



FACT SHEET

AFFORDABLE HOUSING

Affordable housing in the Islands is a priority that must be addressed. Conservation and affordable housing are complementary to each other.

1. Almost all Land Bank Purchases are Properties Outside of High -Density Areas Where Most Affordable Housing is Found.

Nearly all affordable housing projects have been, and will continue to be, in or near urban growth areas (UGAs) to allow access to services and the density and zoning required for a variety of projects.

The vast majority of property the Land Bank has purchased is in the rural and natural parts of the islands and outside of areas zoned as UGAs. The few exceptions have been for special purposes like providing shoreline access (Deer Harbor and East Sound Waterfront Park on Orcas, Weeks Wetland on Lopez), or historic preservation (Friday Harbor). Additionally, the Land Bank sold property on Argyle Avenue in Friday Harbor for affordable housing. The Home Trust is currently working to create 40 new homes on this property.

Outside of UGAs there are still over 7,600 vacant parcels in the County – with the potential for subdivision to add another 2,000 parcels – quite a bit of development potential remains.

2. State Law Requires Counties to Fully Fund the Conservation REET to be Eligible for an Affordable Housing REET.

The Affordable Housing Real Estate Excise Tax (AH REET) is dependent on a fully funded Conservation REET under state law. San Juan is the only County in Washington State with a Land Bank (funded by the Conservation REET) and it is the only County eligible to have an Affordable Housing REET. Since its passage in 2018, the AH REET has yielded \$13M and helped fund 10 projects (132 homes). Affordable housing groups have used these funds as match for

grants and donations and raised an additional \$34M. **That's \$47M total going to affordable housing in roughly five years!**

3. Part of the Land Bank's Mission is to Preserve Watersheds That Provide Clean Drinking Water.

The Land Bank has worked hard to help protect the Trout Lake watershed which provides water for the Town of Friday Harbor. Since 2000, the Land Bank has purchased almost 130 acres (or 20%) of the watershed at a cost of roughly \$1.5M. Protecting this area helps keep the water in Trout Lake pure and gives the town flexibility to expand the reservoir if necessary.

Additionally, the Land Bank has purchased the headwaters (the source of a stream) to many other watersheds including Turtleback, Entrance and Cady Mountains, Mount Grant, and Diamond and Lopez Hills. These highpoints are where the islands receive the most precipitation, and where the cycle starts for our streams, lakes, ponds, and groundwater.

4. County Residents Living in UGAs are Among the Biggest Beneficiaries of Land Bank Purchases.

People living in apartments and condos or on small lots have greatly expanded access to natural areas and the benefits they provide because of the 30 Land Bank Preserves open to the public. The Land Bank has many trails and overlooks along shorelines, on mountain tops, and through forests and fields, and this provides everyone the opportunity to experience nature's beauty and restorative power. These benefits became especially apparent during the pandemic when usage of the Preserves increased dramatically.

5. Land Bank Preserve Purchases Have a Quite Small Impact on Overall Property Taxes Paid.

While outright purchases do remove properties from the tax rolls, the taxable value of Land Bank holdings is a tiny fraction of the total taxable value of real estate in the County – less than **one half of one percent**. In any case, the County's property tax rate is the lowest in the state (See tax impact fact sheet).