



City of Chewelah

Housing Action Plan

May 2023



SCJ ALLIANCE

Project Information

Project: City of Chewelah Housing Action Plan

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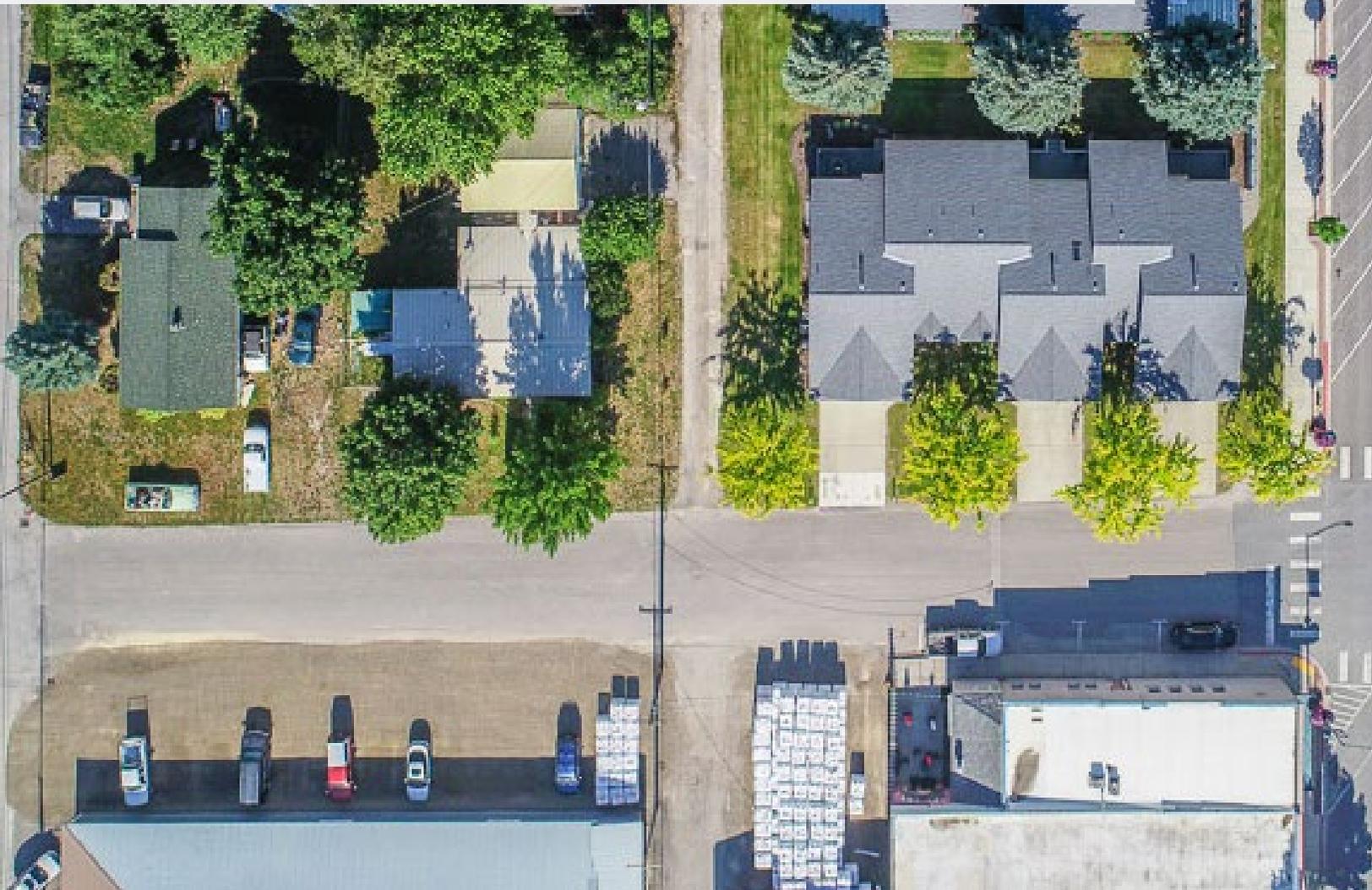
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Executive Summary

Housing in Chewelah

Chewelah faces a variety of housing issues. The community is relatively low-income but faces increasing housing prices and rents. Three creeks/streams and their accompanying wetlands create numerous barriers to development on many parcels, such as required wetland setbacks, buffers, and mitigation. Existing zoning and development standards also have been found to create barriers to providing additional housing types to serve a variety of incomes and Chewelah's aging population. The city also faces aging water and sewer infrastructure. Finally, the downtown area has untapped capacity for housing above retail in existing historic buildings and the potential for new mixed-use development.



Background

The City of Chewelah has prepared this Housing Action Plan (HAP) with the support of the Washington Department of Commerce. In 2019, the Washington State Legislature enacted planning grants through House Bill 1923 to encourage cities that plan under the Growth Management Act (GMA) to complete specific actions that can increase housing options and support housing affordability.

Purpose

This HAP identifies Chewelah's current and future housing needs for all income levels, identifies barriers to meeting those needs, and provides a variety of strategies and implementing actions to address current and future housing challenges for the city.

Relationship to Comprehensive Plan

This HAP does not supplement the City of Chewelah's adopted 2021 comprehensive plan but may provide guidance for a future update to the housing element of the comprehensive plan at such time as required by the Growth Management Act or initiated by the Chewelah City Council. The strategies provided in this HAP are in alignment with the following existing Comprehensive plan goals:

- ◆ **Goal 15 - Support quality living and housing opportunities for people of all ages, abilities, and income levels.**
- ◆ **Goal 16 - Provide a range of housing types to ensure affordable options for all.**

Plan Objectives

The HAP objectives listed below were developed from outreach efforts and the results of the housing needs assessment. The objectives drive the recommended actions and strategies. The strategies proposed in this plan aim to address six overall objectives for housing in Chewelah which were based on supporting data and community outreach efforts. These objectives are:

- ◆ Increase the **supply** and **variety** of housing types to serve the needs of a variety of incomes, ages, and abilities.
- ◆ Reduce **displacement** of low-income residents resulting from redevelopment or code enforcement.
- ◆ Ensure opportunities for housing **affordability** are provided for residents at varying income levels.
- ◆ Address **infrastructure** needs in support of providing additional housing to serve residents now and into the future.
- ◆ Create **homeownership** opportunities for Chewelah households.
- ◆ Promote and encourage housing to support an **aging in place**.



Introduction

This Housing Action Plan (HAP) is the City of Chewelah’s guidance document to encourage the construction of additional affordable and market-rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market. Consistent with RCW 36.70A.600 the housing action plan includes:

- ◆ A housing needs assessment (Appendix A) quantifies existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households.
- ◆ Analysis of population and employment trends with documentation of projections in the housing needs assessment.
- ◆ Strategies aimed to increase the supply of housing, and the variety of housing types needed to serve identified housing needs specific to Chewelah.
- ◆ Strategies considered to minimize displacement of low-income residents resulting from redevelopment based on a displacement risk analysis (Appendix C).
- ◆ A policy and regulation evaluation (Appendix B) that reviews and evaluates the city’s current housing element adopted, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions.
- ◆ Incorporates and provides for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups (Appendix D).
- ◆ A schedule of programs and actions to implement the recommendations of the housing action plan.

This HAP also guides the implementation of the goals and policies outlined in the housing element of the Comprehensive Plan by identifying policy gaps and addressing those gaps in the strategies.



Key Findings

The Housing Action Plan is informed by the analysis of the housing needs assessment, community engagement and participation, and evaluation of existing policies and regulations. The full housing needs assessment (Appendix A) provides quantitative data on the city's existing housing conditions, gaps, and projected needs. Community and stakeholder engagement results (Appendix C) lay out the community's vision for housing and emphasize which housing gaps are most important to address in the strategies. Evaluating existing policies and regulations further highlights current barriers to housing development and opportunities to reduce those barriers.

The full Housing Needs Assessment (Appendix A) was prepared for the City of Chewelah by Leland Consulting Group and SCJ Alliance. A housing needs assessment (HNA) is a tool for communities to understand the way that their unique demographics, housing stock, economy, and available land determine current and future housing needs. By analyzing each of these components, the HNA can show important gaps between the housing needs of residents and the available housing in a community and help plan for mitigating those gaps and ensuring access to housing for all economic and demographic segments of a community. Below is an overview of the key findings and housing needs identified in the HNA.

Findings Summary

Chewelah is expected to grow.

The population of Chewelah is forecast to resume growing over the next two decades, reaching about 3,114 by 2040. This projected 22% increase to 2040 will necessitate more housing production to keep prices from rising and will place additional strain on already strained infrastructure.

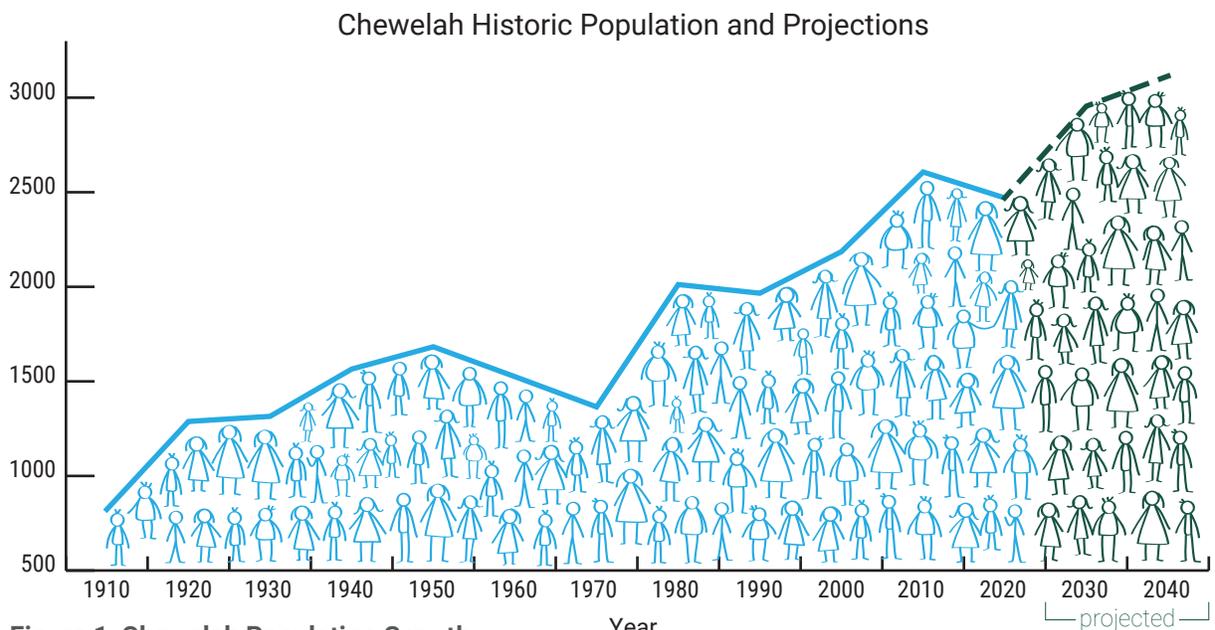


Figure 1. Chewelah Population Growth

Source: Washington Office of Financial Management (OFM), 2021 Chewelah Comprehensive Plan



The city's population is aging rapidly.

About 25 percent of the population is over the age of 65. Additionally, residents in their 50s and 60s have increased since 2010 which, if the trend continues, suggests a potential need for housing options catering to senior households in coming years, such as smaller and more easily accessible units and other unique housing needs. Currently, only 45 percent of housing units have one or two bedrooms, and more than half of housing units have 3 or more bedrooms. The larger housing units often do not serve the needs of older adults who generally have smaller household sizes.

Chewelah is relatively low-income with considerable income disparity.

The medium household income city-wide was \$45,795 in 2020 which is significantly lower than Stevens County (\$54,426) and much lower than the state median of \$77,006. Census data also indicates that residents in Chewelah North have incomes approximately one-and-a-half to two times that of residents in Chewelah South. This has resulted in two-thirds of recent housing development being in the more affluent area and increasing housing market prices.

A significant gap exists between what the typical household in Chewelah earns and the housing they can afford.

To afford a typical home in the city, the average household would need to earn \$26,037 more annually without spending more than 30 percent of their income on housing costs.

There is an extremely low housing vacancy rate.

Homeowner vacancy rates have been essentially 0 percent since 2014, but increased to about 2.5 percent in 2020. A healthy homeowner vacancy rate should be around 4-5 percent to ensure appropriate housing is available for all households when searching for a home.

A quarter of the housing stock was built before World War II

The age of the housing stock raises concerns about the poorer quality of buildings, especially in downtown Chewelah. Older homes often have structural and foundational problems creating additional barriers for homeowners.

Development is environmentally constrained. Chewelah contains several wetland areas and three creeks which pose constraints to housing development.

Developments in proximity to these critical areas are subject to additional review, buffers of no development, and require proactive measures to reduce flooding risk.

A high number of workers are commuting long distances.

Only about 17 percent of Chewelah's residents work in the city with 60 percent of residents commuting more than 25 miles. Over 600 commuters come into the city daily that live elsewhere indicating there is insufficient local housing for the city's workforce.

Chewelah South faces infrastructure challenges.

Chewelah South's water system is aging significantly and loses up to 10 percent of its water annually due to leakage, as well as having a water pipe diameter which is not sufficient to meet modern firefighting needs. Chewelah South's water system is aging significantly and loses up to 10 percent of its water annually due to leakage, as well as having a water pipe diameter which is not sufficient to meet modern firefighting needs. Chewelah South's sewer system, installed in 2001, is sufficient for the current population but will need increased capacity to meet the projected 20-year population growth.



No sewer system exists in Chewelah North.

Wastewater is treated by on-site septic systems in Chewelah North. The soil type is adequate but not high quality for absorbing septic waste, with the potential for contamination into the groundwater due to rapid absorption. This could pose a constraint to further development in the area in future decades.

Workforce Profile

Chewelah’s economy has shifted away from its traditional resource-based sectors toward health care, education, and retail in recent decades. Understanding the relationship between the city’s economy and housing can provide better opportunities for economic development and access to jobs in the future.

Most jobs are in health care and social assistance. Providence St. Joseph’s Hospital, NEW Care, and other medical facilities in the city serve Chewelah residents and those of surrounding communities. The other top job sectors in Chewelah are shown in Figure 21, with education and retail accounting for over a quarter of Chewelah jobs.

Chewelah residents are employed in somewhat

different sectors from the jobs present in the community, also shown below. Only about half of the healthcare jobs in the city are employed by Chewelah residents. Additionally, nearly 20 percent of Chewelah residents work in the more “blue-collar” industries of Manufacturing and Construction outside of the city.

Although accommodation and entertainment/recreation make up a relatively small share of jobs in Chewelah, several planning and development projects in progress may increase this sector of Chewelah’s economy in the future. The Spokane Tribe is building a 70-bed hotel in the city, and Stevens County is in the process of upgrading the 49 Degrees North resort just east of Chewelah. The need for more hotel and resort industry workers at these new and expanded locations further demonstrates another facet of needed housing for lower- and middle-income jobs in the city.

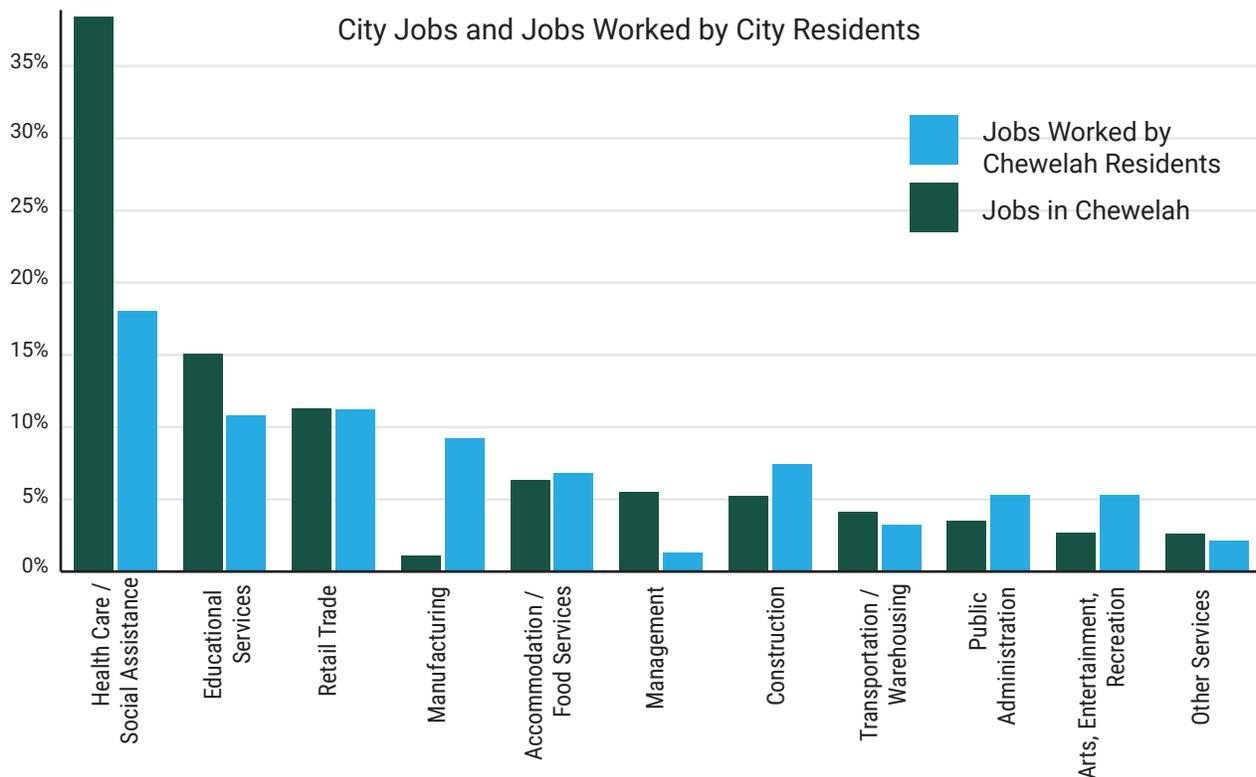


Figure 2. Jobs in Chewelah Source: Census OnTheMap



There is a higher percentage of lower-paying jobs in Chewelah than in Stevens County. These income levels would put sole earners at risk of being housing cost-burdened. On average, jobs in the city pay less than jobs held by Chewelah residents, likely resulting from residents who commute to Spokane or elsewhere for higher-paying jobs.

Earnings	Jobs in Chewelah	Jobs Worked by Chewelah Residents	Jobs in Stevens County
\$1,250 per month or less	21.1%	18.8%	17.4%
\$1,251 to \$3,333 per month	40.3%	35.9%	37.2%
More than \$3,333 per month	38.7%	45.3%	38.7%

Source: Census OnTheMap

Chewelah’s rural location results in long commuting distances for Chewelah residents.

Overall, about 17 percent of Chewelah’s residents work in the city – about 115 jobs. About 635 commuters come into the city daily from a variety of locations – 6 percent from Spokane, 2 percent each from Colville and Addy, and the remainder from other locations. Of the 605 commuters who live in Chewelah and work elsewhere, about 15 percent work in Spokane and 9 percent in Colville. Nearly 60 percent of Chewelah residents commute more than 25 miles, and 30 percent commute more than 50 miles to work. Of those who work in the city, commuting distances are shorter – about 35 percent of Chewelah’s workforce commutes less than 10 miles.

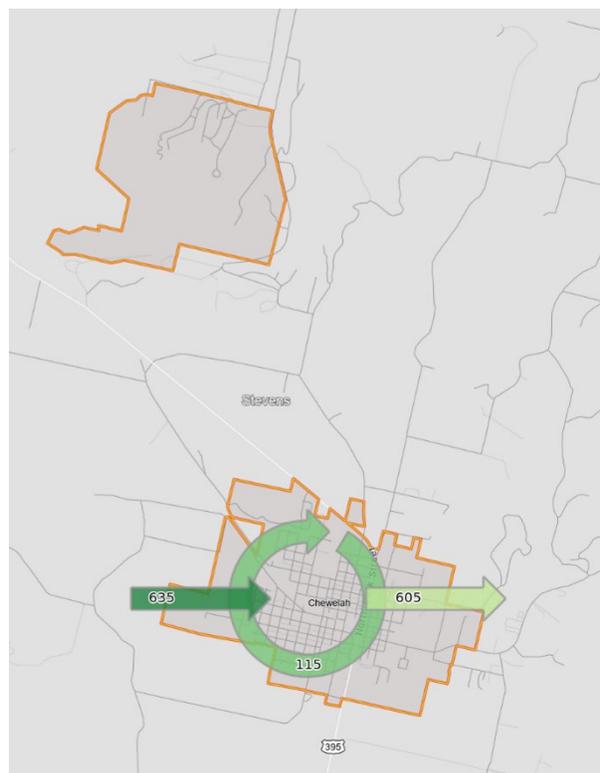


Figure 3. Commuting Patterns in Chewelah (2019)

Source: Census OnTheMap

Gap Analysis

In Chewelah, there is a significant gap between household income and housing costs. Based on the 2021 median household income estimate of \$45,795, the typical Chewelah household could afford to purchase a home priced around \$197,995, assuming a 20 percent down payment and current interest rates as of July 2022. However, the typical sales price in 2021 was \$310,567, a gap of \$112,500. Or, to look at it another way, to afford a typical home in the city, the average household would need to earn \$26,037 more.

Ownership Housing Affordability in Chewelah (2021)



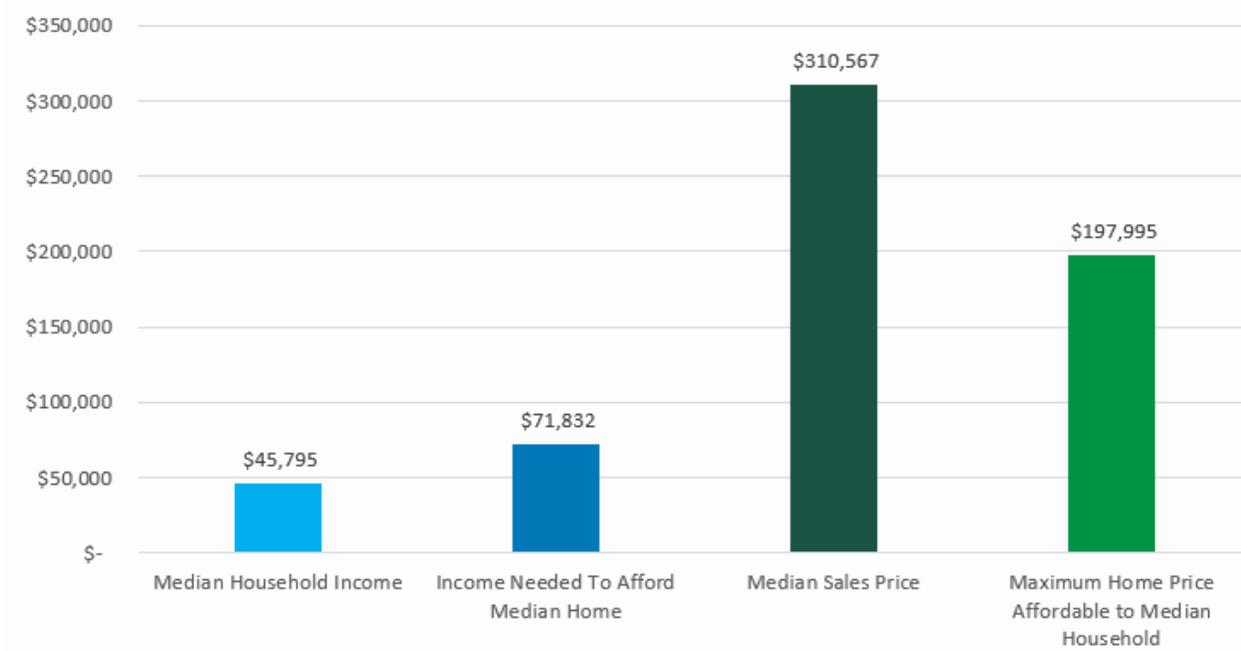


Figure 4. Household Income vs Home Price

Source: ESRI, Zillow, Freddie Mac, City of Chewelah, Leland Consulting Group

The median rental household could only afford to pay \$837 without being cost-burdened, only slightly more than the reported median rent. Taking into account on-the-ground conversations about increases in rental costs since 2020, it is likely that a monthly payment of \$837 would no longer be sufficient to afford average rents in Chewelah. Furthermore, the large share of lower-income and cost-burdened residents discussed previously also indicates the need for continued production of subsidized rental housing in the city.

There is also a significant mismatch between housing size and household size. The large majority of households in Chewelah (86 percent) are one and two-person households. However, only 45 percent of housing units have one or two bedrooms, and more than half of housing units have 3 or more bedrooms. This mismatch suggests the need for smaller housing units in the city, particularly as the population ages and family size decreases. Although smaller households

can live in larger housing units, a closer match of housing unit size to household size creates more affordable and flexible options for a wider range of residents at all income levels. If the only available housing units are larger than necessary, households can be forced to spend more than they can afford on housing costs.

Land Capacity Analysis

Overall, Chewelah has 60 acres of developable land within its city limits and another 8 within the UGA, based on the County’s analysis of vacant and underutilized land shown in Figure 26. These analyses indicate that the city has a surplus of between 24 and 32 acres within the city itself and another seven acres within the UGA to accommodate housing production at a density of four units per acre to meet the projected population growth over the next 20 years.



Table 2: Chewelah City and UGA Land Capacity Analysis Results – County Buildout Data

Jurisdiction	New Homes Per Year	20-Year Projection of New Homes	Land Required for Growth (acres) ¹	Available Land (acres)	Market Supply Factor	Infrastructure Adjustment	Developable Land (acres)	Surplus Land (acres)
Chewelah City	5.75	115	29	258	67%	10%	60	32
Chewelah UGA	0.08	2	9	57	67%	20%	8	7

Source: Stevens County July 2021 Land Capacity Analysis Report

Constraints

Chewelah contains several wetland areas and three creeks which pose constraints to housing development. Wetlands can provide important buffers from flooding, filtering of groundwater, and wildlife habitat. Many of the wetlands within the Chewelah city limits are degraded in quality due to previous development, and the City’s Critical Resource Area (CRA) Overlay Zone provides for the review of new development projects within critical areas. In addition to the floodplains and protected areas around the three creeks, much of the area outside of Chewelah South within the UGA is within wetland areas, which could increase the cost and impose constraints on housing development in that area.

The City of Chewelah’s water and sewage infrastructure may pose barriers to housing development in the coming decades. The 2018 Water System Plan describes the Chewelah South system, which draws from four wells and four reservoirs. Although the system can serve a population of 2,500 residents, it is aging significantly and loses up to 10 percent of its water annually due to leakage in aging transmission pipes. In Chewelah North, there is no sewer system, and wastewater is treated by on-site septic systems. The soil type is adequate but not high quality for absorbing septic waste, with the potential for contamination into the groundwater due to rapid absorption. This could pose a constraint to further development in the area in future decades.



¹ Assumes 4 units/per acre of housing density.



Future Housing Needs by Income

Chewelah is a relatively low-income community experiencing rapid increases in housing costs. About 35 percent of Chewelah’s households are cost-burdened, and 11 percent of households are severely cost-burdened, which indicates the need for affordable, market-rate housing that minimizes the cost-burdened status of households.

In Chewelah, nearly 70 percent of residents earn under 100 percent of the AMI, and over half of the residents earn under 80 percent of AMI, a common threshold for affordable housing eligibility. Chewelah’s rental households earn considerably lower incomes than homeowners. About three-quarters of renter households earn less than 80 percent AMI and nearly a third earn under 30 percent AMI, or \$27,750 for a family of four.

The draft 2022 Stevens County Comprehensive Plan estimates that Chewelah will account for 5.9 percent of the county’s population in 2040. Using this same share of the county population with the OFM population forecast for 2040 results in a projection of 3,027 people. The 2021 Stevens County Land Capacity Analysis Report estimates a need for 115 additional housing units in Chewelah by 2040, which is about 6 housing units per year within the city limits and 2 units per year in the Chewelah UGA.

The extremely low-income level bracket (0-30% AMI) accounts for the largest share of this need, representing an additional 77 housing units, which would typically only be able to be served through HUD income-restricted housing. There is also the need for five additional units dedicated to emergency or temporary housing needs. For low-to moderate-income households or greater, about half of these housing units should be dedicated to homeownership.

Table 3: 2040 New Units Needed under Future “Medium Growth” Scenario by Income Bracket

Income Level (% of Area Median Income)	Distribution of Units, Based on Allocation of Need	Chewelah New Units Needed by 2040
Extremely Low-Income (0-30%)	67%	77
Very Low-Income (>30-50%)	6%	7
Low-Income (>50-80%)	6%	7
Moderate Income (>80-100%)	3%	4
Above Moderate Income (>100-120%)	3%	4
Greatly Above Median Income (120%+)	15%	16
TOTAL	100%	115

Sources: ESRI, American Community Survey (ACS), Table DP04, Washington Office of Financial Management, Stevens County, City of Chewelah, Leland Consulting Group, and WA State Commerce Draft Housing for All Planning Tool (2022)



Community and Stakeholder Participation

The development of the housing action plan was guided and informed by the community and stakeholders. The public engagement included stakeholder interviews, a pop-up community event, and an online public survey. A comprehensive summary of the engagement results is included in Appendix C, Community Engagement Results. Each engagement type provided valuable insight into Chewelah’s housing issues and needs. Throughout the participation process, translation services were provided to solicit as much feedback from the community as possible.

“Chewelah Creek is a ‘stream of significance;’ big setbacks impact developability.”

—Interview Comment

Stakeholder Interviews

An important step in developing the HAP was to solicit input from a variety of local and regional stakeholders and utilize that information to understand and prioritize community needs. Interview invitations were sent to nine local and regional stakeholders with three interviews scheduled and conducted. The interviewees provided differing perspectives on housing issues, needs, and opportunities. Interviews were held with the local housing authority, developers, prominent property owners, realtors, and service providers. Stakeholder feedback is integrated throughout this plan and a comprehensive summary is included in Appendix E. Community Engagement Results.

Conversations with interviewees brought up multiple topics, generally categorized as housing needs, current conditions, or barriers to achieving affordable housing development. Many of these were detailed as issues or challenges that must be addressed as long-term solutions. The following section lists and summarizes these, including suggestions offered by interviewees.

Water and sewer infrastructure system are subpar.

All those interviewed mentioned that the water/sewer infrastructure system needs to be replaced. Some frustration was expressed regarding the timing of needed upgrades relative to the hookup fees required and associated with future

upgrades. Dilapidated housing units do not have the funding/resources to update systems. The cost to treat the water is very expensive, and many lots/parcels face conflict with development due to the three creeks/streams and accompanying wetlands. The requirements for development (e.g., planned action ordinances) are burdensome, particularly those for meeting wetland setbacks, buffers, and mitigation.

Density is needed, along with a variety of housing types and sizes. Mixed-use buildings (particularly live/work spaces), multi-family residential, and higher-density single-family residential options are needed downtown. Developers are interested in building tiny homes and cottage-style housing. Permitted uses are not diverse enough to allow for more housing variety. There are underutilized buildings on Main Street, property owners have left town, and there’s a mindset that “there’s nothing to do” in Chewelah. The attraction to living in the city could be revitalized through the downtown experience. Parking requirements are prohibitive to density and affordability.

Zoning and code enforcement are needed. Code updates are needed to support more housing development, the code needs to be clear, and enforcement needs to be consistent. Zoning should be changed to allow for denser lot sizes and to promote cottage/cluster-style housing with shared amenities. Setbacks are too high for multifamily residential; as long as fire suppression is sufficient, the setbacks should be flexible.

“Water and sewer infrastructure in the city is at the end of its useful life.”

—Interview Comment



Education and technical assistance are needed. There is an acknowledgment that affordable housing is needed, but there is resistance to larger developments. Education from the planning team to walk residents through the steps of development and help to understand rules could help to shift the collective mindset to be more positive/encouraging. Technical assistance could be provided to guide investment and development decisions with landowners, annexation, and infrastructure. For funding through the Low-Income Housing Tax Credit (LIHTC) and Housing Trust Fund, for example, staff are needed with expertise to successfully get points on the application.

The following section coalesces all interviewee comments and their various dimensions into distinct challenges future efforts must tackle. Resolutions for some issues may evolve as part of this report's preparation, while others may take time, supported by additional engagement, future policy development, and committed action.

UNIVERSAL NEED

All those interviewed acknowledged the housing crisis in Chewelah, and noted the fact that it is an issue that affects every person at every income level. In general, there's an overall agreement or consensus that this problem exists. The low housing stock means that even the worst quality units are occupied.

BUILDING PARTNERSHIPS

Based on these interviews, the opportunity exists – and perhaps requires – the development of local partnerships with the city and communities. The capacity of the city and the county to go it alone seems limited, so involving locals offers potential in terms of gaining capital, operational knowledge and insight, and lasting support. Some expressed a desire to be included on a more intimate level with decision-making and resource assistance. Perhaps owing to the nature of the small community, collaboration is key.

MISSING MIDDLE HOUSING

Many noted the need for a variety of housing

types on denser lots with more flexible setbacks. ADUs, tiny homes, and cottage/cluster-style housing was mentioned. Young families, couples, empty-nesters, and retirees were all identified as the groups most in need of housing variety, both in terms of style and affordability options.

MANAGEMENT REALITIES: FUNDING

Infrastructure grants will be needed to improve the city's sewer and water systems. Given that the city is surrounded by wetlands, and that the water is very expensive to treat because of the large volume, there is little incentive for developers to pay for new hookups when the infrastructure is subpar. The expense of those hookups is prohibitive to developing affordable units, as costs per square foot have increased by 50% in the past five years. Several interviewees noted that the hookup costs were the sole responsibility of the developers. Some offered ideas and suggestions for this, but it's clear that the difficult work to identify resource streams able to sustain operations and partner relationships is a critical priority.



Pop-Up Event

On September 9, 2022, the planning team set up a booth at the Farmers Market at Chewelah City Park. The goal of the event was to make community members aware of the planning effort, provide information about existing conditions and solicit feedback from locals and visitors about how to address housing needs within the city. Participants largely confirmed the significant challenges that the city has been facing to house its population. There was general acknowledgment that a variety of housing types was needed to meet housing needs. Participants were also invited to place dots on the types of housing they would like to see more of within the city (Figure 2).

Community Survey

A community survey was released in the fall of 2022 to better understand the community needs, wants, and desires about housing. Participation was light, but out of those who did respond, a variety of housing types stood out as a common them needed.

When asked what types of housing may be successful in Chewelah, 80% chose cluster housing, 60% selected multiplexes and mixed uses, while ADUs and townhouses also garnered interest (see figure 3).

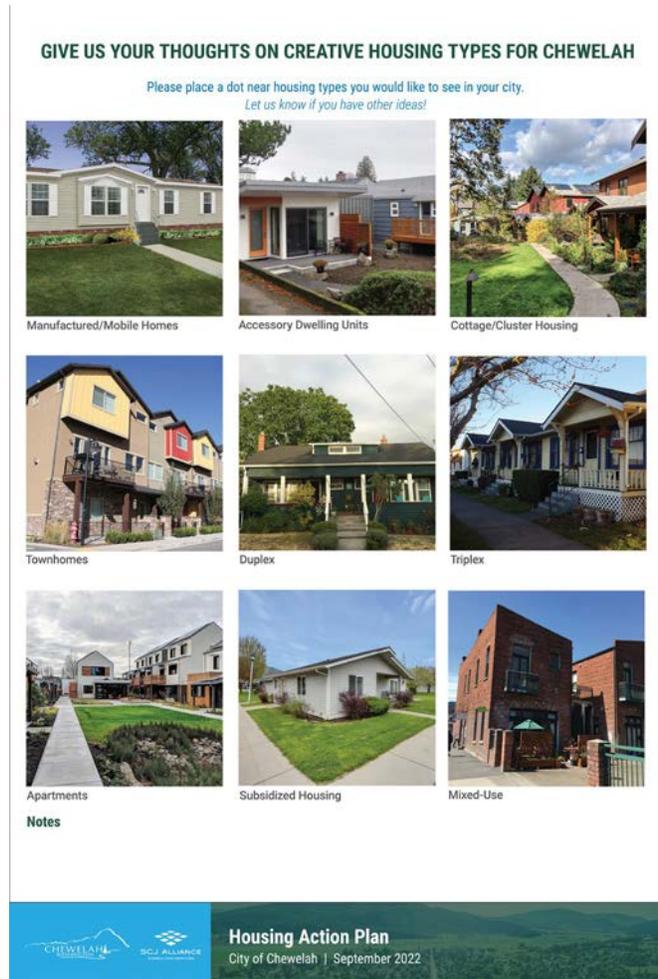


Figure 5. Housing Preferences PopUp Board

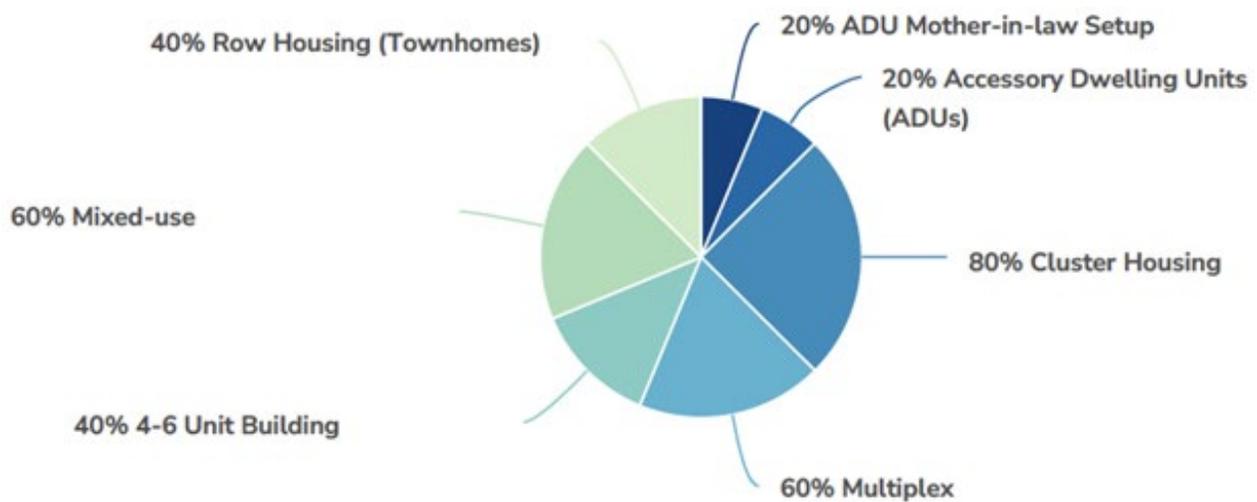


Figure 6. Types of housing that may be “successful” according to survey respondents

When asked about the biggest obstacles to affordable housing in Chewelah, demand for middle/low-income housing arose at the top, with the cost of construction following close behind (see Figure 7).

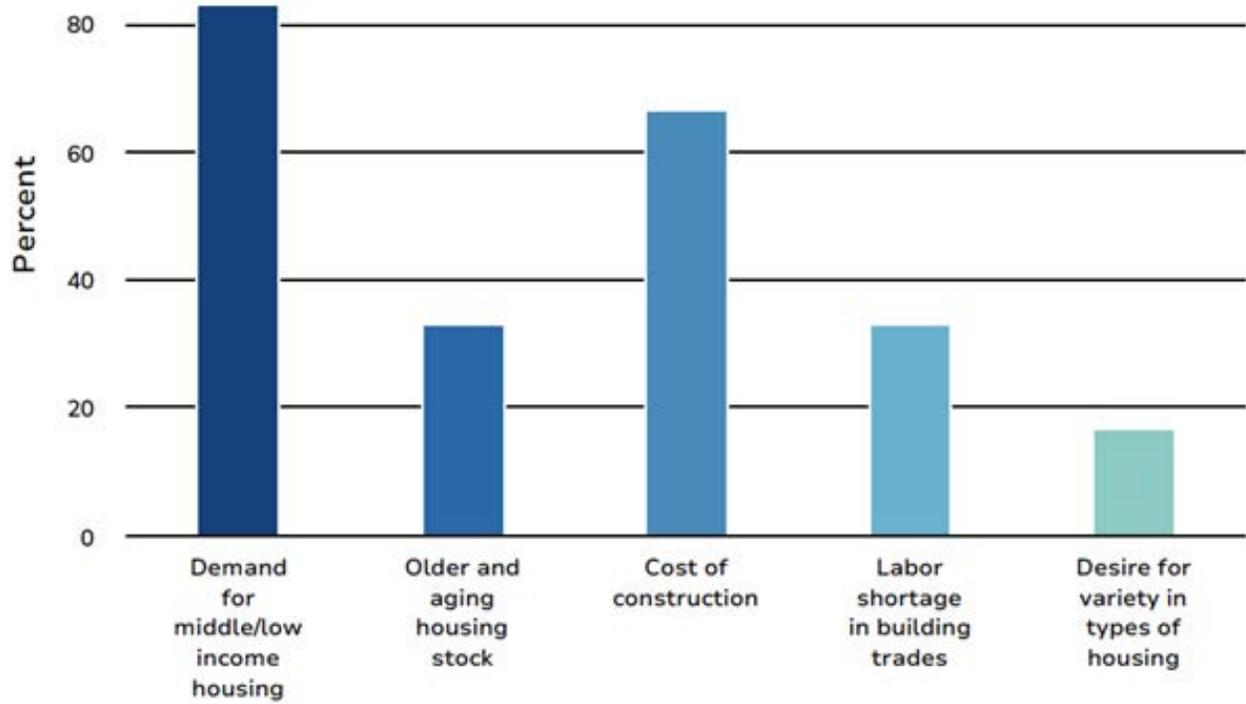


Figure 7. Biggest obstacles identified by survey respondents

Respondents also identified a need for senior housing and indicated that while jobs may be available, housing for employees is severely lacking.

Policy and Regulations Evaluation Overview

The purpose of the policy and regulations evaluation is to evaluate the City of Chewelah's last adopted Comprehensive Plan Housing element and development regulations to determine the City's successes and barriers to developing housing related to the achievement of goals and policies and implementation consistent with RCW 36.70A.600 (2)(e).

Policy Review

The policy evaluation analyzes housing-related goals and policies from the city's Comprehensive Plan Housing element and related elements as well as the Housing and Downtown Subarea Plan. In addition to primarily reviewing the Housing Element, this document reviews other related Comprehensive Plan elements, including Land Use and Capital Facilities where policies related to housing are mentioned. This evaluation informs the strategies in the city's future Housing Action Plan. This evaluation considers the Housing Needs Assessment findings, including anticipated growth, permit issuance trends, and identified gaps concerning the city's Comprehensive Plan policy implementation. The review considers the following evaluation criteria in terms of success in achieving housing unit needs as well as the achievement status of each goal and policy referenced. The full evaluation matrix and analysis are included in Appendix B.

Development Regulations Review

The city's development regulations can make or break housing production and supply specifically related to zoning, which regulates permitted uses. Zoning determines where and what can be built including housing density, size, and type. As described in the Land Capacity Analysis of this Housing Needs Assessment, Chewelah's zoning code contains two single-family zones, one multi-family zone, one commercial zone, one industrial zone, and a public facility zone, as well as three recreational residential zones in Chewelah North.

- ◆ Single-Family Residential zones (R-1 and R-18) allow single-family homes at a density of at least 4 units per acre. Detached secondary dwellings and duplexes are also allowed in most of the single-family zones by right.
- ◆ Multi-Family Residential High-Density zone (R-3) allows single and multifamily dwellings right at a density of at least 6 units per acre.
- ◆ Recreational Residential (Airport-Golf Course) (APGC 1-3) zones, found in Chewelah North, allow single-family dwellings by right at a density of at least 4 units per acre and account for common open space around the golf course. Detached second units, duplexes, and multifamily dwellings are allowed by special permit.
- ◆ Retail-Business (R-B) zone allows duplexes





or multifamily dwellings by right, but no single-family dwellings are allowed.

- ◆ Commercial-Industrial (C-I) zone does not allow residential uses unless occupied by the caretaker of the permitted use.

Overall, according to the 2021 Chewelah Comprehensive Plan, 32 percent of Chewelah is zoned for single-family residential, and 3 percent is zoned for multifamily residential. Another 9 percent is zoned for retail which allows multifamily residential, for a total of 12 percent of the City's acreage, or 194.7 acres, which allows multifamily development by right. There are little to no barriers to developing housing, however, no incentives are in place to provide affordable housing (such as the Multifamily Tax Exemption), which is severely needed.

According to the Stevens County Buildout Analysis (2019), Chewelah has 60 acres of developable land within city limits and another 8 within the UGA. The analysis indicates that the city has a surplus of between 24 and 32 acres within the city itself and another seven acres within the UGA to accommodate housing production at a density of four units per acre to meet the projected population growth over the next 20 years. This will meet the city's need for 115 additional homes needed by 2040 (see Table 7. Chewelah City and UGA Land Capacity Analysis Results – County Buildout Data). Although the land is available and zoned for residential, engagement efforts indicate that developers and builders are not incentivized to build residential and find the code difficult to navigate. An update of the development

regulations and code to simplify regulations, including updating the use classifications is necessary to facilitate and incentivize housing development. Some code update recommendations include:

- ◆ Reduce parking minimums where warranted and consider eliminating them within the downtown.
- ◆ Increase allowable density and adjust other development standards to make building more variety of housing types, including multi-family, more feasible.
- ◆ Add cottage housing, townhomes, and other innovative housing types to the use chart and permit where appropriate.
- ◆ Update the development regulations and create accompanying graphics for simplicity and use in engagement efforts.
- ◆ Permit infill housing development where appropriate.
- ◆ Update zoning code to accommodate permanent supportive housing transitional housing, indoor emergency shelters, and indoor emergency housing, under recent state legislation.
- ◆ Consider revisions to sidewalk requirements when sub-dividing to better meet the needs of the city, while providing flexibility for new development.
- ◆ Streamline permitting for wetland buffer reductions and mitigation strategies.

These zoning code update recommendations have been incorporated into the housing strategies on the following pages.



Housing Strategies

This Housing Action Plan (HAP) proposes housing strategies that meet six strategic objectives to guide the future of housing in Chewelah. These established objectives aim to address housing gaps and needs discovered through a variety of efforts including stakeholder discussions, the community pop-up, survey outreach, public feedback, and discussions with staff and elected officials:

- ◆ Increase the **supply** and **variety** of housing types to serve the needs of a variety of incomes, ages, and abilities.
- ◆ Reduce **displacement** of low-income residents resulting from redevelopment or code enforcement.
- ◆ Ensure opportunities for housing **affordability** are provided for residents at varying income levels.
- ◆ Address **infrastructure** needs in support of providing additional housing to serve residents now and into the future.
- ◆ Create **homeownership** opportunities for Chewelah households.
- ◆ Promote and encourage housing to support **aging in place**.

The housing strategies recommended in this Housing Action Plan will help the City of Chewelah achieve its housing objectives and needs. Strategies are accompanied by an anticipated timeframe whether the strategy is accomplished within one year (short-term), one to three years (mid-term), or more than three years (long-term) of HAP adoption. Estimates are also provided regarding the strategy’s expected cost investment level as well as projected effort by city staff. The specific goals of the HAP that each strategy applies to are noted in bold type.

		Objectives								
Strategy	Lead	Timeframe	Investment	Effort	Supply/Variety	Anti-Displacement	Affordability	Infrastructure	Homeownership	Aging in Place
1	Update the city's zoning use regulations to clarify and enable innovative housing types such as Accessory Dwelling Units (ADUs), townhomes, and cottage-style developments.	Planning Department	●	●●	●●	X		X		X X
2	Update off-street parking regulations for consistency with HNA findings and the downtown and housing subarea plan.	Planning Department	●●	●●	●●	X		X		



Table 4: Summary of Recommended Strategies

								Objectives				
	Strategy	Lead	Timeframe	Investment	Effort	Supply/Variety	Anti-Displacement	Affordability	Infrastructure	Homeownership	Aging in Place	
3	Adjust zoning development standards to reduce barriers for additional housing types and to ensure any new development of additional housing types is integrated appropriately.	Planning Department	●	●●	●●	X				X	X	
4	Update the zoning code to accommodate permanent supportive housing, transitional housing, indoor emergency shelters, and indoor emergency housing.	Planning Department	●●	●●	●●		X	X				
5	Continue efforts to upgrade water and sewer infrastructure to reduce barriers to serving new development.	Public Works Department / Funding Agencies	●●	●●●	●●●	X			X			
6	Review and ensure code enforcement does not displace residents	Building Department	●	●	●		X					
7	Evaluate potential building code amendments to provide more feasibility for mixed-use development, small apartments, and rehabilitation of older buildings.	Building Department	●	●	●●	X		X				
8	Evaluate revisions to sidewalk requirements and policy to better meet the needs of the community while considering flexibility for new development.	Planning and Public Works Departments	●	●●	●●	X					X	
9	Audit and streamline permitting processes for development in the Critical Resource Area (CRA) Overlay Zone.	Planning Department	●	●	●●	X						
10	Create materials for development guidance & outreach following code updates.	Planning Department	●●	●	●●	X			X			



Strategy 1. Update the city's zoning use regulations to clarify and enable innovative housing types such as accessory dwelling units (ADUs), townhomes, and cottage-style developments.

Lead(s): Planning Department | **Timeframe:** Short-Term | **Investment:** Moderate | **Effort:** Moderate

Supply/Variety | Anti-Displacement | **Affordability** | Infrastructure | **Homeownership** | **Aging in Place**

Most housing (73%) in Chewelah is single-family. Although duplexes have recently been allowed within all residential zones, more clarity for and the allowance of other smaller housing types may help meet the needs of the community, particularly given the aging population of Chewelah. The existing zoning use table currently allows “detached second units” only within the R-1, R-3, and by conditional use in the APGC. Defining and clarifying the allowance of attached or detached ADUs on single-family lots within all residential zones, along with appropriate dimensional standards, should be considered. Additional strategies to encourage ADUs in Chewelah include:

- ◆ No owner-occupancy requirements
- ◆ No or reduced additional parking requirements
- ◆ Allowing the ADU to tie into existing sewer and water from the primary structure, rather than as a separate hookup
- ◆ Community outreach efforts to encourage homeowners to build ADUs once regulations are adopted

Currently, the definitions in Chewelah's zoning code do not limit multifamily to one structure. This would allow for small, detached multifamily units, or “cottage style” developments within R-3, R-B, and C-I zones only. The city may consider providing an additional allowance for cottage-style developments with appropriate standards. Townhome-style development, where attached single-family homes may be individually owned, is currently absent from Chewelah municipal code and should also be considered for allowance where they may be deemed appropriate.

Strategy 2. Update off-street parking regulations for consistency with HNA findings and the downtown and housing subarea plan.

Lead(s): Planning Department | **Timeframe:** Medium-Term | **Investment:** Moderate | **Effort:** Moderate

Supply/Variety | Anti-Displacement | **Affordability** | Infrastructure | **Homeownership** | **Aging in Place**

The elimination of parking minimums within the DBD Overlay is recommended in the city's adopted downtown and housing subarea plan which would enable flexibility for development, revitalization, and mixed-use development. In addition, removing language to require additional spaces when changing the use of an existing building would provide flexibility in the renovation of existing structures. Mobile home off-street parking requirements should be updated to only include 1 space per unit, consistent with other housing types (single-family/multifamily) which currently only require 1 space per unit.

Strategy 3. Adjust zoning development standards to reduce barriers for additional housing types and to ensure any new development of additional housing types is integrated appropriately.

Lead(s): City Planning Department | **Timeframe:** Short-Term | **Investment:** Moderate | **Effort:** Moderate

Supply/Variety | Anti-Displacement | **Affordability** | Infrastructure | **Homeownership** | **Aging in Place**

Existing front, rear, and side setbacks within residential zones should be considered for certain reductions to enable more development feasibility of a variety of housing types. Current residential setback standards require 20 feet in the front, 10 feet from the side, and up to 15 feet from the rear for accessory structures. Based on interviews conducted as part of this effort, these existing requirements have created barriers to meeting



the housing needs of the city. Lot dimensional standards may also warrant alteration. As an example, the multifamily residential high density (R-3) zone currently has a minimum lot size of 3,600 square feet per unit which would equate to a maximum density of only approximately 12 units per acre. All residential zones require a minimum lot width of 60 feet, regardless of the housing type proposed, which may reduce the feasibility of more innovative and smaller housing types. These existing development standards should be considered holistically in the context of any additional housing types considered. Certain other design requirements, such as stepped height standards, window coverage requirements, lighting/landscaping may also be considered to ensure that new development and densities allowed are integrated well into existing neighborhoods.

Strategy 4. Update the zoning code to accommodate permanent supportive housing, transitional housing, indoor emergency shelters, and indoor emergency housing.

Lead(s): Planning Department | **Timeframe:** Medium-Term | **Investment:** Moderate | **Effort:** Moderate

Supply/Variety | **Anti-Displacement** | **Affordability** | **Infrastructure** | Homeownership | Aging in Place

Forty-three percent of Chewelah's renter households are cost burdened and therefore considered at risk of displacement by HUD standards. House Bill 1220, effective July of 2021, requires that cities accommodate certain housing types to address homelessness and affordable housing which include permanent supportive housing, transitional housing, indoor emergency shelters, and indoor emergency housing. The state defines these housing types and requires that they are not prohibited in certain areas within cities (RCW 36.70A.070). Generally, indoor emergency shelters and indoor emergency housing may not be prohibited in any zones in which hotels are allowed. Additionally, transitional housing and permanent supportive housing may not be prohibited in any zones in which residential dwelling units or hotels are allowed. Chewelah should address these uses through appropriate code standards and permitting processes.

Currently, Chewelah's zoning use table allows housing for people with functional disabilities in certain zones which should be evaluated for consistency with recent legislative action.

Strategy 5. Continue efforts to upgrade water and sewer infrastructure to reduce barriers to serving new development.

Lead(s): Public Works, Funding Agencies | **Timeframe:** Medium-Term | **Investment:** Major | **Effort:** Significant

Supply/Variety | **Anti-Displacement** | **Affordability** | **Infrastructure** | Homeownership | Aging in Place

Chewelah South's aged water system requires several upgrades to make additional housing available. The city should continue efforts to secure additional water rights, reduce pipe leakage and expand pipe diameters as indicated in the 2018 Water System plan. The city can explore funding solutions with various partners such as the department of ecology and USDA Rural Development. The city should also work with WSDOT to minimize the costs of any needed infrastructure updates during planned improvements on Highway 395. The city will need to evaluate fee schedules regularly for new connections in the context of planned system upgrades and ensure that communication is maintained with landowners and developers who may be affected by any proposed changes. Sewer capacity in Chewelah South should also be regularly evaluated to ensure service levels are adequate to serve forecasted demand.

Strategy 6. Review and ensure code enforcement does not displace residents.

Lead(s): Building Department | **Timeframe:** Short-Term | **Investment:** Minimal | **Effort:** Minimal

Variety/In-Fill | **Anti-Displacement** | **Affordability** | **Infrastructure** | Homeownership | Aging in Place

Much of the housing in Chewelah is relatively old, and the safety and health of residents within rental units may be at risk from code violations. However, enforcement can lead to displacement when major upgrades and repairs are made. Where possible, consider a phased enforcement



approach and allow landlords the flexibility to make improvements over time that do not require the displacement of current residents.

Strategy 7. Evaluate potential building code amendments to provide more feasibility for mixed-use development, small apartments, and rehabilitation of older buildings.

Lead(s): Building Department | **Timeframe:** Short-Term | **Investment:** Minimal | **Effort:** Moderate

Supply/Variety | Anti-Displacement | **Affordability** | Infrastructure | Homeownership | Aging in Place

Under chapter 15.04 “building code” of the Chewelah municipal code, consideration may be given to updating the locally-adopted version of international codes to reduce the cost of development. Examples may include an allowance of smaller (3-5 unit) residential multi-family structures to be designed and built under the International Residential Code (IRC) as opposed to the International Building Code (IBC) which would otherwise require commercial-grade sprinkler systems and add significant cost to development. However, any proposed locally adopted versions of the building code must be considered against potential liability and insurance rating concerns. It is also strongly encouraged for the city building and fire officials to work with property owners and developers to identify potential amendments that would not jeopardize life safety.

Strategy 8. Evaluate revisions to sidewalk requirements and policy to better meet the needs of the community while considering flexibility for new development.

Lead(s): Planning and Public Works | **Timeframe:** Short-Term | **Investment:** Moderate | **Effort:** Moderate

Supply/Variety | Anti-Displacement | **Affordability** | Infrastructure | Homeownership | **Aging in Place**

Existing subdivision standards require sidewalks which are important for creating a safe, walkable community and “complete streets”

that accommodate all users. This is particularly important for more vulnerable populations such as children, seniors, and those with lower incomes. Sidewalk infrastructure, however, may add significantly to the cost of development and depending on where they are newly required, may not always further the goal of walkability because they may not connect to an existing network. The city should consider ways to provide flexibility for new development while furthering the goal of walkability. As an example, the city could explore the feasibility of first developing a prioritized pedestrian network and offering as an option at the time of development a fee in lieu that would go towards a dedicated fund for pedestrian connectivity along prioritized routes. This dedicated fund may also be used for grant matching on larger projects that complete usable, equitable, and accessible pedestrian connections.

Strategy 9. Audit and streamline permitting processes for development in the Critical Resource Area (CRA) Overlay Zone.

Lead(s): Planning Department | **Timeframe:** Short-Term | **Investment:** Minimal | **Effort:** Moderate

Supply/Variety | Anti-Displacement | **Affordability** | Infrastructure | Homeownership | Aging in Place

Within Chewelah, environmental constraints have a significant impact on development feasibility and tend to lengthen timeframes for completing projects which also creates more financial risk. Wetlands and shorelines in Chewelah are particularly abundant within city limits. Section 18.08.140, Critical Resource Area Overlay (CRA) Zone of Chewelah Municipal Code provides a robust process for development within proximity of critical areas such as wetlands. Although flexibility for development is provided through buffer reductions and mitigation sequencing, a quasi-judicial process and public hearing is required nearly in all cases through a site plan review process. As such, predictability of permitting decreases, and cost/timeframes for project completion increases. The city should audit the CRA code section and look for ways to process permits and evaluate buffer reductions and mitigation techniques administratively, without jeopardizing the intent of the zone which is to conserve and protect critical areas.



Strategy 10. Create materials for development guidance & outreach following code updates.

Lead(s): Planning Department | **Timeframe:** Medium-Term | **Investment:** Minimal | **Effort:** Moderate

Supply/Variety: Anti-Displacement | **Affordability:** Infrastructure | Homeownership | Aging in Place

Following the implementation of zoning and development code changes, the city may consider providing supplemental materials to help property owners and developers navigate code requirements and for general awareness of the changes made. Examples may include a fact sheet on ADUs, site plan examples showing lot sizes, setbacks and required infrastructure, and permit process flow charts. The resulting materials may be made available on the city website and in print at City Hall.



Glossary

Accessory dwelling unit (ADU) sometimes referred to as a mother-in-law unit, is a secondary dwelling unit that shares a lot with a larger, primary single-family home. ADUs are smaller, independent residential dwelling units that can be attached or detached from the primary residence.

Affordable housing means residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income. For the purposes of housing intended for owner occupancy, affordable housing means residential housing that is within the means of low- or moderate-income households.²

Area Median Income (AMI) is the midpoint of a region's income distribution – half of the families in a region earn more than the median and half earn less than the median. For housing policy, income thresholds set relative to the area median income—such as 50% of the area median income—identify households eligible to live in income-restricted housing units and the affordability of housing units to low-income households.

Comprehensive Housing Affordability Strategy (CHAS) is a data set provided by the Department of Housing and Urban Development (HUD) that demonstrates the extent of housing problems and housing needs, particularly for low-income households.³

Cost-burdened households are those which spend more than 30 percent of its monthly income on housing costs, including rent and utilities. A severely cost-burdened household spends more than 50 percent of its monthly income on housing costs.

Household consists of all the people who occupy a housing unit, whether a single person, a family, or unrelated persons living together.¹

Housing unit refers to a house, an apartment or other group of rooms, or a single room when it is occupied or intended for occupancy as separate living quarters.

Income-restricted housing refers to housing units that are only available to households with incomes at or below a set income limit and are offered for rent or sale at below-market rates.

Low-income household means a single person, family, or unrelated persons living together whose adjusted income is at or below 80 percent of the median family income adjusted for family size, for the county, city, or metropolitan statistical area, where the project is located, as reported by HUD.¹

Median Family Income (MFI) refers to the median income based on the distribution of the total number of households and families, including those with no income.⁴

Moderate-income household means a single person, family, or unrelated persons living together whose adjusted income is more than 80 percent but is at or below 115 percent of the median family income adjusted for family size, for the county, city, or metropolitan statistical area where the project is located, as reported by HUD.¹

²Definitions are set by the Washington State Legislature, see app.leg.wa.gov/RCW/default.aspx?cite=84.14.010 for state housing definition.

³www.huduser.gov/portal/datasets/cp.html

⁴www.census.gov/quickfacts/fact/note/US/INC110221



Permanent Supportive Housing is permanent housing in which housing assistance (e.g., long-term leasing or rental assistance) and supportive services are provided to assist households with at least one member (adult or child) with a disability in achieving housing stability.

Tenure relates to the ownership status of a housing unit. A housing unit is "owned" if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is "owned" only if the owner or co-owner lives in it. All other occupied units are classified as "rented," including units rented for cash rent and those occupied without payment of cash rent.

Universal Design is "the design and composition of an environment so that it can be accessed, understood, and used to the greatest extent possible by all people regardless of their age, size, or ability." When integrated into the built environment, universal design principles ensure that residents who are aging or who have a disability are not blocked from accessing housing and services.⁵

Vouchers are provided as part of the HUD housing choice program, also known as Section 8 housing. The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants can find their own housing, including single-family homes, townhouses, and apartments.⁶

⁵ universaldesign.ie/What-is-Universal-Design/

⁶ See www.hud.gov/topics/housing_choice_voucher_program_section_8 for more details on the Housing Choice Program.



Appendix

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Appendix A. Housing Needs Assessment

Executive Summary

Housing in Chewelah is becoming increasingly unaffordable and unattainable. Chewelah is a relatively low-income community experiencing rapid increases in housing costs. Over one-third of households are already cost-burdened by housing but that number stands to increase without addressing the housing-specific needs for Chewelah residents.

Key Takeaways

- ◆ **There is a significant gap between what the typical household in Chewelah earns and what they would need to earn to afford the median home** without spending more than 30 percent of their income on housing costs. In order to afford a typical home in the city, the average household would need to earn \$26,037 more annually.
- ◆ **Extremely low housing vacancy rate.** Homeowner vacancy rates have been essentially 0 percent since 2014 but increased to about 2.5 percent in 2020. A healthy homeowner vacancy rate should be around 4-5 percent to ensure appropriate housing is available for all households when searching for a home.
- ◆ **The large majority of households in Chewelah (86 percent) are one and two-person households.** However, only 45 percent of housing units have one or two bedrooms and more than half of housing units have 3 or more bedrooms. This mismatch suggests the need for smaller housing units in the city, particularly as the population ages and family size decreases.
- ◆ **A quarter of the housing stock was built before World War II.** The age of the housing stock raises concerns about the poorer quality of buildings, especially in downtown Chewelah. Older homes often have structural and foundational problems creating additional barriers for homeowners.
- ◆ **Development is environmentally constrained. Chewelah contains several wetland areas and three creeks which pose constraints to housing development.** Developments in proximity to these critical areas are subject to additional review, buffers of no development, and require proactive measures to reduce flooding risk.
- ◆ **A high number of workers are commuting long distances.** Only about 17 percent of Chewelah's residents work in the city with 60 percent of residents commuting more than 25 miles. Over 600 commuters come into the city daily that live elsewhere indicating there is insufficient local housing for the city's workforce.
- ◆ **The city's population is aging.** About 25 percent of the population is over the age of 65. Additionally, residents in their 50s and 60s have increased since 2010 which, if the trend continues, suggests a potential need for housing options catering to senior households in coming years, such as smaller and more easily accessible units and other unique housing needs.
- ◆ **Disproportionate development trends in recent years between Chewelah North and Chewelah South.** The city's unusual geographic makeup of two noncontiguous areas known as Chewelah North and Chewelah South presents challenges to planning and differing demographics. There are uneven income distributions between the two where Chewelah North has incomes between 1.5 and 2 times higher than Chewelah South. This has resulted in two-thirds of a recent housing development being in the more affluent area and increasing housing market prices.
- ◆ **Aging water and limited sewer infrastructure in Chewelah South.** Chewelah South's water system is aging significantly and loses up to 10 percent of its water annually due to leakage, as well as a water pipe diameter is not sufficient to meet modern firefighting needs. Chewelah South's sewer system, installed in 2001, is sufficient for the current population but will need increased capacity to meet the projected 20-year population growth.
- ◆ **No sewer system in Chewelah North.** Wastewater is treated by on-site septic systems. The soil type is adequate but not high quality for absorbing septic waste, with the potential for contamination into the groundwater due to rapid absorption. This could pose a constraint to further development in the area in future decades.





Introduction

A Housing Needs Assessment (HNA) is a tool for communities to understand the way that their unique demographics, housing stock, economy, and available land impact current and future housing needs. By analyzing each of these components, the HNA can show important gaps between the housing needs of residents and the available housing in a community and can help plan for mitigating those gaps and ensuring access to housing for all economic and demographic segments of a community.

Issue Statement

Chewelah faces several concurrent housing issues. The community is relatively low-income but faces **increasing housing prices and rents**. Three creeks/streams and their accompanying wetlands create numerous **barriers to development** on many parcels, such as required wetland setbacks, buffers, and mitigation. The city also faces a lack of **builders and developers** as well as **aging water and sewer** infrastructure. Finally, the **downtown** area has untapped capacity for housing above retail in existing historic buildings and the potential for new **mixed-use** development.

Geography

Chewelah has unusual geography made up of two noncontiguous areas known locally as “Chewelah North” and “Chewelah South.” As explained in the 2021 Comprehensive Plan:

Chewelah South, as it’s called by residents, is the original town site and is the hub of commercial and employment activity. Chewelah North, sometimes called the Golf Course, lies approximately 3.5 miles north of Chewelah South and is separated by Stevens County property. The North Chewelah area was developed around the Chewelah Golf and Country Club and the Chewelah Municipal Airport.

This unusual geography presents challenges to planning, and the two areas exhibit differing demographics, economic conditions, and infrastructure constraints which will be discussed throughout this report.

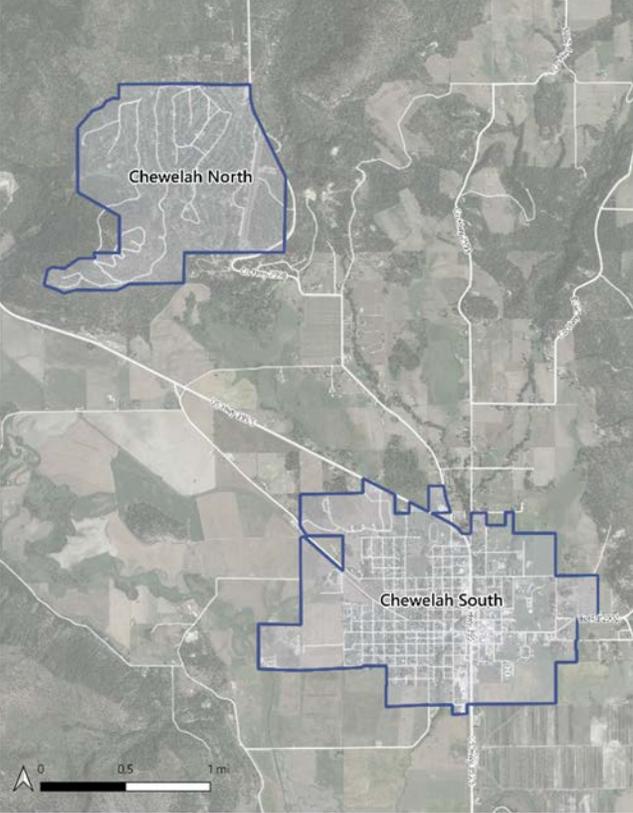


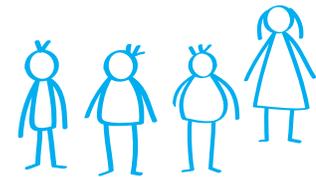
Figure 1. Chewelah North and South
Source: US Census TIGER Shapefiles, Leland Consulting Group



Community Profile

The Community Profile discusses Chewelah’s current and future population and the age, race, and ethnicity of residents. It also discusses the size, income, and characteristics of the city’s households, as well as households with specific needs and risks including cost-burdened households and disabled residents. These demographic and household characteristics provide background and context for the types of housing required to better serve all of Chewelah’s current and future residents.

Population and Demographics



Historic and Future Population

Chewelah was incorporated in 1903 and saw its population ebb and flow throughout the 20th Century, following the fortunes of the mining and resource-based industries which made up the main economy of the city at that time. Through the 1990s and 2000s, Chewelah was promoted as a retirement destination and a location for nearby metro-Spokane commuters who desired a more rural quality of life. Population peaked in 2012 and began to decrease through 2020, but the Washington Office of Financial Management (OFM) estimates the 2022 population at 2,535, a slight increase from the 2020 population of 2,470. Following this trend, **the population of Chewelah is forecast to resume growing over the next two decades, reaching about 3,114 by 2040** according to the recent 2021 Chewelah Comprehensive Plan forecast. This mirrors expected population increases across Stevens County, which is forecast to grow about 10 percent between 2020 and 2040. The increasing population will increase the demand for housing in Chewelah and necessitate more housing production to prevent prices from rising. Additionally, an increasing population can create more demands on infrastructure such as utilities and roads and on local schools. Infrastructure constraints and available land for new housing production will be discussed later in this report.

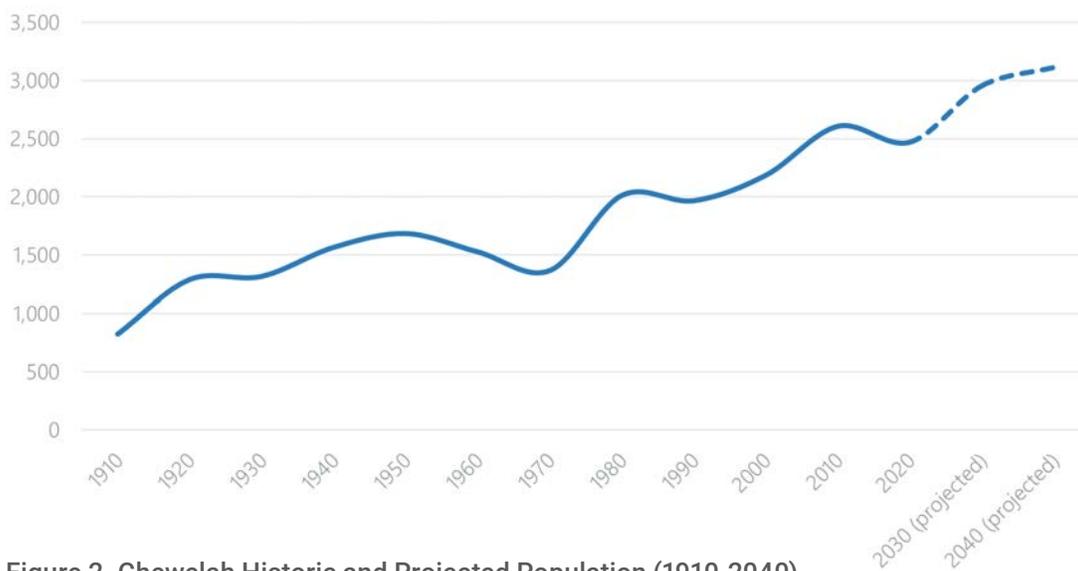


Figure 2. Chewelah Historic and Projected Population (1910-2040)

Source: Washington Office of Financial Management (OFM), 2021 Chewelah Comprehensive Plan



Age, Race/Ethnicity, and Language

Figure 3 shows Chewelah's population broken down by age group. Overall, **the city's population is older than the Stevens County average, with about 25 percent of the population over 65 years old.** Additionally, residents in their 50s and 60s have increased since 2010 which, if the trend continues, suggests a potential need for housing options catering to older adults in coming years, such as smaller and more easily accessible units. **Since 2010, the share of younger residents in Chewelah has decreased dramatically, with only 18 percent of residents being 19 years old or younger in 2020, compared with 25 percent in 2010.** This has potential implications for school attendance if the trend continues and reflects the city's relatively smaller share of family households discussed later in household characteristics.

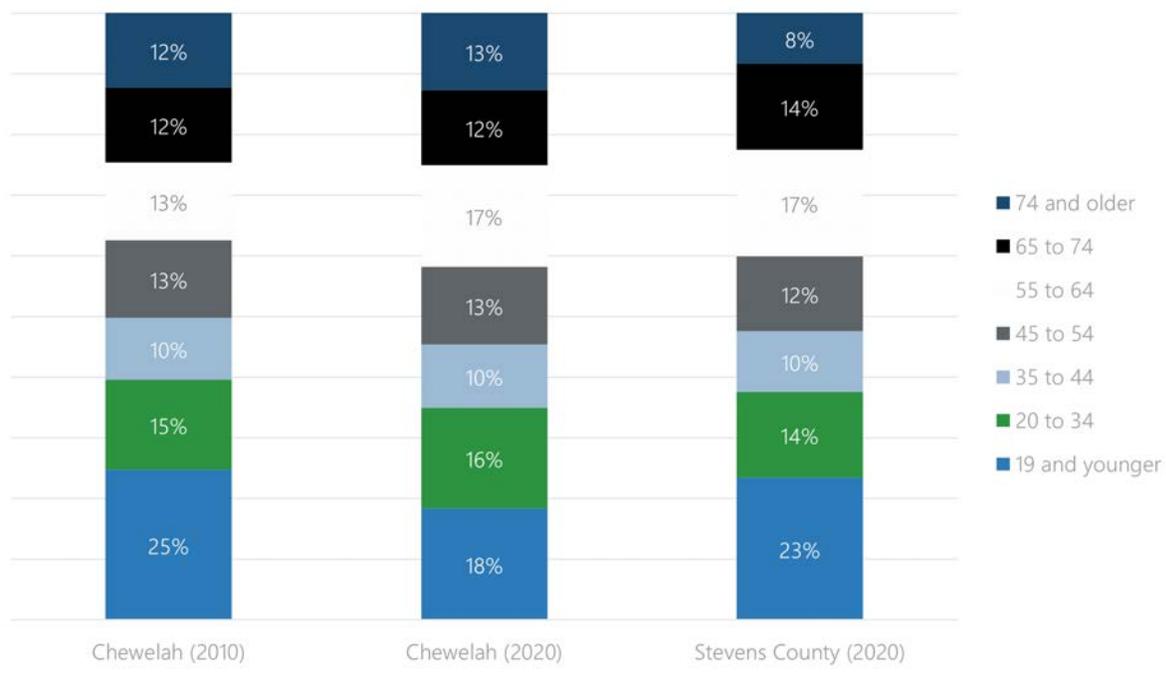


Figure 3. Age Distribution in Chewelah (2010-2020)

Source: 2020 American Community Survey (ACS) 5-Year Estimates, Table DP05, 2010 U.S. Census, Table P12

Chewelah's population is 85 percent White, a decrease from 2010 when 91 percent of residents identified as White. This increase in diversity is primarily due to a larger share of Hispanic/Latino and mixed-race residents. **Chewelah's racial and ethnic makeup is similar to Stevens County but the city is less diverse than Washington as a whole,** which is 68 percent White. Chewelah has a non-White Hispanic/Latino population of about 7 percent, and about 5 percent of residents are mixed-race. Small numbers of residents are Native American, Hawaiian, or Pacific Islander, Asian, and Black or African American. Nearly all Chewelah residents speak only English at home.

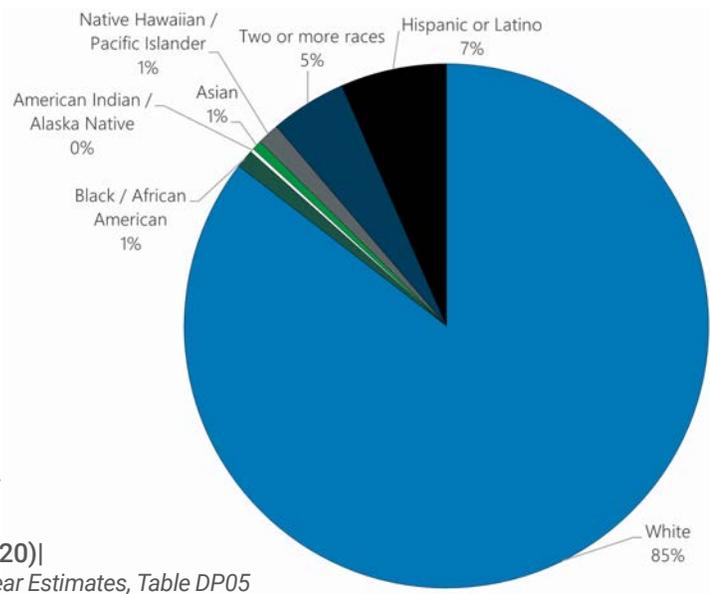


Figure 4. Race and Ethnicity in Chewelah (2020)

Source: 2020 American Community Survey (ACS) 5-Year Estimates, Table DP05



About one percent of the population speaks Spanish at home, and another one percent speaks an Asian or Pacific Island language.

Household Characteristics

Household Size, Type, and Tenure

The U.S. Census Bureau defines a household as “all the people who occupy a housing unit.” Households can be comprised of any combination of related family members, unrelated people, or individuals.¹ The 2020 American Community Survey estimated 1,119 households in Chewelah.

As shown in Table 1, about two-thirds of Chewelah households are family households. Of these, about three-quarters are married couple households and the remainder are “other family,” which could include unmarried partners, intergenerational households, or single parents. Of the 39 percent of households which are nonfamily households, the majority are householders living alone – about 35 percent of Chewelah households. This is significantly higher than county and statewide averages of one-person households, as shown in Figure 5, and **a significant portion of these one-person households are residents over 65 living alone – about 16 percent of Chewelah’s population.**

Household Type	Total	Percent
Total Households	1,119	100%
Family households	680	61%
Married-couple family	488	44%
Other family	192	17%
Nonfamily households	439	39%
Householder living alone	394	35%
Householder 65 years and over living alone	186	16%

Source: 2020 American Community Survey (ACS) 5-Year Estimates, Table S2501.

In addition to the large share of one-person households, Chewelah also has a relatively small number of three- and four-person households. **Overall, the average household size of 2.28 is smaller than that of Stevens County and Washington.** Chewelah’s smaller household size reflects the smaller number of children and larger share of older residents in the community, suggesting the continued need for small housing units to provide affordable and flexible options for Chewelah residents, particularly considering the trend towards an older population discussed previously.



Figure 5. Chewelah Household Size (2020)

Source: 2020 American Community Survey (ACS) 5-Year Estimates, Table S2501

¹ U.S. Census Bureau: Subject Definitions.



About two-thirds of Chewelah’s households own their homes. This is on par with statewide averages though lower than Stevens County overall, reflecting the rural development patterns of the county. Chewelah’s rental households are more likely to be non family households and to have fewer people than ownership households in the city. They also have lower household incomes and are more likely to face difficulties paying rent, as well as experiencing less housing stability than ownership households.



Figure 6. Tenure in Chewelah (2020)

Source: 2020 American Community Survey (ACS) 5-Year Estimates, Table DP04

Household Income

Chewelah’s Median Household Income (MHI) was \$45,795 in 2020, significantly lower than the Stevens County average of \$54,426 and the Washington state median of \$77,006. However, despite these relatively low incomes, Chewelah residents were earning about 42 percent more in 2020 than in 2010 when adjusted for inflation, an increase which far outpaces county and statewide income increases over the same period. When adjusted for inflation, Chewelah incomes were relatively stagnant from 2010 to 2018, when they began to increase rapidly. In fact, all of the income increases seen in the city occurred since 2017, as shown in Figure 8. More analysis is required to determine the cause of this increase, though higher incomes may create upward pressure on housing prices regardless of the cause.

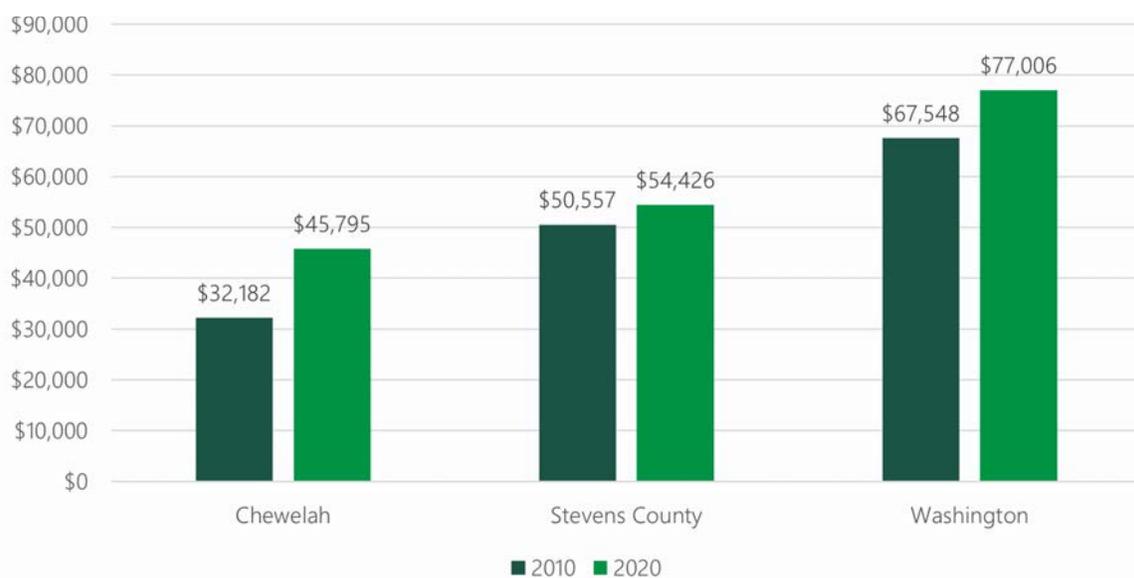


Figure 7. Inflation-Adjusted Chewelah Household Income with Regional Comparison (2010-2020)

Source: 2010, 2020 American Community Survey (ACS) 5-Year Estimates, Table S2503



Chewelah’s rental households earn considerably less than ownership households on average. The MHI for a rental household was \$33,496 in 2020, compared to \$49,597 for ownership households. However, rental household incomes increased more rapidly over the 2010-2020 period than ownership household incomes. This may reflect increased earnings among existing renters, higher-income residents choosing to rent, rather than buy property, or simply that renter incomes were starting from a lower base in 2010.

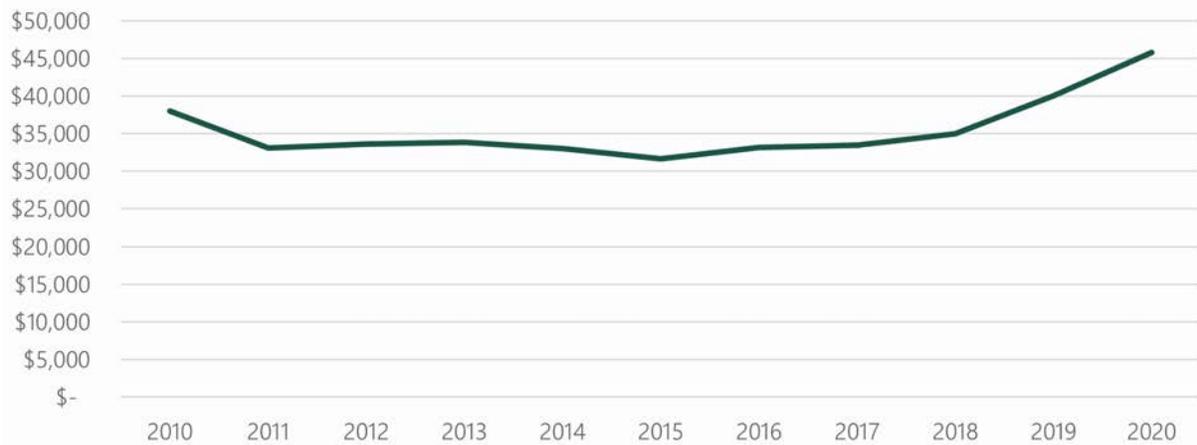


Figure 8. Inflation-Adjusted Chewelah Household Income (2010-2020)
 Source: 2020 American Community Survey (ACS) 5-Year Estimates, Table S2503

Incomes in Chewelah are also unevenly distributed geographically. The Census block group containing the more affluent area of Chewelah North has average incomes between 1.5 and 2 times higher than the block groups comprising Chewelah South. Although the block groups also encompass areas outside the City, as shown in Figure 9, the disparity in incomes between the two parts of Chewelah, as well as between the city and the surrounding area of Stevens County, are notable when planning for housing production and affordability.

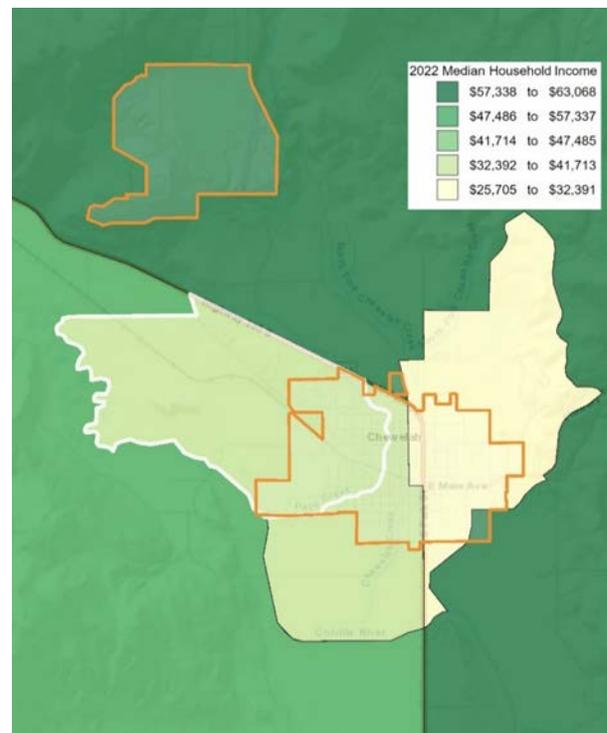


Figure 9. Chewelah Median Household Income by Block Group (2022)
 Source: ESRI

Household Needs and Risks

Low-Income and Cost-Burdened Households

The U.S. Department of Housing and Urban Development (HUD) calculates income thresholds to determine eligibility for subsidized affordable housing units. In Stevens County, the 2022 Area Median Income (AMI) is \$71,200. Table 2 shows the 2022 Stevens County HUD Income Limits for low-income, very low-income, and extremely low-income households earning 80 percent, 50 percent, and 30 percent of the Area Median Income (AMI), respectively.

Household Income Level	1-person household	2-person household	3-person household	4-person household	5-person household
Extremely Low Income (30% AMI)	\$16,600	\$18,950	\$23,030	\$27,750	\$32,470
Very Low Income (50% AMI)	\$27,650	\$31,600	\$35,550	\$39,450	\$42,650
Low Income (80% AMI)	\$44,200	\$50,500	\$56,800	\$63,100	\$68,150

Source: HUD

Chewelah is a relatively low-income community, with nearly 70 percent of residents earning under 100 percent of the AMI, and over half of the residents earning under 80 percent AMI, a common threshold for affordable housing eligibility. As shown in Figure 10, Chewelah’s rental households earn considerably lower incomes than homeowners. About three-quarters of renter households earn less than 80 percent AMI and nearly a third earn under 30 percent AMI, or \$27,750 for a family of four. On the other hand, the city’s ownership households are earning significantly more, though nearly 40 percent are still earning under 80 percent AMI.

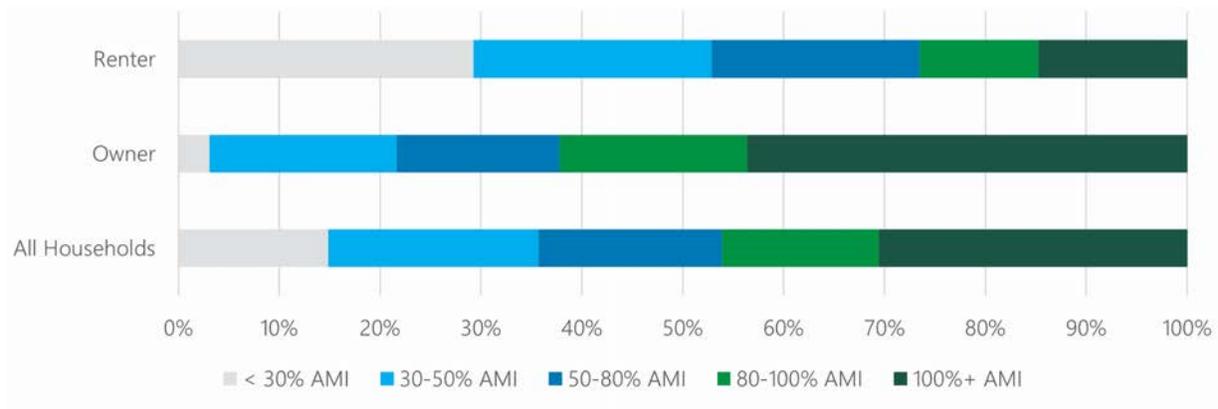


Figure 10. Household Incomes in Chewelah (2018)
Source: HUD Comprehensive Housing Affordability Strategy (CHAS)





In addition to income, HUD uses a measurement of “cost burden” to further determine which subset of a community’s residents are most in need of housing support or most at risk of displacement or housing hardship. A household is considered to be “cost-burdened” if they are spending more than 30 percent of their monthly income on housing costs (including rent and utilities). A “severely cost-burdened” household spends more than 50 percent of its monthly income on housing costs.

About 35 percent of Chewelah’s households are cost-burdened, and 11 percent of households are

severely cost-burdened. These residents fall on the lower end of the income spectrum, as shown in Figure 11. Of the 168 households earning less than 30 percent of the AMI, all but 35 are cost-burdened. Furthermore, 149 of these 168 households are renters, another example of the greater housing challenges facing rental households. Overall, 43 percent of Chewelah’s renter households are cost-burdened, compared with 31 percent of ownership households. Cost-burdened households can face difficult choices between prioritizing spending on housing and other household needs such as food and health care.

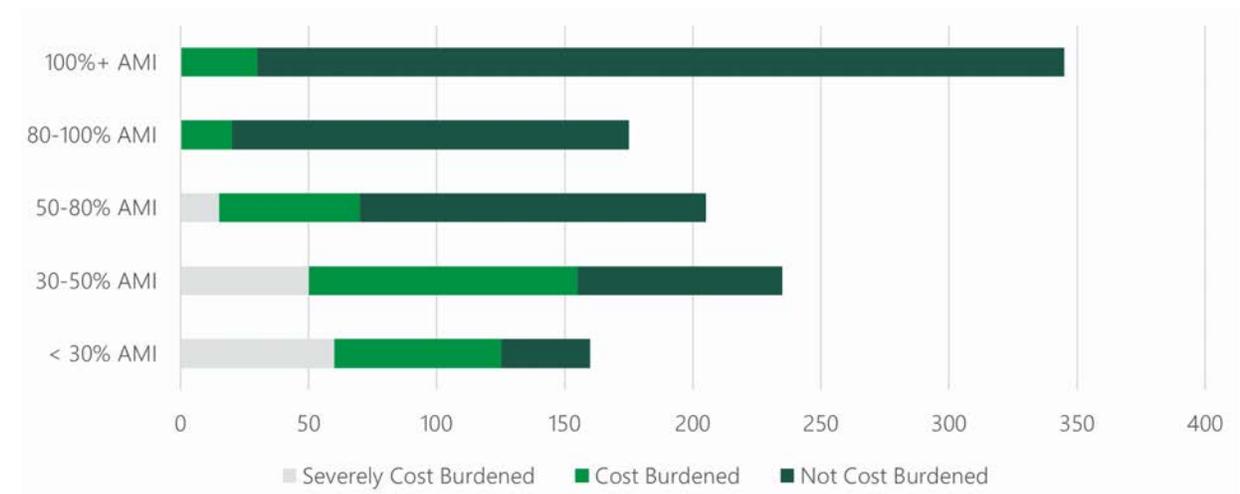


Figure 11. Cost-Burdened Households in Chewelah by Income (2018)

Source: HUD Comprehensive Housing Affordability Strategy (CHAS)



Housing Inventory

This section discusses the type and age of Chewelah’s existing housing stock, current and future housing production, and trends in ownership and rental housing costs in the city. It also identifies special housing types in Chewelah, including subsidized affordable units. An inventory of existing housing creates a baseline for future housing planning and identifies important trends.

Housing Characteristics



Housing Units, Production, and Vacancy Rates

The 2020 ACS count of housing units in Chewelah was 1,317, of which 1,119 were occupied. As shown in Figure 12, the number of units in Chewelah has been essentially consistent over the past decade.

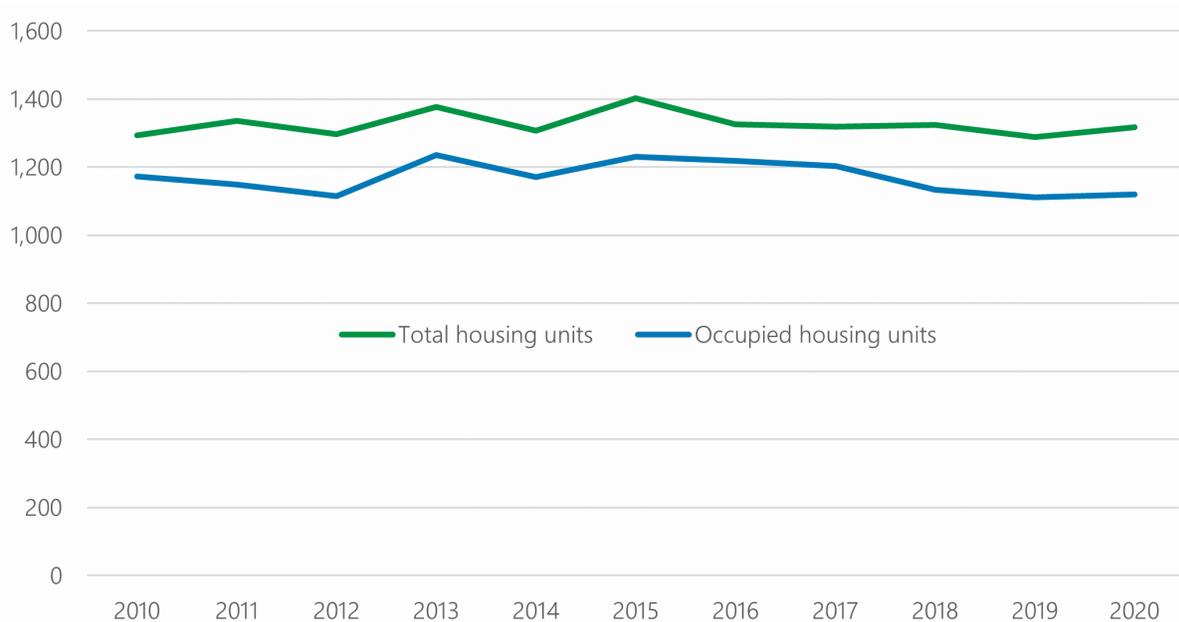


Figure 12. Housing Units in Chewelah (2010-2020)
Source: 2010-2020 American Community Survey (ACS), Table DP04

The gap between total and occupied housing units is due to the vacancy rate for ownership and rental housing and also accounts for seasonal second homes (which may be used by their owners or rented out as vacation homes). **Seasonal homes accounted for 5.5 percent of the homes in Chewelah in 2020.** This is lower than the Stevens County vacation rental rate of 12.2 percent but still represents a significant number of housing units that are not available to year-round residents. Figure 13 shows rental and ownership vacancy rates in Chewelah, as

reported by the ACS. Homeowner vacancy rates have been essentially 0 percent since 2014 but increased to about 2.5 percent in 2020. Rental vacancy rates have increased since 2011 and were reported near 10 percent on the 2020 ACS. However, the margin of error for that data was over 8 percent, and the actual rental vacancy rate has likely decreased dramatically over the past two years due to the effects of the COVID-19 pandemic and inflation. Recent online searches for rental availability in summer 2022 demonstrate a vacancy rate closer to 1 percent.

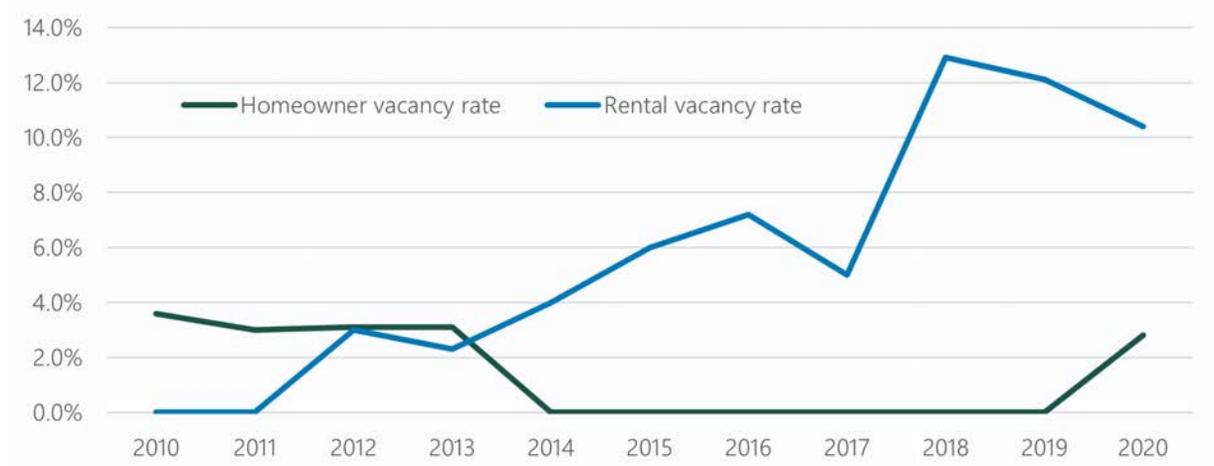


Figure 13. Vacancy Rates in Chewelah (2010-2020)
 Source: 2010-2020 American Community Survey (ACS), Table DP04

Type, Size, and Age of Units

Chewelah's housing stock is primarily comprised of single-unit detached homes, at 73 percent.

About 7 percent of homes are duplexes, triplexes, or four-units, and 7 percent are in buildings of 5-20 units. Chewelah also has a significant share of mobile or manufactured homes, at 11 percent of the city's housing stock. This is a slightly higher share of multifamily buildings and a lower share of mobile homes than Stevens County as a whole.

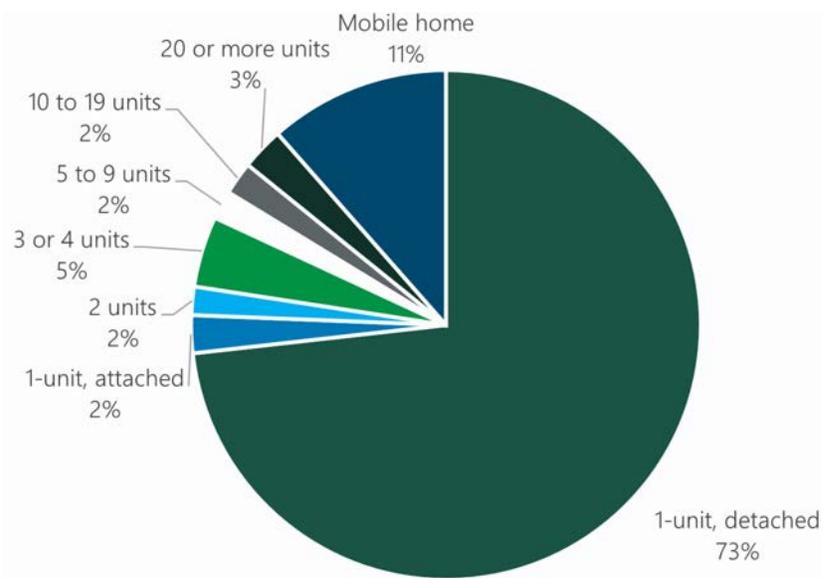


Figure 14. Units in Structure, Chewelah (2020)
 Source: 2020 American Community Survey (ACS), Table DP04



The age of Chewelah’s housing stock mirrors the timeline of population growth in the city, with about a quarter of the housing stock built before World War II and a large quantity built during the 1980s when population growth accelerated rapidly. **There has been relatively little development since 2000 compared with Stevens County and the state as a whole, with only about 9 percent of units built between 2000 and 2020.** Interviews conducted by Leland Consulting Group in June 2022 reinforce this data, with concerns expressed by developers and architects about the age and relatively low quality of buildings in the city. The 2021 Downtown and Housing Subarea Plan also noted the relatively higher age and poorer quality of housing in the downtown area of Chewelah specifically, recommending a wider range of affordable housing development in downtown.

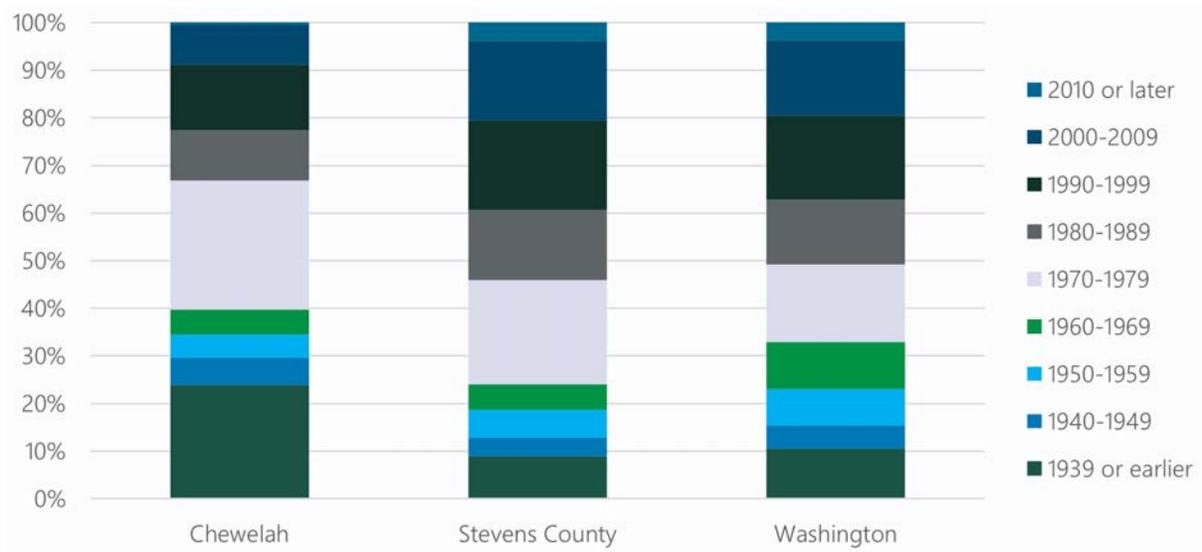


Figure 15. Age of Housing in Chewelah (2020)
 Source: 2020 American Community Survey (ACS), Table DP04



Figure 16 shows recent permitting activity in Chewelah. There has been an increase in activity in recent years, particularly since the onset of the COVID-19 pandemic, and increasing activity in Chewelah North, which saw 19 of the 29 permits for new residential construction issued in 2021. Since Chewelah North lacks sewer infrastructure, increasing construction activity in the area suggests the need for future septic and water infrastructure considerations in the area, which will be discussed below under “Environmental Constraints” on page 24.

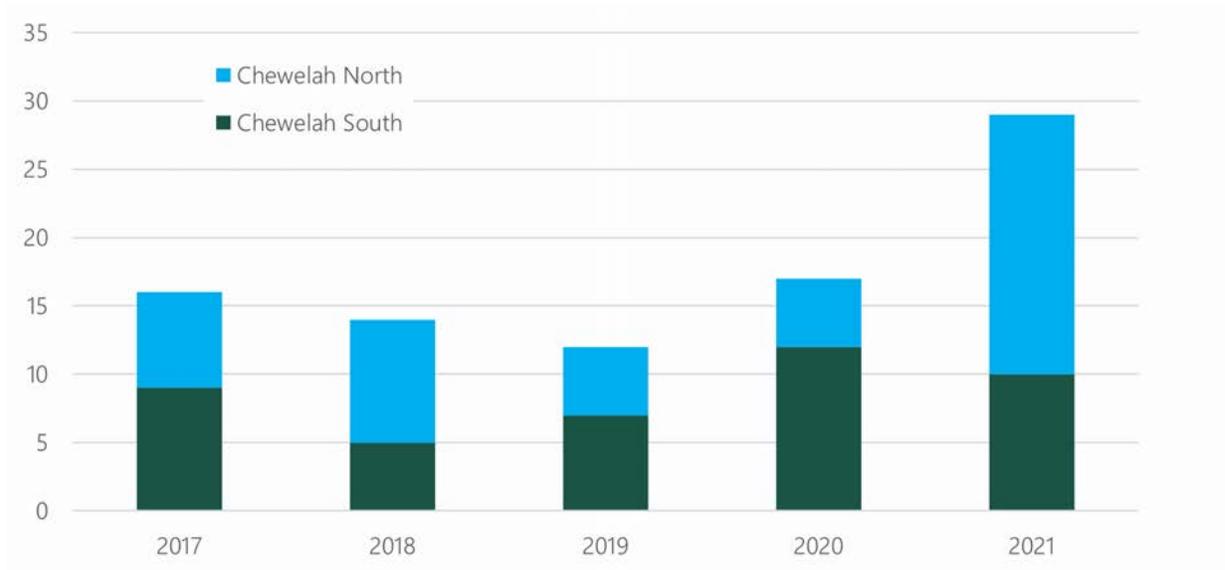


Figure 16. Chewelah Residential Permit Activity (2017-2021)
 Source: City of Chewelah Building Official

Housing Cost

The cost of housing in Chewelah has increased in the past decade. As shown in Figure 17, Census-reported rents have fluctuated based on a 2010 baseline, though without a consistent trajectory. Home prices rose about 40 percent between 2000 and 2020. On the other hand, average Chewelah incomes have been relatively stagnant throughout the decade, with an uptick since 2018, which could have positive implications for housing affordability if trends continue.

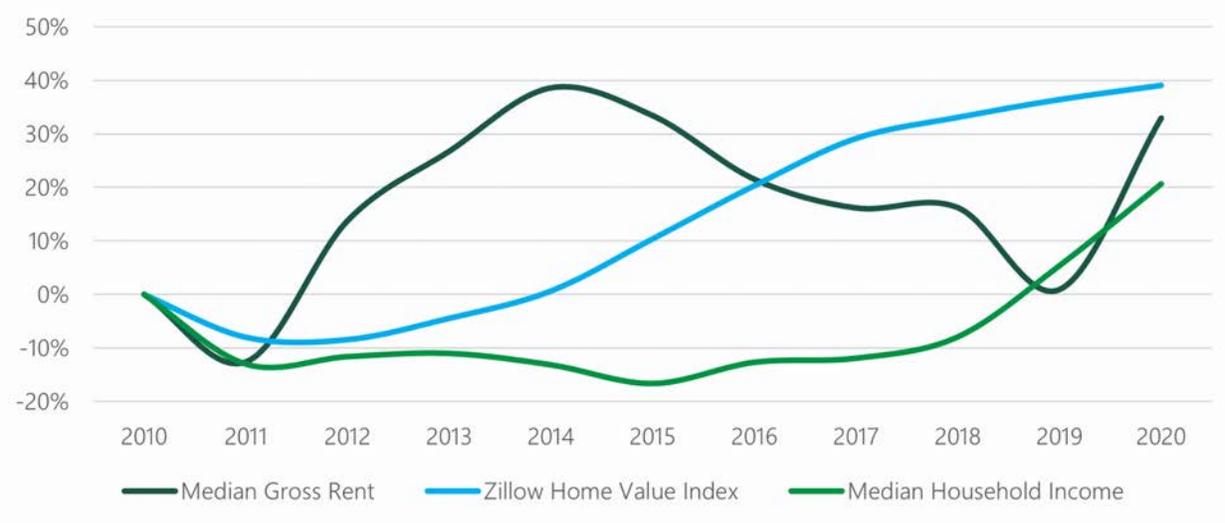


Figure 17. Change in Rent, Home Prices, and Income in Chewelah (2010-2020)
 Source: 2020 American Community Survey 5-Year Estimates, Tables S2503, DP04, Zillow



Zillow, a national provider of real estate data, estimates the average cost of a home in Chewelah as shown in Figure 18. The rise in home prices between 2010 and 2020 was relatively gradual, compared with regional and national trends, with the average cost of a home in February 2020, before the onset of the COVID-19 pandemic, at \$267,577. **Since 2020, the cost of purchasing a home has risen more rapidly and is nearing \$350,000 in the first quarter of 2022.** This mirrors national trends of increased home prices in the past two years, likely as a result of Chewelah attracting remote workers and commuters from Spokane desiring a more rural setting or more space.

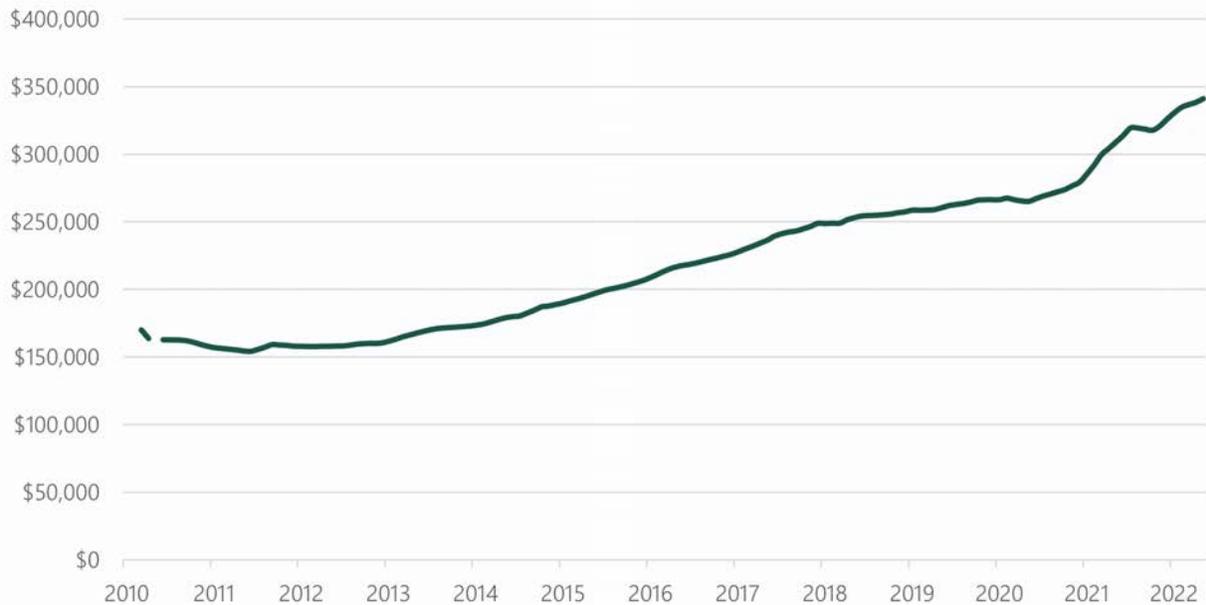


Figure 18. Zillow Home Value Index in Chewelah (2010-2022)
Source: Zillow

Rents are significantly more difficult to track than housing prices, particularly for smaller geographies. Census data on rents is both delayed and self-reported and large real estate websites do not track rents at a granular level for smaller communities. However, the Census data shown in Figure 19 can provide a window into larger trends. As discussed above, Chewelah’s rents have fluctuated in the past decade, but track with the general stability of rents between 2010 and 2020 across Stevens County and are significantly lower than the more

rapidly increasing rents statewide. Interviews conducted by Leland Consulting Group in June 2022 indicate that **the Census-reported median rent of \$720 in 2020 may have been relatively accurate, but rents have increased substantially since then**, with one nonprofit community agency estimating rents for two-bedroom single-family units at \$1,300 to \$1,400 and a local developer estimating single-family units renting for around \$.50-1.00 per square foot per month and apartments around \$1.00 per square foot.



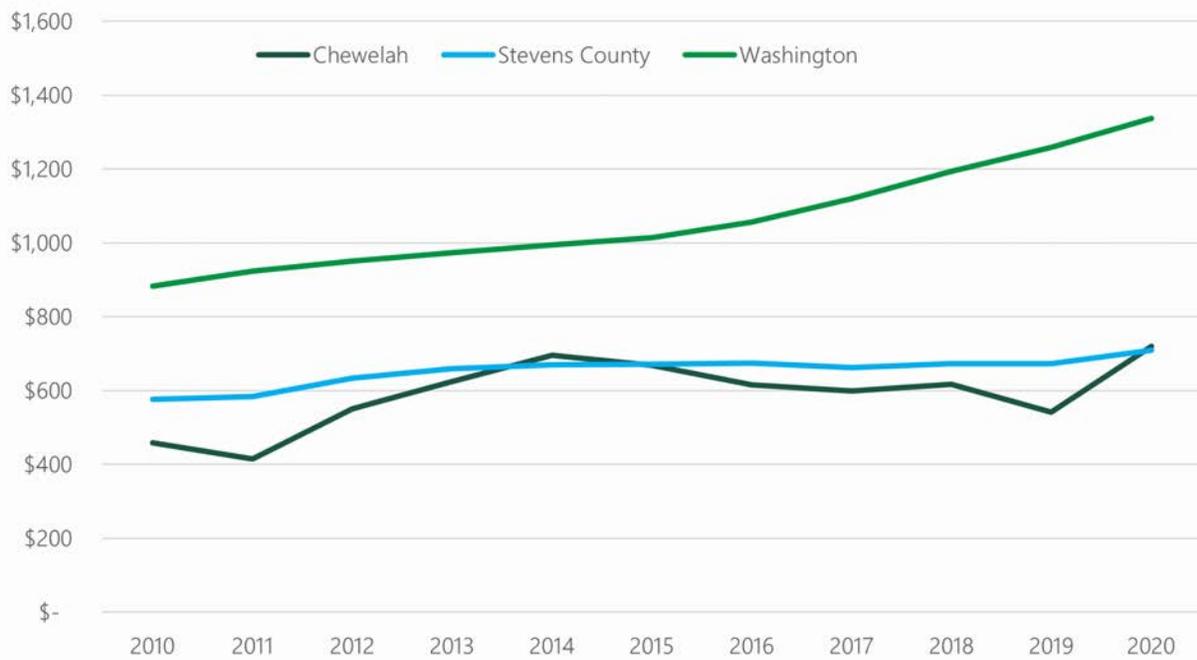


Figure 19. Median Gross Rent in Chewelah (Not Adjusted for Inflation) (2010-2020)
 Source: 2010-2020 American Community Survey 5-Year Estimates, Table DP04



Special Housing Inventory

Chewelah has several income-restricted housing developments built using the Low Income Housing Tax Credit (LIHTC) as well as subsidized housing catering to the needs of seniors in the city. The locations of these special housing types are shown and discussed below.

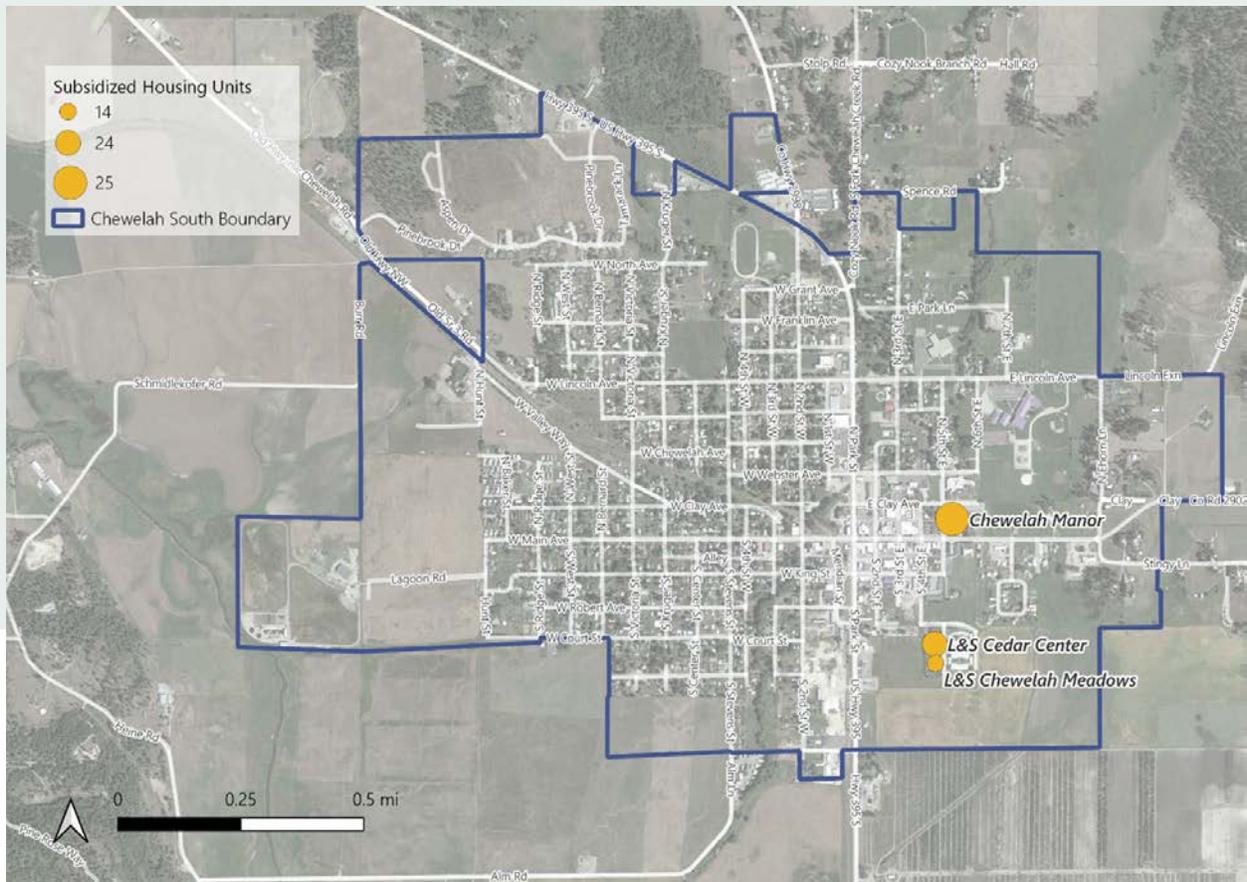


Figure 20. Subsidized Housing Locations in Chewelah (2022)
 Source: PolicyMap, Leland Consulting Group

Income-Restricted Housing

Chewelah has two developments with income-restricted affordable housing, which were built using Low-Income Housing Tax Credits (LIHTC), as shown in Table 3. These developments were placed into service between 1990 and 1994. Chewelah Meadows is a 14-unit development targeting seniors, and the Cedar Center is a 24-unit building targeting residents earning under 60 percent AMI.

Name	Address	Year Built	Subsidized Units	Notes	Unit Breakdown
L&S Cedar Center	402 S Fifth St E	1991	24	Income Ceiling: 60% AMI	1-bedroom: 1 2-bedroom: 8 3-bedroom: 15
L&S Chewelah Meadows	420 S Fifth St E	1993	14	Targets Seniors	1-bedroom: 13 2-bedroom: 1

Source: PolicyMap

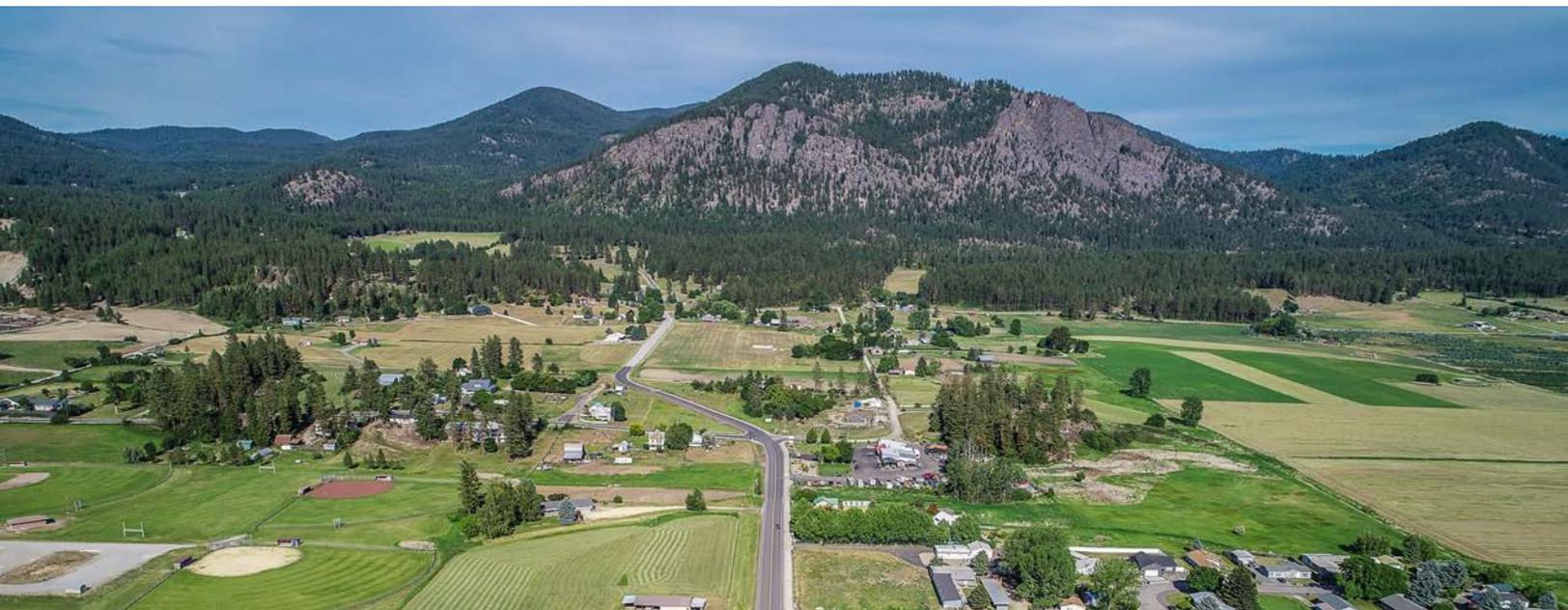
Name	Address	Subsidized Units	Notes	Unit Breakdown
Chewelah Manor	501 E Main Ave	25	Targets Seniors	1-bedroom: 20 2-bedroom: 5

Source: PolicyMap

In addition, the Spokane Housing Authority administers Housing Choice vouchers to qualifying families in Stevens County. These vouchers subsidize the cost of market-rate units to make them affordable to low-income households.²

Subsidized Senior Housing

Table 4 shows the third subsidized housing development in Chewelah, a 25-unit senior housing development subsidized by HUD. The L&S Chewelah Meadows development above also targets seniors.



²Rural Resources, "Housing Choice Voucher (Section 8)" <https://ruralresources.org/program/housing-choice-voucher-section-8/>

Workforce Profile

Understanding workforce and employment trends are essential for housing planning. Chewelah’s economy has shifted away from its traditional resource-based sectors toward health care, education, and retail in recent decades. Understanding the relationship between the city’s economy and housing can provide better opportunities for economic development and access to jobs in the future.

Within Chewelah itself, almost 40 percent of jobs are in health care and social assistance.

Providence St. Joseph’s Hospital, NEW Care, and other medical facilities in the city serve Chewelah residents and those of surrounding communities. The other top job sectors in Chewelah are shown in Figure 21, with education and retail accounting for over a quarter of Chewelah jobs.

Chewelah residents are employed in somewhat different sectors from the jobs present in the

community, also shown below. Only about half of the health care jobs in the city are employed by Chewelah residents. Additionally, nearly 20 percent of Chewelah residents work in the more “blue-collar” industries of Manufacturing and Construction outside of the city.

Although accommodation and entertainment/recreation make up a relatively small share of jobs in Chewelah, several planning and development projects in progress may increase this sector of Chewelah’s economy in the future. The Spokane Tribe is building a 70-bed hotel in the city, and Stevens County is in the process of upgrading the 49 Degrees North resort just east of Chewelah. The need for more hotel and resort industry workers at these new and expanded locations further demonstrates another facet of needed housing for lower- and middle-income jobs in the city.

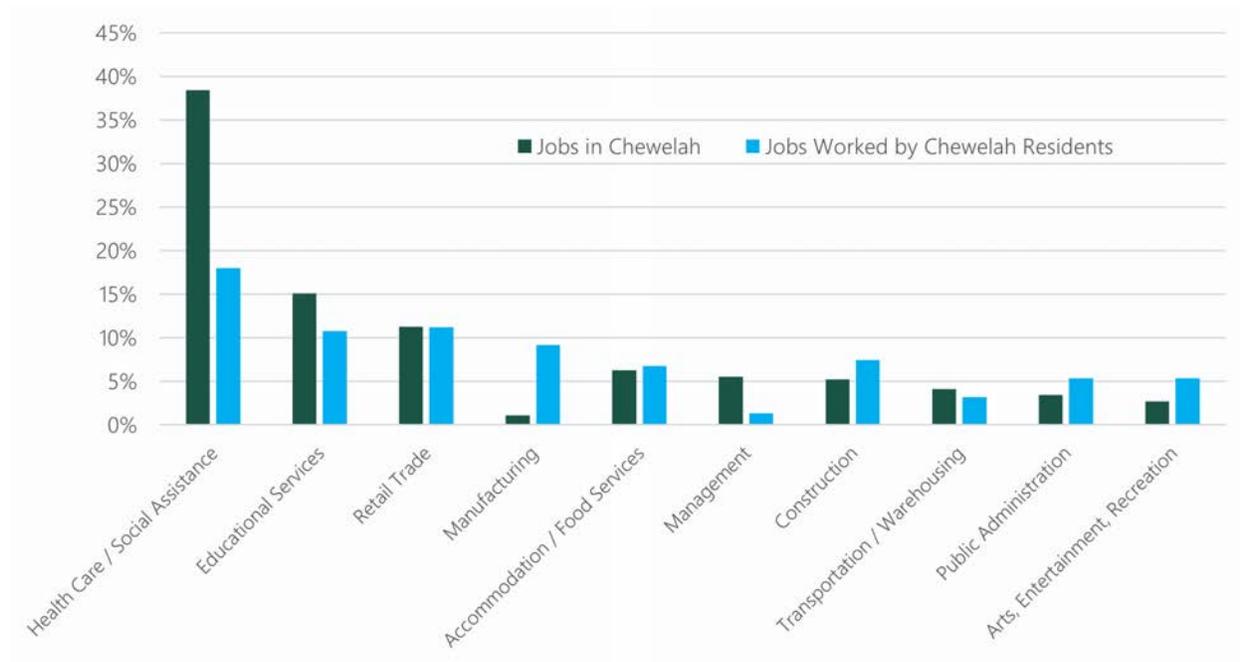


Figure 21. Top Industries in Chewelah, 2019
Source: Census OnTheMap



There is a higher percentage of lower-paying jobs (\$1,250 per month or less) in Chewelah than in Stevens County as a whole. These income levels would put sole earners at risk of being housing cost-burdened. On average, jobs in the city pay less than jobs held by Chewelah residents, likely resulting from residents who commute to Spokane or elsewhere for higher-paying jobs.

Overall, about 17 percent of Chewelah’s residents work in the city – about 115 jobs. As shown in Figure 22, about 635 commuters come into the city daily from a variety of locations – 6 percent from Spokane, 2 percent each from Colville and Addy, and the remainder from other locations.

Earnings	Jobs in Chewelah	Jobs Worked by Chewelah Residents	Jobs in Stevens County
\$1,250 per month or less	21.10%	18.80%	17.40%
\$1,251 to \$3,333 per month	40.30%	35.90%	37.20%
More than \$3,333 per month	38.70%	45.30%	38.70%

Source: Census OnTheMap

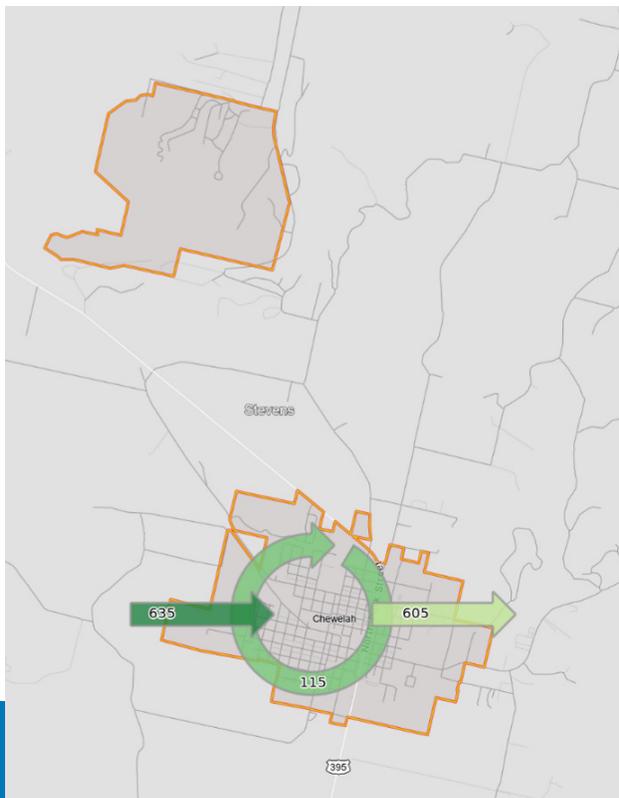
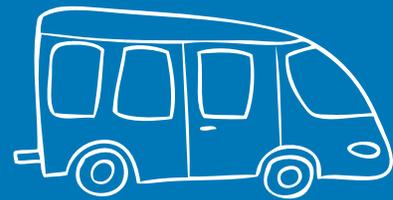
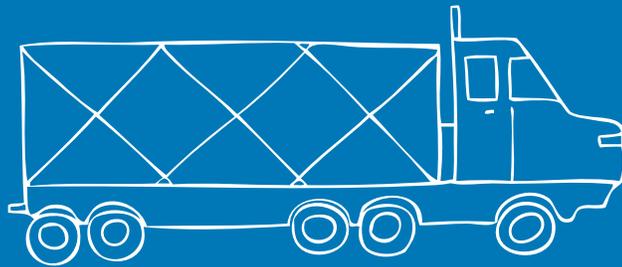


Figure 22. Commuting Patterns in Chewelah (2019)
Source: Census OnTheMap

Of the 605 commuters who live in Chewelah and work elsewhere, about 15 percent work in Spokane and 9 percent in Colville. **Overall, Chewelah’s rural location results in long commuting distances for Chewelah residents.** Nearly 60 percent of Chewelah residents commute more than 25 miles, and 30 percent commute more than 50 miles to work. Of those who work in the city, commuting distances are shorter – about 35 percent of Chewelah’s workforce commutes less than 10 miles.



Gap Analysis

This section identifies specific gaps following the demographic, workforce, and housing data discussed previously. These gaps identify segments of the population with particular housing needs, such as older adults, large or small households, and low-income residents. This section also discusses issues and trends which may emerge in coming years, such as population growth and changes in housing affordability, and connects these trends with the housing needs of the specific groups. Effective policy and planning recommendations can help to close these gaps in the future.

Gap Between Household Income and Housing Costs

As discussed in “Low-Income and Cost-Burdened Households” on page 8, households are considered “cost-burdened” if they spend more than 30 percent of their income on housing costs, including rent, mortgage, and utilities. This metric can be used to analyze the gap between housing costs and affordability in Chewelah.

Ownership

Figure 23 uses a variety of data to show the gap between what the typical household in Chewelah earns and what they would need to earn to afford the median home in the city without spending more than 30 percent of their income on housing costs. **Based on the 2021 median household income estimate of \$45,795, the typical Chewelah household could afford to purchase a home priced around \$197,995,** assuming a 20 percent down payment and current interest rates as of July 2022. However, the typical sales price in 2021 was \$310,567, a gap of \$112,500. Or, to look at it another way, in order to afford a typical home in the city, the average household would need to earn \$26,037 more.



Figure 23. Ownership Housing Affordability in Chewelah (2021)
Sources: ESRI, Zillow, Freddie Mac, City of Chewelah, Leland Consulting Group

Rental

Figure 24 shows a gap analysis for rental costs in Chewelah based on the 2020 ACS reported median gross rent and household incomes. As discussed in “Housing Cost” on page 13, tracking rents via Census data is often an underestimate, but other sources of rent data for small communities are difficult to find. As shown, the median household in Chewelah could afford a rent of \$1,145 without being cost-burdened, but median incomes for renters are substantially lower. **The median rental household could only afford to pay \$837 without being cost-burdened, only slightly more than the reported median rent.** Taking into account on-the-ground conversations about increases in rental costs since 2020, it is likely that a monthly payment of \$837 would no longer be sufficient to afford average rents in Chewelah. Furthermore, the large share of lower-income and cost-burdened residents discussed previously also indicates the need for continued production of subsidized rental housing in the city.

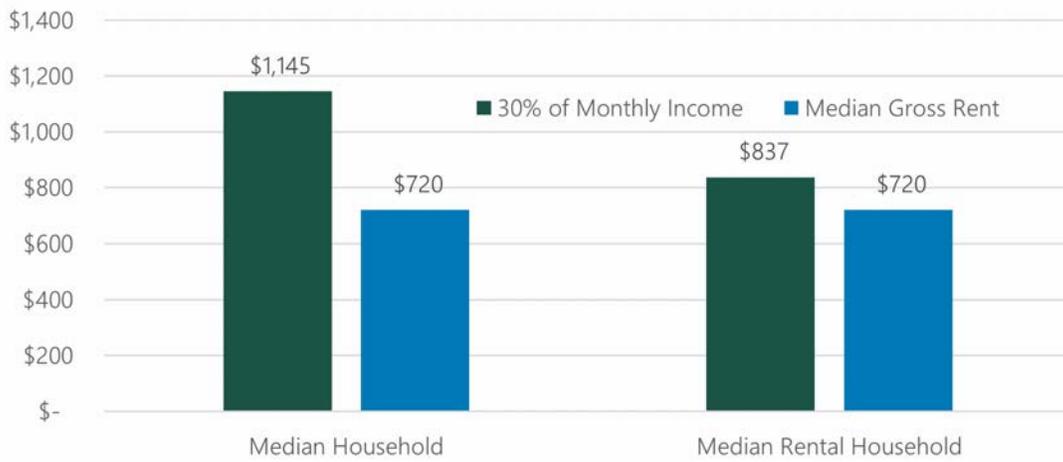


Figure 24. Rental Affordability in Chewelah (2020)

Source: 2020 American Community Survey (ACS) 5-Year Estimates, Tables DP04, S2503





Gap Between Housing Size and Household Size

As discussed in “Household Size, Type, and Tenure” on page 4, Chewelah’s household sizes are considerably smaller than regional averages. Figure 25 compares the number of bedrooms to the size of households. **The large majority of households in Chewelah (86 percent) are one and two-person households. However, only 45 percent of housing units have one or two bedrooms and more than half of housing units have 3 or more bedrooms.** This mismatch suggests the need for smaller housing units in the city, particularly as the population ages and family size decreases. Although smaller households can live in larger housing units, a closer match of housing unit size to household size creates more affordable and flexible options for a wider range of residents at all income levels. If the only available housing units are larger than necessary, households can be forced to spend more than they can afford on housing costs.

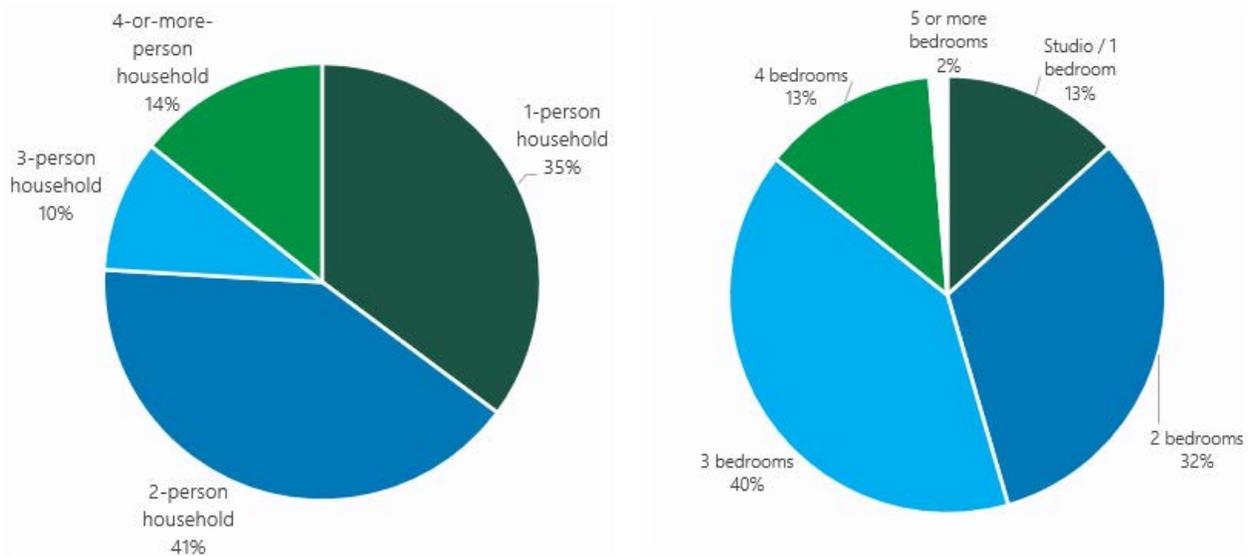


Figure 25. Bedrooms and Household Size in Chewelah (2020)

Source: 2020 American Community Survey (ACS), Tables S2501, DP04



Land Capacity Analysis

This section discusses the capacity of existing land in Chewelah to accommodate future population growth, as well as opportunities and constraints to development, including the availability of water, sewer, and other municipal services, environmental constraints, zoning, and other factors.

Stevens County Buildout Analysis

Stevens County completed a land capacity analysis as part of its 2021 Comprehensive Plan which used City and County GIS data, assessor’s records, building permit data, and OFM population projections to analyze whether each jurisdiction had adequate land supply to accommodate 20-year population growth. Chewelah City and UGA forecasts are shown in Table 6 and Table 7 using two methods – one based on OFM population forecasts, and one based on historic County buildout data.

Overall, Chewelah has 60 acres of developable land within its city limits and another 8 within the UGA, based on the County’s analysis of vacant and underutilized land shown in Figure 26. These

analyses indicate **that the city has a surplus of between 24 and 32 acres within the city itself and another seven acres within the UGA to accommodate housing production** at a density of four units per acre to meet the projected population growth over the next 20 years.

As described in the 2021 Comprehensive Plan, the UGA boundaries were designed to maximize access to city services, particularly sewer and water, for properties outside the city limits which may need to be annexed to account for future growth. In addition, parcels selected for inclusion within the UGA were primarily owned by property owners who expressed the wish to develop their properties with more urban uses.



Table 6. Chewelah City and UGA Land Capacity Analysis Results – OFM Projections

Jurisdiction	% of 2018 Total Population	2018-2040 Population Increase	Land Required for Growth (acres) [1]	Available Land (acres)	Market Supply Factor [2]	Infrastructure Adjustment	Developable Land (acres)	Surplus Land (acres)
Chewelah City	5.90%	357	36	258	67%	10%	60	24
Chewelah UGA	0.10%	5	0.5	57	67%	20%	8	7

[1] Assumes 2.48 people per household and 4 units/per acre of housing density.

[2] Market supply factor represents the percentage of parcels that are unlikely to be available for development based on historical sales data.

Source: Stevens County July 2021 Land Capacity Analysis Report



Table 7. Chewelah City and UGA Land Capacity Analysis Results – County Buildout Data

Jurisdiction	New Homes Per Year	20-Year Projection of New Homes	Land Required for Growth (acres) [1]	Available Land (acres)	Market Supply Factor	Infrastructure Adjustment	Developable Land (acres)	Surplus Land (acres)
Chewelah City	5.75	115	29	258	67%	10%	60	32
Chewelah UGA	0.08	2	9	57	67%	20%	8	7

[1] Assumes 4 units/per acre of housing density.
 Source: Stevens County July 2021 Land Capacity Analysis Report

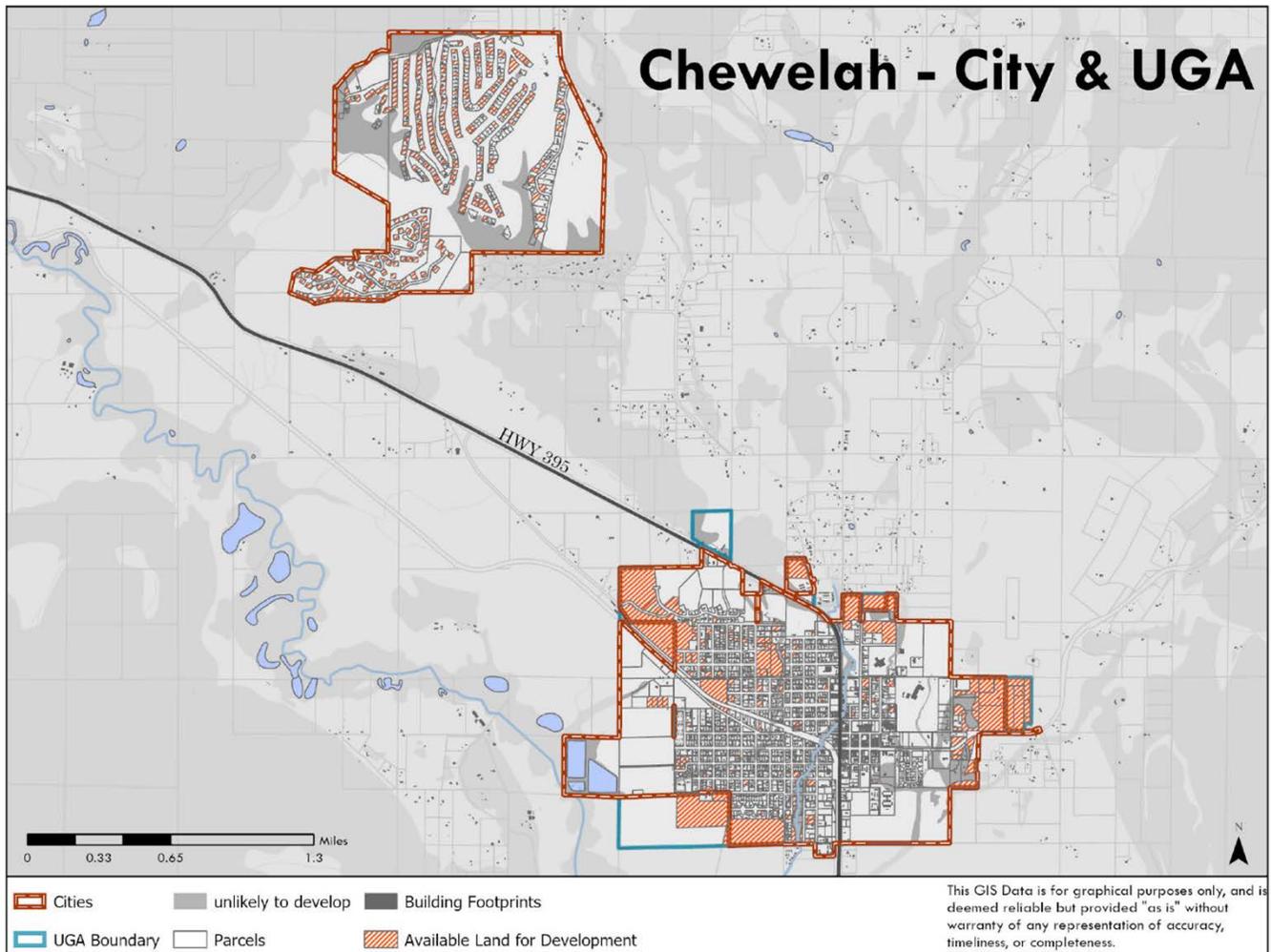


Figure 26. Chewelah Developable Land Analysis
 Source: Stevens County July 2021 Land Capacity Analysis Report



Zoning

Chewelah’s zoning code contains two single-family zones, one multi-family zone, one commercial zone, one industrial zone, and a public facility zone, as well as three recreational residential zones in Chewelah North, as shown in Figure 27.

The **Single-Family Residential** zones (R-1 and R-18) allow single-family homes at a density of at least 4 units per acre. Detached secondary dwellings and duplexes are also allowed in most of the single-family zones by right. The **Multi-Family Residential High-Density** zone (R-3) allows single and multifamily dwellings right at a density of at least 6 units per acre. The **Recreational Residential (Airport-Golf Course)** (APGC 1-3) zones, found in Chewelah

North, allow single-family dwellings by right at a density of at least 4 units per acre and account for common open space around the golf course. Detached second units, duplexes, and multifamily dwellings are allowed by special permit. The **Retail-Business** (R-B) zone allows duplexes or multifamily dwellings by right but no single-family dwellings are allowed. The **Commercial-Industrial** (C-I) zone does not allow residential uses unless occupied by the caretaker of a permitted use.

Overall, according to the 2021 Chewelah Comprehensive Plan, 32 percent of Chewelah is zoned for single-family residential and 3 percent zoned for multifamily residential. Another 9 percent is zoned for retail which allows multifamily residential, for a total of 12 percent of the City’s acreage, or 194.7 acres, which allows multifamily development by right.



Environmental Constraints³



Chewelah contains several wetland areas and three creeks which pose constraints to housing development. Wetlands can provide important buffers from flooding, filtering of groundwater, and wildlife habitat. Many of the wetlands within the Chewelah city limits are degraded in quality due to previous development, and the City's Critical Resource Area (CRA) Overlay Zone provides for the review of new development projects within critical areas.

In addition to the wetland areas, Chewelah contains three creeks: Paye Creek, Chewelah Creek, and Thompson Creek. All three creeks must comply with site plan review and the CRA review regulations. In addition, Chewelah Creek is recognized as a "Shoreline of Statewide Significance," imposing further conditions on development around the Creek as specified in the Shoreline Master Program. This program encourages that "full use of existing urban areas should be achieved before further expansion of intensive development is allowed."⁴

The three creeks in Chewelah drain into the Colville River. The floodplains of the creeks extend through areas of the city, and the Colville's floodplain also covers some sections of Chewelah South. Historic development in the city is centered around the Creeks and is within the floodplains, though more recent development, as well as future development, is required to take proactive measures to reduce flooding risk.

Figure 28 shows Chewelah's 100- and 500-year floodplains and wetland areas. In addition to the floodplains and protected areas around the three creeks, much of the area outside of Chewelah South within the UGA is within wetland areas, which could increase the cost and impose constraints on housing development in that area.



Infrastructure Constraints⁵

The City of Chewelah's water and sewage infrastructure may pose barriers to housing development in the coming decades. The 2018 Water System Plan describes the Chewelah South system, which draws from four wells and four reservoirs. Although the system has the capacity to serve a population of 2,500 residents, it is aging significantly and loses up to 10 percent of its water annually due to leakage in aging transmission pipes. Additionally, the water pipe diameter is not sufficient to meet modern firefighting needs. The City is in the process of obtaining additional water rights to cater to projected demand and is replacing small diameter pipes on an as-needed basis. The City has also adopted development phasing regulations to prevent the water supply system from being overtaxed. In Chewelah North, the water system was installed by the developer of the golf course and later deeded to the City of Chewelah. It receives water from three wells and has sufficient capacity to serve the population of Chewelah North.

Chewelah South is served by a sewer system that was installed in 2001 and designed for a population of 3,297. This is more than the current population of Chewelah South, but capacity will need to increase to meet the projected 20-year population growth. The 2001 design accounted for an additional clarifier to eventually be installed to increase capacity. The system consists of 80,000 feet of sewer line with one pump station. **In Chewelah North, there is no sewer system and wastewater is treated by on-site septic systems.** The soil type is adequate but not high quality for absorbing septic waste, with the potential for contamination into the groundwater due to rapid absorption. This could pose a constraint to further development in the area in future decades.

³Information in this section is primarily drawn from the 2021 Chewelah Comprehensive Plan.

⁴City of Chewelah Shoreline Master Program, November 2007

⁵Information in this section is primarily drawn from the 2021 Chewelah Comprehensive Plan.



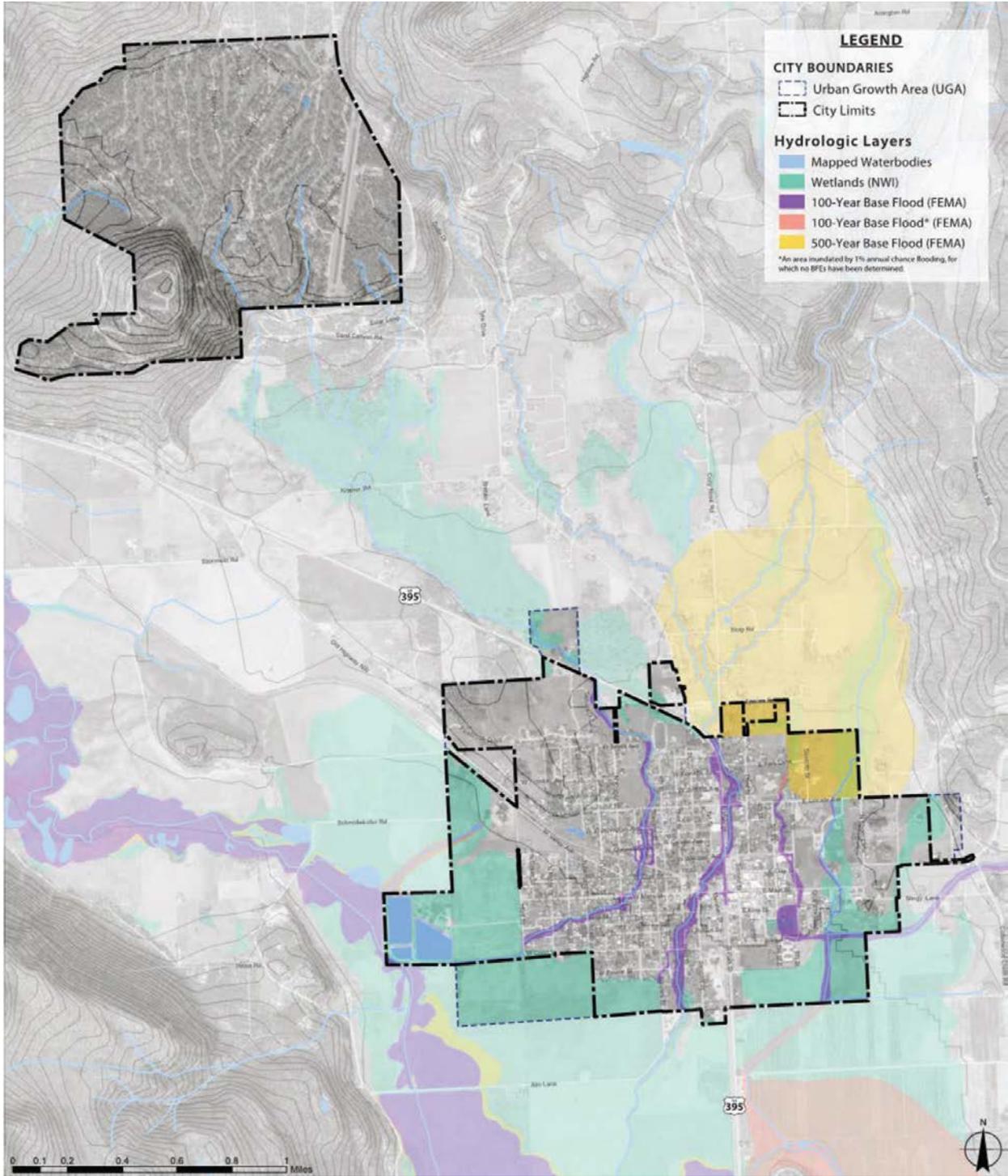


Figure 28. Chewelah Hydrologic Conditions (2021)
 Source: Chewelah 2021 Comprehensive Plan

Conclusion

Chewelah faces several concurrent housing issues. After a decade of population decline, the city has begun to grow again and is projected to continue growing over the next two decades, increasing the demand for housing. Much of the existing housing stock is relatively old, and the city faces constraints to development from its creeks and aging sewer and water infrastructure. Though development has increased in the past few years, much of it has been concentrated in the more affluent area of Chewelah North.

Incomes in Chewelah have increased significantly but still lag behind regional averages. Many residents, particularly those earning less than 50 percent of the Area Median Income are housing cost-burdened and spending more than 30 percent of their income on housing costs. Renters in particular have lower incomes and higher rates of cost burden. The small number of subsidized housing developments in the city does not match the number of low-income residents, and many jobs in the city

pay relatively low when compared with regional averages. Housing costs have increased rapidly since the onset of the COVID-19 pandemic, though incomes have also increased since 2018. If these income increases are shared among the population, this could have positive effects on housing affordability, but anecdotes suggest this may partially be a result of higher-income earners employed in Spokane and elsewhere moving to Chewelah.

The city's population is aging rapidly and household sizes are small, with a large share of one-person households. However, the existing housing stock is primarily made up of units with two, three, or four bedrooms. Smaller and more accessible units will be required to meet the needs of an aging population in the coming decades. These could effectively be located in the downtown area which has the potential for more mixed-use development.



Appendix B. Future Housing Needs by Income Bracket

Based on the 2021 median household income estimate of \$45,795, the typical Chewelah household could afford to purchase a home priced around \$197,995, assuming a 20 percent down payment and current interest rates as of July 2022. However, the typical sales price in 2021 was \$310,567, a gap of \$112,500. Or, to look at it another way, to afford a typical home in the city, the average household would need to earn \$26,037 more. Chewelah is a relatively low-income community experiencing rapid increases in housing costs. About 35 percent of Chewelah’s households are cost-burdened, and 11 percent of households are severely cost-burdened, which indicates the need for affordable, market-rate housing that minimizes the cost-burdened status of households.

The draft 2022 Stevens County Comprehensive Plan estimates that Chewelah will account for 5.9 percent of the county’s population in 2040. Using this same share of the county population with the OFM population forecast for 2040 results in a projection of 3,027 people. The 2021 Stevens County Land Capacity Analysis Report estimates a need for 115 additional housing units in Chewelah by 2040, which is about 6 housing units per year and 2 units in the Chewelah UGA.

Most housing units are needed for the extremely low-income level bracket (0-30% AMI) at additional 77 housing units, which fit HUD income-restricted housing requirements. Over two-thirds of these housing units should be rentals, consistent with the findings in the Low-Income and Cost-Burdened Households findings in this Housing Needs Assessment. There is also the need for five additional units dedicated to emergency or temporary housing needs. For low-to moderate-income households or greater, about half of these housing units should be dedicated to homeownership.

2040 New Units Needed under Future “Medium Growth” Scenario by Income Bracket		
Income Level (% of Area Median Income)	Distribution of Units, Based on Allocation of Need	Chewelah New Units Needed by 2040
Extremely Low-Income (0-30%)	67%	77
Very Low-Income (>30-50%)	6%	7
Low-Income (>50-80%)	6%	7
Moderate Income (>80-100%)	3%	4
Above Moderate Income (>100-120%)	3%	4
Greatly Above Median Income (120%+)	15%	16
TOTAL	100%	115

Sources: ESRI, American Community Survey (ACS), Table DP04, Washington Office of Financial Management, Stevens County, City of Chewelah, Leland Consulting Group, and WA State Commerce Draft Housing for All Planning Tool (2022)

Chewelah is a relatively low-income community, with nearly 70 percent of residents earning under 100 percent of the AMI, and over half of the residents earning under 80 percent of AMI, a common threshold for affordable housing eligibility. As shown in Figure 10, Chewelah’s rental households earn considerably lower incomes than homeowners. About three-quarters of renter households earn less than 80 percent AMI and nearly a third earn under 30 percent AMI, or \$27,750 for a family of four.



Appendix C. Community Engagement Results



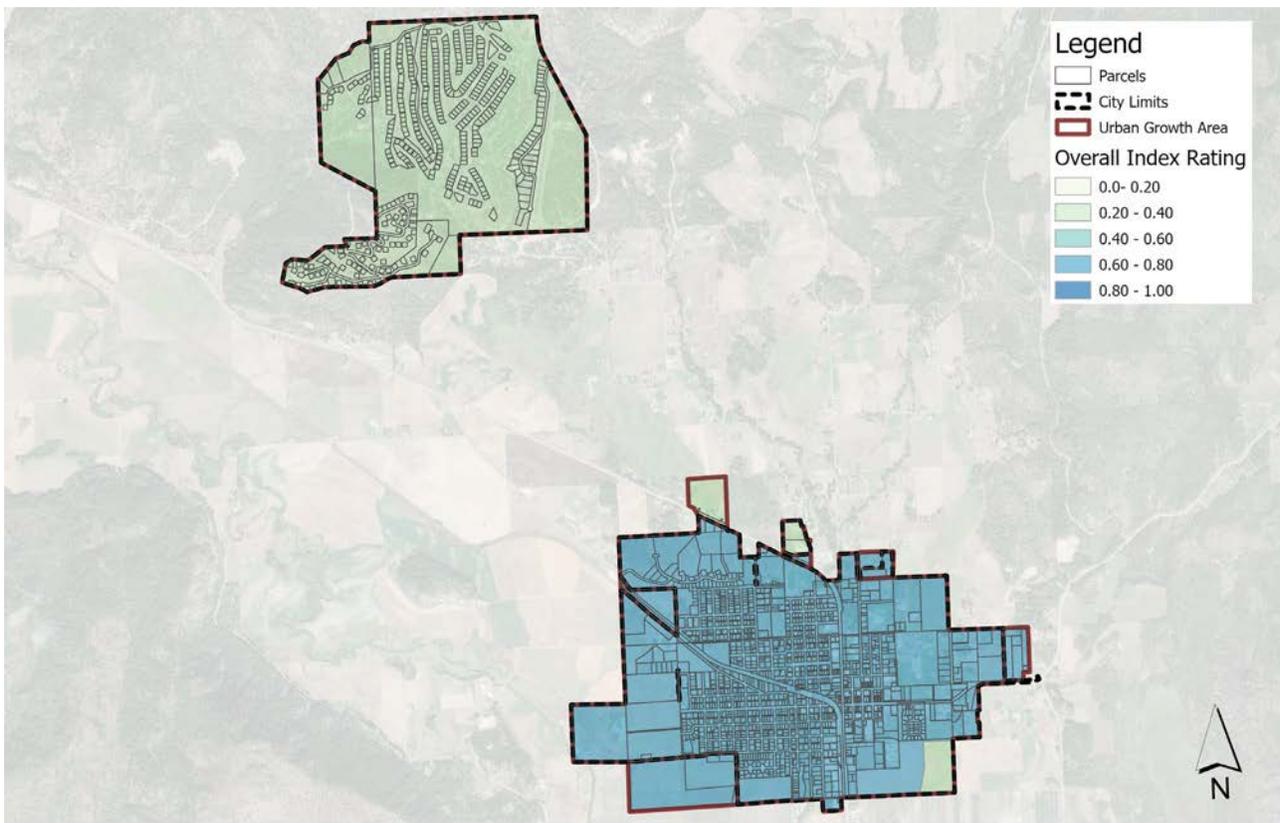
Appendix D. Displacement Risk Analysis

Displacement refers to instances when a household is forced or pressured to move from their home against their will. Low-income populations are at high risk of displacement resulting from redevelopment. In particular, cost-burdened and severely cost-burdened households are at the highest risk of displacement when housing costs rise or life circumstances change due to already paying more than 30% of their income on housing.

Many Chewelah residents, particularly those earning less than 50 percent of the Area Median Income are housing cost-burdened and spending more than 30 percent of their income on housing costs. Chewelah is a relatively low-income community, with nearly 70 percent of residents earning under 100 percent of the AMI, and over half of the residents earning under 80 percent of AMI, a common threshold for affordable housing eligibility. About 35 percent of Chewelah's households are cost-burdened, and 11 percent of households are severely cost-burdened.

Displacement risk analysis results identify Chewelah South, especially in the downtown corridor with the highest vulnerability concerns and risk of displacement. Social vulnerability refers to the potential negative effects on communities caused by external stresses on human health. Such stresses put these populations at high risk of displacement and more susceptible to suffering and economic loss, which can lead to housing displacement. As shown in Figure 2, the social vulnerability is highest in Chewelah South rated at 0.77 overall compared to surrounding areas in the UGA, and Chewelah North rated at a lower vulnerability rating of 0.29. This significant gap further illustrates the economic disparities between the two geographic regions in Chewelah. In addition, recent permitting activity in Chewelah indicates over half of the permits issued were in Chewelah North (see Appendix A. HNA Figure 16. Residential Permit Activity). There is a significant need for the city to incorporate anti-displacement policies and mixed-income communities so that new development, especially in Chewelah North, does not displace current residents in Chewelah South.





Social Vulnerability Index City of Chewelah

Social Vulnerability in Chewelah

Renters also have a high risk of displacement due to lower incomes and higher rates of cost burden. Chewelah’s rental households earn considerably lower incomes than homeowners (see Appendix A. HNA Figure 10. Housing Incomes in Chewelah). About three-quarters of renter households earn less than 80 percent AMI and nearly a third earn under 30 percent AMI, or \$27,750 for a family of four. While renters only make up one-third of households in Chewelah, they make up 88% of all households earning less than 30 percent of the AMI, another example of the greater housing challenges facing rental households. Overall, 43 percent of Chewelah’s renter households are cost-burdened, compared with 31 percent of ownership households. Cost-burdened households can face difficult choices between prioritizing spending on housing and other household needs such as food and health care, which makes contributes to high displacement risk. Significantly, only 3 percent of Chewelah is zoned for multifamily residential, where most rentals are located. It will be important for the city to preserve the multifamily R-3 zone and provide incentives for multifamily or small-scale rental units in the Retail-Business (R-B) Zone.

Currently, the city does not have a code enforcement officer that can monitor or enforce evictions. Chewelah’s Police Department assists in enforcement but with limited jurisdiction. Eviction data is unavailable for Chewelah and the County’s rate is low at 1% (Evictions Lab, 2020). In 2020, 44 evictions were filed in Stevens County that threatened 43 households but none were recorded in Chewelah. Evictions are not anticipated to be a risk to vulnerable populations in Chewelah but may need to be considered as a factor in future housing considerations.

Overall, residents in Chewelah South are at the highest risk of displacement, especially renters. A large portion of Chewelah’s severely cost-burdened is renters. Strategies proposed in the Housing Action Plan and anti-displacement policy implementation should consider mitigating development impacts in Chewelah North and protecting housing affordability in Chewelah South.

Appendix E. Policy and Regulations Evaluation

The purpose of this evaluation is to evaluate the City of Chewelah’s planning documents to determine the City’s successes and barriers to developing housing related to the achievement of goals and policies and implementation consistent with RCW 36.70A.600 (2)(e)). This evaluation includes reviewing the city’s Comprehensive Plan Housing element and related elements as well as the Housing and Downtown Subarea Plan. This policy evaluation informs the strategies in the city’s future Housing Action Plan.

Policy Evaluation Criteria

This evaluation takes into consideration the findings of the Housing Needs Assessment including anticipated growth, permit issuance trends, and identified gaps concerning the city’s Comprehensive Plan policy implementation. The review considers the following evaluation criteria in terms of success in achieving housing unit needs as well as the achievement status of each goal and policy referenced:

Connection to the HNA or HAP objectives

- ◆ C – continuing need for the goal/policy to meet identified gaps in the HNA or HAP objectives
- ◆ A – amend to address HNA gaps
- ◆ N – not directly related to housing needs or objectives

Achievement of goals, policies, and actions

- ◆ E – early or not yet initiated
- ◆ M – moderate progress
- ◆ C – completed

Policy Evaluation Matrix					
Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to the HNA or HAP	Achievement of Goals, Policies, and Actions	Recommendation
G1	Continue to strengthen the community fabric between Chewelah north and south through physical infrastructure improvements which connect the two, relationship building, via community events and celebrations, and highlighting the opportunities each provides one another through this symbiotic relationship.	Housing in Chewelah North is better quality, with larger SFRs. The comp plan and development regulations encourage this type of housing development in both the north and south.	C	E	Identify infill development opportunities for larger housing development.
G3	Maintain an attractive and balanced mix of land uses and densities.	The city's zoning and development code should be evaluated to include more housing types, densities, and flexibility in the zoning.	C	E	Update zoning code.



Policy Evaluation Matrix					
Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to the HNA or HAP	Achievement of Goals, Policies, and Actions	Recommendation
G6	Ensure that all city residents have access to public services through the efficient use of existing and planned infrastructure.	The city is working to add more water services, currently, they are nearly meeting their LOS for water.	C	E	Update city infrastructure to increase water LOS.
G15	Support quality living and housing opportunities for people of all ages, abilities, and income levels.	The city's zoning and development code should be evaluated to include more options for housing for all age groups.	C	M	Update zoning code.
G16	Provide a range of housing types to ensure affordable options for all.	Similar to G15. Evaluate the zoning ordinance to include more housing variety	A	E	Update zoning code.
G17	Coordinate and support compatible development and land use in and around the Chewelah Municipal Airport	The city is planning to expand development around the airport. This includes evaluation and placement of housing.	C	M	Update the airport code to include the airport overlay zone.
P3	Allow housing types and densities to be mixed together, including manufactured and multi-family housing, so that new development meets the needs of all residents.	The zoning code permits manufactured housing with SFR. The code should be evaluated to identify the prohibited development of manufactured housing and identify other types of housing development prohibited.	A	E	Update zoning code.
P4	Provide protections for residential neighborhoods from incompatible nearby uses.	The code currently does this, the code update should be aware of not creating adjacent incompatible uses	A	E	Update zoning code.
P29	Encourage housing for seniors and other special needs; plan for housing that is within walking distance of shopping, medical services, and transportation access.	The Downtown and Housing Subarea Plan recommends locations suitable for rezoning to include upzoning to R3.	A	E	Complete the rezone recommendation from the Downtown and Housing Subarea Plan.
P30	Support the continuation of programs that assist low-income and special needs households.		C	M	
P32	Encourage the preservation of the existing housing stock.	The city does not have any programs which support this policy currently	A	E	Recommend working with the Building Official to identify ways to implement this policy.



Policy Evaluation Matrix					
Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to the HNA or HAP	Achievement of Goals, Policies, and Actions	Recommendation
P35	Coordinate and collaborate with Chewelah Municipal Airport to achieve the highest best land use decisions and development standards.	Similar to G17.	C	M	Same as G17.
P36	Ensure regulations apply equally to site-built and manufactured housing types.	Ongoing, a state requirement.	C	E	This is a requirement of the state.
P39	Encourage compatible mixed-use development in existing buildings.	Mixed-use development is permitted in the Retail Business zoning.	A	E	The city could encourage more mixed-use development.
A18	Adopt a flexible zoning code to encourage alternative and affordable housing options that also provide more density in strategic locations like downtown and other zones. Housing options include duplexes, townhomes, “missing middle housing”, and mixed-use developments.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	A	E	The city could initiate an update of the entire zoning code.
A20	Evaluate and change zoning and land use as it pertains to housing to improve opportunities for alternative and affordable housing options.	The Downtown and Housing Subarea Plan encourages changes in permitted uses, if the city were to begin implementation of this plan it would assist in this goal.	A	M	When updating the permitted uses matrix a holistic approach to updating the matrix should be considered and include more housing types/ variety/density.
A24	Adopt the Airport Overlay Zone Map and land use development standards for compatible uses in and around the Chewelah Municipal Airport.	In progress	N	M	The city is currently leading a process to identify areas suitable for residential development. The city should continue to work towards the adoption of an airport overlay zone.
A30	Explore and implement incentives for mixed-use development in the retail business zone.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	C	E	Initiate code changes from the Downtown and Housing Subarea Plan.



Policy Evaluation Matrix					
Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to the HNA or HAP	Achievement of Goals, Policies, and Actions	Recommendation
A35	Amend the Chewelah Municipal Code, Title 18 Zoning, to allow renting of rooms in the R- 1B zone.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	A	E	Initiate code changes from the Downtown and Housing Subarea Plan.
A36	Amend the Chewelah Municipal Code, Title 18 Zoning, to allow housing for people with functional disabilities in the R-3 zone.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	A	E	Initiate code changes from the Downtown and Housing Subarea Plan.
A37	Study a variety of incentive programs to encourage mixed-use development in the downtown and along Hwy 395.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	C	E	Initiate code changes from the Downtown and Housing Subarea Plan.
A38	Implement the preferred housing scenario from the Downtown and Housing Subarea Plan by rezoning a portion of the R-1 and R-1B zones within the subarea to R-3.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	C	E	Initiate code changes from the Downtown and Housing Subarea Plan.
A39	Amend the Downtown Overlay District to encourage and prioritize mixed-use development projects in two- and three-story buildings which provide retail on the ground floor and residential on the upper stories.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	A	E	Initiate code changes from the Downtown and Housing Subarea Plan.
DOWNTOWN AND HOUSING SUBAREA PLAN					
Land Use & Streetscape: Maintain Chewelah's small-town charm while fostering aesthetic and functional improvements.					
1.3	Action: Explore and implement incentives for mixed-use development in the retail business zone.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	C	E	Initiate code changes from the Downtown and Housing Subarea Plan.
Housing: Provide greater opportunities to develop a variety of housing types and sizes in Chewelah to accommodate many lifestyles and family sizes.					
1	Action: Amend the Chewelah Municipal Code, Title 18 Zoning, to allow renting of rooms in the R-1B zone.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	A	E	Initiate code changes from the Downtown and Housing Subarea Plan.



Policy Evaluation Matrix					
Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to the HNA or HAP	Achievement of Goals, Policies, and Actions	Recommendation
2	Action: Amend the Chewelah Municipal Code, Title 18 Zoning, to allow housing for people with functional disabilities in the R-3 zone	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	A	E	Initiate code changes from the Downtown and Housing Subarea Plan.
3	Action: Study a variety of incentive programs to encourage mixed-use development in the downtown and along US 395.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	C	E	Initiate code changes from the Downtown and Housing Subarea Plan.
4	Action: Implement the preferred housing scenario	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	C	E	Initiate code changes from the Downtown and Housing Subarea Plan.
5	Action: Amend the Downtown Overlay District to encourage and prioritize mixed-use development projects in two-and three-story buildings that provide retail on the ground floor and residential on the upper stories.	Implementation of the zoning code changes from the Downtown and Housing Subarea Plan will assist in the implementation of this policy	A	E	Initiate code changes from the Downtown and Housing Subarea Plan.

Development Regulations Review

The city’s development regulations can make or break housing production and supply specifically related to zoning, which regulates permitted uses. Zoning determines where and what can be built including housing density, size, and type. As described in the Land Capacity Analysis of this Housing Needs Assessment, Chewelah’s zoning code contains two single-family zones, one multi-family zone, one commercial zone, one industrial zone, and a public facility zone, as well as three recreational residential zones in Chewelah North.

- ◆ Single-Family Residential zones (R-1 and R-18) allow single-family homes at a density of at least 4 units per acre. Detached secondary dwellings and duplexes are also allowed in most of the single-family zones by right.
- ◆ Multi-Family Residential High-Density zone (R-3) allows single and multifamily dwellings right at a density of at least 6 units per acre.
- ◆ Recreational Residential (Airport-Golf Course) (APGC 1-3) zones, found in Chewelah North, allow single-family dwellings by right at a density of at least 4 units per acre and account for common open space around the golf course. Detached second units, duplexes, and multifamily dwellings are allowed by special permit.
- ◆ Retail-Business (R-B) zone allows duplexes or multifamily dwellings by right but no single-family dwellings are allowed.
- ◆ Commercial-Industrial (C-I) zone does not allow residential uses unless occupied by the caretaker of the permitted use.



Overall, according to the 2021 Chewelah Comprehensive Plan, 32 percent of Chewelah is zoned for single-family residential, and 3 percent is zoned for multifamily residential. Another 9 percent is zoned for retail which allows multifamily residential, for a total of 12 percent of the City’s acreage, or 194.7 acres, which allows multifamily development by right. There are little to no barriers to developing housing, however, no incentives are in place to provide affordable housing, which is severely needed.

Chewelah’s permitted use table or district use chart was last updated in 2016. Chewelah Municipal Code’s use classifications Table 18.08.020 provides examples of permitted, conditionally permitted, and expressly prohibited uses in the various base zones. Permitted uses are allowed as a matter of right. Because of considerations of traffic, noise, lighting, hazards, health, and environmental issues, certain uses may be permitted subject to a conditional use permit. Expressly prohibited uses are those that are not clearly allowed in the zone. For purposes of this section, the following apply:

1. "P" indicates a permitted use.
2. "C" indicates a use that requires a conditional use permit.
3. "X" indicates expressly prohibited uses.

Chewelah Zoning Use Classifications – Residential Uses							
	R-1	R-1B	R-3	R-B	C-I	APGC	C-F
Single-family dwelling (including designated manufactured homes)	P	P	P	X	P	P	X
Detached second unit	P	X	P	X	X	C	X
Duplex	P	P	P	P	P	C	X
Multi-family, 3 units or more	X	X	P	P	P	C	C
Renting rooms	P	C	P	P	X	P	X
Housing for people with functional disabilities	P	P	C	X	X	X	C
Home occupation	P	P	P	P	X	P	P
Accessory uses and structures	P	P	P	P	P	P	P
Adult family home	P	P	P	C	X	P	P
Manufactured home park	C	C	C	C	X	X	X
Mixed use (office, commercial and/or residential on a single parcel or in a single structure)	X	X	X	P	P	X	C

According to the Stevens County Buildout Analysis (2019), Chewelah has 60 acres of developable land within city limits and another 8 within the UGA. The analysis indicates that the city has a surplus of between 24 and 32 acres within the city itself and another seven acres within the UGA to accommodate housing production at a density of four units per acre to meet the projected population growth over the next 20 years. This will meet the city’s need for 115 additional homes needed by 2040 (see Table 7. Chewelah City and UGA Land Capacity Analysis Results – County Buildout Data). Although the land is available and zoned for residential, engagement efforts indicate that

developers and builders are not incentivized to build residential and find the code difficult to navigate. An update of the development regulations and code to simplify regulations, including updating the use classifications is necessary to facilitate and incentivize housing development. Some code update recommendations include:

- ♦ Reduce conditional use permit requirements in residential zones where appropriate.
- ♦ Reduce parking minimums that are a barrier to building denser housing.
- ♦ Increase allowable density and adjust other development standards to make building



more variety of housing types, including multi-family, more feasible.

- ◆ Add cottage housing, townhomes, and other innovative housing types to the use chart and permit where appropriate.
- ◆ Update the development regulations and create accompanying graphics for simplicity.
- ◆ Permit infill housing development where appropriate.
- ◆ Update zoning code to accommodate permanent supportive housing transitional housing, indoor emergency shelters and indoor emergency housing, pursuant to recent state legislation.
- ◆ Consider revisions to sidewalk requirements when sub-dividing to better meet the needs of the city, while providing flexibility for new development.



Appendix F. Monitoring and Evaluation

Strategy Progress Tracker

The city’s implementation of the eleven strategy recommendations will require coordinated efforts among city departments, staff, and local organizations. The majority of recommendations are intended to be achieved by the city with support from other organizations and entities. Each action is provided in the following implementation table to provide a way to track progress over time.

Implementation of Recommended Actions					
Category	Strategy	Started?	In Progress?	Complete?	Notes and Details
Zoning	Strategy 1. Update the city’s zoning use regulations to clarify and enable innovative housing types such as accessory dwelling units (ADUs), townhomes, and cottage-style developments.				
	Strategy 2. Update off-street parking regulations for consistency with HNA findings and the downtown and housing subarea plan.				
	Strategy 3. Adjust zoning development standards to reduce barriers for additional housing types and to ensure any new development of additional housing types is integrated appropriately.				
	Strategy 4. Update the zoning code to accommodate permanent supportive housing, transitional housing, indoor emergency shelters, and indoor emergency housing.				
Infrastructure	Strategy 5. Continue efforts to upgrade water and sewer infrastructure to reduce barriers to serving new development.				
Enforcement	Strategy 6. Review and ensure code enforcement does not displace residents.				

Implementation of Recommended Actions					
Category	Strategy	Started?	In Progress?	Complete?	Notes and Details
Policies, Procedures & Outreach	Strategy 7. Evaluate potential building code amendments to provide more feasibility for mixed-use development, small apartments, and rehabilitation of older buildings.				
	Strategy 8. Evaluate revisions to sidewalk requirements and policy to better meet the needs of the community while considering flexibility for new development.				
	Strategy 9. Audit and streamline permitting processes for development in the Critical Resource Area (CRA) Overlay Zone.				
	Strategy 10. Create materials for development guidance & outreach following code updates.				

Key Indicator Resources

Demographics

◆ Population

- Washington Office of Financial Management tracks population for every city in the state.
 - This data is released each year on April 1. The data is available as a PDF and Excel spreadsheet at the following link: <https://ofm.wa.gov/washington-data-research/population-demographics/population-estimates/april-1-official-population-estimates>

◆ Median Household Income

- The Census tracks household income estimates yearly through the American Community Survey (ACS). This data can be found at <https://data.census.gov/> as follows:

- Search for Table DP03: Selected Economic Characteristics in the main search area.
- After the table loads, on the left, select "Geography" and search for "Chewelah," then select "Chewelah City, Washington." The table will then display, and the year of data will be shown under the Table title. Scroll down to the "Median Household Income" field. The number shown under "Estimate" is the Median Household Income estimate for that year.

◆ Vacancy rate

- The Census tracks vacancy estimates yearly through the American Community Survey (ACS). This data can be found at <https://data.census.gov/> as follows:
 - Search for Table DP04: Selected Housing Characteristics in the main search area.
 - After the table loads, on the left, select "Geography" and search for "Chewelah," then select "Chewelah City, Washington." The table will then display, and the year of

data will be shown under the Table title. Scroll down to the "Rental Vacancy Rate" field. The number shown under "Estimate" is the percentage Vacancy Rate estimate for that year.

◆ Further research

- Other demographic indicators available through the Census that can inform housing planning efforts include age, race/ethnicity, household size, household type, and tenure.

Economy

◆ Jobs

- Jobs are tracked by the Census's OnTheMap tool at <https://onthemap.ces.census.gov/>. Search for "Chewelah" in the search box and select "Chewelah city, WA". Click "Perform Analysis on Selection Area." Change the "Job Type" to "All Jobs" and click "Go!" The panel on the right will display the total job count as well as industry breakdown and demographic information of workers. The total job count should be entered in the worksheet.

◆ Commuting

- OnTheMap also tracks commuting patterns. Go to <https://onthemap.ces.census.gov/>. Search for "Chewelah" in the search box and select "Chewelah city, WA". Click "Perform Analysis on Selection Area." Select "Inflow/Outflow" in the second column. Select "All Jobs" in the right column. Click "Go!" The graphic will display the number of residents commuting into and out of the city for work as well as the number of residents who both live and work in Chewelah.

◆ Further Research

- OnTheMap has a wide range of other useful data on employment, including a breakdown of jobs by sector,

demographics of employees, and data on home locations of workers and work locations of residents.

Housing Cost

◆ HUD Median Family Income

- The Department of Housing and Urban Development (HUD) sets median incomes yearly which are used to determine eligibility for subsidized housing and voucher programs. Go to <https://www.huduser.gov/portal/datasets/il.html> and select the current year. Click "Click Here for FY xxxx IL Documentation" and select Washington and Stevens County. Click "View County Calculations" to see the Median Family Income on the left and a breakdown of income limits by affordability level and family size on the right.

◆ Cost-Burdened Households

- **HUD also tracks a variety of metrics relating to housing costs in the CHAS (Comprehensive Housing Affordability Strategy) tool at <https://www.huduser.gov/PORTAL/datasets/cp.html>. Scroll down to the bottom and select the most recent year and choose "Place" under Geographic Summary Level. Next select Washington, and Chewelah. Cost burden data is in the middle of the page under "Cost Burden Overview." Use the "Total" column for households cost-burdened at 30-50% and over 50%, as well as the total number of households.**

◆ Further Research

- The CHAS dataset on the page above also contains data about renter and homeowner incomes and cost burden, overall income distribution, and other cross-tabulations of household income and cost burden. Further data on rents can be found in the American Community Survey, and a variety of real estate data providers, including Redfin and Zillow, track average housing prices and sales prices.



Housing Production

◆ Building Permits

- Work with city staff to research statistics on housing permits pulled for various housing types over the past year, broken down by housing type. Alternatively, if city data is not available, the HUD State of the Cities Data System Building Permit Database at <https://socds.huduser.gov/permits/index.html?> will produce yearly summaries of building permits by jurisdiction as well, though city data is likely more reliable and preferred.

◆ Further Research

- Qualitative data on building permits can be supplemented with quantitative information from city staff on housing production trends, conversations with applicants, and information on specifics of development projects. Interviews with builders or developers about barriers to housing production could also be useful.



Key Indicator Worksheets

Demographic Indicators:

Demographic Indicators											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Population	2,470	2,485	2,535								
Median Household Income	\$45,795	\$47,609									
Rental Vacancy Rate	10.4%	12.4%									

Considerations:

- ♦ **Population** – Is the population increasing? If so, is it increasing more or less quickly than in the past? Increasing population suggests increased demand for housing, and if the rate of change is increasing or decreasing, that can inform how much housing will be needed in the coming years.
- ♦ **Median Household Income** – Are household incomes increasing? If so, are they increasing faster or slower than inflation? What about faster/slower than housing prices? If income increases are not keeping pace with inflation and housing prices, housing will become more unaffordable for residents.
- ♦ **Rental Vacancy Rate** – A healthy rental vacancy rate is around 5-8%. This indicates that there is enough supply to allow residents to have a choice of housing to rent as well as to keep prices from rising rapidly. Lower vacancy rates indicate a need for more rental housing to meet demand and prevent rapid rent increases, whereas higher vacancy rates can indicate that development of rental units is unlikely due to an imbalance of supply and demand.

Economic Indicators:

Economic Indicators											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Number of Jobs	1,008										
Commuting In	834										
Commuting Out	818										
Live/Work in Chewelah	174										

Considerations:

- ♦ **Jobs** – Is the workforce in the city increasing? More jobs can bring more economic activity to the city, increasing incomes and tax revenue, and can also spur housing demand.
- ♦ **Commuting** – Is the share of commuters coming into and going out of the city shifting? An increase in commuting into the city can indicate a lack of housing for workers, or imbalances between the housing costs and wages in the city. An increase in commuter outflow can indicate a lack of employment opportunities. However, many factors influence commuting data, including working from home, overall residential/commercial mix of the city, and proximity to larger urban centers.

Housing Cost:

Housing Cost											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
HUD Median Family Income	\$57,400	\$63,500	\$63,600	\$71,200							
Cost Burdened Households (30-50%)	213										
Cost Burdened Households (>50%)	74										
Total Households	1,110										

Considerations:

- HUD Median Family Income (MFI)** – This number is used to determine eligibility for subsidized affordable housing – usually residents earning 60-80% of this income limit or below qualify. MFI is based on Census-reported family incomes countywide and based on a household of four people. As a result, MFI is typically higher than the median household income (MHI), which is an average from all households regardless of size. Tracking changes in MFI can provide a regional comparison with city incomes and rent levels.
- Cost-Burdened Households** – Households are considered “cost-burdened” if they spend more than 30 percent of their income on housing costs and “severely cost-burdened” if they spend more than 50 percent of their income on housing costs. This metric can provide concrete numbers on how many households in the city are struggling to afford the costs of housing.



Housing Production:

Housing Production										
Number of Units Permitted per Year	2022	2023	2024	2025	2026	2027	2028	2029	Total	Target Composition
Single-Family Detached										15-20%
Single-Family Attached / Townhome										15-20%
ADU / Accessory Unit (Detached or attached)										
Manufactured Home										
Duplex										15-20%
3-plex through 6-plex										
Apartment > 6 units										60-70%
Total										

Considerations:

- Tracking housing production is important in understanding the development trends in the city. A variety of housing types can offer housing for more types of residents at wider levels of affordability. The matrix above includes a target composition of new housing units over the planning period of this HAP, based on the Washington Department of Commerce’s targets for housing affordability levels. This can be used as a gauge to determine which housing types are being over- and under-produced in the city. It is important to note that many factors influence housing production, including market trends, interest rates, and the overall national and regional economy, as well as local zoning and regulatory efforts. Therefore, attributing yearly changes in housing production to specific efforts can be difficult, but tracking overall production levels over this planning horizon in relation to larger market forces will show important trends.



CHEWELAH
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