

# *Bulletin Number Fifteen*

## *Campaign for Affordable Housing*

It appears that our last Bulletin resonated more than some of the earlier ones, having received many favorable responses. Sounds as if we have buried our audience in statistics for too long, and people really wanted to hear more about the human and cultural side of affordable housing at least as much or more than dismal demographics.

After the comments on culture and diversity, I have also added another paragraph discussing one of the most common retorts of people whom we meet that really do not want to deal with the problem and therefore resort to the “free private markets” argument. Unfortunately, the dreaded statistics have to come back into this discussion.

### **1. Culture and Diversity**

From those who have passed our promotional tables at various county events and gatherings, we hear two areas of concern, taxes and neighborhood change. First, the concern about the loss of tax base from affordable housing is a no-brainer for our advocates, since we can respond that affordable housing is sold to private homeowners, and they pay taxes the same as any other purchaser of a home in the county.

The other concern is that people are uncomfortable with tracts of housing bordering or near their property which may be owned by less affluent strangers and somehow change both the values and culture of their neighborhoods. In shorthand, this is a NIMBY issue. This is a concern that cannot be refuted by statistics, but I would like to offer a personal observation.

Pat and I moved to Olga in 2000 and purchased a ten acre former orchard in a neighborhood of moderate incomes, organic farms, and a culture of self-sufficiency. Through dumb luck rather than any personal brilliance on my part, I ended my career with enough money to retire from the dot-com craze. My neighbors were immediately suspicious, with the general attitude of “here comes another urban yuppie to tell us how to run things.” It has taken us these five years to become accepted into their culture. However, the rewards of final acceptance for Pat and me have been immense. From a city culture where most, including neighbors, could care less about you, we have found ourselves in a neighborhood with:

- Children
- Farming skills and the trading of produce
- Plumbing, electrical and well services traded freely
- An enormous cultural diversity ranging from survivalists to believers in holistic medicine, even including a few conservatives.

- Wonderful impromptu parties, picnics, and potlucks by word of mouth and not formal invitations.
- Local live music
- Tradition (friends and neighbors manually dig graves in bedrock to bury our dead in the local cemetery)
- Emotional support (when Pat had her spinal cord injury and came home from the hospital, we could not fix dinner for a month given the number of covered dishes we received).

My point is that a neighborhood of more modest means is an advantage in terms of diverse culture and being surrounded by a real community in every sense of the word. My land and housing values have appreciated at the same rate or greater than any other community on the island. My greatest fear is that many in our community will be tempted by the higher prices and move out or back to the mainland, and we will lose this wonderful diversity.

## **2. Let the private enterprise system solve the problem**

I grew up in a conservative business environment and frequently hear from my peers that we can safely ignore the affordable housing issue and that “it will solve itself.” The logic here is that, as island property and housing continues to rise in value and the increasingly wealthy purchase it, they will demand services and be willing to pay the private market cost for such services. Up to a point that is true, and has resulted in the wealthy and only the wealthy paying private market costs for living in such isolated communities as Nantucket, Martha’s Vineyard, and Block Island. However, the “solution” of reliance completely on private markets is invariably the destruction of local culture.

In Nantucket, this means that workers are flown in and out each day. If one has a plumbing problem, you arrange for a plumber to be on the same aircraft. School teachers manage to survive by doing the “Nantucket shuffle,” house sitting vacant homes and leaving the island over the summer. In Martha’s Vineyard, virtually all retail workers arrive by ferry, the shops selling tee shirts open to sell to tourists arriving on the same ferry, they close before the last ferry, and everyone goes home. The few residents retire into gated communities, go to the country club with the same other residents, and discuss their stock portfolios. One would be hard pressed to call these places “communities”.

Several have suggested that they would be perfectly willing to pay the going rate for infrastructure workers to afford housing on the island at private market prices. They make this assertion, that is, until we lay out the consequences for them. At a median price of \$475,000 (up 33.8% since this time last year) an infrastructure worker would need a family income of \$107,000 per year to afford the mortgage on a median priced house. This is, of course, assuming that they have \$95,000 in equity for the 20% down payment. Given a 2000 hour work year, this means that their hourly wage must be \$53.50 per hour. Many of our infrastructure wage scales are determined either by the state (public school teachers) or the county (public works, county employees, etc. Since the majority of the county’s cost of operation is wage related, providing a county

employee with sufficient income to purchase a median-priced home would require an almost doubling of the county tax base. In the private sector, most service providers such as contractors, plumbers, electricians have to pay both the costs associated with their business, (such as office, equipment, storage, and insurance) and also for “down time” (such as traveling from site to site, billing, paperwork, and other non-chargeable time). As rule of thumb, these expenses result in their having to charge about 3 times their real take home pay in hourly charges, or about \$160 per hour.

Even those with significant wealth tend to be less enthusiastic about paying “the going rate” when adding up these numbers. And naturally, for those without this level of wealth, such charges are prohibitive and will accelerate the decision by the less than wealthy to leave the county.

Steve Garrison

Please visit our website at <http://SanJuanHousingBank.org/> or <http://orcasresearch.org/> for copies of previous bulletins and other relevant publications.

Please contact Lee Sturdivant on San Juan Island at [naturals@rockisland.com](mailto:naturals@rockisland.com) or Rollie Sauer on Orcas Island at [rassmrs@aol.com](mailto:rassmrs@aol.com) if you would like to write a letter to the editor of either of the two newspapers.

If you would like to invite a speaker to address your organization, please contact Lee Sturdivant at [naturals@rockisland.com](mailto:naturals@rockisland.com) or Craig Wier at [craigw@eusers.com](mailto:craigw@eusers.com).

Tax deductible donations to help support the Housing Project and to help pay for educational materials and supplies are gratefully accepted through Navigating Our Future, Housing Project, PO Box 298, Deer Harbor, WA 98243. This is a totally volunteer effort, so your help is appreciated.

Signed,

Lee Sturdivant, San Juan Island

Paul Losleben and Steve Garrison, Orcas Island

Sandy Bishop, Lopez Island