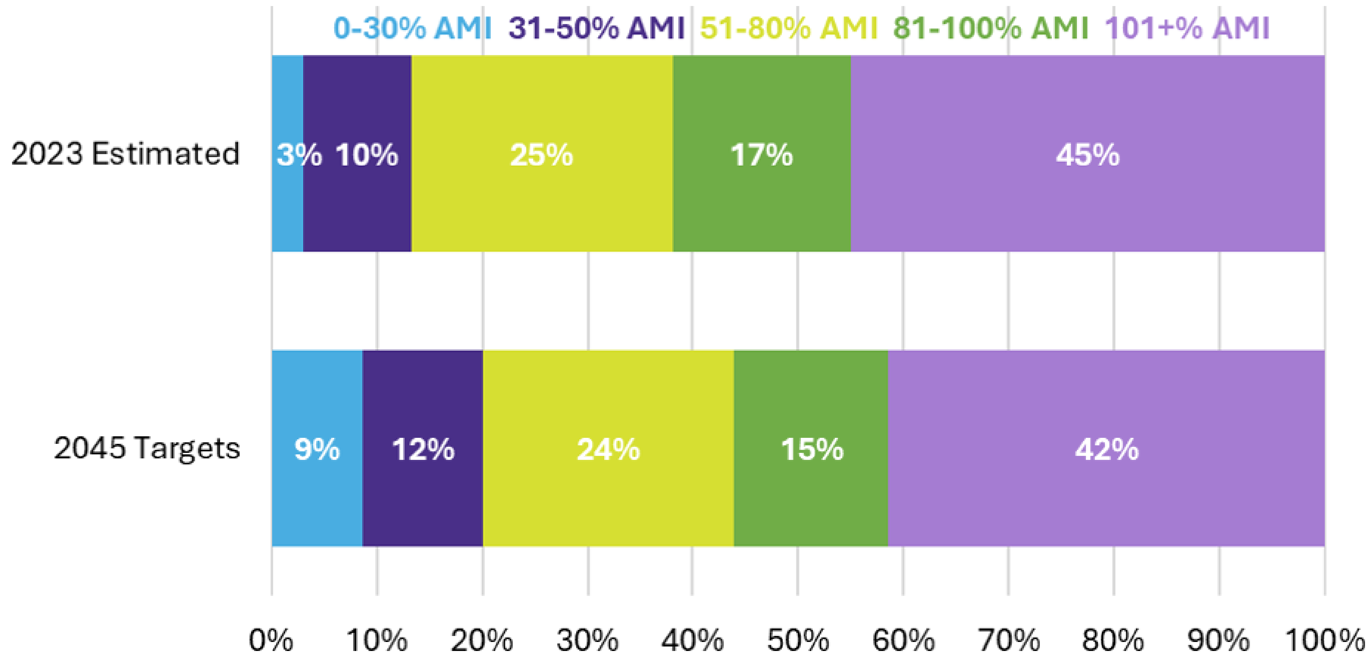
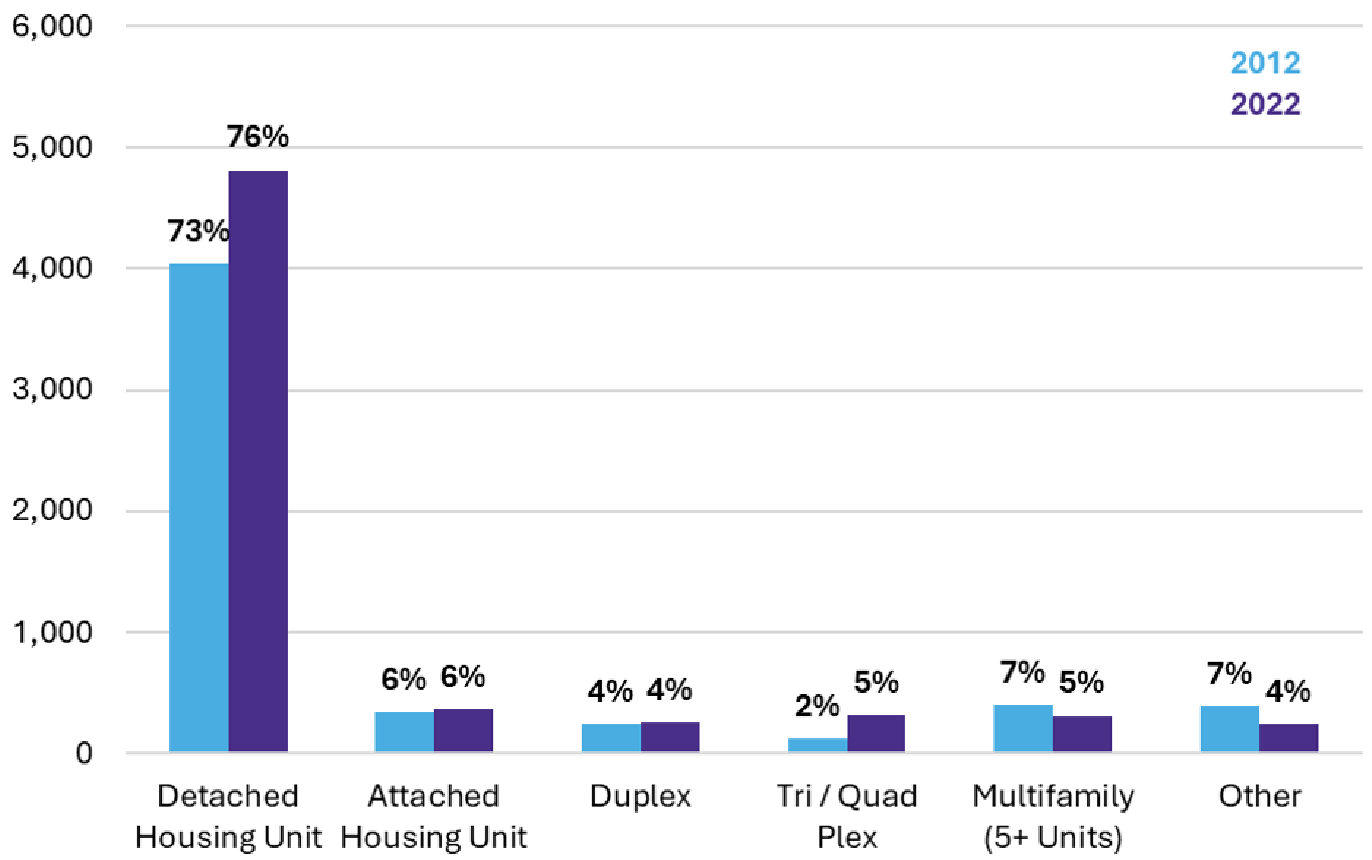


Figure 4. Washougal Current and Projected Housing Stock by Income Level, 2023 & 2045

- A plurality of Washougal housing units are priced at levels affordable to individuals or families earning more than 100% of AMI.
- Housing unit allocations coming from the Washington Department of Commerce and Clark County suggest that – if Washougal is to meet its allocation – the share of housing units affordable at 100%+ AMI will decrease.

Washougal Housing Inventory



- Middle Housing types account for a relatively small proportion of all housing units in Washougal.
- HB 1110 requires Washougal to allow middle housing types in single family zones.

Legislative Context

HB 1220

In 2021, House Bill 1220 (HB 1220) amended the GMA to require local governments to “plan for and accommodate” housing affordable to all income levels.

HB 1110

HB 1110, also known as the “middle housing” bill, was adopted to further the development of middle housing across Washington State. This legislation requires certain Washington cities to adopt regulations that allow for the development of middle housing types in residential areas.

Washougal Housing Unit Allocations

Income Level	Baseline Units (2023)	Housing Need (2023-2045)	Total Housing Need, 2045
0-30% AMI	242	657	899
31-50% AMI	677	523	1,200
51-80% AMI	1,641	781	2,422
81-100% AMI	1,119	417	1,536
101+% AMI	2,977	1,356	4,333
Total	6,656	3,734	10,390

Source(s): Clark County 2025 Population, Housing and Employment Allocation, 2024; CAI, 2024.

Legislative Context

Draft Goals and Policies

GOAL 1: To allow and encourage a range of housing types and affordability levels to meet state requirements and the needs of the Washougal community.

Policy 1-C: The City will adjust housing policy – including requirements and incentives, as well as development regulations – based on feedback from the Department of Commerce in order to maintain compliance with State statute.

Policy 1-H: The City will provide for higher housing densities in locations that are adequately served by infrastructure, schools, public parks, and other amenities, as appropriate.

GOAL 2: To preserve and enhance the value and livability of Washougal's neighborhoods.

GOAL 3: To allow and encourage housing appropriate to the needs of Washougal workers.

Draft Goals and Policies

GOAL 4: To provide housing that takes advantage of the natural features of the landscape in order to encourage views and promote energy efficiency.

GOAL 5: To encourage innovative design concepts that increase density, energy efficiency, affordability, and good design.

GOAL 6: To implement housing policy in collaboration with other government and private sector housing providers and users.

Policy 6-A: The City will coordinate its housing policy with Clark County, the Vancouver Housing Authority, and other housing partners consistent with State statute.

Questions?
Discussion?

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Development Code Updates

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Middle Housing Development Regulations

Summary of Relevant Requirements Under HB 1110

1. **Middle Housing Types Must Be Allowed on Single Family Lots**
   - Duplexes
   - Triplexes / Fourplexes
   - Townhouses
   - Cottage Housing
2. **Development Standards Must Be Consistent Between Single Family and Middle Housing Units**
3. **No Additional Procedural Burdens**
4. **Parking Standards Are Limited**
5. **Exceptions Allowed Only for Critical Areas**
6. **No Lot Size Minimums that Prevent Middle Housing**

Housing Element and Zoning Regulations

Summary of Relevant Requirements Under HB 1220

1. **Emergency Housing and Emergency Shelters Must Be Allowed**
2. **Permanent Supportive Housing Must Be Allowed**
3. **Anti-Displacement and Racial Equity Considerations.** Cities are **encouraged** to:
   - Identify and implement measures to prevent displacement of lower-income residents;
   - Address historic patterns of exclusion and barriers to housing and promote racially equitable outcomes.

Questions?
Discussion?

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