Lewis County 2045
Shaping the Future of Lewis County

Comprehensive Plan Periodic Update

Housing Needs Assessment

Final
November 2024

Table of Contents

Executive Summary

This executive summary presents findings from a comprehensive assessment of current demographic data in Lewis County aimed at understanding the community's housing needs. The analysis indicates several key challenges and opportunities for addressing housing affordability and suitability within the county.

Households are Cost-Burdened:

Approximately 27% of households in Lewis County are identified as cost-burdened, meaning they allocate more than 30% of their income towards housing expenses. Notably, 82% of these cost-burdened households fall within the 0-80% area median income range. This suggests a significant portion of the population faces challenges in affording homeownership, highlighting the pressing need for affordable housing solutions. See a further analysis of affordability by housing type and income level on page 21.

Mismatch Between Housing Stock and Population:

The assessment reveals a significant mismatch between the existing housing stock and the demographic composition of the population. Currently, 80% of the housing units in Lewis County are single-family detached homes, while 50% of these units are three-bedroom properties. However, 58% of households consist of only 1-2 persons. This incongruence indicates that a substantial portion of the housing inventory may not be suitable or affordable for much of the population, particularly considering the significant commute distances for many workers. See further data in household inventory on page 13.

Lack of Multi-Unit Construction:

Historical analysis of building permit data underscores a lack of diversity in housing construction within Lewis County, with the majority of developments comprising single-family detached dwellings. However, population projections suggest a growing demand for smaller units, including studios, one-bedroom, and two-bedroom apartments, particularly within middle or multi-family developments. The absence of such options constrains housing affordability and fails to align with the evolving needs of the community. See further details about affordability by housing type on page 20.

Terminology and Acronyms

The following definitions were pulled from the Department of Commerce housing resources:

Affordable Housing	The United States Department of Housing and Urban Development (HUD) considers housing to be affordable if the household is spending no more than 30 percent of its income on housing costs.
American Community Survey (ACS)	This is an ongoing nationwide survey conducted by the U.S. Census Bureau. It designed to provide communities with current data about how they are changing. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from U.S. households. ACS data is commonly used for the Community Profile section of a housing needs assessment.
Area Median Income (AMI)	This is a term that commonly refers to the area-wide median family income (MFI) calculation provided by the Department of Housing and Urban Development (HUD) for a county or metropolitan region.
Cost Burden	When a household pays more than 30 percent of their gross income on housing, including utilities, they are "cost-burdened." When a household pays more than 50 percent of their gross income on housing, including utilities, they are "severely cost-burdened." Or "extremely cost-burdened".
Household	A household is a group of people living within the same housing unit.2 The people can be related, such as family. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, is also counted as a household.
U.S. Department of Housing and Urban Development (HUD)	HUD administers federal housing and urban development laws. It collects, analyzes, and distributes housing data beyond what is collected through the U.S. Census Bureau. Data produced by HUD is heavily used in the analysis in this report.
Household Income	The census defines household income as the sum of the income of all people 15 years and older living together in a household.
Income-Restricted Housing	This term 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 a below-market rates. Some income-restricted rental housing is owned by a city or housing authority, while others may be privately owned.
Low-Income	Families that are designated as low-income may qualify for income-subsidized housing units. HUD categorizes families as low-income,

	very low-income, or extremely low-income relative to area median family incomes (MFI), with consideration for family size.
North American Industry Classification System (NAICS)	The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy (Census.gov).
Median Family Income (MFI)	The median income of all family households in the metropolitan region or county. Analyses of housing affordability typically group all households by income level relative to area median family income. Median income of non-family households is typically lower than for family households. In this report, both MFI and AMI refer to the U.S. Department of Housing and Urban Development Area Median Family Income (HAMFI).

Planning Context

Growth Management Act (GMA) Requirements

The GMA dictates generally the purpose, process, and outcomes of the housing needs assessment (HNA), also called the housing needs analysis under RCW 36.70A.070, and further discussed in WAC 365-196-410. The housing need assessment is used to help determine recommended policies in the housing and land use elements of the comprehensive plan. The County's ability to meet their growth targets, which is identified in the Land Capacity Analysis (LCA), is used to estimate the type and density of future housing types that can be provided to meet the population projection if it is determined the County is lacking sufficient available land with appropriate zoning. As of the adoption of new housing legislation in 2024, it is necessary to look at the types of housing that can be provided to accommodate residents' needs at a range of income categories. Providing a variety of housing types accessible to residents of all income levels can assist the community in improving overall affordability.

The purpose of the housing needs assessment is to provide:

1) an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth;
2) goals, policies, objectives and mandatory provisions for the preservation, improvement, and development of housing, including single family residences;
3) identification of sufficient land for housing including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, group homes and foster care facilities; and
4) adequate provisions for existing and projected needs for all segments of the community.

RCW 36.70A.070(2), RCW 36.70A.210, Commerce Guidance for Developing a Housing Needs Assessment

Consistency with Countywide Planning Policies

A policy gap analysis, performed at the beginning of the comprehensive plan periodic update, reviewed the County's current countywide policies to ensure consistency with the comprehensive plan and identify needs to align policies. Countywide planning policies will continue to be reviewed as the County works through proposed revisions to policies for the comprehensive plan periodic update as required by WAC 365-196-410.

Population and Projected Population

Based on the requirements in WAC 365-196-410 the housing needs assessment, the County must analyze housing data based on the most recent 20-year population allocation. Populations allocations were adopted by Lewis County in 2023 through Ordinance 1346. See the adopted document for detailed methodology.

Table 1: Lewis County 2045 Population Allocations

City	2022 Total Population	2045 Population Allocation	20-Year Population Increase	20-Year Growth Rate
Centralia	22,376	24,000	1,624	7.26%
Chehalis	9,845	23,000	13,155	133.62%
Morton	1,302	1,351	49	3.75%
Mossyrock	906	1,058	152	16.78%
Napavine	1,969	2,978	1,009	51.24%
Pe Ell	658	680	22	3.30%
Toledo	747	2,537	1,790	239.63%
Vader	899	1,110	211	23.47%
Winlock	2,115	4,756	2,641	124.87%
Total City	**40,817**	**61,469**	**20,652**	**50.60%**
Onalaska UGA	562	700	138	24.56%
Packwood LAMIRDs	910	1,200	290	31.87%
Other Rural	41,157	41,582	425	1.03%
Total Uncorporated	**42,629**	**43,482**	**853**	**2.00%**
Total Lewis County	**83,446**	**104,951**	**21,505**	**25.77%**

Table 1. Lewis County Adopted Population and Housing Projections, Ordinance 1346, December 2023

Table 2: Lewis County 2045 Housing Allocations

Total 2045 Population = 104,951

			Permanent Housing Needs by % of Area Median Income							Emergency Housing
			0-30%							
		Total	Non-PSH	PSH	>30-50%	>50-80%	>80-100%	>100-120%	>120%	
Unincorporated Lewis County	Estimated Housing Supply (2020)	19,519	667	25	3,146	4,704	2,798	2,016	6,163	0
	Allocation Method C (2020-2045)	403	88	38	115	58	28	23	53	21
City of Centralia	Estimated Housing Supply (2020)	7,593	578	14	1,614	3,154	1,153	302	778	38
	Allocation Method C (2020-2045)	767	227	184	0	0	0	134	222	78
City of Chehalis	Estimated Housing Supply (2020)	3,139	140	0	442	1,537	509	140	371	22
	Allocation Method C (2020-2045)	6,215	1,390	563	1,000	900	425	280	1,657	332
City of Morton	Estimated Housing Supply (2020)	506	16	0	167	221	69	8	25	0
	Allocation Method C (2020-2045)	23	5	1	4	3	2	1	7	1
City of Mossyrock	Estimated Housing Supply (2020)	322	10	0	160	108	14	7	23	0
	Allocation Method C (2020-2045)	72	16	5	12	7	5	4	24	4
City of Napavine	Estimated Housing Supply (2020)	718	11	0	135	286	120	42	124	0
	Allocation Method C (2020-2045)	477	89	28	90	75	28	32	135	16
City of Pe Ell	Estimated Housing Supply (2020)	284	6	0	90	157	9	6	16	0
	Allocation Method C (2020-2045)	10	2	1	2	1	1	1	3	1
City of Toledo	Estimated Housing Supply (2020)	303	5	0	64	152	30	13	39	0
	Allocation Method C (2020-2045)	845	92	27	139	210	125	40	211	16
City of Vader	Estimated Housing Supply (2020)	257	0	0	100	90	43	6	18	0
	Allocation Method C (2020-2045)	100	30	7	0	6	2	10	45	5
City of Winlock	Estimated Housing Supply (2020)	564	30	0	121	323	32	16	42	0
	Allocation Method C (2020-2045)	1,248	271	115	282	210	83	50	237	67
Total	Sum of Allocations to Jurisdictions	10,160	2,210	969	1,643	1,471	698	575	2,594	542
	Percent of Sum of Allocations to Jurisdictions	100.00%	21.75%	9.54%	16.17%	14.48%	6.87%	5.66%	25.53%	5.33%

Table 2. Lewis County Adopted Population and Housing Projections, Ordinance 1346, December 2023

Housing allocations by income bracket were adopted by Lewis County via Ordinance 1346. See adoption document for detailed methodology.

Methodology

This housing needs assessment assembles the most current demographic data available from the American Community Survey, Department of Housing and Urban Development, and the State of Washington and other sources as cited. All relevant data has been included in the appendix of this document. Where assumptions have been made due to lack of data, assumptions are cited

throughout the document. Data highlighted in tables and graphics is meant to illustrate the unique characteristics of the community that may contribute to understanding housing needs which will build feasible policies and actions in the comprehensive plan.

Community Profile

The community profile is important in understanding the historic, current, and projected make up of residents that collectively build the community's identity. By understanding who residents are, the jurisdiction can better predict their future housing needs and implement policies and plans to provide housing for future generations.

Since 2016, Lewis County saw a large an increase in populations between 60-79 years old. Households with one or more person 60 years or old account for 54% of the population (ACS Table S1101). For these populations, it is likely they own their home and aging in place can improve quality of life, if the home can be modified for special housing needs. Transportation options become more important for these populations to continue to access community amenities.

Family households (households with children under 18) have decreased very slightly compared to 2016 data. Currently in 2021, 6,215 households have children under 18, which is 19% of the total households in Lewis County.

In the Packwood LAMIRD and Onalaska UGA, census data is more limited than in established cities or urban areas. The trends for Lewis County appear like that of the County as a whole, including incorporated cities. 62% of households in Packwood have one or more person over 60 years old.

Community Profile - Quick Facts	
Total Population	83,446
Projected Population Growth	21,505
Median Household Income	69,067

Table 3. U.S. Census Bureau ACS Table S1901 2022
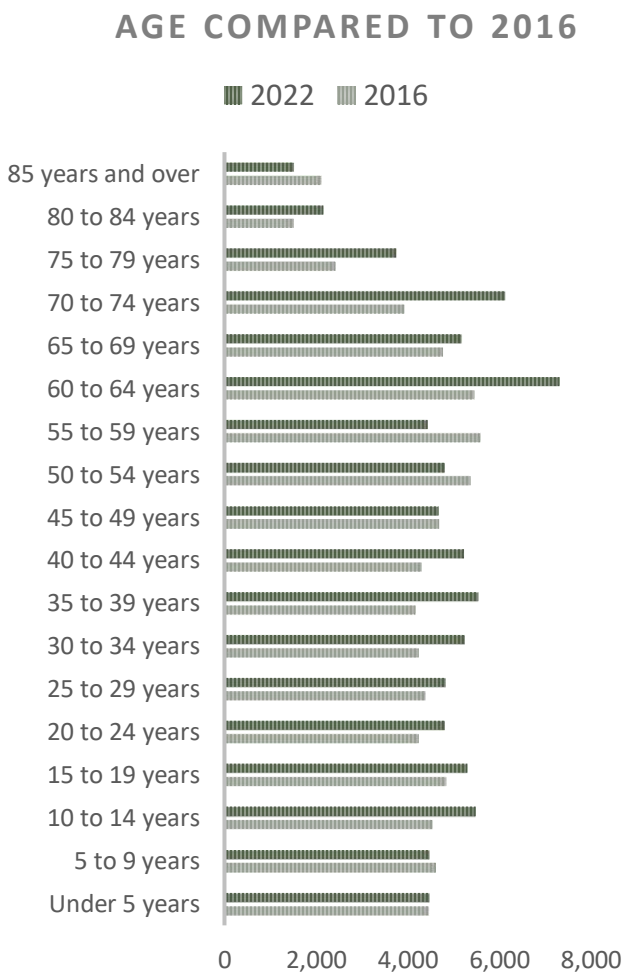
AGE COMPARED TO 2016

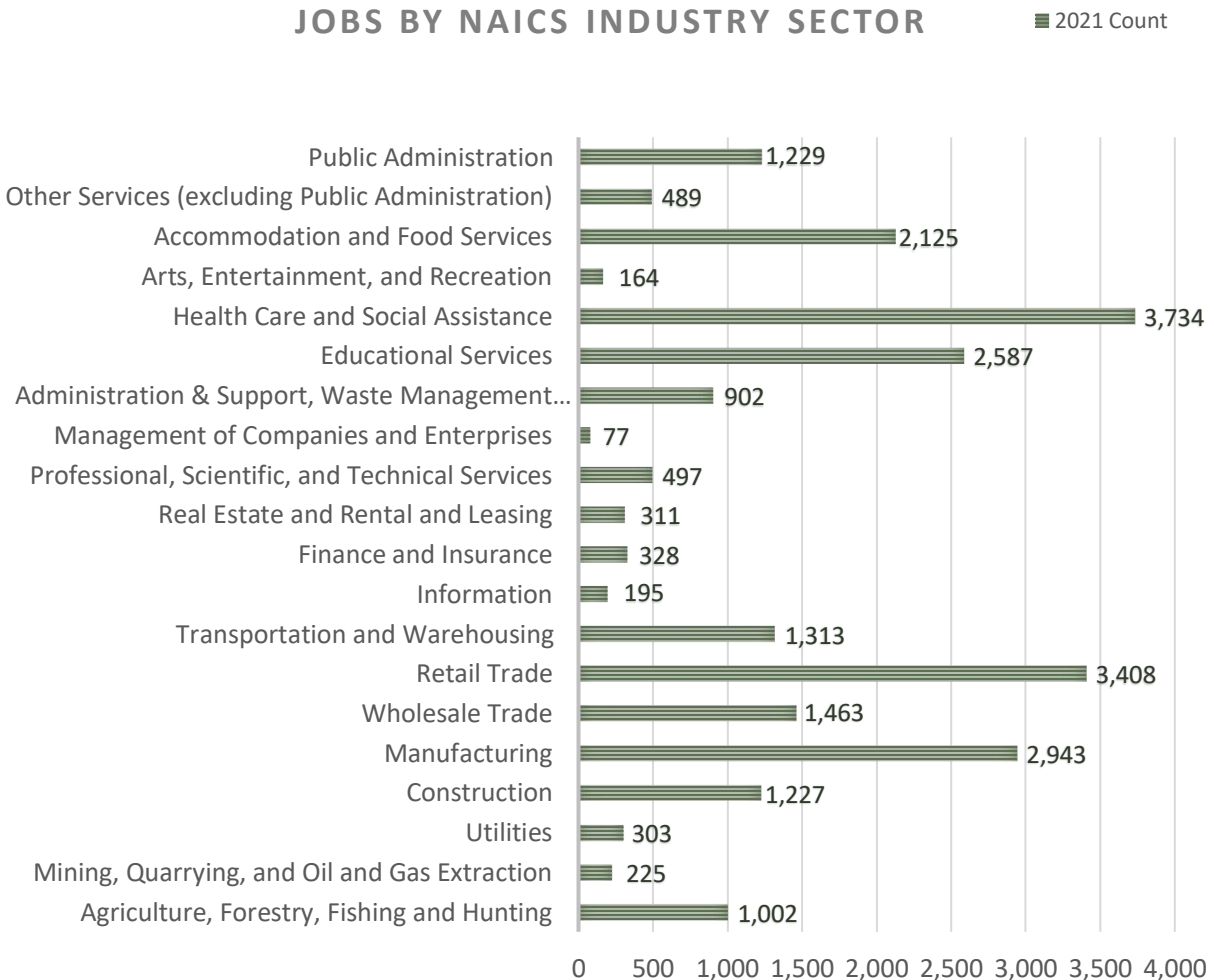*Figure 1 Age Compared to 2016 for Lewis County ACS Table S1101*

Workforce Profile

There are several demographic factors related to the workforce that can further help identify future housing needs of the community and barriers to housing affordability. The jurisdiction must analyze data related to the community's employment centers, industries, and nature of work that may also help the jurisdiction predict future housing needs.

Workforce Profile – Quick Facts	
Total Jobs	24,522
Male	12,505
Female	11,784
Jobs by Earnings Per Month	
$1,250 or less	4,429
$1,250 to $3,333	7,670
$3,330 or more	12,423
Jobs by Age	
29 or younger	5,731
30 to 54	12,526
55 or older	6,265

Table 4. U.S. Census Bureau On The Map, 2021

JOBS BY NAICS INDUSTRY SECTOR

■ 2021 Count

| Industry Sector	2021 Count
Public Administration	1,229
Other Services (excluding Public Administration)	489
Accommodation and Food Services	2,125
Arts, Entertainment, and Recreation	164
Health Care and Social Assistance	3,734
Educational Services	2,587
Administration & Support, Waste Management…	902
Management of Companies and Enterprises	77
Professional, Scientific, and Technical Services	497
Real Estate and Rental and Leasing	311
Finance and Insurance	328
Information	195
Transportation and Warehousing	1,313
Retail Trade	3,408
Wholesale Trade	1,463
Manufacturing	2,943
Construction	1,227
Utilities	303
Mining, Quarrying, and Oil and Gas Extraction	225
Agriculture, Forestry, Fishing and Hunting	1,002

Jobs by NAICS Industry Sector, U.S. Census Bureau On the Map, 2021 The NAICS industry sector is the North American Industry Classification System use by the U.S. Census Bureau and is a standard in classifying business establishments.

The largest job industries in Lewis County are health care and social assistance, retail trade, manufacturing, and educational services. General jobs that fall under these categories are nurses and physicians, tourism, merchandise dealers of furniture, motor vehicles, and apparel, factory workers, and teachers. These account for 52% of the jobs in Lewis County.

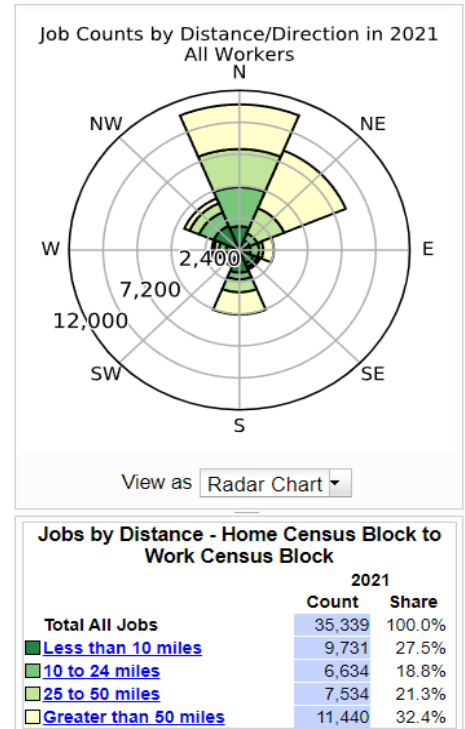| Table 5. Examples of Incomes for Major NAICS Sectors in Lewis County		
NAICS Sector	**Average Salary**	**Monthly Income**
Health Care and Social Assistance	$ 60,077	$5,006
Retail Trade	$ 36,690	$3,057
Manufacturing	$ 41,400	$3,450
Educational Services	$110,000 - $40,000	Varies

Table 5. U.S. Bureau of Labor Statistics 2023, U.S. Census Bureau American Community Survey, 2021 National Estimates

Workers Living in Lewis County
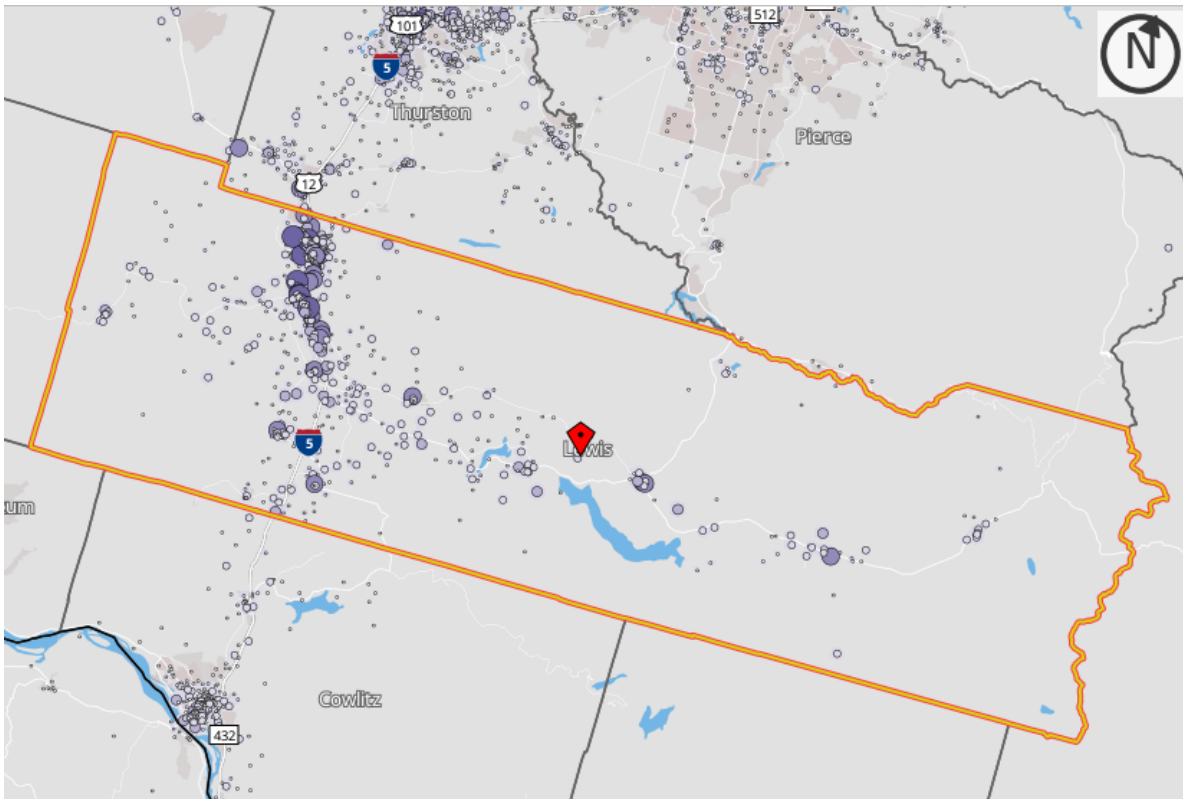
Home Location of People Who Work in Lewis County, U.S. Census Bureau On The Map, 2021

32% of the total workers in Lewis County have home locations greater than 50 miles from their workplace. With most residents traveling north to larger employment centers in the Thurston, Pierce, and King County. This transportation pattern can impact the residents' overall costs which can lower the ability to pay for housing without going over 30% of their monthly income. These patterns can result in an increase in cost burdened households and can increase housing affordability issues over time. Large densities of residents that work outside of Lewis County can be seen around Centralia and Chehalis urban growth areas. If housing prices for both renters and owners continue to increase most residents will move even further away and choose to spend more on transportation costs.

Job Counts by Distance/Direction in 2021
All Workers

View as [Radar Chart ▾]

Jobs by Distance - Home Census Block to Work Census Block

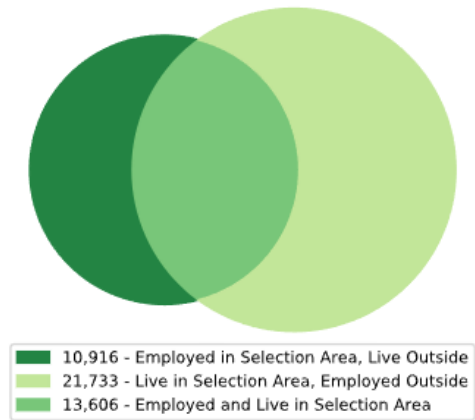|	2021	
	Count	Share
Total All Jobs	35,339	100.0%
■ Less than 10 miles	9,731	27.5%
■ 10 to 24 miles	6,634	18.8%
■ 25 to 50 miles	7,534	21.3%
□ Greater than 50 miles	11,440	32.4%

Inflow and Outflow Analysis in Lewis County

The inflow and outflow analysis can provide insight on whether the jobs provided in Lewis County are meeting the needs of residents in Lewis County. In Year, 10,916 people employed in Lewis County live outside of the county and need to travel in for work, while 21,733 people who live in Lewis County are employed somewhere else and leave the county to work. Only 13,606 people employed in Lewis County also work within Lewis County. This trend is common around large metropolitan areas where the urban centers provide higher paying jobs, and the outer suburban areas or adjacent counties provide more affordable housing. But similar to the statistics measured above, populations that travel long distances to work are less stable in their housing situation because of time and money needed to work farther away. Meanwhile, employees that are traveling to work in Lewis County could be an opportunity to provide new housing options suited for these groups and continue to build stable housing communities where residents and can live and work. These numbers number may increase over time as the County plans how to provide housing at a variety of income levels. Working in or near the same place that you live provides greater opportunities for residents by reducing transportation costs, improving social life, and providing more time in

Inflow/Outflow Job Counts in 2021
All Workers

- 10,916 - Employed in Selection Area, Live Outside
- 21,733 - Live in Selection Area, Employed Outside
- 13,606 - Employed and Live in Selection Area

Inflow/Outflow Job Counts (All Jobs)

	2021	
	Count	Share
Employed in the Selection Area	24,522	100.0%
Employed in the Selection Area but Living Outside	10,916	44.5%
Employed and Living in the Selection Area	13,606	55.5%
Living in the Selection Area	35,339	100.0%
Living in the Selection Area but Employed Outside	21,733	61.5%
Living and Employed in the Selection Area	13,606	38.5%

their daily lives.
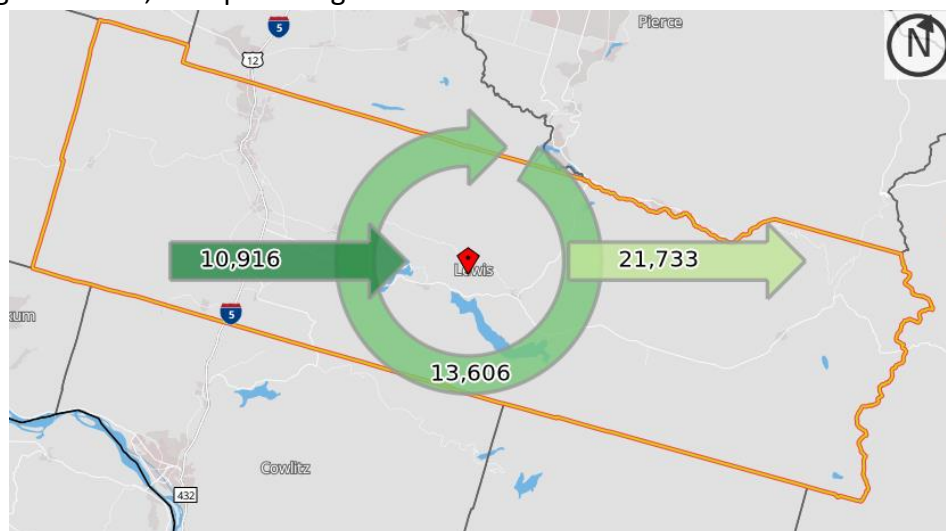
U.S. Census Bureau On The Map online Web Application, 2021

Housing Inventory

Over 70% of the current housing stock in Lewis County is single-family. The average unit size by bedrooms is three rooms. However, almost 60% of households are 1 to 2 persons per household which indicates that current housing stock is not proportionate to the needs of the current population. Based on the current total occupied housing units in Lewis County and the average household size Lewis County, existing housing stock is currently providing an estimated 83,446 people with housing.
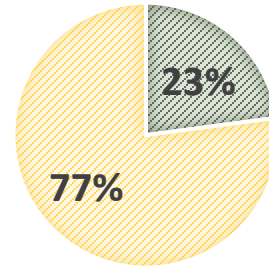
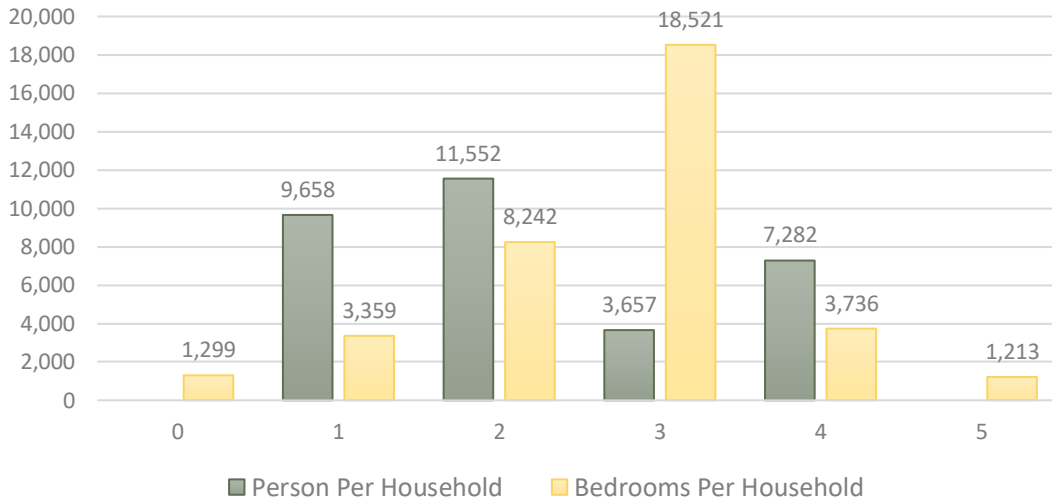| Housing Characteristics – Quick Facts	
Total Housing Units	36,370
Occupied Housing Units	32,149
Average Household Size	2.63
Vacant Units	4,221
Homeowner Vacancy Rate	2.9
Rental Vacancy Rate	10.9

ACS 2022 Table DP04 and Table S2501

HOUSEHOLDS BY TENURE
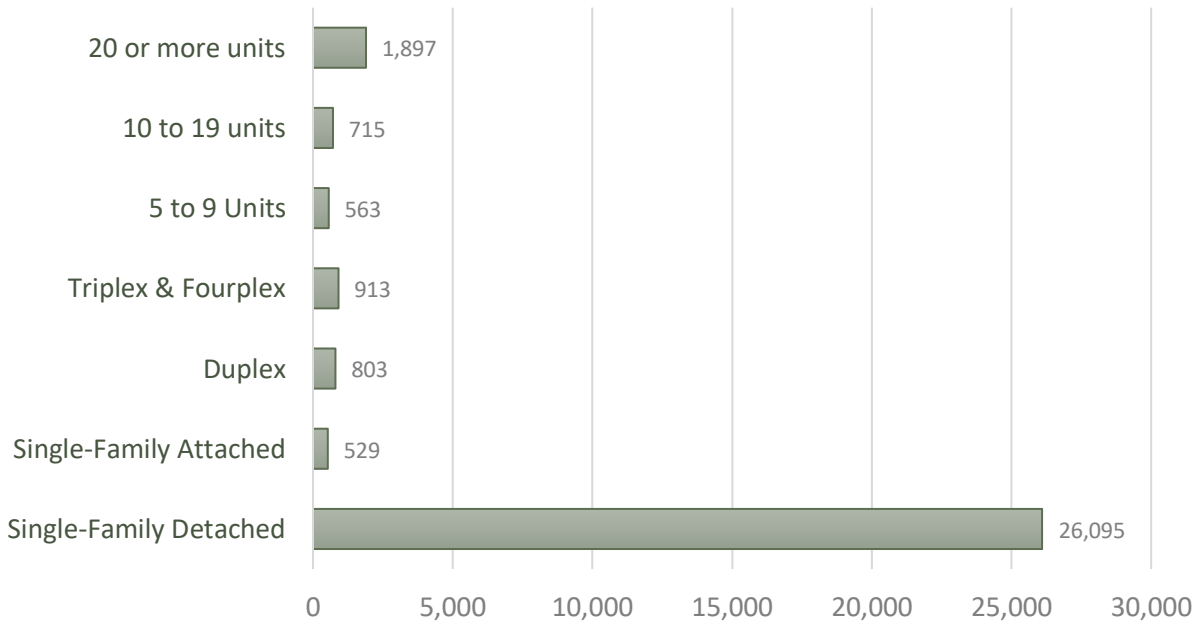
Renter   Owner

23%

77%

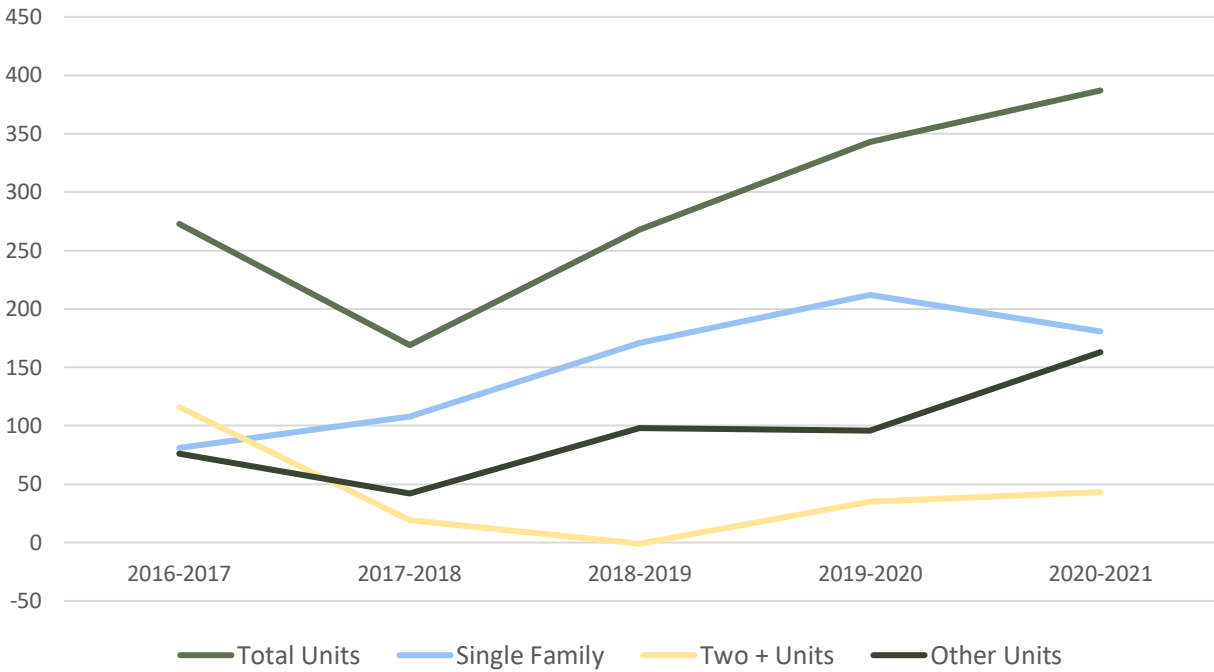## UNITS BY PERSONS PER HOUSEHOLD AND BEDROOMS PER HOUSEHOLD

U.S. Census Bureau American Community Survey 2022 Table DP04 and Table S2501

Housing Units by Type

U.S. Census Bureau American Community Survey 2022 Table DP04

Lewis County Historic Residential Permit Completions

Legend: Total Units — Single Family — Two + Units — Other Units

Housing Affordability

$369,300
Median Single-Family Home Price 2023

$290,000
Median Condominium Price

$2424.00
Estimated Monthly Mortgage

$1273.50
Average Rent 2023-2024

Washington Center for Real Estate Research 2024, Fannie Mae Mortgage Calculator Assumes 20% down payment and 30-year mortgage at 6% interest rate. Zillow Observed Rental Index 2024.

Table 6. Lewis County Housing Affordability Index

	Q2 2023	Q3 2023	Q4 2023
Median Buyer	73	71	71
First Time Buyers	52	51	51
Median Renter	175	184	179
Transitional Renter	119	119	125

Table 6. Washington Center for Real Estate Research Housing Affordability Index, 2024 A transitional renter is a household temporarily staying somewhere before moving to permanent housing..

Compared to the 2021 Lewis County Housing Situation Assessment, the affordability index for median home buyers decreased from 92 to 71 in Q4 2023. The affordability index measures the ability of a middle-income family to make mortgage payments on a median price resale home. Based on the median income and median home prices in Lewis County, buying a home is currently extremely unaffordable. Meanwhile, median renters and transitional renters in Lewis County are finding affordable housing. However, since more populations will need to rely on renting in the community, increasing rental options will be important in retaining existing residents as Lewis County's population grows.

Data Notes from the Washington Center for Real Estate Research Affordability Index:

Median Income Buyer Index: A value of 100 means that a household with the county's median income has exactly enough income to qualify for a mortgage on a home priced at the median for that county. Values above 100 mean that the household has more than enough income, while values below 100 mean that the household does not have enough income.
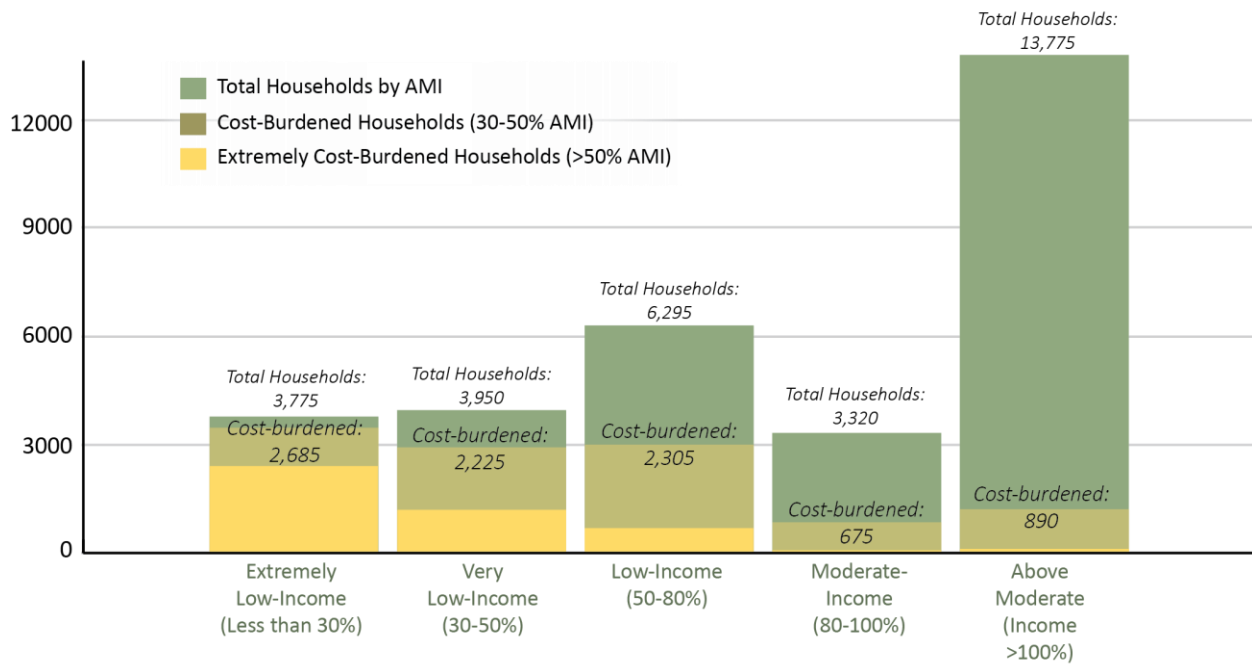
First Time Buyer Index: A value of 100 means that a household with 70% of the county's median income has exactly enough income to qualify for a mortgage on a home priced at 85% of the median for that county. Values above 100 indicate that the household has more than enough income, while values below 100 indicate that the household does not have enough income.

Median Income Renter Index: A value of 100 indicates that a household earning the county's median income can afford an average priced rental apartment without being overburdened. Values above 100 indicate that the household has more than enough income, while values below 100 indicate that the household does not have enough income. Renters are defined as being overburdened when rent exceeds 30% of gross household income.

Transitional Renter Index: A value of 100 indicates that a household earning 70% of the county's median household income can afford to pay the average rent without being overburdened. Values above 100 indicate that the household has more than enough income, while values below 100 indicate that the household does not have enough income.

Total and Cost-Burden Households by Household Area Median Income (AMI)

Legend:
- Total Households by AMI
- Cost-Burdened Households (30-50% AMI)
- Extremely Cost-Burdened Households (>50% AMI)

Total Households: 3,775 — Cost-burdened: 2,685 (Extremely Low-Income, Less than 30%)
Total Households: 3,950 — Cost-burdened: 2,225 (Very Low-Income, 30-50%)
Total Households: 6,295 — Cost-burdened: 2,305 (Low-Income, 50-80%)
Total Households: 3,320 — Cost-burdened: 675 (Moderate-Income, 80-100%)
Total Households: 13,775 — Cost-burdened: 890 (Above Moderate, Income >100%)

U.S. Department of Urban Development Comprehensive Housing Affordability Strategy, 2016-2020. Data is summarizing households for owners and renters.

Subsidized Housing

Some subsidized housing is present in Lewis County with high concentrations of subsidized housing around the cities of Chehalis and Centralia. These housing units are not located within the Onalaska UGA or the Packwood LAMIRD and cannot be counted towards capacity in this analysis. This leaves a large gap of affordable housing needs for lower income brackets in Eastern Lewis County, as most housing at market rate is not affordable to cost-burdened households with less than 50% AMI. Based on the adopted housing allocations for unincorporated Lewis County, and the land capacity analysis and housing needs in this report, there is currently a gap of 126 units for populations with earning less than 30% AMI. For these populations, market rent rental units are still not affordable and should be subsidized.

Estimated Total Subsidized Units	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Unknown
1,163	0	213	215	192	58	485

Table Washington Center for Real Estate Research Subsidized Housing Inventory in Lewis County, 2023

Additional Data and Analysis

In 2021, Lewis County performed a [Housing Situation Assessment](#) that summarized the housing market in Lewis County. The data reviewed in the assessment yielded similar results to the analysis performed in this HNA only a few years later. Some of the larger findings in the Housing Situation Assessment applicable to this HNA were:

- By a large margin, the housing inventory in Lewis County is single-family detached homes.
- The second largest production of homes in Lewis County were manufactured homes.
- The construction of new homes in Lewis County between 2010 to 2020 was overwhelmingly single-family accounting for 61% of all permits.
- The supply of single-family homes in Lewis County for sale decreased by 69% between 2012 and 2021.
- The housing affordability index from 2017 to 2019 decreased from 115 to 92. The decline is still reflective in the housing affordability index presented in this assessment for 2023.
- 62% of residents had workplace locations outside the county according to data provided in 2018.
- The assessment summarized that most building permit activity occurred in unincorporated areas in the county indicating a potential barrier to increasing housing supply in urban areas.

Housing Gap Analysis

The housing gap analysis identifies the difference between the population projections and the housing inventory identified in previous sections. It is necessary to understand whether current conditions are providing the right environment that yields adequate housing stock for all residents with differing needs and income levels. To meet the requirements of recent legislative changes it is important to look at housing stock by specific income bands and whether the right amount of housing can or will be provided for the population projection by income band, see Table 2 of this report.

Based on the current demographic and housing data the following housing gaps have been identified.

- Of the 32,149 occupied housing units in Lewis County, 8,780 are cost-burdened and fall between the 0-80% area median income range. It is likely these households would not be able to qualify for a mortgage to purchase a home.
- There are only 5,420 housing units in Lewis County that are not single-family detached. These units are assumed to be market rate and are likely to still be unaffordable to households that fall within the 0-50% area median income.

Based on the projected housing needs and population projections the following housing gaps have been identified.

- The projected population will grow by 21,505 people or 10,160 households based on the adopted housing allocations. The housing allocations identify the amount of housing to be provided by income bracket and location with each UGA in Lewis County.

- In Unincorporated Lewis County 432 new housing units were allocated to the jurisdiction and assigned by income bracket.

Findings from Housing Data Review

Households are Cost-Burdened

27% of the current households in Lewis County are cost-burdened. 82% of the cost-burdened households fall between 0-80% area median income. This indicates that a large portion of households within Lewis County cannot afford to purchase homes.

Existing Units not Suited for Current Populations

80% of the housing stock in Lewis County is single-family detached. 50% of the housing units are three-bedroom units. However, 58% of households are 1-2 per person. Since a large portion of the workforce cannot work from home and travels greater than 50 miles to work, it is unlikely that a three-bedroom unit is affordable for more than half of the population.

Lack of Multi-Unit Construction

Historical building permit data shows most of the household construction in Lewis County is single-family detached. Population projections indicate studios, one-bedroom, and two-bedroom units, most likely in middle or multi-family developments, would be more affordable and appropriate for current and future populations.

Land Capacity Analysis and Housing Needs

The tables below were made following instructions from the Department of Commerce, based on the new law, HB 1220. Jurisdictions must now collect the results of the land capacity analysis for projected housing units and allocate to the income bracket most likely to afford the unit. Based on the type of housing units that are provided under the county's current zoning designations each zone was determined to provide housing for a specific affordability level. This helps the County identify what types of housing needs to be provided for specific households earning a certain area median income.

Based on the guidance from Commerce the methodology to assign housing by income bracket can be summarized in the following steps:

1. Summarize the land capacity by zone. This was completed in the land capacity analysis report.
2. Categorize zones by allowed housing types and density level.
3. Relate zone categories to potential income levels and housing types served.
4. Summarize the capacity by zone category.
5. Compare projected housing needs to capacity.
6. If a deficit is found implement actions to increase capacity for one or more housing needs.

To categorize allowed types and density. Each zone was listed with all permitted housing types currently allowed under the [Lewis County Code.](#) For the Packwood LAMIRD, the housing types listed were pulled from Packwood's adopted subarea plan. The density category assigned to each zone followed the guidance from Commerce. Based on the land capacity analysis, a high percentage of properties that allowed single-family housing were developed as detached single-family properties. As a result, any zone that allows detached single-family homes in the Lewis County Code was assumed to be low density. Any zone that allows middle housing (townhomes, duplex, triplex, and fourplex) was assumed to be moderate density. Any zone that allows apartments and condominiums with a maximum height of 3 floors was assumed to be low-rise.

For the final column in table 9, the zone categories were related to potential income levels to assess affordability by housing type. Table 7 and table 8 demonstrate the realistic monthly costs for different housing types in Lewis County. Based on the average housing costs by unit type and the estimated monthly income the table shows the percentage of monthly income to going towards housing costs. Per federal standards for housing affordability, any percentage of monthly income above 30% going towards housing costs in unaffordable (shown in red).

Table 7. Affordability of Housing Types in Lewis County by NAICS Sectors Average Monthly Income						
		Monthly Housing Costs by Housing Type and Ownership				
NAICS Sector	Monthly Income	Single-Family Detached Mortgage	Condominium Mortgage	Average Rent for All Unit Types	Two-Bedroom Rental Unit	One-Bedroom Rental Unit
-	-	$2,424	$2,376	$1,020	$1,052	$822
Retail Trade	$3,057	79%	77%	33%	34%	26%
Manufacturing	$3,450	70%	68%	29%	30%	23%
Health Care and Social Assistance	$5,006	48%	47%	20%	21%	16%
Educational Services	$5,416	44%	43%	18%	19%	15%

Washington Center for Real Estate Research 2024, Fannie Mae Mortgage Calculator Assumes 20% down payment and 30-year mortgage at 6% interest rate. Zillow Observed Rental Index 2024. Condominium price listed is the average condominium sale price in Centralia, WA from 2021 to 2023 from WCRER.

Table 8. Affordability of Housing Types in Lewis County by NAICS Sectors Average Monthly Income	
	Monthly Housing Costs by Housing Type and Ownership

Income Bracket	Monthly Income	Single-Family Detached Mortgage	Condominium Mortgage	Average Rent for All Unit Types	Two-Bedroom Rental Unit	One-Bedroom Rental Unit
-	-	$2,424	$2,376	$1,020	$1,052	$822
0-30% AMI	$2,225	108%	106%	45%	47%	36%
>30-50% AMI	$2,966	81%	80%	34%	35%	27%
>50-80% AMI	$4,079	59%	58%	25%	25%	20%
>80-120% AMI	$7,416	32%	32%	13%	14%	11%

Washington Center for Real Estate Research 2024, Fannie Mae Mortgage Calculator Assumes 20% down payment and 30-year mortgage at 6% interest rate. Zillow Observed Rental Index 2024. Condominium price listed is the average condominium sale price in Centralia, WA from 2021 to 2023 from WCRER. Area Median Income from FY 2024 Income Limits Documentation Housing and Urban Development.

For Table 8 calculations, the annual income for less than 30% AMI was assumed to be $26,700 based on the most recent median family income reported from HUD for Lewis County in 2024. AMI between 30-50% was assumed to be $35,600. 50-80% AMI annual income was assumed to be $48,950. 80-125% AMI was assumed to be $89,000.

Based on the affordability shown in Table 9 the income brackets were assigned to the zones that allowed the housing types they could afford. It should be stated that income levels lower than 30% were combined with the income levels 50-80% and assigned to the same housing types. This is because all of these income brackets can only afford an apartment option.

Table 9. Assumed Affordability Level by Zone and Housing Types

Land Use Zone	Housing Type(s) Allowed	Density Category	Assumed Affordability Level for Capacity Analysis
Residential Very Low Density (RVL)	Single-Family, Duplex, Accessory Dwelling Units (ADU), Tiny Home Village	Low Density	Higher Income (>120% AMI)
Residential Low Density (RL)	Single-Family, Accessory Dwelling Units (ADU), Tiny Home Village		
Residential Medium Density (RM)	Rowhouses, Fourplexes, Triplexes, Duplexes, Accessory Dwelling Units, Tiny Home Villages	Moderate Density	Moderate Income (>80-120%)
Residential High Density (RH)	Rowhouses, Fourplexes, Triplexes, Duplexes, Accessory Dwelling Units, Apartments, Condos, Hostels	Low-Rise	Low Income (0-80% AMI) and PSH

Mixed Use (MU)	Apartments and Condos	Low-Rise	Low Income (0-80% AMI) and PSH
Commercial Business District	Apartments and Condos	Mid-Rise	Low Income (0-80% AMI) and PSH
Small Town Mixed Use (STMU)	Single-Family, Duplex, Accessory Dwelling Unit	Low Density	Higher Income (>120% or greater AMI)
Small Town Mixed Use (STMU)	Multifamily *(Multi-Residential)*	Mid-Rise	Moderate Income (50-80% AMI)

High-rise or tower development is not allowed in any zones in Lewis County's Onalaska UGA or Packwood LAMIRD, so it was not defined in the table. According to guidance from the State Department of Commerce, high-rise would be identified in zones that allow for buildings with 7 or more floors or greater than 75 feet. For the comprehensive plan policies and development regulations modified as part of the comprehensive plan update, the county will need to ensure development regulations correlate with these assumptions to adequately allow for the correct housing types in zones.

Table 8. Projected Housing Needs and Capacity

Income Level (% AMI) and Special Needs Housing	Projected Housing Allocation	Zone Categories Serving These Needs	Aggregated Housing Needs	Capacity	Capacity Surplus or Deficit
0-30% PSH	88	None	126	0	126 (deficit)
0-30% Other	38	None			
>30-50%	115	Mid-Rise	115	187	72
>50-80%	58	Low-Rise	58	284	226
>80-100%	28	Moderate Density	28	1,144	1,116
>100-120%	23	Low Density	78	945	867
>120%	55				
Total	**403**		**403**		

Findings from Land Capacity and Housing Needs

Adequate Housing Can be Provided for >30-120% AMI

The current zoning designations and new zoning designations for the Packwood LAMIRD can adequately provide all housing types needed to accommodate the households earning >30-120% AMI in Lewis County based on 2024 housing costs.

Housing for 0-30% AMI

The analysis in this report identifies a deficit of 126 units for the 0-30% income brackets. Based on the housing guidance from the Department of Commerce of the housing guidance assumes that housing types suitable for 0-30% AMI households is high-rise residential housing. There are no zoning designations in Lewis County's code that allow for the development of high-rise residential housing. This would be inconsistent with Lewis County's comprehensive plan land use framework and inconsistent with the rural character of Lewis County.

Appendix A. Data Tables and Sources

Census Data Tables
Washington Real Estate Research Center
U.S. Department of Housing Data Comprehensive Housing Affordability Strategy (CHAS)
Washington Office of Financial Management
Washington Employment Security Department
Zillow