

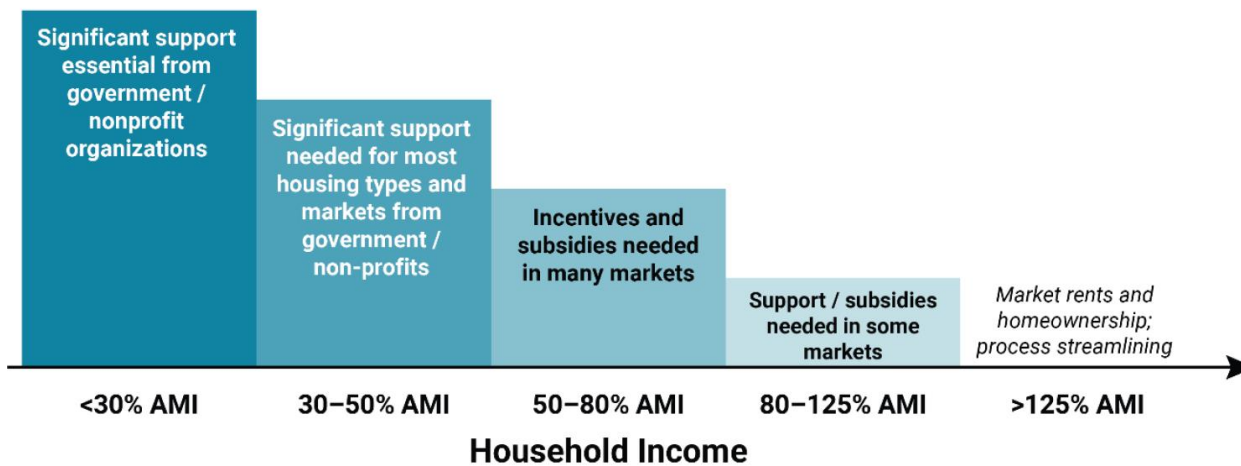
HOUSING ACTIONS TO ENCOURAGE AFFORDABLE HOUSING FOR VERY LOW INCOME AND WORKFORCE HOUSEHOLDS

The following chart outlines actions from Olympia’s Housing Action Plan that support the maintenance or construction of at or below very low income and workforce housing. Very low income housing is defined as affordable to households earning 60% or less of area median income (AMI). Workforce housing is defined as affordable to households making between 60-120% of AMI.

This chart identifies what income level of affordable housing each action is most likely to support. This chart is not intended to be definitive, but rather to help us think about best applicable tools. Some of the actions marked as supporting workforce housing have potential to help very low income housing development, but since that would not be the main outcome the very low income box is not checked. Some of these tools may also encourage market rate housing affordable to higher income levels. In many cases, as a matter of policy, the action can be narrowed down to apply to a specific income category. Also, in many cases a suite of various actions, rather than just one, will create more impact.

Different Strategies for Different Incomes

Different approaches are needed to stimulate housing development for different income levels, as the graphic below illustrates:



Increasing Overall Supply Impacts Housing Costs

Adequate housing supply helps make the overall cost of housing less expensive. When housing supply is limited and demand is high – like we have now in Olympia – housing prices go up across the board. Increasing the overall supply of housing can help with housing affordability, however supply is not the only answer. The Housing Action Plan includes several strategies and actions, including grants, loans, partnerships and incentives to also help improve affordability.

Transportation Impacts Affordability

Transportation costs are typically a household’s second largest expense. Residents who live in close proximity to rapid transit can reduce or eliminate costs associated with owning a car, thus may spend more on housing and still have it considered affordable. Thus, *where* we encourage housing development also has an impact on affordability.

Additional Actions in the Plan

The following chart outlines actions that support maintenance or construction of affordable housing. The Housing Action Plan includes additional actions to increase housing supply; promote housing access, stability and preservation; enter partnerships; and engage the public. The Plan also includes a strategy to identify a permanent source of funding for low income affordable housing; the related actions are not specifically included here, however would be considered the means behind providing grants or loans or other actions.

**Potential City Actions that Support Construction or Maintenance of Affordable Housing
And the Income Level Where Main Impact is Likely to Occur**

Action	# in Plan	Status	At or Below 60% AMI	Workforce (Between 60-120% AMI)	Notes
Provide Grants or Loans	1.b		●		Home Fund can be used for at 60% or below; current target is supportive housing, a specific homeless intervention
Revolving Loan Program for Renovation & Maintenance	1.j		●		City target will be at 50% or below; HUD requires at 80% or lower
Donate or Lease Land	1.a		●	●	
Impact Fee Waiver	1.c		●	●	All units must serve 80% or lower AMI
Density Bonus for Low Income Housing	1.d		●	●	Bonus units must serve 80% or lower AMI
Require Inclusion of Low Income Units	1.l		●	●	
Reduce Parking Requirements	3.i		●	●	Reduces cost of construction
Multifamily Tax Exemption	3.j		●	●	City plans to retool the program and affordability requirements
Lower transportation impact fees near transit	3.a		●	●	
Deferral of impact fees	3.b		●	●	Helps development reduce loan interest fees
Modular Homes Allowed	4.e		●	●	
Relax ground floor retail	3.e		●	●	Reduces barrier to low income housing in mixed use areas
Review Fees/Regulations	3.k			●	Various actions would reduce cost of construction
Adaptive Reuse Plan	3.s			●	
Tenant Improvement Code Modification	3.t			●	Encourages private sector
Strategic Infrastructure Investments	3.u			●	
Increase Allowed Housing Types in Low Density N'hoods	4.f			●	
Allow Single Room Occupancy in Multifamily Zones	4.h			●	
SEPA Planned Action for Capital Mall	3.q			●	
Increase SEPA Categorical Exemptions	3.q			●	
Simplify ADU requirements	4.b			●	
Preapproved ADU Plan Sets	4.c			●	
Height Bonus	3.o			●	Enabling more units can encourage private sector
Reduce setbacks, increase impervious surface	3.c			●	Enabling more units encourages private sector
Reduce minimum lot size	3.d			●	Enabling more units encourages private sector
Increase lot coverage				●	Enabling more units encourages private sector

= Action has been implemented = Underway or Partially Implemented