

# Meeting Agenda City Council

City Hall 601 4th Avenue E Olympia, WA 98501

Information: 360.753.8244

Tuesday, August 15, 2023

6:00 PM

Council Chambers, Online and Via Phone

# Study Session Attend: https://us02web.zoom.us/j/85350135374? pwd=dHI5NVZNTW1yaklXL3JKc2pDdjZQQT09

#### 1. ROLL CALL

#### 2. BUSINESS ITEMS

2.A 23-0696 Rental Housing Registration Proposed Program Scope

<u>Attachments:</u> Peer City Program Comparison and Proposed Scope

Kent Code Chapter 10.02 (rental housing inspection program)

Tukwila Code Chapter 8.46 (relocation assistance program)

Tacoma Code Chapter 1.95.080 (tenant relocation assistance)

**2.B** 23-0704 Olympia Strong Update

Attachments: Olympia Strong Draft Plan

Exhibit A - Public Engagement Summary

Exhibit B - Initiative Framework

**Equity Memo** 

Funding Olympia Strong Efforts in 2023 (002)

Link to Engage Olympia

#### 3. ADJOURNMENT

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## **City Council**

## Rental Housing Registration Proposed Program Scope

Agenda Date: 8/15/2023 Agenda Item Number: 2.A File Number: 23-0696

**Type:** discussion **Version:** 1 **Status:** Study Session

#### **Title**

Rental Housing Registration Proposed Program Scope

## Recommended Action Committee Recommendation:

The Land Use & Environment Committee recommends discussing the rental housing registration proposed program scope and options and direct staff to pursue budget for program implementation in 2024, draft code language and develop program, as discussed, for future City Council meeting.

## **City Manager Recommendation:**

Discuss the rental housing registration proposed program scope and options and direct staff to pursue budget for program implementation in 2024, draft code language and develop program, as discussed, for future City Council meeting.

#### Report

#### Issue:

Discussion on proposed rental housing registration program.

#### **Staff Contact:**

Christa Lenssen, Senior Housing Program Specialist, City Manager's Office

#### Presenter(s):

Christa Lenssen, Senior Housing Program Specialist, City Manager's Office, 360.570.3762

#### **Background and Analysis:**

In May 2022, the Land Use & Environment Committee directed staff to explore options for implementing a rental housing registration program, as part of Council's update to the City's rental housing code (OMC 5.82). Council adopted an ordinance amending OMC 5.82 in August 2022 to limit move-in fees and security deposits, as well as notice periods required for rent increases.

The Committee identified the following goals for a registration program:

- Gather data about rental housing in Olympia
- Share information and resources with landlords

Ensure basic life, health and safety in rental housing

Staff from Housing, Code Enforcement, Building Inspections, and Community Planning & Development met regularly to review peer city programs and options. Staff interviewed peer cities to learn more about program models, staffing structure, and sample code language. Staff will present information regarding legal authority to require inspections, peer city programs, proposed structure, resources needed to implement proposed program structure, additional policy and program considerations for developing a rental housing registration and inspection program.

In the proposed program model, an annual City-issued rental housing registration would be required with mandatory periodic inspections in order to renew their Olympia business license. Certain unit types would be required to register annually but would not be subject to inspection requirements unless code violations are found (owner-occupied properties with one rental unit onsite). These units would be required to submit a self-certification that their unit meets the City's requirements and could be subject to mandatory inspections if code violations are found. Staff recommends requiring third party inspections, on a 5-year inspection cycle (a portion of rental units at a property would be inspected one out of every five years). Approximately 2,900 rental units would undergo inspections each year. City staff would be responsible for overseeing compliance with the program, selecting units for inspection, notifying property owners, reviewing inspections, training and certifying inspectors, providing education and outreach to property owners, as well as adding information and resources responsive to community needs.

The City could consider requiring re-inspections by City code enforcement rather than third party inspectors to ensure that units failing the initial inspection are properly remedied or pursue further code enforcement action. This would require more staff time and the City could charge a fee for reinspections. The City could either train onsite staff to perform inspections or reimburse costs for inspection of properties that are affordable to low-income households but not owned/operated by a government agency or nonprofit organization (ex: 12-year MFTE, Low Income Housing Tax credit properties).

Land Use & Environment Committee members asked staff to determine whether the City has legal authority to inspect renter-occupied manufactured homes. Department of Labor & Industries (L&I) regulates inspection of manufactured homes at assembly and for certain alternations to the home (permits and inspections required for work conducted). The City could include renter-occupied manufactured homes in the inspection program. If repairs are needed which require a permit and inspection from L&I, the property owner could provide a copy of the inspection to verify work was completed to remedy the deficiencies.

Climate program goals include developing an energy efficiency baseline, helping to identify buildings with high energy usage, and connecting property owners with resources to improve energy efficiency and decarbonize their buildings. Housing and Climate program staff will work together to develop inspection program requirements that achieve both goals of monitoring health and safety, as well as energy efficiency.

Staff is seeking direction from Council to move forward with budget planning, program development and drafting of code language. Information will be presented for the Council to consider regarding:

Proposed program structure, including exemptions and scope:

- · Fee schedule;
- Program staffing and budgetary impacts;
- Other policy additions.

To implement a rental housing registration program, staff will need to:

- build a permit process and create a checklist for information needed to submit an application in SmartGov:
- work with Department of Revenue to establish a Rental Housing endorsement for the Olympia business license (DoR staff advised this will likely take 6 months);
- develop informational resources and guidance;
- perform outreach to communicate with rental housing property owners about new requirements, implementation schedule and deadlines;
- · create inspection checklist;
- create energy efficiency audit (with outside technical assistance);
- create system for tracking inspections and selecting units for inspections;
- create geographic sectors for inspection cycle;
- perform outreach to potential inspectors;
- create inspector training and certification.

#### Other policy considerations:

Tenants who are residing in housing units with deficient conditions may be displaced if the property requires substantial rehabilitation or the property is condemned. Council could explore two different options for relocation assistance at this time and could reevaluate after program implementation to determine need.

State law (RCW 59.18.085) requires a landlord to pay relocation assistance if the property is condemned or deemed unlawful to occupy by a government enforcement entity (not required if a natural disaster occurs, because of eminent domain, or caused by a tenant or other third party). Code in Tukwila and Lakewood requires landlords to comply with state law and to pay relocation assistance if the property is condemned. The landlord either pays the tenant directly or the City pays the tenant and seeks reimbursement from the landlord. The amount of relocation assistance is three times the monthly rent or \$2,000 (whichever is more).

State law (RCW 59.18.440) allows cities to require payment of relocation assistance to a low-income tenant (at or below 50% of Area Median Income) if the unit is demolished, substantially rehabilitated, or the use changes. Cities can only require landlords to pay up to half of the total amount of relocation assistance. A public hearing is required for a City to implement this type of relocation assistance. A maximum of \$2,000 of relocation assistance may be provided and annual future adjustments can be made based on the consumer price index.

Additional tenant protections that can be added to code language for compliance with a rental housing registration and inspection program:

- Failure to comply with program is a defense to eviction (no license or noncompliance with inspection program).
- Rent increases are prohibited if the unit fails to meet health and safety standards in the inspection.

 Prohibition on forwarding charges to tenants for requirements of the registry program (i.e. inspection costs).

Other code amendments to consider:

- Repeated violations of OMC 5.82 (City tenant protections) could result in penalties including denial or revocation of license.
  - Context: the City's tenant protections are tenant-enforced, however, this would allow staff to have regulatory authority if violations are found after education efforts have been attempted.
- Prohibition on retaliation against a tenant for exercising their rights under OMC 5.82.
  - Context: multiple tenants have contacted City staff who believe their landlord is not providing adequate notice for an increase in rent in their next lease term and who expressed fear of retaliation if asserting their rights.
- Cap on late fees (which includes any notice fees).
  - Context: a legal aid attorney reached out about the practice of charging tenants fees for preparing and delivering notices (in addition to late fees) regarding late payment of rent, a notice to pay or vacate, or a notice of noncompliance with a rental agreement. Although a landlord cannot evict a tenant for this type of fee alone, these fees will remain on the tenant's ledger and eventually end up in collections and follow the tenant even if an eviction action for rent was settled or dismissed. Seattle recently passed Ordinance 126803 which addresses this issue.

#### Climate Analysis:

The proposed rental housing registry and inspection program will result in a long-term reduction of greenhouse gas emissions by reducing energy use in existing buildings and supporting building electrification to phase out natural gas. An inspection checklist will be developed to monitor health and safety in housing units, as well as energy efficiency. Climate, housing, building inspections and code enforcement staff will work together to develop the inspection standards and ensure that third-party inspectors are adequately trained to perform this work. Inspectors will utilize the inspection checklist to identify deficiencies in housing units, including structural conditions and extreme energy inefficiency. Rental property owners will be required to remedy deficient conditions and will be provided information about available resources to make repairs and upgrades. Information will be shared about City resources to electrify housing units, make weatherization repairs and other updates.

#### **Equity Analysis:**

BIPOC households are more likely to be renters than white households in Thurston County. Approximately 42% of BIPOC households rent, compared to 31% of white households. Renters benefit from ensuring housing units are in good condition. Renters with disabilities whose health may be negatively impacted by unit conditions (inadequate ventilation, mold/moisture intrusion, cold/heat) will benefit from improvements to housing units. About 20% of respondents to the fair housing survey in 2022 indicated they experience health impacts from their housing unit conditions. High heating and cooling costs or insufficient heat/cooling, mold, and air quality/pollution were the most commonly reported environmental concerns in housing units. Renters will benefit from decreased utility costs if energy efficiency improves and repairs are completed. According to the landlord survey conducted in

2021 as part of the Housing Needs Assessment, only 13% of landlords include electricity/gas utilities in rent. Renters may also benefit from the landlord being more aware of legal rights and responsibilities, if additional educational resources and information are included as part of this program.

People of color and people with disabilities earn less on average than white, non-disabled people. In Thurston County, about 36% of white households earn over \$100,000 per year compared to 18% of Native American households. White households are the most likely to earn over \$100,000 annually and least likely to earn under \$35,000 annually than any other racial or ethnic group countywide. In 2020 in Olympia, a person with a disability earned on average \$26,075, compared to \$37,168 earned by a person without a disability. Low-income renters could be disproportionately harmed by this program if they are currently renting lower cost units that need significant repairs, and their rents are increased as a result of unit upgrades, they are displaced due to the unit needing significant repairs, or the unit is taken off the rental market. Renters with disabilities may also be burdened by inspectors entering their units (some individuals may be immune compromised).

There is limited data on landlord demographics. City of Olympia surveys include demographic data, but not all respondents provide demographic information and there is a limited sample size. Approximately 71% of landlords who completed the landlord survey (part of the Olympia rental housing code update in 2022) identified as white, which is similar to the general population of Olympia overall. Landlords are burdened by additional requirements and costs. Landlords may benefit from value-added programs and resources offered by the City. Landlords may also benefit from knowing about repairs needed in their housing unit due to inspections which may not be reported by a renter. Some renters may fear retaliation from their landlord if they request repairs or report to code enforcement.

Staff recommends adopting relocation assistance measures and will present options to Council. Additionally, staff will work to promote resources to help property owners make upgrades in exchange for renting to households earning below 80% of Area Median Income through the CDBG revolving loan fund and critical home repair programs. Staff is also exploring addition of a reasonable accommodation policy to ensure that any renters with disabilities may have the option of forgoing an inspection in their unit (if entrance to their unit by an inspector poses a health risk). In the future, this program could employ incentives to encourage landlords to keep rents low, to partner with community organizations who are seeking housing placements for clients, or provide other pathways for tenants with higher barriers to access housing.

Many City departments may be impacted by increased work due to implementation of a new program, including: GIS, business licensing, legal and code enforcement. Many departments would also benefit from having access to data about rental housing, as well as ability to communicate with landlords and tenants about City initiatives and resources.

## Neighborhood/Community Interests (if known):

Potential changes to Olympia Municipal Code's Rental Housing Code (OMC 5.82) are a topic of significant interest to renters and rental housing owners/operators within the city and around Thurston County. City staff and consultant Jason Robertson conducted engagement with renters and landlords from Fall 2021 to Spring 2022 to review policy options, which lead to adoption of a tenant protection ordinance in August 2022.

Approximately 100 landlords and 200 renters responded to an Engage Olympia survey question that asked how supportive they would be of a rental housing registry to keep landlords updated on rental rules, codes, policies and resources, and potential unit inspections to ensure health and safety. Both renters and landlords generally expressed support for easily accessible information on laws and resources. Both renters and landlords expressed concern that increased costs related to fees or required property improvements would lead to rent increases. Overall, 56% of renters were very supportive of a registry, while 18% of landlords were very supportive of a registry.

### **Financial Impact:**

Creating a new program will require additional staff. Revenue from fees is expected to offset staffing costs to operate the program, however, it is anticipated that additional staffing needs will have a budgetary impact, particularly in the startup phase. At full compliance, fee revenue is anticipated to be approximately \$465,000 (with a \$30 fee per unit) and an estimated additional \$36,000 in new business license revenue. Staff expect that it may take 3-5 years to gain program compliance and the first two years of implementation may operate at a deficit. Climate and Housing staff have applied for \$400,000 in grant funding to assist in startup costs and will be notified by September 1<sup>st</sup> if awarded. Staff proposed funds be used to start-up the rental housing registry and identify properties for an energy efficiency pilot program for affordable rental housing properties.

It is anticipated that 2.5 FTE (1 FTE coordinator, 1 FTE code enforcement, and 0.5 FTE permit tech or program assistant) will be needed to operate the program on an ongoing basis. In Year 1, the program could operate with 1.5 FTE (1 FTE coordinator and 0.5 FTE permit tech/program assistant) to establish the program and garner voluntary compliance without enforcement penalties. Staff have submitted a budget enhancement request to cover 1.5 FTE needed outside of the revenue generated from program fees for the first year. The program may have additional workload impacts on GIS, business licensing, legal, code enforcement, community planning and development business operations, and housing staff.

#### **Options:**

- 1. Direct staff to pursue budget for program implementation in 2024, draft code language and develop program, as discussed, for future City Council meeting.
- Direct staff to modify proposed program and present alternative program scope and staffing needed at a future Land Use & Environment committee or City Council meeting. Program implementation would be delayed.
- 3. Take other action.

#### **Attachments:**

Peer City Program Comparison and Proposed Scope Kent Code Chapter 10.02 (rental housing inspection program) Tukwila Code Chapter 8.46 (relocation assistance program) Tacoma Code Chapter 1.95.080 (tenant relocation assistance)

## Peer City Program models

City	# units registered	# properties registered	staffing	fees	exemptions	notes
Burien	5,986	346	1 dedicated FTE:     1 FTE coordinator (enforces license and inspection requirement, oversees program)     1 code enforcement officer for City (not dedicated to the program)	1-10 units: \$290 11-50 units: \$725 50+ units: \$871	<ul> <li>single-family homes</li> <li>condos</li> <li>townhomes</li> <li>mobile or manufactured homes</li> <li>ADUs</li> <li>Owner occupied (duplexes if they reside on one side)</li> <li>rental units owned, operated, or managed by a government agency</li> <li>units unavailable for rent</li> <li>Residence at an institution, whether public or private, where residence is merely incidental to detention or the provision of medical, religious, educational, recreational, or similar services, including but not limited to correctional facilities, licensed nursing homes, monasteries and convents, and hospitals; hotels, motels; housing in conjunction with employment (i.e., farmworker)</li> </ul>	Inspection cycle: 3 years.  Private inspectors are hired by landlord.  Burien uses DoR for business license.
Kent	14,421	290	1 FTE coordinator     City has 2 law enforcement officers who do code enforcement (not dedicated to this program)     1 Tax & Compliance officer for business license enforcement (not	Business license fees: \$15/unit plus application fees: 2-10 units: \$101 11-50 units: \$301 51+ units: \$601	<ul> <li>Owner-occupied single-family residences</li> <li>rental units owned, operated, or managed by a government agency</li> <li>Single family homes and ADUs registered but not licensed/inspected</li> <li>Renter-occupied mobile or manufactured homes registered but not licensed/inspected</li> <li>Condos/townhomes registered but not licensed/inspected</li> <li>units unavailable for rent</li> <li>Housing accommodations at an institution, whether public or private, where residence is merely incidental to detention or the provision of medical, religious, educational, recreational, or</li> </ul>	Inspection cycle: 3 years.  Private inspectors are hired by landlord.  Kent has own business license system (FileLocal) and enforcement. Separate registration is required.

Lakewood	11,637 (94% compliance)	1,854 (84% compliance)  Over half of their registered rental properties are single family homes (1,044 properties); additional 300 are duplexes	dedicated to program)  2.25 dedicated FTE:  1 FTE coordinator  1 inspector  0.25 housing program manager  Indicated they need more than 2.25 FTE staff and will be reevaluating with Council  Have 3 code enforcement officers for City  Have to coordinate at times with building official, building inspections, legal, code enforcement.	\$12/unit	•	similar services, including but not limited to correctional facilities, licensed nursing homes, monasteries and convents, and hospitals; hotels, motels; shelters and transitional housing owner occupied units units occupied by parent or child of owner ADUs government owned or operated units mobile homes units unavailable for rent Housing accommodations in retirement or nursing homes; Housing accommodations in any hospital, State-licensed community care facility, convent, monastery or other facility occupied exclusively by members of a religious order, or an extended medical care facility; hotels, motels; shelters and transitional housing	Inspection cycle: 5 years.  City inspects properties at no cost, but give option of hiring private inspector.  Recommended auditing private inspectors (quality control) or having City staff do re-inspections, in the event a property needs to be condemned. Indicated that 2 FTE seems like the minimum staff to support program and enforcement, even if private inspectors do initial inspections.  City pays relocation assistance and landlord is required to pay City back.  Lakewood has own Rental Housing Business license.
Tukwila	4,567	535 rental licenses	<ul> <li>1.75 dedicated FTE:</li> <li>.75 FTE program coordinator</li> <li>1 FTE code enforcement officer</li> </ul>	Properties with up to 4 units: \$80  5-20 unit properties: \$208  21-50 unit	•	Units with Section 8 tenants can provide alternate inspection report, but still must obtain rental license Owner-occupied rental units Units unavailable for rent Housing accommodations in hotels, motels, inns or tourist homes Housing accommodations in retirement or nursing homes	Require an initial inspection prior to issuing a license. After that inspections occur every 4 years.  Properties with up to 12 units may use a city inspector

properties: \$260	<ul> <li>Housing accommodations in any hospital, State licensed community care facility, convent, monastery or other facility occupied exclusively by members of a religious order or an</li> </ul>
51+ unit	extended medical care facility  City pays relocation
properties: \$324	<ul> <li>Housing accommodations that a government unit, agency or authority owns, operates or manages, or which are specifically exempted from municipal regulation by State or federal law or</li> </ul>
	administrative regulation. This exception shall not apply once the governmental ownership, operation or management regulation is discontinued.  Tukwila has own Rental Housing Business License.

## Proposed program structure

City	Estimated	Estimated	Staffing	Fees	Exemptions Notes
	# units	# properties			
Olympia	15,513 units	4,212	<ul> <li>2.5 dedicated FTE:</li> <li>1 FTE coordinator</li> <li>1 FTE code enforcement (may not need until second year of implementation to give opportunity for voluntary compliance)</li> <li>0.5 FTE admin support/permit tech</li> </ul>	\$30-\$35/unit plus annual business license costs (\$50 for initial DoR application and \$5 annually to renew, plus Olympia endorsement \$30)	<ul> <li>From all program requirements: owner-occupied mobile homes, dorms, religious housing, houseboats, shelters, transitional housing, AFCs or group homes, supported living for people with disabilities, hotels, short-term/vacation rentals, room rentals where owner resides in property</li> <li>From inspections, but required to register: Owner-occupied properties with only 1 rental unit (ADU onsite, duplex)</li> <li>From fees: Government and nonprofit owned or operated affordable housing units exempted from fees and can submit alternate inspection report if already required to complete inspection</li> </ul> All inspections conducted by private third-party inspectors, paid by landlord. Inspection cycle: 5 years Annual City-issued rental housing registration or permit with periodic inspections required in order to renew Olympia business license. Enforcement through civil infractions, and ability to revoke business license. There are monetary penalties and misdemeanor charges for operating a business without a license.

#### Other considerations:

- Could consider requiring reinspections by City code enforcement rather than third party inspectors to ensure that units failing the initial inspection are properly remedied or pursue further code enforcement action. This would require more staff time and the City could charge a fee for reinspections.
- Owner-occupied properties with 1 rental unit onsite (ADU or duplex) will be required to submit self-certification of inspection checklist/statement of compliance and require inspections if code violations found.
- City could train onsite staff to perform inspections or reimburse costs for inspection of properties that are affordable to low-income households but not owned by a government agency or nonprofit organization (ex: 12-year MFTE).

#### Scope of rental properties to be inspected (with possible exemptions)

Housing Type	Total Number of Rentals*	Units Inspected Annually**	Potential Exemptions (from inspection requirements)
SFR/ADU, CONDO, MANUFACTURED HOME, OR TOWNHOUSE	3481	696	199 Units (Owner-occupied with one rental unit onsite)
2-4 Units	1548	150	588 Units (Affordable units Owned/Operated
5-10 Units	445	92	by Gov/Non-Profit) – can submit alternate
11-20 Units	540	117	inspection report
21-50 Units	1849	378	
51+ Units	7,650	1,546	
TOTAL	15,513	2,979	

<sup>\*</sup> These numbers are estimates determined by identifying residential units where a taxpayer's mailing address is different than the property address. However, there are 651 properties where the owner mailing address is a PO BOX. Of those, 380 have the PO BOX city listed as OLYMPIA. It's likely there are a percentage of those that are Owner Occupied Units that we've counted as rentals for this analysis. This includes all possible rental units, including suggested exemptions in the columns to the right.

<sup>\*\*</sup>Per state law, no more than 4 units may be inspected if the property has 20 or fewer units; 20% of units (up to a maximum of 50 units) may be inspected at larger multifamily properties (with 21+ units). State law allows properties to be inspected no more than once every three years. Staff recommends implementing a 5-year inspection cycle.

## Estimated fee revenue (\$30/unit), Costs and Deficits

Projected Revenue	Fee revenue for all rental units (15,500)	Government or nonprofit owned/operated affordable housing units (588)	Fee revenue after affordable housing exemptions	Additional Business License Revenue*	Total Revenue	Staff costs**	Deficit/Surplus***
Year 1 @ 25% compliance	\$117,000	\$5,000	\$112,000	\$9,000	\$121,000	\$200,000 (1.5 FTE)	-\$79,000
Year 2 @ 50% Compliance	\$233,000	\$9,000	\$224,000	\$18,000	\$242,000	\$345,000 (2.5 FTE)	-\$103,000
Year 3 @ 75% Compliance	\$350,000	\$14,000	\$336,000	\$27,000	\$363,000	\$359,000 (2.5 FTE)	+\$4,000
Year 4 @ 85% Compliance	\$395,000	\$15,000	\$380,000	\$31,000	\$411,000	\$373,000 (2.5 FTE)	+\$38,000
Year 5 @ 100% Compliance	\$465,000	\$18,000	\$447,000	\$36,000	\$483,000	\$388,000 (2.5 FTE)	+\$95,000

<sup>\*</sup>Staff analysis shows there are currently 186 business licenses related to renting of residential properties. Staff estimate there are about 1435 rental property owners. This indicates that there could be up to 1250 additional business licenses if all rental property owners obtained business licenses.

## Estimated Cost to Landlords (\$30/unit)

Unit Type	Per unit total fees (annual)	Estimated Inspection Cost Range*	Business license fees	Annualized Total
		(once every 5 years)	(annual)**	
Duplex	\$60	\$140-\$280	\$35	\$123-\$151
20-unit property	\$600	\$100-\$140	\$35	\$655-663
300-unit property	\$9,000	\$1,250-\$1,750	\$35	\$9,285-\$9,385

<sup>\*</sup>Does not include travel costs. Estimates are taken from interviews with Kent-certified inspectors.

<sup>\*\*</sup>Staff costs do not factor in other added costs like laptops, uniforms, phones, etc. Year 1 assumes 2024 staffing cost rates. Years 2-5 include an annual 4% COLA for all positions.

<sup>\*\*\*</sup>Revenue may be augmented by additional units developed and addition of units in SE Olympia annexation.

<sup>\*\*</sup>Does not include initial DoR business license application (\$50).

## Estimated fee revenue (\$32/unit), Costs and Deficits

Projected Revenue	Fee revenue	Government or	Fee revenue after	Additional	Total Revenue	Staff costs**	Deficit/Surplus***
	for all rental	nonprofit	affordable housing	Business License			
	units	owned/operated	exemptions	Revenue*			
	(15,500)	affordable housing units					
		(588)					
Year 1 @ 25% compliance	\$124,000	\$5,000	\$116,000	\$9,000	\$125,000	\$200,000 (1.5 FTE)	-\$75,000
Year 2 @ 50% Compliance	\$248,000	\$10,000	\$238,000	\$18,000	\$256,000	\$345,000 (2.5 FTE)	-\$89,000
Year 3 @ 75% Compliance	\$372,000	\$15,000	\$354,000	\$27,000	\$381,000	\$359,000 (2.5 FTE)	+\$22,000
Year 4 @ 85% Compliance	\$422,000	\$16,000	\$406,000	\$31,000	\$437,000	\$373,000 (2.5 FTE)	+\$64,000
Year 5 @ 100%	\$496,000	\$19,000	\$477,000	\$36,000	\$513,000	\$388,000 (2.5 FTE)	+\$125,000
Compliance							

<sup>\*</sup>Staff analysis shows there are currently 186 business licenses related to renting of residential properties. Staff estimate there are about 1435 rental property owners. This indicates that there could be up to 1250 additional business licenses if all rental property owners obtained business licenses.

## Estimated Cost to Landlords (\$32/unit)

Unit Type	Per unit total fees (annual)	Estimated Inspection Cost Range*	Business license fees	Annualized Total
		(once every 5 years)	(annual)**	
Duplex	\$64	\$140-\$280	\$35	\$127-\$155
20-unit property	\$640	\$100-\$140	\$35	\$695-703
300-unit property	\$9,600	\$1,250-\$1,750	\$35	\$9,885-\$9,985

<sup>\*</sup>Does not include travel costs. Estimates are taken from interviews with Kent-certified inspectors.

<sup>\*\*</sup>Staff costs do not factor in other added costs like laptops, uniforms, phones, etc. Year 1 assumes 2024 staffing cost rates. Years 2-5 include an annual 4% COLA for all positions.

<sup>\*\*\*</sup>Revenue may be augmented by additional units developed and addition of units in SE Olympia annexation.

<sup>\*\*</sup>Does not include initial DoR business license application (\$50).

## Estimated fee revenue (\$35/unit), Costs and Deficits

Projected Revenue	Fee revenue for all rental units (15,500)	Government or nonprofit owned/operated affordable housing units (588)	Fee revenue after affordable housing exemptions	Additional Business License Revenue*	Total Revenue	Staff costs**	Deficit/Surplus***
Year 1 @ 25% compliance	\$136,000	\$5,000	\$131,000	\$9,000	\$140,000	\$200,000 (1.5 FTE)	-\$60,000
Year 2 @ 50% Compliance	\$271,000	\$10,000	\$261,000	\$18,000	\$279,000	\$345,000 (2.5 FTE)	-\$66,000
Year 3 @ 75% Compliance	\$407,000	\$15,000	\$392,000	\$27,000	\$419,000	\$359,000 (2.5 FTE)	+\$60,000
Year 4 @ 85% Compliance	\$462,000	\$16,000	\$446,000	\$31,000	\$477,000	\$373,000 (2.5 FTE)	+\$104,000
Year 5 @ 100% Compliance	\$543,000	\$21,000	\$522,000	\$36,000	\$558,000	\$388,000 (2.5 FTE)	+\$170,000

<sup>\*</sup>Staff analysis shows there are currently 186 business licenses related to renting of residential properties. Staff estimate there are about 1435 rental property owners. This indicates that there could be up to 1250 additional business licenses if all rental property owners obtained business licenses.

## Estimated Cost to Landlords (\$35/unit)

Unit Type	Per unit total fees (annual)	Estimated Inspection Cost Range*	Business license fees	Annualized Total
		(once every 5 years)	(annual)**	
Duplex	\$70	\$140-\$280	\$35	\$133-\$161
20-unit property	\$700	\$100-\$140	\$35	\$755-763
300-unit property	\$10,500	\$1,250-\$1,750	\$35	\$10,785-\$10,885

<sup>\*</sup>Does not include travel costs. Estimates are taken from interviews with Kent-certified inspectors.

<sup>\*\*</sup>Staff costs do not factor in other added costs like laptops, uniforms, phones, etc. Year 1 assumes 2024 staffing cost rates. Years 2-5 include an annual 4% COLA for all positions.

<sup>\*\*\*</sup>Revenue may be augmented by additional units developed and addition of units in SE Olympia annexation.

<sup>\*\*</sup>Does not include initial DoR business license application (\$50).

## Chapter 10.02 RENTAL HOUSING REGISTRATION AND INSPECTION PROGAM

#### Sections:

10.02.010	Purpose.
10.02.020	Applicability – Conflicts.
10.02.030	Definitions.
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10.02.150	Consistency with Chapter 59.18 RCW.

## 10.02.010 Purpose.⊠

The city of Kent finds that the establishment of a rental housing registration and safety inspection program and the continuation of its rental housing business license requirements will protect the public health, safety, and welfare of tenants by encouraging the proper maintenance of rental housing by identifying and requiring correction of substandard housing conditions. By establishing this program, the city intends to prevent conditions of deterioration and blight that would adversely impact the quality of life in Kent.

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(Ord. No. 4272, § 1, 3-20-18)
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#### 10.02.020 Applicability - Conflicts.

The provisions of this chapter shall apply in addition to the provisions of any other code provision or ordinance. Where there is a conflict, the more restrictive provision shall apply.

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(Ord. No. 4272, § 1, 3-20-18)
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#### 10.02.030 Definitions.

For the purpose of this chapter, the following words or phrases have the meaning prescribed below:

- A. Accessory dwelling unit or ADU means a second, subordinate housing unit that is accessory to a single-family residence, and meets the definition and requirements of KCC <u>15.02.003</u> and <u>15.08.160</u> for accessory dwellings.
- B. *Building* means a structure having a roof supported by columns or walls used for supporting or sheltering a use of any kind.
- C. Building code means all code provisions adopted in and throughout Chapter 14.01 KCC.
- D. Business license means a business license as required by Chapter 5.01 KCC.
- E. Certificate of inspection means the document signed and dated by a qualified rental housing inspector and submitted to the city as the result of an inspection conducted by a qualified rental housing inspector that certifies that the residential housing units that were inspected comply with the requirements and standards of this chapter.
- F. Declaration of compliance means a statement submitted to the city by the owner or the landlord that certifies that, to the best of his or her knowledge, after an onsite review of the conditions of the rental unit, each residential housing unit complies with the requirements and standards of this chapter.
- G. Department means the city of Kent economic and community development department.
- H. *Director* means the director of the economic and community development department or the director's designee.
- I. Fire code means all code provisions adopted in and throughout Chapter 13.01 KCC.
- J. Landlord means the owner, lessor, or sublessor of the rental unit or the rental property of which it is a part and, in addition, means any person designated as representative of the owner, lessor, or sublessor including, but not limited to, an agent, a resident manager, or a designated property manager.
- K. Mobile home means a mobile home or a manufactured home as defined in Chapter 59.20 RCW.
- L. Owner has the meaning as defined in RCW 59.18.030.

- M. Qualified rental housing inspector and RHI mean a private inspector who possesses at least one of the following credentials and who has been approved by the director as an RHI based on a process developed by the director consistent with the intent of this chapter:
  - 1. American Association of Code Enforcement Property Maintenance and Housing Inspector certification;
  - 2. International Code Council Property Maintenance and Housing Inspector certification;
  - 3. International Code Council Residential Building Code Inspector;
  - 4. Washington State licensed home inspector; or
  - 5. Other acceptable credential the director establishes by rule.
- N. Rental property means all residential dwelling units rented or leased on a single parcel of land managed by the same landlord.
- O. Rental property complex means all residential dwelling units rented or leased on a contiguous parcel or parcels of land managed by the same landlord as a single rental complex.
- P. Rental unit means a residential housing unit occupied or rented by a tenant or available for rent by a tenant.
- Q. Residential housing unit means any building or part of a building in the city of Kent that is used or may be used as a home, residence, or sleeping place by one or more persons, including but not limited to single-family residences, accessory dwelling units, duplexes, triplexes, fourplexes, townhouses, multifamily dwellings, apartment buildings, condominiums, and similar living accommodations.
- R. Residential rental housing registration means registration required under this chapter.
- S. *Shelter* means a facility with overnight sleeping accommodations, owned, operated, or managed by a nonprofit agency or governmental entity, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of the homeless.
- T. Single-family residence means a single detached building containing only one residential housing unit that is completely separated by open space on all sides from any other structure, except its own garage or shed.

- U. *Tenant* means a person entitled to occupy a residential housing unit pursuant to a rental agreement or who pays rent for occupancy or possession.
- V. *Transitional housing* means residential housing units owned, operated, or managed by a nonprofit agency or governmental entity in which supportive services are provided to individuals or families that were formerly homeless, with the intent to stabilize them and move them to permanent housing within a period of not more than 24 months.
- W. *Unit unavailable for rent* means a residential housing unit that is not offered or available for rent as a rental unit, and that prior to offering or making the unit available as a rental unit, the owner is required to obtain a residential rental registration for the rental property in which the unit is located and comply with applicable regulations adopted pursuant to this chapter.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.040 Scope.

- A. Exempt residential housing units. This chapter does not apply to the following residential housing units:
  - 1. Owner-occupied single-family residences;
  - 2. Units unavailable for rent;
  - 3. Housing accommodations in a hotel, motel, or other similar transient lodging;
  - 4. Housing accommodations at an institution, whether public or private, where residence is merely incidental to detention or the provision of medical, religious, educational, recreational, or similar services, including but not limited to correctional facilities, licensed nursing homes, monasteries and convents, and hospitals;
  - 5. Owner-occupied mobile homes or manufactured homes, both as defined in Chapter 59.20 RCW;
  - 6. Shelters and transitional housing; and
  - 7. Rental units that a government unit, agency, or authority owns, operates, or manages, or that are specifically exempted from such a registration requirement by state or federal law or administrative regulation. This exemption does not apply once the governmental ownership, operation, or management is discontinued.

#### B. Registration required.

- 1. No person shall make available for rent, or rent, lease, or let to the public, any residential housing unit that is not exempt under subsection (A) of this section without first registering the rental unit with the department.
- 2. A residential rental housing registration expires on December 31st of the calendar year following registration or renewal.
- 3. The residential rental housing registration is transferable to any person who has acquired ownership of a registered rental property for the unexpired portion of the one-year term for which it was issued.
- 4. *Application*. Application for a residential rental registration shall be made to the city on a form and through a process established by the director. The application shall include a declaration of compliance and such other information as required by the director in order to carry out the intent of this chapter.
- 5. *Renewal.* A residential rental registration may be renewed for the ensuing year on or before the date of the expiration of the current registration, by submitting a renewal application on a form and through a process established by the director updating the information contained in the original application.
- 6. *Penalty*. Any person who fails to properly register any residential housing unit or fails to submit the required documentation for renewal on or prior to the expiration date of the registration shall be subject to a \$50 penalty.
- C. License required. As a condition of operation, each and every owner or landlord renting or leasing a residential housing unit within the city limits shall, in accordance with Chapter <u>5.01</u> KCC, obtain and maintain a business license. The issuance of such a license shall be considered a privilege and not an absolute right of the landlord, and the possession of such license shall not entitle the landlord to a new business license for subsequent years.
  - 1. Exemptions. Landlords are exempt from the requirement to obtain a business license for the following rental units:
    - a. Single-family residences;
    - b. Mobile homes or manufactured homes, both as defined in Chapter 59.20 RCW;

- c. Condominiums and townhomes; and
- d. All residential housing units exempt from the residential rental housing registration requirements under subsection (A) of this section.
- 2. Penalty for not obtaining license. In addition to the penalties set forth in Chapter <u>5.01</u> KCC, there shall be assessed a penalty of \$100 per day for each day that a residential housing unit operates without a valid and current business license for the first 10 days of noncompliance with this chapter, and up to \$400 per day for each day in excess of 10 days of noncompliance with this chapter.
- 3. Display of program information. Information regarding the rental housing and safety inspection program shall be posted on the inside of each residential housing unit or in a common area; provided, that the director may by rule establish one or more alternative or additional methods for conveying the information to tenants.
- 4. Declaration of compliance. As a condition to the issuance and/or renewal of a business license, an applicant shall provide a valid declaration of compliance addressing each rental unit in the rental property prior to the issuance of a license. A declaration of compliance submitted under this chapter must state that each unit complies with the requirements of this chapter and that there are no conditions presented in the units that endanger or impair the health or safety of a tenant.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.050 Business license period – Application and relicensing – Fee.

The business licensing period shall run from January 1st through December 31st of each year. Any application for a license required by this chapter shall be accompanied by a certificate of inspection and a fee as established in Chapter <u>5.01</u> KCC and any resolution established in accordance with that chapter. Residential rental housing business licensing applications shall comply with the requirements of KCC 5.01.090 and 5.01.110.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.060 Denial or revocation of business license – Appeal.

A. *Denial or revocation of license*. A residential rental housing business license may be denied or revoked for the following reasons:

- 1. Failure to obtain a certificate of inspection as required by this chapter;
- 2. The certificate of inspection or business license was procured by fraud or false representation of fact;
- 3. The applicant or registration holder has failed to comply with any of the provisions of this chapter;
- 4. The applicant or registration holder is in default in any fee due to the city under this chapter;
- 5. Any reason set forth in KCC 5.01.130;
- 6. The property is subject to a notice of violation for a code violation which has been deemed committed or found to have been committed pursuant to Chapter 1.04 KCC or violation of the Revised Code of Washington.
- B. *Process Appeal*. The denial or revocation of a residential rental housing business license shall comply with the business license revocation procedures set forth in Chapter <u>5.01</u> KCC. The denial or revocation of a business license required by this chapter may be appealed in conformance with the requirements of Chapter <u>5.01</u> KCC.
- C. If a residential rental housing business license is revoked, or an application for a license is denied, the landlord will be granted a business license only after:
  - 1. Any and all deficiencies on which the revocation or denial was based have been corrected;
  - 2. In the event an inspection has been required, the applicant has provided to the city a valid certificate of inspection that meets the requirements of this chapter; and
  - 3. The applicant pays a license fee as determined by ordinance.
- D. Tenant relocation assistance shall be provided as required by RCW <u>59.18.085</u>, and pursuant to the process set forth therein.

(Ord. No. <u>4272</u>, § 1, 3-20-18)

#### 10.02.070 Certificates of inspection.

A. All residential rental properties subject to the business license requirements of this chapter must be inspected once every three years by a qualified rental housing inspector and will require a certificate of

inspection within a time period established by the director. The property selection process shall be based on a methodology determined by the director that will further the purpose of this chapter.

- B. The director is authorized to create and publish a checklist to be used for declarations of compliance and inspections submitted or conducted under this chapter, and is authorized to include additional standards including, but not limited to, those within the building code, fire code, or RCW 59.18.060.
- C. All certificates of inspection submitted under this chapter must state that all units subject to inspection have been inspected, and that all units inspected comply with the requirements of the checklist.
- D. A certificate of inspection shall be based upon a physical inspection by the qualified rental housing inspector of the residential housing units conducted not more than 90 days prior to the date of the certificate of inspection.
- E. The certificate of inspection shall list and show compliance with the minimum standards for each residential housing unit that was inspected using the checklist provided by the city and shall contain such other information as determined by the director to carry out the intent of this chapter.
- F. Limitations and conditions on inspection of units for certificate of inspection.
  - 1. The unit selection process shall be based on a methodology determined by the director that will further the purpose of this chapter.
  - 2. The city may only require a certificate of inspection on a rental property no more frequently than once every three years in accordance with RCW 59.18.125.
  - 3. A rental property that has received a certificate of occupancy within the last four years and has had no code violations reported on the property during that period is exempt from inspection.
  - 4. For properties that require an inspection, the owner or landlord must send written notice of the inspection to all units at the rental property. The notice must advise tenants that some of the units at the property will be inspected and that the tenants whose units need repairs or maintenance should send written notification to the landlord as provided in RCW 59.18.070. The notice must also advise tenants that if the landlord fails to adequately respond to the request for repairs or maintenance, the tenants may contact city of Kent officials. A copy of the notice must be provided to the inspector upon request on the day of inspection.

5. If a rental property has 20 or fewer rental units, no more than four rental units at the rental property

may be selected by the city to provide a certificate of inspection as long as the initial inspection reveals

that no conditions exist that endanger or impair the health or safety of a tenant.

6. If a rental property has 21 or more rental units, no more than 20 percent of the units, rounded up to

the next whole number, on the rental property, and up to a maximum of 50 units at any one property,

may be selected by the city to provide a certificate of inspection as long as the initial inspection reveals

that no conditions exist that endanger or impair the health or safety of a tenant.

7. If an owner or landlord is asked to provide a certificate of inspection for a sample of units on the rental

property and a selected unit fails the initial inspection, the city may require up to 100 percent of the units

on the rental property to provide a certificate of inspection.

8. If a rental property has had conditions that endanger or impair the health or safety of a tenant reported

since the last required inspection, the city may require 100 percent of the units on the rental property to

provide a certificate of inspection.

9. An inspector conducting an inspection under this chapter may only investigate a rental property as

needed to provide a certificate of inspection.

G. Notice to tenants.

1. The landlord shall provide written notification of his or her intent to allow an inspector to enter an

individual unit for the purposes of providing the city with a declaration of compliance or certificate of

inspection in accordance with RCW 59.18.150(6). The written notice must indicate the date and

approximate time of the inspection and the company or person performing the inspection, and that the

tenant has the right to see the inspector's identification before the inspector enters the individual unit. A

copy of this notice must be provided to the inspector upon request on or before the day of inspection.

2. A tenant who continues to deny access to his or her unit is subject to the penalties in

RCW 59.18.150(8).

(Ord. No. 4272, § 1, 3-20-18)

10.02.080 Notice that rental is unlawful when certificate not provided.

When a certificate of inspection or a declaration of compliance is required for a specified residential housing unit under this chapter and a valid certificate of inspection or declaration of compliance has not been provided to the city, the director is authorized to notify the owner or landlord that until a valid certificate of inspection or declaration of compliance is provided to the city, it is unlawful to rent or to allow a tenant to continue to occupy the residential housing unit. It shall be unlawful to rent or allow a tenant to occupy or continue to occupy such unit.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.090 Other inspections.

Nothing in this chapter precludes additional inspections conducted under RCW <u>59.18.150</u>, Chapter <u>1.04</u> KCC, or at the request or consent of a tenant, pursuant to a warrant, or pursuant to the tenant remedy provided by RCW <u>59.18.115</u> of the Residential Landlord-Tenant Act.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.100 Director is authorized to make rules.

The director is authorized to adopt, publish, and enforce rules and regulations, consistent with this chapter and the standards in this chapter, for the purpose of carrying out the provisions of this chapter and it is unlawful to violate or fail to comply with any such rule or regulation.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.110 Correction notice prior to enforcement.

Before the city suspends or revokes a registration or imposes the penalties set forth in this chapter, an attempt shall be made to give the owner or landlord a written notice by personal service or by certified mail, return receipt requested, stating the existence of a violation, that enforcement action is contemplated, and that such person shall have a specified period of time in which to correct the violation.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.120 Immediate health and safety threats.

Nothing in this chapter shall limit the city's ability to inspect properties and issue citations for property-related conditions that may constitute an immediate health or safety threat.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.130 Immunity, no warranty by city, and no private right of action.

The purpose of this chapter is to promote the safety and welfare of the general public and not to create or designate any particular class of persons who will or should be specially protected by its terms. Nothing contained in this chapter is intended nor shall be construed to create any liability on the part of the city or its employees for any injury or damage resulting from the failure of an owner, landlord, inspector, or other individual to comply with the provisions of this chapter, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this chapter on the part of the city or its employees. By enacting and undertaking to enforce this chapter, neither the city, its agents or employees, nor the city council warrant or guarantee the safety, fitness, or suitability of any dwelling in the city or any unit inspected under this program. Owners, landlords, and occupants shall take whatever steps they deem appropriate to protect their interest, health, safety, and welfare. Nothing contained in this chapter is intended to create a private right of action.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.140 Notice – Additional penalties.

A. Prior to imposing any penalties set forth in this chapter, the city shall provide notice and an opportunity to correct pursuant to Chapter 1.04 KCC.

B. Any person who knowingly submits or assists in the submission of a falsified certificate of inspection, or knowingly submits falsified information upon which a certificate of inspection is issued, is guilty of a gross misdemeanor and must be punished by a fine of not more than \$5,000 as provided in RCW 59.18.125.

C. The penalties imposed in this chapter are not exclusive when the acts or omissions constitute a violation of another chapter of the Kent City Code. In addition to all other penalties, remedies, or other enforcement measures established within this chapter, or as otherwise provided by law, the acts or omissions that constitute violations of this chapter may be subject to penalties and enforcement provisions as provided by other chapters of the Kent City Code, and such penalties and enforcement provisions may be imposed as set forth therein. All remedies under this chapter are cumulative unless otherwise expressly stated. The exercise of one remedy shall not foreclose use of another. Remedies may be used singly or in combination; in addition, the city of Kent may exercise any rights it has at law or equity.

(Ord. No. <u>4272</u>, § 1, 3-20-18)

### 10.02.150 Consistency with Chapter 59.18 RCW.

The provisions of this chapter shall be interpreted in a manner that is consistent with the provisions of Chapter <u>59.18</u> RCW.

(Ord. No. <u>4272</u>, § 1, 3-20-18)

## CHAPTER 8.46 RELOCATION ASSISTANCE PROGRAM

#### **Sections:**

8.46.010	Purpose
8.46.020	Notification of Relocation Assistance
8.46.030	Advancement of Relocation Assistance
8.46.040	Reimbursement of Relocation Assistance
8.46.050	Penalty
8.46.060	Exemption from Reimbursement of Relocation
	Assistance

### 8.46.010 Purpose

The purpose of this chapter is to establish, pursuant to RCW 59.18.085, a relocation assistance program for tenants whose dwellings have been condemned by the City.

(Ord. 2122 §1 (part), 2006)

#### 8.46.020 Notification of Relocation Assistance

At the time the City notifies a landlord that a dwelling is condemned or unlawful to occupy due to the existence of conditions that violate applicable codes, statutes, ordinances, or regulations, the City shall also notify both the landlord and the tenant(s) that the tenant(s) may be entitled to relocation assistance from the landlord under RCW 59.18.085.

(Ord. 2122 §1 (part), 2006)

#### 8.46.030 Advancement of Relocation Assistance

If the City determines that the tenant(s) are entitled to relocation assistance, and the landlord has failed to provide the tenant(s) with relocation assistance within seven days of the City notifying the landlord of the condemnation, eviction or displacement order, the City may advance the cost of relocation assistance to the tenant(s). The amount of relocation assistance advanced shall be no more than \$2,000 or three times the monthly rent, whichever is greater.

(Ord. 2122 §1 (part), 2006)

#### 8.46.040 Reimbursement of Relocation Assistance

The landlord shall reimburse the City the relocation assistance advanced by the City to the tenant(s) within 60 days from the date that the City first advanced said funds.

(Ord. 2122 §1 (part), 2006)

#### 8.46.050 Penalty

Failure by the landlord to repay the City for the advanced relocation assistance within 60 days shall result in the assessment of civil penalties in the amount of \$50 per day for each displaced tenant. In addition, interest shall accrue at the maximum legal rate of interest permitted under RCW 19.52.020, commencing 30 days after the date the City first advanced relocation assistance funds to the displaced tenant(s). The City shall also be entitled to attorney's fees and costs arising from any legal action taken to recover unpaid relocation assistance, penalties and interest. The City may also recover advanced relocation assistance, penalties interest pursuant to TMC Section 8.48.090. "Remediation/Penalties."

(Ord. 2549 §13, 2017; Ord. 2122 §1 (part), 2006)

## 8.46.060 Exemption from Reimbursement of Relocation Assistance

A. The landlord may be exempt from reimbursing the City for relocation assistance if the landlord can demonstrate by a preponderance of the evidence within seven days of the City sending notice of the condemnation, eviction or displacement order that the condition(s) causing the dwelling to be condemned or unlawful to occupy was directly caused by:

- 1. a tenant's or any third party's illegal conduct without the landlord's prior knowledge;
- 2. a natural disaster, such as an earthquake, tsunami, wind storm or hurricane; or
  - 3. the acquisition of the property by eminent domain.
- B. Relocation assistance will not be advanced to a tenant who has entered into a rental agreement after official notice has been given to the landlord, but before the violations have been corrected.

(Ord. 2122 §1 (part), 2006)

#### 1.95.080

A. Tenant relocation assistance for condemned or unlawful dwelling.

Landlords are required to comply with the relocation assistance and related requirements pursuant to RCW 59.18.085, Rental of condemned or unlawful dwelling – Tenant's remedies – Relocation assistance – Penalties.

- B. Tenant relocation assistance for low-income tenants when residential property demolished, substantially rehabilitated, or upon the change of use.
- 1. When tenant relocation assistance applies.

This section shall apply to low-income tenants when a notice is required under TMC 1.95.070.B, except as otherwise expressly required by state or federal law, and with the exception of displacement of tenants from the following:

- a. Any dwelling unit demolished or vacated because of damage caused by an event beyond the landlord's control, including that caused by fire, civil commotion, malicious mischief, vandalism, tenant waste, natural disaster, or other destruction;
- b. Any dwelling unit ordered vacated or demolished pursuant to TMC 2.01.050, Minimum Building and Structures Code, because of damage within the landlord's control;
- c. Any dwelling unit owned or managed by the Tacoma Housing Authority;
- d. Any dwelling unit located inside the boundaries of a major educational institution which is owned by the institution and which is occupied by students, faculty, or staff of the institution;
- e. Any dwelling unit for which relocation assistance is required to be paid to the tenants pursuant to another state, federal, or local law; and
- f. Any dwelling unit functioning as emergency or temporary shelter for homeless persons (whether or not such persons have assigned rooms or beds, and regardless of duration of stay for any occupant) operated by a nonprofit organization or public agency owning, leasing, or managing such dwelling unit.
- 2. Tenant Relocation Information Packet.

When a landlord intends to displace a tenant, prior to the landlord providing the notice outlined in TMC 1.95.070.B, the landlord shall obtain from the City one Tenant Relocation Information Packet for each dwelling unit where tenants will be displaced. The Tenant Relocation Information Packet shall contain the following:

- a. A Relocation Assistance Certification Form with instructions for its submission to the Director; and
- b. A description of the relocation benefits potentially available to eligible tenants.
- 3. Delivery of Tenant Relocation Information Packet.

When a landlord serves the notice required under TMC 1.95.070.B. the landlord shall also deliver a Tenant Relocation Information Packet to each dwelling unit where the tenants will be displaced.

- 4. Within 20 days of providing the Tenant Relocation Information Packet to tenants, the landlord shall provide the Director with a list of names of the legal tenants and number of dwelling units for the dwelling units at issue.
- 5. Tenant eligibility for relocation assistance.

Low income tenants who are parties to a rental agreement for the dwelling unit may be eligible for relocation assistance only if the tenant to be displaced resides in a dwelling unit at issue when the landlord delivers the Tenant Relocation Assistance Packet. As used in this section, "low-income tenants" means tenants whose combined total income per dwelling unit is at or below 50 percent of the median income, adjusted for family size, in Pierce County.

- 6. Tenant income verification.
- a. Within 20 days after the date of delivery of the Tenant Relocation Information Packet, each displaced legal tenant of a dwelling unit wanting to apply for relocation assistance must submit to the Director a signed and completed Relocation Assistance Certification Form certifying the names and addresses of all occupants of the dwelling unit, the total combined annual income of the legal occupants of the dwelling unit for the previous calendar year, the total combined income of all of the adult occupants for the current calendar year, and any other information that the Director may require to determine eligibility for this program. A tenant who, with good cause, is unable to return the certification form within 20 days may, within 20 days after the date of delivery of the Tenant Relocation Information Packet, submit to the Director a written request for an extension of time which details the facts supporting the claim of "good cause." If the request is submitted within the 20-day period and the facts constitute good cause in accordance with rules adopted pursuant to this chapter, the deadline for submission of the Relocation Assistance Certification Form may be extended by the Director another 20 days. The Director shall review the request and notify the tenant and landlord if an extension has been granted within ten business days.
- b. If information submitted by a tenant on a Relocation Assistance Certification Form is incomplete or appears to be inaccurate, the Director may require the tenant to submit additional information to establish eligibility for relocation assistance.
- c. Any tenant who fails or declines the opportunity to submit the Relocation Assistance Certification Form, who refuses to provide the information in a timely manner as required, or who is found to have intentionally misrepresented any material information regarding income or eligibility to relocation benefits, shall not be eligible for relocation assistance under this chapter.
- 7. Relocation assistance verification.

Within 14 days of the Director's receipt of the signed Relocation Assistance Certification Forms from all tenants who are parties to a rental agreement in a dwelling unit, or within 14 days of the expiration of the same tenants' 20-day period for submitting signed Relocation Assistance Certification Forms to the Director, whichever occurs first, the Director shall send to each dwelling unit household who submitted a signed certification form and to the landlord, by both regular United States mail and certified mail, return receipt requested, a notice stating whether the dwelling unit's certification form indicates eligibility for relocation assistance.

- 8. Relocation assistance payments.
- a. Low-income tenants who are displaced, who comply with the requirements of this chapter, and are determined to be eligible by the Director, may receive a total relocation assistance payment of \$2,000 for their eligible dwelling unit. The amount of relocation assistance shall be adjusted annually on or before January 1 by the percentage amount of change in the housing component of the Consumer Price Index, as published by the United States Department of Labor, Bureau of Labor Statistics. The relocation assistance payment shall be in addition to the refund from the landlord of any deposits or other sums to which the tenant is lawfully qualified to receive.
- b. The landlord that is displacing a tenant is responsible for payment of one-half of the total amount of relocation assistance due to eligible tenants pursuant to this chapter and the City is responsible for one-half the relocation assistance due to eligible tenants pursuant to this chapter.
- c. A tenant may be eligible to obtain a relocation assistance payment only after receipt of a notice from the Director of eligibility for tenant relocation assistance or, if an appeal was taken as outlined herein, after receipt of a final unappealed decision from the Hearing Examiner or a court that the tenant is eligible for relocation assistance.
- d. An eligible tenant may obtain the relocation assistance payment by completing a request for relocation assistance. The Director shall notify the landlord obligated to pay such relocation assistance of the request. Within 21 days after submission of the tenants' request to the Director, the landlord and the City shall provide eligible tenants who will be displaced with their

portion of the relocation assistance. A landlord must submit written proof to the City that it provided the eligible tenants with the required payment within five business days of such payment.

#### 9. Appeal.

- a. Either the tenant or the landlord may file an appeal with the Hearing Examiner, pursuant to TMC Chapter 1.23, of the Director's determination of the tenant's eligibility for relocation assistance or to resolve a dispute between the parties relating to unlawful detainer actions during relocation. An appeal regarding eligibility for relocation assistance shall be filed within ten days after the landlord or tenant receives the Director's notice of tenant eligibility. All requests for an appeal shall be in writing and shall clearly state specific objections and the relief sought, and shall be filed with the City Clerk. A record shall be established at the hearing before the Hearing Examiner. Appeals shall be considered de novo. The Hearing Examiner shall issue a decision within 30 days of a request for a hearing by either the tenant or landlord.
- b. Judicial review of an administrative hearing decision relating to relocation assistance may be made by filing a petition in Pierce County Superior Court within ten days of the Hearing Examiner's decision. Judicial review shall be confined to the record of the administrative hearing and the court may reverse the decision only if the administrative findings, inferences, conclusions, or decision is:
- (1) In violation of constitutional provisions;
- (2) In excess of the authority or jurisdiction of the administrative hearing officer;
- (3) Made upon unlawful procedure or otherwise is contrary to law; or
- (4) Arbitrary and capricious.
- 10. If the City makes no appropriation to support this relocation assistance program in this subsection TMC 1.95.080.B, then neither the landlord nor the City shall be subject to the relocation assistance requirements for low-income tenants, and tenants shall not be entitled to relocation assistance as otherwise provided.

(Ord. 28559 Ex. A; passed Nov. 20, 2018)





# City Council Olympia Strong Update

Agenda Date: 8/15/2023 Agenda Item Number: 2.B File Number: 23-0704

Type: discussion Version: 1 Status: Study Session

#### Title

Olympia Strong Update

#### **Recommended Action**

#### **Committee Recommendation:**

This topic was presented to the Finance Committee on May 31, 2023. No recommendation was made.

### **City Manager Recommendation:**

Discuss Olympia Strong, the City's long-term economic opportunities plan which is under development. Discussion will include review of draft plan.

#### Report

#### Issue:

Whether to discuss Olympia Strong, the City's long-term economic opportunities plan which is under development. Discussion will include review of draft plan.

#### **Staff Contact:**

Mike Reid, Economic Development Director, 360.753.8591

#### Presenter(s):

Mike Reid

Jason Robertson, JRO & CO. Consulting

#### **Background and Analysis:**

Like communities everywhere, Olympia emerged from the COVID-19 pandemic to an altered economic landscape and a clearer understanding of the barriers individuals and households face when seeking economic security. The City launched *Olympia Strong* in July of 2022 to better understand how community members hope to see our economy recover, evolve and grow in the years ahead, and how we can work with partners to create pathways that serve a broader cross-section of those that call Olympia home.

Over the past 12 months, staff have analyzed data and deployed surveys, focus groups, person-onthe street interviews and a variety of other engagement activities to understand the long-term economic needs and desires of the community. See the attached public engagement summary. This

input will shape updates to the Economy Chapter of Olympia's Comprehensive Plan along with a set of initiatives to be implemented over a 10-year period.

Staff will be presenting the draft plan and seeking feedback from council on the ability to proceed with refinement and finalization of the plan.

#### WHAT DOES ECONOMIC DEVELOPMENT LOOK LIKE IN OLYMPIA?

Olympia Strong goes beyond what might look like a typical "economic development plan" that focuses on business, taxes and infrastructure. This plan takes a human-centric approach. Many of the proposed new initiatives aim to facilitate pathways to economic opportunity and greater financial security for residents (job training, navigator and mentorship programs, income restricted housing etc.) There is a focus on pathways for youth and those who face higher barriers (people with disabilities, low-income households, etc.). Such programming would fill identified gaps within existing systems to help more individuals, advance equity, and ultimately over time reduce the burden on social services and create more prosperity within the community.

Olympia Strong is also supportive of local business and industry, recognizing the contribution made to providing jobs, services and the tax dollars we rely on to fund city services. By working with our partners to help strengthen a diverse business ecosystem we contribute to the variety of economic opportunities available to residents and the long-term sustainability of City finances.

Olympia Strong also recognizes the positive economic impact of City investment in projects that make Olympia a desirable destination to work, live and play (the arts, placemaking, youth recreation, etc.) At the same time, we must ensure we are prepared to respond effectively to physical and financial challenges (climate action, emergency preparedness, etc.) Such endeavors subsequently increase Olympia's desirability as visitor destination and place to do business, as well as generate a sense of community pride that strengthens our bonds and resilience.

These dynamic objectives reflect what community and economic development looks like as proposed by Olympia Strong.

#### DRAFT PLAN AND PROPOSED INITIATIVES

Based on what we heard and learned over the past 12 months, staff have synthesized the collected data and drafted a list of proposed initiatives for the next ten years. These are organized within four focus areas with a stated vision and identified community benefits:

#### FOCUS AREA #1: EDUCATION AND WORKFORCE PATHWAYS

- Vision: Every Olympian is afforded quality lifelong educational opportunities that build pathways to upward mobility and financial stability.
- Community Benefits:
  - Increased sense of hope and self-reliance
  - Decrease in equity gap
  - Interruption of poverty cycle
  - Activation of 100% of our workforce potential
  - Decreased reliance on social service networks

#### FOCUS AREA #2: HOUSING AND SENSE OF SECURITY

 Vision: All Olympians can enter and sustain stable housing while building household financial security.

- Community Benefits:
  - People who work in Olympia can afford to live here
  - Housing is affordable for lower income households and first-time buyers
  - Increase in generational wealth building through home ownership and affordable rental options
  - Employer confidence that workers can access affordable workforce housing
  - More residents can afford to pursue personal growth opportunities
  - o Improvement in other attendant indicators: law enforcement interaction, food security, health outcomes, et al

#### FOCUS AREA #3: BUSINESS ENTERPRISE RESOURCES AND SUPPORT

- Vision: All Olympia businesses and entrepreneurs are able to access investment capital
  and world-class training and technical assistance, in a supportive environment that
  celebrates and promotes their success.
- Community Benefits:
  - Grows efforts with new and existing partner organizations to build a more inclusive economy
  - Ensures newly formed businesses have access to workforce training and employment services
  - Facilitate access to capital for aspiring entrepreneurs
  - Furthers community priority to stimulate local, independent employers and businesses
  - Creates new avenues to business ownership and prosperity for employees

#### FOCUS AREA #4: COMMUNITY PRIDE, LOVABILITY AND RESILIENCY

- Vision: Olympia is a safe, resilient and welcoming city with strong, inclusive support networks and abundant community character.
- Community Benefits:
  - Increases pride in our community, hope and a sense of place
  - Increases the City's desirability as a home town, visitor destination and place to do business
  - Increases tax and business revenue from tourism and vital urban centers
  - Improves emergency response preparedness and capacity
  - Ensures sustained focus on infrastructure capacity and climate adaptation priorities

While the City is listed as the lead entity in some cases, more often actions will be led by other partner organizations, such as the Economic Development Council, Enterprise for Equity, PacMtn Workforce Development and the United Way. The City has a variety of roles, including convening, facilitating, communicating, coordinating, making capital investments, providing programmatic funding, enhancing its employment opportunities and growing resources for youth.

#### **Climate Analysis:**

While the plan itself will have no direct effect on greenhouse gas emissions, some proposed actions could advance climate and clean energy goals. For example, the career hub could provide job training opportunities in the clean energy sector; housing retrofit programs could promote long-term energy savings; business recruitment and retention efforts would focus on emerging sectors that align with Olympia values, including the clean energy sector; and initiatives that create unique and welcoming places and spaces in Olympia with ongoing focus in high density neighborhoods will benefit climate mitigation by increasing urban density and reducing urban sprawl, supporting use of public transit, and increasing walking and biking. Likewise, the plan indicates that developing a climate adaptation and preparedness plan can help build preemptive economic resiliency for all. As implementation occurs actions will be further assessed for climate gains.

#### **Equity Analysis:**

Advancing economic equity was a central focus of this work. Thus, the planning process and resulting strategies aimed to reduce economic barriers and expand opportunities for all community members, ensuring that those who face higher barriers including historic discrimination were proactively engaged in the process so that their needs and ideas would be reflected in the proposals.

Because this is such a large body of work with four focus areas, please see the attached memo summarizing the equity impacts of Olympia Strong.

## Neighborhood/Community Interests (if known):

The attached initiative list is the culmination of 12 months of public engagement. Online survey reports are available at the Olympia Strong webpage. Most, if not all, City committees and commissions were briefed and/or provided input on the plan.

#### **Financial Impact:**

To achieve full plan implementation including creating a funding source for capital acquisitions associated with acquiring properties to facilitate the continued development of affordable and workforce housing projects it is foreseeable that an annual budget for these efforts could range between \$1-3 million annually. A more modest funding approach associated with prioritizing continuing existing programs beyond 2024 is estimated in the range \$400,000 - \$550,000 annually. As a part of previously launched and funded efforts associated with pandemic economic recovery programming there is a significant body of work that is underway that is consistent with the focus areas in Olympia Strong. Most of those projects and their funding will terminate at the end of 2023 and 2024. A listing of the already funded programs or those that can be accomplished with existing established budget are identified in the attached "Funding Olympia Strong Efforts in 2023-2024 Memo".

Over the course of 2024 staff will be exploring potential funding options for future efforts, such as dedicated funding sources and mechanisms for replenishing the Economic Development reserves.

#### **Options:**

- 1. Receive an update regarding Olympia Strong.
- 2. Do not receive an update regarding Olympia Strong.
- 3. Receive the update at another time.

## **Attachments:**

Draft Olympia Strong Plan

Exhibit A: Public Engagement Summary

Exhibit B: Initiative Framework

**Equity Memo** 

Funding Olympia Strong Efforts in 2023-2024 Memo

Link to Engage Olympia

# OLYMPIA STRONG

A Roadmap for Economic
Opportunity

August 2023

#### INTRODUCTION

#### **Context**

The Olympia Strong initiative was launched in the shadow of the COVID 19 global pandemic which, in addition to causing physical and mental health challenges, wreaked major disruption across many economic sectors. Many workers lost jobs or faced reduced hours, and some small businesses experienced temporary or permanent closure. Supply chain disruptions changed the way businesses operate and an extended shift to a work-from-home economy has driven housing prices above the means of many renters and aspiring first-time buyers.

Olympia Strong serves as an extension of early community response and recovery efforts. But it is also a framework for clarifying the City's role and priorities for creating and maintaining economic opportunity for a broader crosssection of our community. While the City does not serve as lead implementor for all actions, it can and does have a central role in overall coordination. It can facilitate and incentivize economic opportunities, and help build economic resiliency for residents, enterprises and public service delivery systems.

In the earliest days of the pandemic, local jurisdictions and community development organization marshalled a collective action response team which came to be known as Thurston Strong. Over the course of two-plus years, Thurston Strong developed a widely used information hotline website, and administered nearly \$24 Million in federal and state aid. Financial support was directed to businesses, nonprofit organizations and workers based on data-driven impact analysis.

In addition to addressing immediate needs, Thurston Strong developed a 24-Month Economic Recovery and Reset Plan. The plan outlines strategies for addressing major challenges exposed by the pandemic, including the tenuous condition of our childcare system, a lack of local middle-wage employment opportunities and the need for training and resource support for small businesses working to stabilize and grow in an evolving economic landscape.

The impacts of the pandemic were far-reaching, and also exposed and exacerbated fundamental inequities in our economy. Low-income households - disproportionately Black, Hispanic, immigrant and those including at least one person with a disability – experienced greater impacts related to job and income loss, lack of access to basic needs, anxiety and depression. Thurston Strong responded by targeting specific funds to areas with higher instances of poverty and businesses/workers susceptible to closure, ultimately launching 10 new microenterprises, with the majority being Black, Indigenous and other People of Color-owned. As Olympia plans for the future, we are committed to taking more actions to close the equity gap.

Olympia Strong is effectively the City's actualization of the *reset* portion of the Thurston Strong plan, adapted for local conditions and opportunities. It includes goals and strategies based on community feedback that will inform an update of the City's Comprehensive Plan and a specific action plan to guide City investment and policy priorities.

#### **Engagement Approach**

At the core, Olympia Strong is a communitywide conversation about economic opportunity. What do viable opportunities look and feel like to different sociodemographic cohorts? What barriers to people face trying to achieve and maintain economic security, and how can we

create more upward mobility opportunities for those who are experiencing these barriers? How can the City of Olympia center it's residents as the core of its economic development strategy?

To begin answering those questions, the Olympia Strong team employed a variety of engagement tools with the goal of hearing from a broad spectrum of voices. Methods included:

- Data and trends analysis
- Focus groups and listening sessions
- Peer organization leader interviews
- Person-on-the-street interviews
- Communitywide online surveys

Based on the outcomes of those efforts, the City asked the broader community to evaluate and prioritize action concepts based on their potential to build a stronger and more inclusive economy.

A complete summary of public engagement activities is provided in report **Appendix A**.

#### **SUMMARY FINDINGS**

#### **Community Input Overview**

#### What's Working

According to stakeholders, Olympia is already an opportunity-rich and resilient community in many ways. Examples cited include:

Education and Workforce Pathways – The United Way and South Puget Sound Community College (SPSCC) have launched a pilot program to place continuing education Navigators in Thurston County high schools (currently only in Yelm and NTSD). These first-generation college students have recent lived experience that

students appreciate, and they are already having an impact on FAFSA (financial aid) completion rates and student success rates (e.g., the number of students who continue on to two- or four-year education, certificate programs, and other pathways that will increase their career earnings potential). SPSCC just completed a \$12 Million dollar fundraising campaign that will further endow programs like Black Scholars and Ignite that cover tuition, books and fees as well as mentorship services that increase student retention rates and connections to future employment opportunities. The City of Olympia is also partnering with workforce development partners on a Career Hub initiative focused on creating new employment pathways for youth and dislocated workers within the trade sectors.

Early Housing Efforts – While stability will take years to achieve, observers say several early accomplishments in temporary and supported housing provide a sense of hope. The City and partners have 240 units of temporary housing through the purchase of two hotels, constructed 50 tiny homes at the Franz-Anderson location and added 65 units through Unity Commons Phase II. The City and Family Support Center are also advancing work at The Landing, which will soon add an additional 62 units of supportive housing serving some 200 people. On the renter protection front, the City has approved a new landlord registry to better track and coordinate rental housing conditions and passed an ordinance to require longer notification periods for rental rate increases.

Business Resources and Support – The City has increased support and investment for start-up, scale-up and other business training programs that elevate entrepreneurial opportunities for entrepreneurs of color through the Center for Business and Innovation. The Thurston Economic Development Council (EDC) and

Thurston Chamber both support BIPOC business advisory councils who help inform plans and investments. The Thurston EDC is now the lead agent for the statewide Procurement Technical Assistance Center (PTAC) which, among many other responsibilities, helps emerging entrepreneurs secure major public and private contracts for a wide range of business services. The City is also coordinating a major investment in the creative arts, having secured a Cultural Arts Access tax fund and taken possession of the former National Guard Armory located on the edge of downtown

#### **Economic Resiliency Partnerships and Systems**

- In recent years, community partners have rallied together to achieve great things. The Thurston Strong partnership administered over \$24 Million in financial aid to help workers, businesses and nonprofits weather the covid pandemic. Prior to the pandemic, local voters approved Proposition 1 that added routes, frequency and timespan to Intercity Transit service as well as converting the system to zerofare, ensuring that community members can reach employment centers, health care providers and educational institutions regardless of income. Community Youth Services is spearheading an Anchor Initiative with other community partners with the goal of reducing youth homelessness to 0%. The Port of Olympia is working with state and federal partners to ensure sea lanes remain accessible in the event of a major emergency that renders I-5 impassable and requires people and goods to travel be sea.

# Persisting Economic Challenges for Individuals

While many factors affect one's sense of economic security, several common themes are clear:

Housing Instability – Renters and homeowners are experiencing economic challenges in vastly different ways. Homeowners, even if they are still paying a mortgage, have seen incredible growth in home value over the past several years. In a pinch, they know they can tap the equity they've built up. Conversely, renters have seen rapidly increasing costs and fewer available units. At the same time, they see many of the few single-family homes that do come to market being purchased by non-local buyers (who can now work from home) or out of state corporations. To many, home ownership feels completely out of reach.

Increased Cost of Living – Beyond rising rent, the cost of goods and services has outpaced peoples' ability to keep up. For many, wage gains have been overwhelmed by the cost of living. As noted in the data appendix, over 96% of renters who responded to our community survey say they've had difficulty affording groceries this past year. That figure is far lower for homeowners, but not negligible. Survey respondents also indicated that increasing taxes and fees were in the top three barriers to feeling more economically secure.

Limited Upward Mobility - This is a twopronged issue. Our social service and education partners stress the importance of reaching children earlier to ensure they know what career options are available to them. Many are unable to imagine what's possible, let alone that there are systems in place to support them. On a second front, many workers have limited options for moving up or increasing income. Notably, many of these work in occupations that were temporarily displaced or had hours reduced during the pandemic, including childcare, food service and personal services. Systemic barriers make it most difficult for people facing generational poverty, racism or discrimination.

#### Growing Volume of Disaffected Youth -

According to census statistics, over the past decade, the volume of disaffected youth — people between the ages of 16-19 who are not in school, have not graduated and are not working — has increased from 2% to 10%. At the same time, coming out of the pandemic our nation is coming to grips with an unprecedented youth mental health crisis. If unchecked, a growing sense of helplessness or hopelessness will ultimately lead to long-term impacts for these individuals' lives and the broader workforce at-large. Olympia can take a more proactive "opportunity-youth" approach in supporting this population in the future.

#### **Continuing Education and Completion Barriers**

– Less than half of high school seniors complete FAFSA applications which provide financial aid for college or other continuing education and training. Similarly, just over half of those entering community college complete their degree, certificate or transfer to 4-year universities. While the figures are higher in Olympia, there remains a cross-section of students who would benefit from additional supports or mentoring to achieve sustainable economic security.

# Persisting Economic Challenges for the Community At-Large

With respect to the broader community, there are real and present concerns, including:

**Expenses Forecast to Grow Faster Than City** 

**Revenues** – Although the City's taxbase remained relatively strong through the pandemic, forecasts indicate expenditures might exceed revenue within a few years without policy or administrative adjustments. Stable revenue is critical to ensuring essential

services. New revenue sources will need to be identified, or levels of service reduced.

Systemic Inequality and Discrimination – Some face unnecessary barriers in obtaining and maintaining employment and financial security. People with physical and developmental disabilities are underrepresented in the labor market. Formerly incarcerated individuals have limited options and little support as they seek to reenter the workforce. LBGQT+ and BIPOC community members encounter discrimination or higher barriers to accessing capital. They also are less likely to secure rental housing or own a home. Non-Hispanic white home ownership is 20% higher than all other races and ethnicities.

Climate Response and Mitigation – Economic risks associated with climate change are rising. Heat waves, storms and flooding are more frequent, and many of our core industries are at-risk (e.g., shellfish farming, agriculture). Even as we address impacts, we also have to act to slow and adapt to climate change. New construction must be energy-efficient; old structures retrofit with new tech. Infrastructure will be required to accommodate the transition from gas to electric powered vehicles. Other adaptive management strategies will be required to keep up with the pace and nature of future impacts.

Persistent Homelessness – Despite considerable investment by the City and many partners, and heartening success stories, homelessness remains a challenge in Olympia and many other places. Even if there were enough financial resources to tackle the issue at full scale, there are capacity gaps in our treatment and wrap around service network and new housing options will take time to bring online.

Childcare System Barriers – Childcare, in Olympia and beyond, has been challenging for providers and families alike for years. The pandemic drove it into crisis. Attendance, due to COVID, is difficult to predict. New safety rules have driven up costs. Workers are harder to recruit and retain. The cost of starting new centers has soared and enrollment costs are beyond the reach of even many middle-income families. The result: more people (primarily women from middle and lower income families) dropping out of the workforce and the attendant workforce shortages slowing economic recovery for all.

#### **Limited Land Supply for Employment Centers -**

Olympia possesses very little industrial zoning to accommodate advanced manufacturing or other large employers. High wage employment will likely be focused within info-tech, healthcare and professional services sectors in addition to state government.

#### **Industry Change, Supply Chain and Labor**

Challenges – On the business front, resiliency is being tested not only by the increasing cost of goods, but also labor and disruptions to the supply chain which has been slow to correct following pandemic shutdowns. Some are also facing transformative shake-ups: more households are ordering food delivery; more consumers are purchasing electric vehicles and many workers are migrating to employers who offer work from home options, to name a few examples. It is imperative that the private and public sectors engage one another to ensure support systems and proactive policies and investments facilitate a successful transition into the future.

**Desire for Higher-Wage Jobs** – The community is interested in higher-wage jobs in general, and in certain types in particular. Priorities include tech, clean manufacturing, construction, green

power, food system and corporate headquarters. There is also continued support for any and all types of small, independent businesses startup and training assistance.

#### **Lag in Affordable Workforce Housing Provision**

– While efforts are underway to bring affordable housing online, it will take years or decades to catch up. As a result, many Olympia workers now reside outside of Thurston County. Compounding the challenge is opposition to near-term solutions like increased densities and accessory dwelling units. Some cost factors are beyond local control (e.g., material and labor prices). Others, like code requirements and fees, may be worth revisiting.

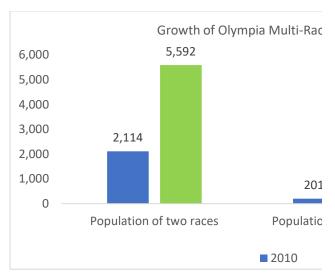
These issues, and more, will be addressed through a variety of direct actions outlined in the *Economic Opportunity Focus Areas* section.

#### **Notable Data and Trends**

The following are a few notable findings from a broader data profile developed early in the project. Additional charts and graphs are available for review on the Olympia Strong website.

#### Olympia is Diversifying

While Olympia is still predominantly white, over the past decade or so, population growth has been driven by people of color. Just over 2,000 of 9,000 community members added over the 2010-2020 time period are white-alone, and nearly 4,000 are of mixed-race.



Source: US CENSUS

# Renters Spend A Considerably Higher % of Income on Housing Than Homeowners

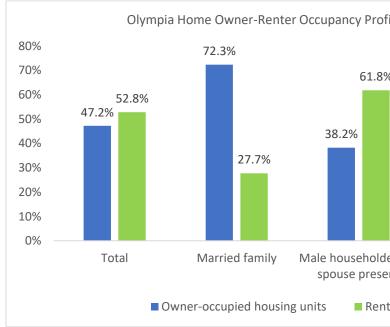
Olympia is now home to more renters than homeowner households. Home ownership has long been the pathway to the "American Dream," where people earn equity and build economic security. In Olympia, white households are homeowners by a 20% margin above all other races, and all races experienced sharp rate increases over the past two years, making home ownership much more difficult to save for.

This trend is largely driven by unmarried family households. While three quarters of married family households own a home, just one third of single-parent and non-family households can say the same.

The financial strain of housing costs for renters is especially concerning. As of 2020 (conditions have exacerbated since then), just 20% of homeowners spent over 30% of household income on housing compared to 53% of renters. For context, financial advisors recommend spending 30% or less on housing, and yet more than half of Olympia renters find themselves in that situation with few options for more affordable solutions. This can have a spiraling

effect as less disposable income means fewer resources available for other pressing needs including food, health care and education.

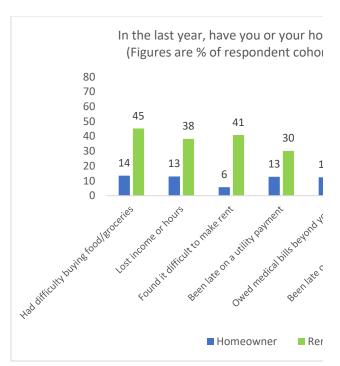
Compounding the negative economic impact, those spending above 30% are less likely to be able to save for a down payment toward eventual home ownership. They also forego tax benefits afforded to those who are able to write-off a portion of their mortgage interest payments.



Source: US CENSUS

#### Many Renters Are Struggling Financially

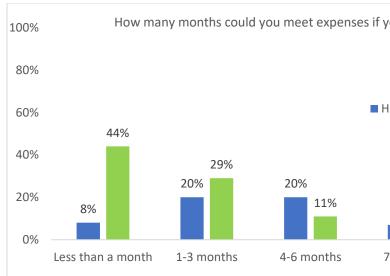
Results from a scientific survey conducted by the City in May 2023 show renters have experienced considerably more economic challenges than homeowners. While 72% of homeowner respondents report experiencing "none of the above" financial hardships, 65% of renters experienced at least one or more.



Source: Embold Research, City of Olympia

# Many Community Members Lack Emergency Savings

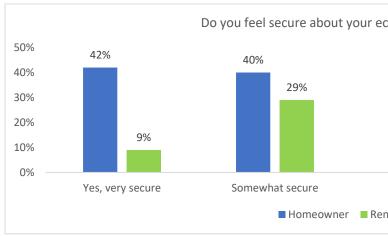
There is considerable disparity between renters and homeowners responding to our question on financial savings. While over 40% of homeowners believe they could meet expenses for at least a year if they were to become unemployed, fewer than 10% of renters have that same financial wherewithal. Some communities have explored the use of Individual Development Accounts (IDAs) as a means for preventing low-income households from sliding further into poverty. Through a combination of public and private funding, IDAs can help people stabilize their household budget and begin to build savings that help move them into home ownership.



Source: Engage Olympia Online Survey

#### Renters Feel Far More Economically Insecure Than Homeowners

About 57% of renters say the feel "not very secure" or "completely insecure" about their economic future compared to just 9% of homeowners. Fewer than 1 in 10 renters feel "very secure."

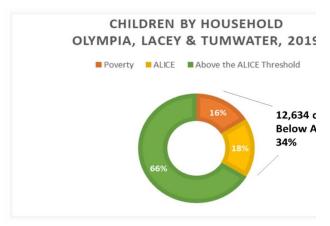


Source: Engage Olympia Online Survey

# Approximately One-Third of Olympians Struggle to Make Ends Meet

While many Olympia households are financially stable, about a third are struggling to make ends meet. In addition to the cost burden data

presented above, we also looked at the rate of poverty and the United Way's ALICE threshold to better understand economic struggle for Olympians.



Number of children in Olympia, Lacey and Tumwater = 37,510

Source: United Way ALICE Report 2020

Olympia's poverty rate is around 16 percent - nearly 3 percent higher than the national average. Another measure - the United Way's ALICE (Asset Limited, Income Constrained, Employed) threshold - looks at children specifically in a community and asks how many children live in households that can't meet their basic needs. This is based on a survival budget that includes local area costs for housing, transportation, childcare, health care, a smartphone and taxes.

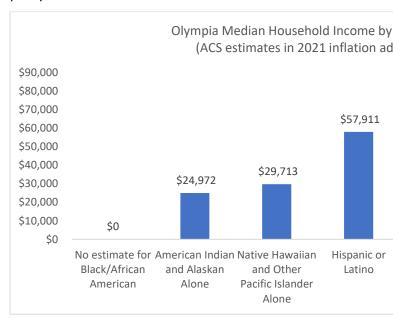
The ALICE Report reveals that in Olympia, Lacey and Tumwater combined, 16 percent of children live in a household below the federal poverty line, while another 18 percent of children live above the poverty line but below the ALICE threshold. In other words, 34 percent of children in our community may be living in households struggling to meet their basic needs.

The United Way also reports while there are children below the ALICE threshold across all demographic groups within Washington State,

those who are Black, Indigenous, Hispanic, Native Hawaiian or Pacific Islander are more likely to be ALICE than White or Asian populations. In addition, households that include someone with a disability, those who are not native to the U.S. or with limited English-speaking ability are also disproportionately likely to live below the ALICE threshold. The United Way's report on the Covid-19 pandemic also revealed ALICE families to be disproportionately affected by the pandemic.

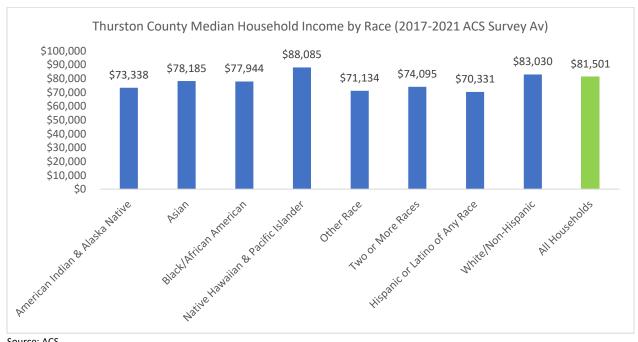
# Median Household Income by Race and Ethnicity

While American Community Survey (ACS) estimates are not exact, it is still easy to observe large discrepancies in median household income between households of different races. More research might help explain the disparity. Some of it may be racial bias in employment. But another portion could be that people aggregate income through other means. Ultimately, the goal is to elevate more people from all races and increase income parity.



Source: US CENSUS

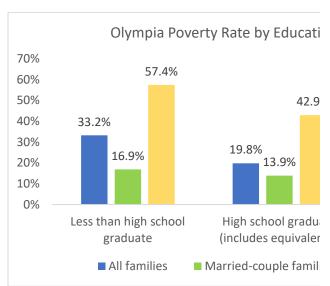
While ACS is unable to report median household income for every race for Olympia, due to statistical limitations, it is possible to do a comparison for greater Thurston County. As the table below shows, on average over the past four years, the Hispanic or Latino, Two or More Race and Other Race populations have earned about 86-87% of the overall median household income.



Source: ACS

# Education Is Essential to Personal Economic Security

Education is one of the most effective antidotes for escaping poverty. Unfortunately, many people lack mentorship or awareness of opportunities available to them, or run into conditions that preclude them from pursuing advancement opportunities. As the graph below shows, immediate gains might be made by focusing on single-parent households. Direct assistance targets could include affordable childcare, workforce training, continuing education scholarships and other aid to sustain educational pathways.



Source: US CENSUS

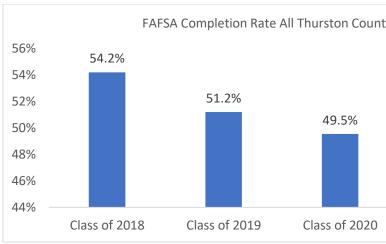
#### **FAFSA Completion Rate**

The Free Application for Federal Student Aid (FFAFSA) completion rate is an indicator of participation in continuing education, whether two-year or four-year college, or some other form of certificate training. Data show that students who purse these opportunities go on to earn considerably more income than those that end formal education at high school graduation. Community partners, led by the United Way Education to Financial Stability Task Force, are working to increase awareness. In

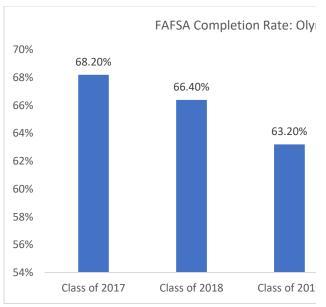
2022, they launched a pilot project that introduced bilingual (Spanish) Navigators in Yelm and North Thurston High Schools.

Navigators make it easier for students to identify and achieve post high school goals. The United Way hopes to add navigators in every Thurston County high school, so all students have pathways to affordable continuing education and sustainable financial futures.

Completion rates are lower in low-income and certain minority populations, and among male and nonbinary compared to female populations. The pandemic also set the community back, with the application dropping off steadily from 2018-2021. This is clearly manifested in the second chart below. While overall FAFSA completion rates are higher that average in the Olympia School District, they have been trending down as of late. \*The FAFSA can be used to secure funding for certificate training or other continuing education programs, in addition to two- or four-year college tuition.



Source: OSPI/WSAC



Source: OSPI/WSAC

# Industry Anchors Over Past 10 Years: Public Administration, Health and Professional Services

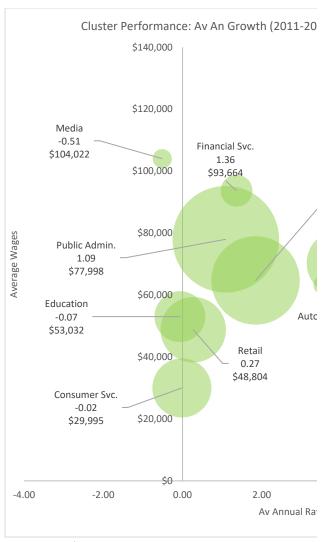
Over the past decade, including the early stages of COVID-19 pandemic shutdowns, several industry clusters remained stable or grew in Olympia. Public Administration and Healthcare continue to serve as our employment volume and wage anchors, while the Professional Services sector has grown the most jobs among higher-wage industries.

Other industries like Retail and Consumer Services are critical employment clusters, but offer slightly below-average wages on balance. Despite having lower-volume employment overall, the fastest-growing sector over the last 10 years was Wood/Paper. This was driven by furniture, cabinet, and kitchen countertop manufacturing. Notably, the Media cluster experienced the most significant decline in employment, but elevated to the highest average wage through consolidation and innovation. The relevant data is presented in both table and bubble graph form below.

	Olympia Indus	stry Performance: 20
		Av Ann. Emp. (
Industry Group	Employment	2011 Q4
Public Administration	16,772	
Health	11,534	
Professional Services	6,425	
Retail	6,316	
Consumer Services	5,149	
Education	3,812	
Financial Services	1,496	
Auto/Auto-related	551	
Media	538	
Wood/Paper	350	

Source: JobsEQ® - Data as of 2021Q4

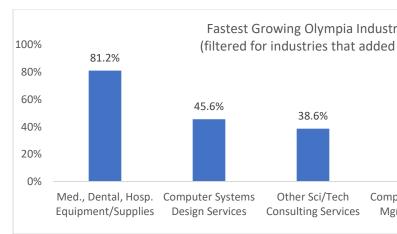
Bubble Chart Explainer: Vertical axis = higher/lower average wage; horizontal axis = lower/higher annual rate of growth over past decade; size of bubble = total number of people employed in that specific industry



Source: JobsEQ/J Robertson and Company

# Technical Industries Have Been Driving New Employment

While the pandemic was difficult for many, some industry sectors were still able to thrive. Notably, Olympia's fastest-growing sectors have something in common: all are healthcare or info-tech related.



Source: JobsEQ/J Robertson and Company

#### Many Trade Occupations are In-Demand

A recent report indicated that, by 2035, 49% of jobs in Washington State will require skills training. While some of those occupations do not yet exist, certain core trade occupations are already in-demand here in Olympia, and many pay strong wages. The graph below shows the total volume demand for select trades and the average wage paid. A person who starts as a construction laborer might earn around \$51,000 when they enter the field. If they were to continue that career journey and become a construction manager, the average wage rises to more than \$97,000. Initiatives like the City of Olympia Career Hub and various career connected learning programs are in place to help facilitate pathways in the trades as well as entry into certificate programs at South Puget Sound Community College.



Industry Drivers Over Next 10 Years: Recovery and Rebound

The forecast is less reliable yet informative. The Health Sector, Professional Services and Auto Services are our best-bets for NEW employment volume and higher-wage jobs growth.

Consumer Services and Education will also grow but driven by pandemic recovery. Meanwhile, media growth will be driven by a rebound in theater attendance post-COVID and expansion of new markets including motion picture and video production.

Notably, Public Administration, which is dominated by State employment, will remain one of our largest industry clusters, but in terms of job growth, employment in this field will not grow as fast as jobs in the private sector. In fact, between 2000 and 2020, private sector jobs grew by 52% compared to 13% for the public sector. Looking forward, it appears private sector industries will continue to drive employment gains, particularly as the economy continues to emerge from COVID setbacks.

Bubble Chart Explainer: Vertical axis = higher/lower employment volume; horizontal axis = lower/higher

annual rate of growth projected over next decade; size of bubble = average wage in that specific industry



Source: JobsEQ/J Robertson and Company

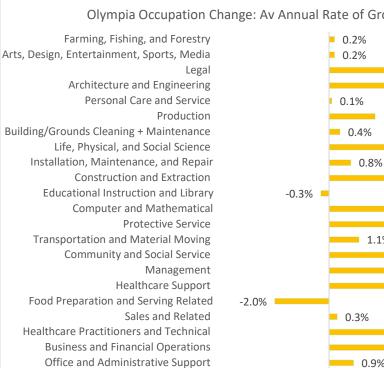
For the bubble-graph averse, the information shown above is presented in table form below:

	Olympia Industry Forecast:
	Average Annual Employ
	Growth Forecast Rate
Industry Group	2021 Q4-2031 Q4
Media	
Consumer Services	
Health	
Education	
Professional Services	
Auto/Auto-related	
Financial Services	
Wood/Paper	
Public Administration	
Retail	

Source: JobsEQ® - Data as of 2021Q4

#### **Most Olympia Occupations Growing**

Most occupations have experienced growth, even after cuts during the pandemic.
Computer/Math and Construction jobs have outpaced all others. Education/Library and Food Prep/Serving jobs declined due to disproportionate impacts during pandemic shutdowns. Personal Care, Arts, and other people-focused occupations also show lower than normal growth over a five-year period.



-4%

-2%

0%

Source: JobsEQ/J Robertson and Company

#### Olympia Doubles Population Size During Work Week

Data from 2019 shows Olympia to be the primary job center for Thurston County and Pacific Mountain region. Over 48,000 non-resident commuters enter Olympia for work on weekdays, while 15,000 Olympia residents travel outside the city for work. Far less people about 9,000 out of the total 24,000 Olympians with employment – both live and work in the city.

Overall, Olympia hosts 18% of Thurston County's population and 39% of all jobs. Olympia is also the leading sales tax generator, accounting for about 39% of all sales tax collected in Thurston County thanks, in large part, to Capitol Mall and the Olympia Auto Mall. But the City also has a vibrant small business economy. In 2020, it is estimated that 79% of Olympia firms employed fewer than 10 people, and 88% employed fewer than 20.



Source: US CENSUS

# Over 62% of Olympia's Working Residents Work Outside of Olympia

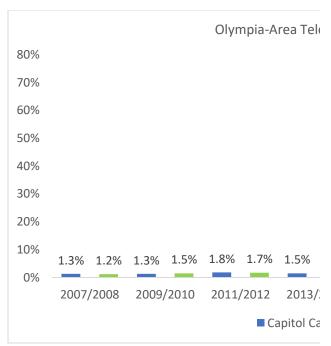
As of 2019, just 37.5% of Olympia residents stayed in Olympia for work. Another 20% commuted to Lacey or Tumwater and about 13% are known to commute 45 minutes or more.



Source: US CENSUS

### It Remains Unclear How Remote Work Will Impact Employment

As the graph below shows, remote work/telework had been gradually increasing since 2007. The pandemic expedited the transition dramatically. Even as the pandemic eases, large numbers of office workers remain working full or part-time from home. It remains to be seen how long this trend will continue and how it might affect the economy (underutilized office space), performance (worker productivity and labor force (will workers exclusively seek work from home employment offers?).



Source: Thurston Regional Planning Council (TRPC)/J Robertson and Company

# CONNECTED EFFORTS, PLANS, AND PROGRAMS

Olympia Strong is a new initiative to strengthen economic opportunity and resiliency in Olympia. The pandemic, rising housing costs and a renewed focus on racial equity have had significant impacts in our community and beyond. We will have to work even harder to build support systems and networks that meet people where they're at, and help more of our community achieve and sustain economic stability.

But we're not starting from scratch. Over the past several years, Olympia has led or been a part of many successful programs to help strengthen economic resiliency. The initiatives below provide a powerful starting point for Olympia Strong and our goal of ensuring all people have economic opportunities.

#### **Thurston Strong**

- ✓ Regional partnership to coordinate economic response during pandemic
- ✓ Establishes baseline strategy to respond to future emergencies
- ✓ Start-up funding provided for ten new businesses in target zones as part of economic reset
- ✓ BIPOC Business Advisory Task Force launched to expand economic opportunity

#### **Olympia Career Hub**

- ✓ Training center offers targeted work readiness skills, programs and support
- Helping to build new pathways for those impacted by pandemic and homelessness
- Facilitated by Thurston Chamber of Commerce Workforce Division, PacMtn, local employers
- ✓ Construction corps will yield more qualified builders to help with affordably housing

#### **Destination Downtown and Waterfront**

- Offers diverse retail and dining options, vibrant arts and entertainment
- ✓ Features walking and watercraft access, popular farmers market, marina
- Growing residential base to support commercial landscape and attract new investment
- ✓ Home of international port with trade and emergency response capabilities

#### **Intercity Transit Zero-Fare Initiative**

- ✓ Zero-fare, ticketless transit creates universal access and faster service
- Provides transportation cost savings for workers
- ✓ Expands service to employment centers
- ✓ And many more public transit enhancements supported by 66% of voters in an anti-tax landscape

#### **Seat of State Government**

- ✓ Attracts visitor spending, especially during legislative session
- ✓ Provides a stable, higher-wage employment base
- ✓ Increases daytime sales at local establishments

#### **South Puget Sound Community College (SPSCC)**

- ✓ Everyone eligible for scholarships or other financial assistance for tuition
- ✓ Student Needs initiative provides financial support for more than just tuition
- ✓ Unique programs like Black Scholars provided students with mentors

# PacMtn Industry and Workforce Real-Time Data

- Region now has ability to track industry and workforce data at-a-glance
- ✓ Workforce training programs built around core and emerging industry needs
- ✓ Schools and training partners alerted to opportunities and skill needs
- ✓ Statewide, one-stop platform that connects students with work-based learning opportunities (www.washingtonworkforceportal.org)

# United Way Education to Financial Stability Task Force

- ✓ Less than 50% of graduating HS seniors in Thurston County/Washington State pursue continuing ed
- New Navigators operating out of SPSCC will connect with students, families, help with FAFSA
- ✓ Case Managers will help ensure students reach completion (certificate or transfer to 4-yr college)

#### Thurston Economic Development Council, Chamber of Commerce and PTAC

- ✓ Scale-Up training and microbusiness support for every level
- ✓ Contracting assistance with state and federal government

- ✓ International trade gateways and certification
- ✓ Networking events and promotion

#### **Creative Arts District**

- ✓ Downtown is home to 150+ creative industries
- ✓ Plus, 42 historic buildings, 38 food businesses, 25 makers and 10 performance and event spaces
- ✓ Continue and recent investments include: Arts Walk, Asian Pacific American Heritage Celebration, Hispanic Festival, painted crosswalks, street and alley lighting, new murals, Love Oly Summerfest and Winterfest, Sweet16 All Styles Battle
- √ \$8.8 million investment to reopen and modernize Washington Center for Performing Arts
- ✓ New investments in State Theater/Harlequin Productions, Capital Theater and Oly Family Theater

#### **One Community Plan**

- ✓ Working with State and partners to move homeless into supportive housing
- ✓ Expansion of behavioral health resources
- ✓ Increase availability of tiny homes
- Expanded housing preservation for senior populations
- ✓ Renter protections
- ✓ Low barrier workforce development programs for unhoused populations

#### **Climate Resiliency Plan**

- ✓ Partner in Thurston Climate Mitigation Plan
- New climate framework to evaluate potential impact of City decisions and initiatives
- ✓ Climate Resource Webpage
- ✓ Work underway to protect waterfront

#### IMPLEMENTATION ROAD MAP: FOCUS AREAS AND INITIATIVES

#### Introduction

In response to broad community input and data review, the City has reached out to a wide variety of institutional partners to develop an action plan designed to expand economic opportunity and resiliency. The action plan is built around four primary focus areas which are summarized below. The full action plan matrix is contained in report **Appendix B**, and includes additional details for each proposed action including relevance to other community plans.

Perhaps most importantly, the matrix identifies a wide range of partner organizations that will be involved in moving proposed actions forward. In many cases, the City is not the appropriate lead entity to spearhead implementation activities. Fortunately, we are supported in these endeavors by a multitude community institutions, partners, and cultural organizations. For a full list of community organizations that were consulted as a part of this process and may play a role in implementation see **Appendix A**.

Each focus area is rooted in addressing the gaps, barriers, and needs that we synthesized from the data analysis and the public engagement process. The four focus areas identify a specific vision, community benefits, and a slate of proposed initiatives aimed at advancing the vision.

The four focus areas are:

- 1. EDUCATION + WORKFORCE PATHWAYS
- 2. HOUSING + SENSE OF SECURITY
- 3. BUSINESS ENTERPRISE RESOURCES + SUPPORT
- 4. COMMUNITY PRIDE, LOVABILITY + RESILIENCY

In addition to the action initiatives, Olympia Strong recommends the following topics be added to local and regional **City legislative advocacy dockets**:

- Higher Medicaid reimbursement rate (fewer health clinics accept that form of insurance)
- Multifamily home ownership options (e.g., condo reform)
- Childcare solutions
- Expansion of mental health facilities and services

#### **FOCUS AREA: EDUCATION + WORKFORCE PATHWAYS**

**Vision**: Every Olympian is afforded quality lifelong educational opportunities that build pathways to upward mobility and financial stability.

#### **Community Benefits:**

- Increased sense of hope and self-reliance
- Decrease in equity gap
- Interruption of poverty cycle
- Activation of 100% of our workforce potential
- Decreased reliance on social service networks

- A. Create an Olympia Youth Council to expand community leadership and involvement opportunities for diverse high school students
- B. Grow the Olympia Career Hub, a career training program to prepare people for local in-demand occupations, including but not limited to jobs in construction, clean energy, the medical sector, logistics and supply chain management
- C. Ensure flexible, appropriate locations for workforce training programs to locate
- D. Support and increase participation in programs that introduce youth to career options and prospective employers, such as Find Your Future and other employer integrated workforce development activities
- E. Partner with the United Way to fund a Navigator that connects all Olympia School District high schoolers to continuing education opportunities and financial resources.
- F. Coordinate with Journey2Jobs and other programs that provide skill-building, employment and related wrap-around services for formerly homeless and incarcerated individuals
- G. Hold quarterly leadership team meetings with The Evergreen State College to identify partnership opportunities
- H. Expand City internships, mentorships, job shadowing, tours and other measures that expand career pathway opportunities for a broad cross-section of our community
- I. Partner with Morningside and other organizations to provide and promote employment opportunities for adults with disabilities
- J. Explore a requirement that City capital projects over a certain threshold require the contractor to have a percentage of their labor hours performed by apprentices

#### **FOCUS AREA: HOUSING + SENSE OF SECURITY**

Vision: All Olympians can enter and sustain stable housing while building household financial security.

#### **Community Benefits:**

- People who work in Olympia can afford to live here
- Housing is affordable for lower income households and first-time buyers
- Increase in generational wealth building through home ownership and affordable rental options
- Employer confidence that workers can access affordable workforce housing
- More residents can afford to pursue personal growth opportunities
- Improvement in other attendant indicators: law enforcement interaction, food security, health outcomes, et al

- A. Study outcomes and best practices from the universal basic income pilot project (EsCA) managed by PacMtn and evaluate options for connecting more Olympians to this or similar economic security resources
- B. Proactively purchase vacant and underutilized properties that can be used for or converted into permanently affordable or rent-capped housing stock
- C. Grow partnerships with low-income housing developers and organizations seeking to build housing stock that meets the community's needs, including opportunities for home ownership and projects that meet the specific needs of various populations (e.g., people with disabilities, seniors, justice-involved individuals)
- D. Explore the feasibility of partnering with Morningside and/or similar organizations on an innovative integrated housing development that builds familiarity and connections between people with developmental disabilities and other community members seeking affordable housing alternatives
- E. Follow recommendations from the 2023 study on ways City can facilitate development of housing options that include long-term affordability and home ownership, including multifamily ownership options and other creative solutions and projects that meet the specific needs of various populations
- F. Evaluate options for providing low-interest loans for projects that add affordable housing stock in the city
- G. Incentivize and streamline the conversion of vacant office buildings into housing, and promote Olympia as a great place to undertake adaptive reuse projects
- H. Involve a collaborative interdepartmental team to conduct a comprehensive review of City policies, fees and development regulations to identify viable options with a goal to make it easier to build and reduce overall housing costs in balance with other goals and priorities
- I. Recommend targeted public infrastructure investments that help attract and expedite private sector housing construction or redevelopment

- J. Convert Plum Street Village into transitional housing for formally houseless and incarcerated individuals who simultaneously enroll in training and education programs, or begin reentry into the workforce
- K. Create a regional resource of affordable housing tools with a target audience of brokers and developers looking to develop or rehab buildings for housing
- L. Pursue public assistance (tech training, funding) to assist low and moderate income households with existing building retrofits, to promote long term health, safety and energy savings
- M. Create a household financial expense reduction toolkit with info about city service discounts for low income households, library resources, foodbank, etc.

#### **FOCUS AREA: BUSINESS ENTERPRISE RESOURCES + SUPPORT**

**Vision**: All Olympia businesses and entrepreneurs are able to access investment capital and world-class training and technical assistance, in a supportive environment that celebrates and promotes their success.

#### **Community Benefits:**

- Grows efforts with new and existing partner organizations to build a more inclusive economy
- Ensures newly formed businesses have access to workforce training and employment services
- Facilitate access to capital for aspiring entrepreneurs
- Furthers community priority to stimulate local, independent employers and businesses
- Creates new avenues to business ownership and prosperity for employees

- A. Provide full spectrum business support and training programs through the Thurston EDC Center for Business and Innovation, as well as micro and alternative business development and succession planning programs offered through organizations such as Enterprise for Equity and Northwest Cooperative Development Center
- B. Continue seeking ways to expand access to capital for aspiring entrepreneurs from underbanked and underrepresented populations (e.g., support EDC/Thurston County Target Zone Startup Grants, outreach to banks and credit unions, City sponsored micro-loan fund)
- C. Stand up a Community Resource Navigator pilot project that places paid staff and volunteers in target zone neighborhoods and/or community centers where they can help connect residents with business startup resources, career pathways or other support that increases financial resiliency (e.g., offer grassroots support programs, start here resource fair)
- D. Partner with EDC to help attract and help grow anchor employers that align with Olympia values, with an emphasis on anchor employers and emerging sectors, tech, green energy and construction (e.g., Mud Bay, Fungi Perfecti, Naked Prosthetics, Forma Construction)

- E. Provide or coordinate barrier-busting assistance for business or employer partners (typical issues include permitting, public safety, city policy, etc.)
- F. Coordinate a multi-partner conversation and other outreach to identify actions and resources that can help stabilize the Childcare industry and add capacity/lower family costs over time
- G. Explore options to expand Olywahoo summer day camp to serve more families, including increasing scholarships for low income households
- H. Explore partnership options with the Squaxin Island Tribe that will expand economic opportunities downtown while also featuring Tribal culture and heritage
- Formally celebrate Olympia businesses for their support of community goals like sustainability, climate action, equity, championing youth, etc. to help build on City's business-friendly reputation (in addition to Chamber, EDC existing programs)
- J. Support pop ups (temporary retail events) as a way to activate vacant buildings and provide opportunity for microbusinesses, including makers and artists

#### **FOCUS AREA: COMMUNITY PRIDE, LOVABILITY + RESILIENCY**

**Vision**: Olympia is a safe, resilient and welcoming city with strong, inclusive support networks and abundant community character.

#### **Community Benefits:**

- Increases pride in our community, hope and a sense of place
- Increases the City's desirability as a home town, visitor destination and place to do business
- Increases tax and business revenue from tourism and vital urban centers
- Improves emergency response preparedness and capacity
- Ensures sustained focus on infrastructure capacity and climate adaptation priorities

- A. Advance Arts, Cultures and Heritage initiatives that expand our Creative Economy through opportunities and funding for artists and art organizations, as well as for the community to engage with the arts (Implement plans for the Armory Creative Campus, Inspire Olympia and the Downtown Creative District)
- B. Support, implement and promote initiatives that create unique and welcoming places and spaces in Olympia for the benefit of the community and visitors
- C. Support expansion of recreation and entertainment venues for youth (e.g., a youth center or similar gathering place for youth)
- D. Explore opportunities and resources to grow parks and recreation programs for middle school and opportunity youth (e.g., youth in foster care, justice involved youth) that provide mentorship and foster belonging, life and job skills.

- E. Explore and identify community pride building events, programs and other features (e.g., community clean-up day, city flag, cultural events)
- F. Support Experience Olympia (Visitor and Convention Bureau) strategic planning to evaluate, define and implement priority Olympia visitor promotion investments (marketing, physical attractions, service gaps, et al)
- G. Identify a contact and structure for coordinating with the State of Washington on economic development activities to determine the most mutually beneficial investments and policies, and establish an action team to follow through on implementation (climate change response, capital campus, I-5 access and bottlenecks, Deschutes Estuary, housing and homelessness grants, et al)
- H. Promote and support Port of Olympia role and value in the case of catastrophic infrastructure damage that requires sea or freight transport of people, goods and services
- I. As part of developing a climate adaptation and preparedness plan, explain and promote why timely investments adaptation priorities build preemptive economic resiliency for all
- J. Adapt the successful Thurston Strong model to help better prepare for future economic disruptions and emergencies and Implement effective disaster recovery
- K. Continue to support city owned facilities that host partners such as the Timberland Regional Library, Senior Center, Washington Center for Performing Arts, Farmers Markets and Hands On Children's Museum as important community assets that play a role in economic development through community enrichment and tourism

#### PROGRESS TRACKING INDICATORS

There are many ways to monitor future progress toward our economic goals. At least initially, staff will monitor several key indicators within each major focus are as follows:

#### **Education + Workforce Pathways**

- Workforce Participation Rate by Demographic Cohort
- Educational Attainment by Demographic Cohort
- FAFSA Completion Rate by Demographic Cohort

# **Housing + Sense of Security**

- Number of Housing Units Permitted Annually
- Median Household Income by Demographic Cohort
- Percent of Community Members Who Feel Economically Secure by Renter and Homeowner
- Percent Housing Burdened by Demographic Cohort

#### **Business Enterprise Resources + Support**

- Business Service and Training Participants by Demographic Cohort (EDC and E for E)
- Annual Sales Tax by Industry Category
- New Business Enterprise Startups by Demographic Cohort

# **Community Pride, Lovability + Resiliency**

- Annual Lodging Tax
- Annual Farmers Market Sales
- Annual Children's Museum Attendance
- Annual Washington Center Attendance
- Citizen Satisfaction (City Survey)

#### **OLYMPIA STRONG AND THE COMPREHENSIVE PLAN UPATE**

The City is currently updating the community's Comprehensive Plan and city-wide focus areas. The Olympia Strong plan will both inform and be informed by the comprehensive plan and focus area changes. Both Olympia Strong and the Comp Plan Economy Element will adopt the same vision statement which was derived from extensive public input: Promote a thriving and diversified economy with pathways to prosperity for everyone. Both are also designed to advance the same overarching economic success goals, including:

- Everyone has pathways to economic prosperity.
- Our economy adapts and thrives in the face of economic challenges and opportunities.
- Strong sense of pride and belonging in Olympia inspires investment in a vibrant economy.
- Olympia is a place of choice for entrepreneurs and small business.
- Olympia attracts industries that generate jobs and a livable wage.

While the Comprehensive Plan Economy Elements enumerated overall city economic goals and policies, the Olympia Strong plan fills in the details and lays out specific actions designed to implement intended outcomes. Updates to the Comprehensive Plan Economy Element are driven, in large part, by current data and community engagement undertaken through the Olympia Strong process.

#### **APPENDIX A**

# **Olympia Strong Public Engagement Snapshot**

# **Overview**

- 2 online surveys (+/-300 participants)
- 25 person-on-the-street interview events (200 individuals reached)
- 35+ community interviews
- 5 listening sessions with underrepresented groups
- 3 industry focus groups
- 8 advisory board briefings
- 6 community group briefings
- 7 Saturdays at ASHHO Cultural Center

#### **Community Organization Interview and Meeting Participants**

- ASHHO
- Asian Pacific Islanders Coalition
- Chamber of Commerce
- Cielo
- Community Foundation
- Community Youth Services
- Construction Corps Trainees
- Dupont Carpenters Training
- Economic Development Council
- EDC BIPOC Business Taskforce
- Emerald Cities Collective
- ESD 113
- Evergreen State College
- Experience Olympia & Beyond
- Family Education & Support Services
- GRUB
- Islamic Center
- Journey to Jobs
- Morningside
- New Market Skills Center
- NW Cooperative Devo Center

- Olympia Area Chinese Association
- Olympia Downtown Alliance
- Olympia School District
- PacMtn Workforce Development
- Pizza Klatch
- Port of Olympia
- POWER
- Senior Services of South Sound
- SPS Community College
- TESC Gateway Program
- Thurston Chamber Board
- Thurston Conservation District
- Thurston Thrives
- Timberland Library
- TRPC/ Disaster Planning
- United Way
- WA Building & Const Trade reps
- WA Comm on Asian Pacific Affairs
- WA State Plan to Dismantle Poverty
- West Olympia Business Assoc.
- WSU Extension

# **Industry Focus Groups**

Auto Mall; Financial Sector; Health Care Sector

# **Advisory Board Briefings**

- Bicycle and Pedestrian Advisory Committee
- Council of Neighborhood Associations
- Inspire Cultural Access Advisory Committee
- Olympia Heritage Commission

- Olympia Planning Commission
- Parking and Business Improvement Area Board
- Parks and Recreation Advisory Committee
- Social Justice and Equity Commission

# **Targeted Focus Groups**

- Adults in Re-entry (Justice-involved)
- EDC BIPOC Business Taskforce
- Low Income, Working Families, Single Parents
- People with Disabilities
- Renters
- SPSCC Ignite Students (DEI and Black Scholars)
- Thurston BIPOC Business Roundtable
- Transgender Town Hall (review 2020 town hall input)

### **Other Engagement**

- Individual Council Member Briefings (2022, 2023)
- City Council (July 18, 2022 and August 15, 2023)
- Public Meetings (June 12 and June 14, 2023)

# APPENDIX B Olympia Strong Initiatives Matrix

Working Draft: 08/03/2023

# **FOCUS AREA: EDUCATION + WORKFORCE PATHWAYS**

Vision: Every Olympian is afforded quality lifelong educational opportunities that build pathways to upward mobility and financial stability.

- Increased sense of hope and self-reliance
- Decrease in equity gap
- Interruption of poverty cycle
- Activation of 100% of our workforce potential
- Decreased reliance on social service networks

Key Words	Initiative	City Department (role)	Partners (role)	Notes New or Continuing? City-specific or Regional? Link to Other Plans?	Timeline
Youth Council	Create an Olympia Youth Council to expand community leadership and involvement opportunities for diverse high school students	City Manager's Office (lead)	OSD and other partners TBD in 2023 (support)	-New -City-specific -One Community (2.5)	
Career Hub	<ul> <li>Grow the Olympia Career Hub, a career training program to prepare people for local in-demand occupations, including but not limited to jobs in construction, clean energy, the medical sector, logistics and supply chain management</li> </ul>	Ec Dev (support)	Chamber Workforce Division (lead); PacMtn; ESD 113; Makers Space; SPSCC	-Continue (covid project) -Climate Measure 388, 1.4 -Regional Workforce Initiative -One Community (2.4,1.7)	
Training Location(s)	Ensure flexible, appropriate locations for workforce training programs to locate	Ec Dev (support)	Chamber Workforce Division (lead); PacMtn; SPSCC; Makers Space	-New -Regional Workforce Initiative -One Community (2.4,1.7)	
Youth Career Pathways	<ul> <li>Support and increase participation in programs that introduce youth to career options and prospective employers, such as Find Your Future and other employer integrated workforce development activities</li> </ul>	Ec Dev (support)	Chamber Foundation (lead); PacMtn; Makers Space	-New -Regional -One Community (2.5)	
Continuing Ed Support	<ul> <li>Partner with the United Way to fund a Navigator that connects all Olympia School District high schoolers to continuing education opportunities and financial resources</li> </ul>	Ec Dev (support)	United Way (lead); OSD	-New -Regional effort -One Community (2.5)	
Journey 2 Jobs	<ul> <li>Coordinate with Journey2Jobs and other programs that provide skill-building, employment and related wrap-around services for formerly homeless and incarcerated individuals</li> </ul>	Ec Dev (support)	PacMtn (lead)	-Continue (a one-time covid funded project) -Regional -One Community (1.7)	
TESC Partnership	Hold quarterly leadership team meetings with The Evergreen State College to identify partnership opportunities	Ec Dev (lead)	TESC; SPSCC	-New -City specific -Downtown Strategy	
City Internships	<ul> <li>Expand City internships, mentorships, job shadowing, tours and other measures that expand career pathway opportunities for a broader cross-section of our community (consider hiring internship coordinator)</li> </ul>	Human Resources Office (lead)	SPSCC, TESC, OSD (source of participants)	-New -City specific -One Community (2.5)	

					-Look into AmeriCorps	
Workplace Integration	•	Partner with Morningside and other organizations to provide and promote employment opportunities for adults with disabilities	Human Resources (Lead) Ec Dev (support)	Morningside (lead)	-Continue, more proactive -City specific or regional	
City Contracts	•	Explore a requirement that City capital projects over a certain threshold require the contractor to have a percentage of their labor hours performed by apprentices	City Clerk and Public Works (co- leads)		-New -City specific	



# **FOCUS AREA: HOUSING + SENSE OF SECURITY**

**Vision**: All Olympians can enter and sustain stable housing while building household financial security.

- People who work in Olympia can afford to live here
- Housing is affordable for lower income households and first-time buyers
- Increase in generational wealth building through home ownership and affordable rental options
- Employer confidence that workers can access affordable workforce housing
- More residents can afford to pursue personal growth opportunities
- Improvement in other attendant indicators: law enforcement interaction, food security, health outcomes, et al

Key Words	Initiative	City Department (role)	Partners (role)	Notes New or Continuing Initiative City-specific or Regional? Link to Other Plans?	Timeline
Economic Security Pilot Project	Study outcomes and best practices from the universal basic income pilot project     (EsCA) managed by PacMtn and evaluate options for connecting more Olympians to     this or similar economic security resources	Ec Dev (support)	PacMtn/ESD (co- leads); EDC	-New -Regional -Track results for potential local application	
Land Banking	Proactively purchase vacant and underutilized properties that can be used for or converted into permanently affordable or rent-capped housing stock	Ec Dev (lead); CPD/Housing (support)	Thurston County/HAC (support)	-Continue, more proactive -City specific or regional -Housing Action Plan	
New Housing Partnerships	<ul> <li>Grow partnerships with low-income housing developers and organizations seeking to build housing stock that meets the community's needs, including opportunities for home ownership and projects that meet the specific needs of various populations (e.g., people with disabilities, seniors, justice-involved individuals)</li> </ul>	Housing/Ec Dev/CPD (co-leads)	Low income housing developers (potential support or co-lead); SPSCC	-Continue, more proactive -City specific -Housing Action Plan -One Community -Reimagining Public Safety	
Inclusive Housing Partnership	• Explore the feasibility of partnering with Morningside and/or similar organizations on an innovative integrated housing development that builds familiarity and connections between people with developmental disabilities and other community members seeking affordable housing alternatives	Housing (lead)	Morningside (potential support or co-lead)	-New -City specific or regional -Housing Action Plan	
Home Ownership Options	Follow recommendations from the 2023 study on ways City can facilitate development of housing options that include long-term affordability and home ownership, including multifamily ownership options and other creative solutions and projects that meet the specific needs of various populations	CPD/Housing (co- leads)	Regional Housing Council; builders; banks; nonprofits (support)	-New -City specific or regional -Housing Action Plan	
Low-Interest Home Loans	Evaluate options for providing low-interest loans for projects that add affordable housing stock in the city	Housing (lead); Finance (support)		-Revamp and expand old section 108 program -City specific -Housing Action Plan	
Adaptive Reuse	Incentivize and streamline the conversion of vacant office buildings into housing, and promote Olympia as a great place to undertake adaptive reuse projects	CPD (co-lead); Public Works (co- lead)	OMB (support)	-Continue, more proactive -City specific -Housing Action Plan -Climate Measure 388, 1.3	
City-wide Development Review	<ul> <li>Involve a collaborative interdepartmental team to conduct a comprehensive review of City policies, fees and development regulations to identify viable options with a goal to make it easier to build and reduce overall housing costs in balance with other goals and priorities</li> </ul>	CPD/PW (co-leads); Finance, Ec Dev, others (support)	Peer utilities (support)	-Continue with a broader, more proactive outlook -City specific	

Strategic	•	Recommend targeted public infrastructure investments that help attract and	Public Works (lead);	Peer utilities (support)	-New
Infrastructure		expedite private sector housing construction or redevelopment	Finance/CPD		-City specific
Investments			(support)		-Housing Action Plan
Transitional	•	Convert Plum Street Village into transitional housing for formally houseless and	Housing and Ec Dev	PacMtn (support)	-New
Workforce		incarcerated individuals who simultaneously enroll in training and education	(co-leads)	United Way (support)	-City specific
Housing		programs, or begin reentry into the workforce			
Affordable	•	Create a regional resource of affordable housing tools with a target audience of	Housing (support)	TRPC; Realtors	-New
Housing		brokers and developers looking to develop or rehab buildings for housing		Association; OMB	-Regional
Toolchest				(support)	
Retrofits	•	Pursue public assistance (tech training, funding) to assist low and moderate income	Housing (lead)		-New
		households with existing building retrofits, to promote long term health, safety and energy savings	Climate (support)		-City specific or regional
Toolkit	•	Create a household financial expense reduction toolkit with info about city service	Ec Dev (lead)		-New
		discounts for low income households, library resources, foodbank, etc.			-City specific

# **FOCUS AREA: BUSINESS ENTERPRISE RESOURCES + SUPPORT**

Vision: All Olympia businesses and entrepreneurs are able to access investment capital and world-class training and technical assistance, in a supportive environment that celebrates and promotes their success.

- Grows efforts with new and existing partner organizations to build a more inclusive economy
- Ensures newly formed businesses have access to workforce training and employment services
- Facilitate access to capital for aspiring entrepreneurs
- Furthers community priority to stimulate local, independent employers and businesses
- Creates new avenues to business ownership and prosperity for employees

Key Words		Initiative	City Department (role)	Partners (role)	Notes  New or Continuing?  City-specific or Regional?  Link to Other Plans?	Timeline
Business Training	•	Provide full spectrum business support and training programs through the Thurston EDC Center for Business and Innovation, as well as micro and alternative business development and succession planning programs offered through organizations such as Enterprise for Equity and Northwest Cooperative Development Center	Ec Dev (support)	Thurston EDC (lead); Enterprise for Equity; NWCDC; SPSCC	-Continue -Regional	
Access to Business Capital	•	Continue seeking ways to expand access to capital for aspiring entrepreneurs from underbanked and underrepresented populations (e.g., support EDC/Thurston County Target Zone Startup Grants, outreach to banks and credit unions, City sponsored micro-loan fund)	Ec Dev (support)	Thurston EDC (lead)	-New -Regional	
Community Resource Navigators	•	Stand up a Community Resource Navigator pilot project that places paid staff and volunteers in target zone neighborhoods and/or community centers where they can help connect residents with business startup resources, career pathways or other support that increases financial resiliency (e.g., offer grassroots support programs, start here resource fair)	Ec Dev (support)	Thurston EDC (lead)	-New -Regional	
Corporate Headquarters	•	Partner with EDC to help attract and help grow anchor employers that align with Olympia values, with an emphasis on anchor employers and emerging sectors, tech, green energy and construction (e.g., Mud Bay, Left-Hand, Naked Prosthetics)	Ec Dev (support)	Thurston EDC (lead)	-Continue -Regional -Climate Measure 388	
Business Assistance	•	Provide or coordinate barrier-busting assistance for business or employer partners (typical issues include permitting, public safety, city policy, etc.)	Ec Dev (lead)	Thurston EDC (support)	-Continue -City specific	
Childcare Solutions	•	Coordinate a multi-partner conversation and other outreach to identify actions and resources that can help stabilize the Childcare industry and add capacity/lower family costs over time	Ec Dev (support)	Lead TBD; Child Care Action Council; Staff from State and Federal Rep Offices; Chamber; YMCA	-Continue, more proactive -Regional	
Childcare Solutions	•	Explore options to expand Olywahoo summer day camp to serve more families, including increasing scholarships for low income households.	Parks (lead)		-Expand -City specific	
Squaxin Island Tribe Partnership	•	Explore partnership options with the Squaxin Island Tribe that will expand economic opportunities downtown while also featuring Tribal culture and heritage	Ec Dev (co-lead)	Squaxin Island Tribe (co- lead)	-Continue -City specific	
Business Recognition	•	Formally celebrate Olympia businesses for their support of community goals like sustainability, climate action, equity, championing youth, etc. at Council	Ec Dev/ Communications (co-leads)	Council (support); EDC and others	-New -City specific -Climate Measure 388	

	meetings, in select publication and through social media to help build on City's business-friendly reputation (in addition to Chamber, EDC existing programs)			
Pop Ups	Support pop ups (temporary retail events) as a way to activate vacant buildings	Ed Dev (Lead)	ODA	<mark>-New</mark>
	and provide opportunity for microbusinesses, including makers and artists			-City specific



# **FOCUS AREA: COMMUNITY PRIDE, LOVABILITY + RESILIENCY**

**Vision**: Olympia is a safe, resilient and welcoming city with strong, inclusive support networks and abundant community character.

- Increases pride in our community, hope and a sense of place
- Increases the City's desirability as a home town, visitor destination and place to do business
- Increases tax and business revenue from tourism and vital urban centers
- Improves emergency response preparedness and capacity
- Ensures sustained focus on infrastructure capacity and climate adaptation priorities

Key Words		Initiative	City Department (role)	Partners (role)	Notes New or Continuing? City-specific or Regional? Link to Other Plans?	Timeline
Creative Economy	•	Advance Arts, Cultures and Heritage initiatives that expand our Creative Economy through opportunities and funding for artists and art organizations, as well as for the community to engage with the arts (Implement plans for the Armory Creative Campus, Inspire Olympia and the Downtown Creative District)	ARCH (lead) Ec Dev (support)	Various	-Continue -City with partners -Downtown Strategy -Parks Plan	
Signature Spaces and Places	•	Support, implement and promote initiatives that create unique and welcoming places and spaces in Olympia for the benefit of the community and visitors	Arts, Parks and Public Works (lead); Ec Dev (support)	VCB; ODA; Chamber, WOBA (support)	-Continue -City and partners -Downtown Strategy -Triangle Subarea -Parks Plan -Deschutes Estuary restoration	
Youth Activity Venues	•	Support expansion of recreation and entertainment venues for youth (e.g., a youth center or similar gathering place for youth)	Parks (lead)		-New -City specific	
Youth Enrichment	•	Explore opportunities and resources to grow parks and recreation programs for middle school and opportunity youth (e.g., youth in foster care, justice involved youth) that provide mentorship and foster belonging, life and job skills.	Parks			
Pride Building	•	Explore and identify community pride building events, programs and other features (e.g., community clean-up day, city flag)	City (lead)	?	-New -City specific	
Visitor Destinations	•	Support Experience Olympia (Visitor and Convention Bureau) strategic planning to evaluate, define and implement priority Olympia visitor promotion investments (marketing, physical attractions, service gaps, et al)	Ec Dev (support)	VCB (Lead); Chamber; EDC	-Continue -Regional	
State Partnership	•	Identify a contact and structure for coordinating with the State of Washington on economic development activities to determine the most mutually beneficial investments and policies, and establish an action team to follow through on implementation (climate change response, capital campus, I-5 access and bottlenecks, Deschutes Estuary, housing and homelessness grants, et al)	City Manager's Office, Ec Dev (coleads) City Council (support)	DES, Governor's Office	-Continue, more proactive -Downtown Strategy -Climate Measure 388	
Port Partnership	•	Promote and support Port of Olympia role and value in the case of catastrophic infrastructure damage that requires sea or freight transport of people, goods and services	Ec Dev (support)	Port of Olympia (lead); EDC	-Continue -Regional	

Climate Resiliency	•	As part of developing a climate adaptation and preparedness plan, explain and promote why timely investments in Climate preparedness and adaptation priorities build preemptive economic resiliency for all	Climate Programs (lead); Ec Dev + all (support)	Partners TBD	-Continue, more proactive -Regional -Climate Measure 388, 1.2	2025
Disaster Preparedness	•	Adapt the successful Thurston Strong model to help better prepare for future economic disruptions and emergencies and Implement effective disaster recovery	Ec Dev (lead)	Thurston Strong team	-New -Regional -Climate Measure 388, 1.1	
Community Amenities	•	Continue to support facilities for the Timberland Regional Library, Senior Center, Washington Center for Performing Arts, 108 State, Farmers Markets and Hands On Children's Museum as important community assets that play a role in economic development through community enrichment and tourism	City (lead)		-Continue -City specific	Annually

# **Legislative Advocacy List**

- Higher Medicaid reimbursement rate in legislative agenda...has not increased in 20 yrs., may reduce coverage
- Multifamily home ownership options (e.g., condo reform)
- Childcare solutions
- Mental Health Facilities

# Olympia

# Olympia Strong Equity Analysis

The scope for Olympia Strong was established under the umbrella of Olympia's commitment to advancing a community that is just and equitable for all. At the onset, we knew not all Olympians have equal access to resources that help meet basic needs or opportunities to improve their quality of life, and that discriminatory barriers persist in our community. Thus, the planning process and resulting strategies aimed to reduce economic barriers and expand opportunities for all community members, with emphasis on Black, Indigenous, people of color, LGBTQ+, disabled and low-income communities.

The first step was to ensure that these communities were engaged in the process so that their needs and ideas would be reflected in the proposals. DEI consultant Parfait Bassale was engaged to advise on the process. Person on the street interviews were conducted in places frequented by community members representing a wide demographic, such as the library and grocery stores. Community interviews included several cultural organizations, and staff set up a booth on seven Saturdays to connect with people about Olympia Strong at the multi-cultural ASHHO community center. Additionally, listening sessions were designed to hear specifically from low-income parents, people with disabilities, renters, BIPOC business and student groups, and formally justice-involved adults in re-entry.

## **Education and Workforce Pathways**

The set of actions in this focus area will benefit residents as well as employers. Adult residents will benefit from career training and continuing education programs. Youth residents will benefit from having a seat at the City leadership table, and from education and career pathway programs that provide mentorship and develop a sense of belonging. The actions will also benefit employers/businesses by increasing the number of educated and skilled workers.

Data shows certain groups face higher barriers to access education and workforce pathways that can increase household financial security. These groups include people who are Black, Brown, Indigenous, people of color, those with disabilities and people who are LGBTQ+. The barriers are rooted in and exacerbated by continuing systemic and discrimination and racism. Examples include food and housing insecurity, lower household incomes leading to a lack of funds for higher education or childcare, generational poverty and lack of access to health care.

The proposed set of actions intends to alleviate existing disparities by providing more cultivated pathways to education and workforce opportunities that meet people where they are at. These programs specifically target burdened populations by providing pathways to programs involving best practice elements such as wrap-around services to sustain participation in programs, navigators, mentors, and cohort models that increase representation and belonging.

Organizations such as SPSCC, PacMtn and Morningside will also benefit from proposed partnerships that enhance their equity and inclusion initiatives. Community organizations like

the Food Bank and United Way stand to benefit from programs that can lead to increased household security for individuals by reducing the growing burden to provide services that assist struggling households. The entire community benefits when we advance goals to build a strong and inclusive regional economy.

Residents and employers/businesses may be burdened if taxes are raised to fund these initiatives.

#### **Housing and Sense of Security**

More affordable housing was identified as the number one economic goal for the community through Olympia Strong. The proposed actions are intended to increase access to affordable (including income restricted housing) and homeownership options, along with other actions to increase household financial security.

The high cost of housing in Thurston County along with income disparities contribute limited housing options and higher risk of displacement for many, with marginalized populations disproportionately affected. Data shows that people of color, people with disabilities, and people who are transgender are:

- Housing cost-burdened at higher rates,
- More likely to be renters,
- Are at higher risk of displacement, and
- More likely to experience homelessness in Thurston County.

The county is especially lacking accessible and affordable units to meet needs of residents with disabilities.

In response, a suite of proposed actions would have the City expand its role in facilitating the building of housing affordable to low and moderate income households. Activities include expanding use of city-owned land for housing projects through land banking, a loan program and a proactive focus on building partnerships with low-income housing developers. These partnerships would include home ownership options and projects that meet the specific needs of various populations (e.g., people with disabilities, seniors, justice-involved individuals). In addition to facilitating affordable housing for low income people there is also an emphasis on housing for moderate income households - those who are not being served by existing permanent supportive housing investments because they are not among the most vulnerable community members experiencing homelessness, but also not able to afford or access market rate housing options.

As housing costs rise and available land and market factors favor development of multifamily over single family options, opportunities for homeownership are declining in Olympia. Increasing homeownership options is especially important, as this provides one of the best avenues for households to build wealth. The City is completing a study in 2023 to identify homeownership options, and the resulting programs should further expound on how

marginalized populations can access the these opportunities. We know that about 44% of people of color are renters compared to 32% of white residents in Thurston County, and Black/African American have among the lowest rates of homeownership in Thurston County.

These actions will also benefit businesses who need to their workers to be able to access affordable workforce housing.

Residents and employers/businesses may be burdened if taxes are raised to fund these initiatives.

#### **Business Enterprise and Entrepreneurship Support**

Many of the proposed actions are intended to benefit residents and alleviate existing disparities by working with partners to support and elevate a range of business enterprise opportunities that fit the needs of various resident populations.

Certain groups face higher barriers to access pathways into business ownership than others. One of the biggest barriers to starting or growing a business is access to capital. National data shows us that people who are Black, Brown, Indigenous and people of color have less access to bank loans due to historic discrimination that has limited their generational and household wealth potential and credit scores. In our engagement we also heard that people who are of low income or disabled face barriers to business training programs. These barriers include lack of access to affordable childcare, inaccessible hours due to work schedules, lack of transportation, and environments that are unwelcoming because participants don't feel like their life circumstances are seen or understood. Many of the proposed actions are intended to address these inequities.

The key is to provide pathways that enable marginalized populations to actually access the programs offered in the community. Many of our community partners are already taking action to advance such pathways, and Olympia's involvement and support can ensure these effectively reach Olympia residents. For example, we are proposing to continue our partnership and support for business support programs through the EDC. The EDC offers a range of services through their Women and Minority Business Center, PTAC program that aims to help minority and women owned businesses access federal contracts, and they recently stood up a BIPOC business liaison and task force to help guide efforts moving forward. Another partner, Enterprise for Equity (E4E), offers business plan training for low-income people that is specifically tailored to create a sense of belonging reduce barriers.

While we have derived enough information to give us a starting point for understanding the types of pathways needed, the work to engage with affected populations to build these programs will need to continue as part of implementation.

Residents and businesses may be burdened if taxes are raised to fund these initiatives.

## Community Pride, Lovability and Resiliency

Actions in this focus area direct Olympia to continually invest in and facilitate projects and partnerships that make Olympia a desirable destination to work, live and play, while also ensuring we are prepared to respond effectively to physical and financial challenges. The proposed actions encompass a broad range of activities, having to do with arts and culture, creating places and spaces, youth recreation, community pride, tourism and effective disaster response. All community members can benefit from these actions. Residents benefit from projects that increase quality of life, businesses benefit from public investment that draws further private investment and tourism, and the City organization benefits from the stable and growing tax revenue derived from continued community investment.

We heard concern that youth and other community members with low incomes are often denied access to arts, culture, recreation and other programming due to costs. We've also heard during public engagement for many different planning processes that youth opportunities for civic engagement are lacking and that youth need more age-appropriate community spaces. As proposed actions are implemented, care should be taken to ensure opportunities exist for those with lower incomes.

Some of the listed initiatives are already underway, where there are examples of how we can reduce or eliminate disparities. For example, with regard to arts, culture and heritage both the planning for the Armory and Cultural Access include consideration of how lower income households and youth will be able to easily access the programs. This effort should continue.

In addition, Olympia Strong notes that the City should consider making public investments into areas outside of downtown, such as on the westside. This is recognizing that certain areas of the city (the westside, downtown and parts of the northeast and east Olympia) have higher instances of poverty, low income and disability compared to other areas (the southeast, the upper westside and the UGA.) Over the past few decades, the City has made significant investments into public amenities in the downtown area (Hands on Children's Museum, Percival Landing, Washington Center, City Hall, etc.) However, the City has not made significant public investments into community spaces on the westside where there is the highest concentration of children accessing free and reduced lunches within the school district.

Residents and businesses may be burdened if taxes are raised to fund these initiatives.

#### FUNDING OLYMPIA STRONG EFFORTS IN 2023-2024 MEMO

To achieve full plan implementation including creating a funding source for capital acquisitions associated with acquiring properties to facilitate the continued development of affordable and workforce housing projects it is foreseeable that an annual budget for these efforts could range between \$1-3 million annually. A more modest funding approach associated with prioritizing continuing existing programs beyond 2024 is estimated in the range \$400,000 - \$550,000 annually.

As a part of previously launched and funded efforts associated with pandemic economic recovery programming there is a significant body of work that is underway that is consistent with the focus areas in Olympia Strong. Most of those projects and their funding will terminate at the end of 2023 and 2024. Below is a listing of already funded programs or those that can be accomplished with existing established budget.

#### **FOCUS AREA: EDUCATION + WORKFORCE PATHWAYS**

- Continue Construction Bootcamp program through May 2024 (Funded through existing Contract)
- Continue High School & Career Hub Connection through 2024 School Year (funded through existing contract)
- Launch Youth Council
- Continue Journey2Jobs programming through the transforming of Plum Street Village into workforce supported tiny home village (funded)

#### **FOCUS AREA: HOUSING + SENSE OF SECURITY**

- Former city owned housing sites that will be moving towards or under construction:
  - o Unity Commons Phase 2
  - o Franz Anderson
  - o 3900 Boulevard
  - o Former Griswold
  - o Former Mitigation site
- Continued work on the Housing Solutions Lab/Peer Cities Adaptive Re-use project

## **FOCUS AREA: BUSINESS ENTERPRISE RESOURCES + SUPPORT**

- Continued funding for Center for Business & Innovation programming (Economic Development Budget)
- Continued funding for Enterprise for Equity programming (CDBG Funding)
- Vacant Storefront Retail Pop-Up Program (Existing ODA Contract)

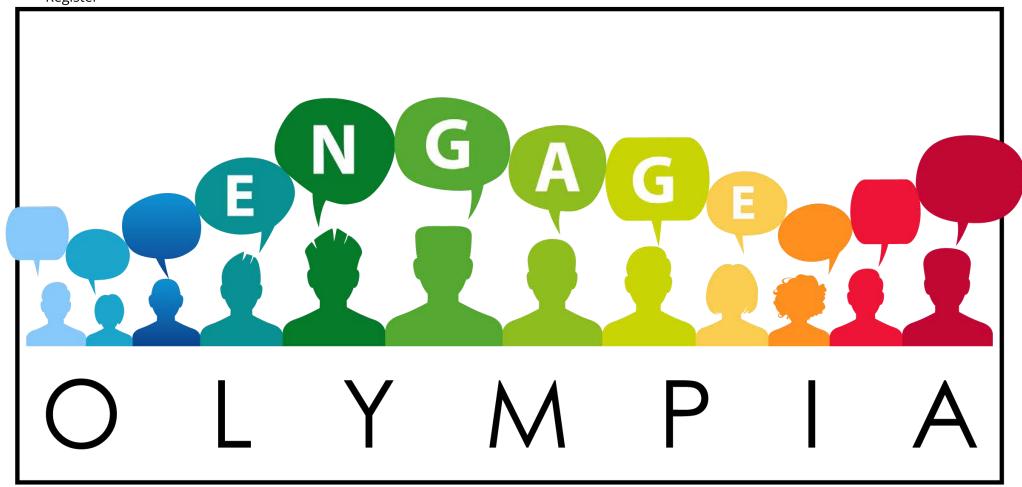
## **FOCUS AREA: COMMUNITY PRIDE, LOVABILITY + RESILIENCY**

Initial implementation of Creative District Program (Economic Development Budget)

- 108 State building activation as destination location
- Continued lease of space at Capital Mall for satellite Timberland Regional Library (existing contract)
- Increased Lodging Tax revenue spending through reserve balance spend down
- Theater District and Downtown Recovery contract
- Increased downtown resources through support of the Downtown Improvement District effort

- - -- -

- Sign in
- Register



Home / Olympia Strong: A Roadmap to Economic Opportunities

Olympia Strong: A Roadmap to Economic Opportunities





# What's Happening?

The City of Olympia has launched an effort called *Olympia Strong* to better understand what actions it can take to help residents, businesses and our City organization thrive – particularly in challenging economic times. The things we learn will help build a roadmap to a healthy, inclusive and sustainable economic ecosystem.

Since July 2022 we've heard and learned a lot about how our community hopes to see our economy evolve and grow in the years ahead, and how we can create pathways that serve a broader cross-section of those who call Olympia home. These ideas and aspirations fall into four distinct focus areas:

## **Education and workforce pathways**

• Vision: Every Olympian is afforded quality lifelong educational opportunities that build pathways to upward mobility and financial stability.

## Housing and sense of security

• Vision: All Olympians can enter into and sustain stable housing while building household financial security.

## **Business enterprise resources and support**

• Vision: Olympia invests in business training, fosters innovative enterprises, and promotes and supports the City's small and independent business network.

## Community pride, lovability and resiliency

• Vision: Olympia invests in and facilitates projects and partnerships that make Olympia a desirable destination to work, live and play, while also ensuring we are prepared to respond effectively to physical and financial challenges.

# Background

At the onset of COVID-19, Olympia joined forces with economic development partners from around the region in an effort known as <u>Thurston Strong</u>. The partners took immediate action to help businesses and workers weather the emergency (a hotline, protective gear, childcare support, \$9 million in grants) and implemented a 24-month plan to accelerate regional economic recovery and support workers seeking new job opportunities.

Now, it's time to focus within Olympia on creating the positive economic conditions that can provide long-term support for our city, its employers, and the people who call Olympia home.

# Why are we doing this?

Olympia has many strengths. Among them, an overall stable economy, top-rated schools, vibrant economic centers, and people and organizations who genuinely care and work together to make a positive difference. We also face challenges which disrupt our economic system such a housing crisis, climate change, and workforce and supply shortages.

Disruption inevitability leads to change. As we recover from the pandemic, we have an opportunity to shape this change. Olympia Strong invites our community to consider new approaches to our local economic ecosystem and explore how we can:

1. Elevate more people of all backgrounds and abilities into financial stability and help people overcome economic hardships,

- 2. Leverage and expand on Olympia's economic strengths,
- 3. Sustain economic growth and support for Olympian entrepreneurs,
- 4. Build on the work of Thurston Strong, and
- 5. Ensure municipal funds and other funds are capable of supporting community goals.

# Get involved

# **Open House**

On June 12, 2023, we held a public open house to share what the City is already doing to strengthen our economy and advance affordable housing, and gather feedback to help shape Olympia Strong actions. Watch the recording

# **Comprehensive Plan**

Updates to the 20-year economic goals and policies in the Comprehensive Plan are expected to be reviewed by the Planning Commission in Fall 2023. This will include a public hearing that is yet to be scheduled.

# Stay informed

Sign up to receive Planning & Development E-news alerts at olympiawa.gov/subscribe.

**SURVEYS** 

CLOSED: This survey has concluded.

# Resiliency Survey

This survey has closed. View results

Closed



CLOSED: This survey has concluded.

# Priorities & Preferences

This survey has closed. <u>View results</u>

Closed







Page last updated: 23 Jun 2023, 12:07 PM

# Who's Listening

## Mike Reid

Economic Development Director



Email mreid@ci.olympia.wa.us

#### Learn more!

Read the Olympia Strong blog post

# Lifecycle



# Set the framework

April – June 2022

Develop the public engagement framework and background information.



# **Identify goals & priorities**

July - Nov 2022

Community surveys and listening sessions. Development of draft goals and metrics.

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# **Develop vision & actions**

Dec 2022 - June 2023

Community group and advisory board meetings, public meeting and survey. Develop actions and recommendations.

# Φ

# **Review Comprehensive Plan**

Fall 2023

The Planning Commission will hold a public hearing on proposed updates to the Economy Chapter. Date TBD

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# **Final report & recommendations**

August 2023 Onward

Present final report to the City Council, including goals, policies, a 6-year action plan and metrics.

Documents
Olympia Strong Draft Initiatives (297 KB) (pdf)
Survey #2 (Priorities & Preferences) report (1.25 MB) (pdf)
Survey #1 report (1.06 MB) (pdf)
Related plans summary (877 KB) (pdf)
Thurston Strong Plan (1.32 MB) (pdf)
Olympia Strong Overview and Data Slides (2.48 MB) (pdf)

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