



DRAFT

A CITIZEN'S SUMMARY OF THE 2018-2022
THURSTON COUNTY AND OLYMPIA

REGIONAL CONSOLIDATED PLAN

Prioritizing HOME and Community Development Block Grant Resources

May 2018

What are our priorities? **DRAFT**

We are pleased to present the draft Citizen’s Summary to the 2018-2022 Consolidated Plan. Once finalized, the Consolidated Plan serves as the blueprint for the region’s Community Development Block Grant (CDBG) and HOME programs for the next five years.

The plan is the result of an eight-month planning process during which we examined the needs and resources of unincorporated Thurston County and its cities and consulted with our community partners and members of the public. The planning process brought together citizens, social service organizations, businesses, faith communities, and elected officials to review the region’s current and future housing and community development needs and develop updated priorities.

The CDBG program, administered by the federal Department of Housing and Urban Development (HUD), provides funding to state and local governments for projects and activities that principally benefit low- to moderate-income people. CDBG helps local governments develop viable urban communities by providing adequate supplies of affordable housing, a healthy living environment, and economic opportunities.

CDBG funds are some of the most flexible resources available to local governments. Communities can use CDBG funds for a wide range of activities such as rehabilitating single-family homes and apartment buildings, building community centers and public facilities, constructing water and sewer lines, supporting economic development, and providing vital social services. The fundamental philosophy of CDBG is the belief that local elected officials are best positioned to identify and prioritize local needs and to effectively allocate funding to address those needs.

HOME is a HUD program that provides formula grants to build, buy, and/or rehabilitate affordable rental or owner-occupied housing, or provide direct rental assistance to low-income people. Communities can use HOME funds for new construction, rental assistance, and homeowner assistance.

This regional Consolidated Plan describes:

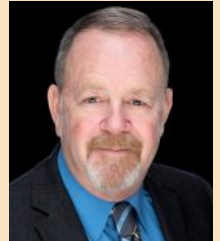
- Regional urban county CDBG needs and funding (unincorporated Thurston County and the cities of Tenino, Bucoda, Yelm, Rainier, Lacey, and Tumwater).
- City of Olympia CDBG needs and funding.
- HOME needs and funding for all of Thurston County.

We extend our gratitude to the many stakeholders and citizens who participated in the consolidated planning process. We invite you to share your views and become involved in prioritizing CDBG and HOME funds. Please see the “Public Process” section on page 15 to learn how to participate.

Regards,

Bud Blake, *County Commissioner, Chair*
Gary Edwards, *County Commissioner*
John Hutchings, *County Commissioner, Vice-Chair*
Wayne Fournier, *Mayor, City of Tenino*
Andy Ryder, *Mayor, City of Lacey*

Cheryl Selby, *Mayor, City of Olympia*
JW Foster, *Mayor, City of Yelm*
Robert Shaw, *Mayor, City of Rainier*
Pete Kmet, *Mayor, City of Tumwater*
Alan Carr, *Mayor, City of Bucoda*





Overview

This Citizen’s Summary provides an overview of the draft Consolidated Plan. It analyzes the region’s current and future housing and community development needs, and presents the strategic goals and objectives for the use of CDBG and HOME funds over the next five years.

Plan Sections

Four sections are devoted to each category of funding and provide a snapshot of the need and capacity in the region. The four primary categories funded by CDBG and HOME are affordable housing, social services, public facilities and infrastructure, and economic development.

The last two sections of the Citizen’s Summary describe the 2018 consolidated planning and public participation process, and invite you to share your views and become involved in making future decisions about CDBG and HOME funds, along with other state and local revenue sources to address the needs of low-income citizens.

How the county is changing

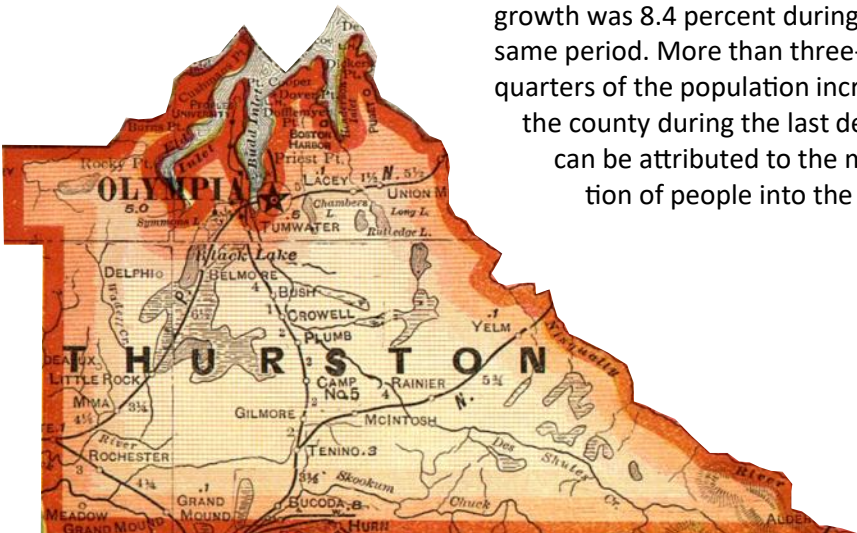
Thurston County is Washington’s sixth most populous county, with 266,311 residents. Between 2010 and 2016, the county’s population grew by 9.1 percent, with Lacey and Yelm showing the highest rates of growth. For comparison, statewide population growth was 8.4 percent during that same period. More than three-quarters of the population increase in the county during the last decade can be attributed to the migration of people into the county.

Between 2010 and 2016 the county’s population grew by 9 percent, slightly higher than the statewide average.

This rate of growth is expected to continue. The state Office of Financial Management forecasts that the county population will increase by almost 40 percent — an additional 104,388 people — by the year 2040.

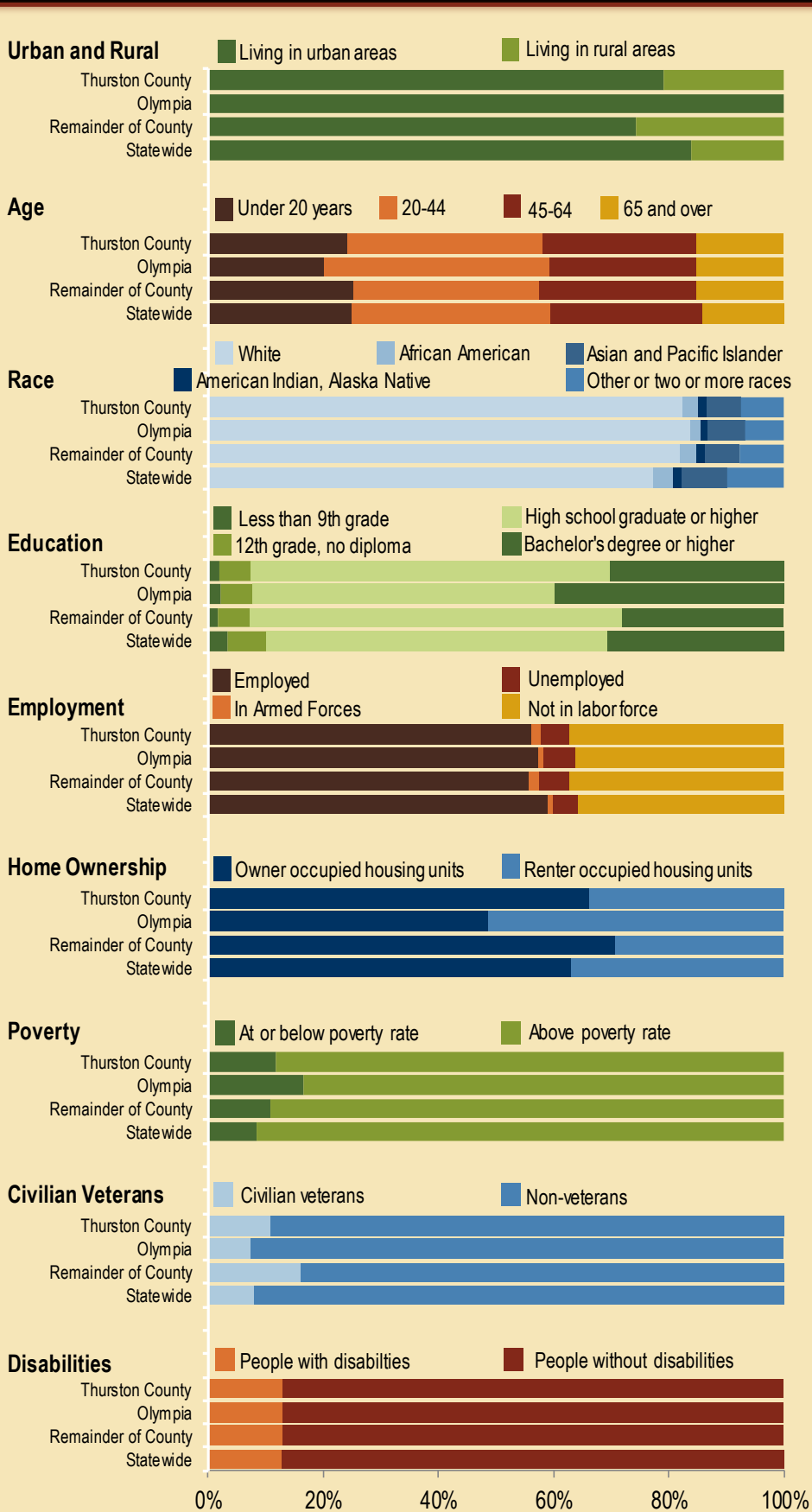
Who We Are Today

Figure 1 (next page) provides an overview of who makes up Thurston County today. As with the majority of data in this report, the numbers come from a 2012-2016 estimate from the American Community Survey, which is the primary source of small-area statistics published by the U.S. Census Bureau. In each population category, the bars show the proportion of citizens meeting census definitions in Thurston County as a whole, in Olympia, in the remainder of the county (all jurisdictions except Olympia) and, for comparison, the statewide percentages.



Above: Children learn about pond ecosystems at a CDBG-funded Yelm day camp.

Figure 1: Demographics of General Population of Thurston County



Source: American Community Survey, 2016

Approximately 21 percent of county residents live in rural areas, which is higher than the statewide average of 16 percent. To qualify as an urban area, an area must encompass at least 2,500 people, at least 1,500 of whom must reside outside institutions. Nearly 14 percent of the land area in Thurston County is incorporated in cities. The census considers all residents of Olympia to reside in urban areas.

Ninety-four percent of county residents age 25 and older are high school graduates, a rate higher than the statewide average of 90.6 percent. Those with a bachelor's degree or higher make up 33.6 percent of the county's population, which is slightly higher than 33.3 percent of state residents. Olympians have the highest percentage of college and advanced degrees, with more than 44 percent reporting that level of educational attainment.

Unemployment continues to fall

The unemployment rate fluctuates seasonally and from month to month, but despite significant decreases there is no question that the recession of 2008-2009 is continuing to impact Thurston County residents' ability to find and retain jobs. According to the American Community Survey Five-Year estimate, Thurston County's average unemployment for 2012-2016 was 5.1 percent, higher than the state average of 4.3 percent. The proportion of Olympians looking for work was slightly higher, at 5.4 percent. The most recent data from the state Employment Security Department (February, 2018) paints a similar picture: the county unemployment rate is 5.6 percent compared to the statewide rate of 4.8 percent.

These numbers are a significant improvement from early 2010, when the unemployment rate reached a high of more than 9.5 percent. The economic outlook continues to improve, but many people with low and moderate incomes still struggle to make ends meet, as evidenced by more than one in five renters experiencing “severe cost burden” (see page 7 for more details).

Population older

The county’s population is getting older, which mirrors state and national trends.

The median age of the county’s population was 38.8 years in 2016, in a continued increasing trend. The median age was 38.5 years in 2010, 36.5 years in 2000, and 33.6 years in 1990. In 2016, persons age 65 and older constituted 16.4 percent of the total county population, and seniors’ numbers will reach an estimated 23 percent of the population by 2030. Yelm has the youngest population among Thurston County cities, with an average age of 29 years.

Disability

The census defines disability as a condition that limits activities and participation in school, work, home, or the community. Thirteen percent of Thurston County residents reported having a disability in 2016, a number slightly higher than the statewide average of 12.8 percent. Of these disabled individuals, 42 percent were 65 years of age or over, and 16 percent had an income that was below the poverty level. Within the disabled population, 83 percent of individuals were employed.

Racial Diversity

Thurston County had less racial diversity in 2017 than the state as a whole. Caucasians composed nearly 82.4 percent of the population, compared

to 80 percent of the state’s population. African-Americans represented 3.5 percent of the county’s population, and Asians made up 6 percent. The county had slightly more native Hawaiian and other Pacific Islanders (1 percent) than the state as a whole (0.8 percent).

CDBG and HOME priorities

The CDBG and HOME programs primarily benefit low-income people and families. HUD defines “low-income” based on a formula that applies the average area income level for various family sizes.

These income limits range from \$43,550 for a one-person household, to \$82,050 for an eight-person household. A family with two parents and two children would be considered low-income if its household earnings were at or below \$62,150 per year. The same family would be considered very low-income at \$38,850 per year, and extremely low-income at or below \$25,100 annually.

The CDBG and HOME programs primarily benefit low-income people.

CDBG and HOME are federal programs aimed at assisting low, very-low, and extremely-low income households and neighborhoods.

CDBG is a flexible funding source for affordable housing projects, social services, infrastructure (including sewer and water system improvements), public facilities, economic development, and other community development needs. HOME funds are targeted to affordable housing projects, including new construction, rental assistance, and homeowner assistance.

Below: The South Puget Sound Habitat for Humanity works with donors and volunteers to develop and build affordable housing communities in Thurston County.





Affordable Housing

Housing will grow and change along with the county's population. Larger families may still choose single-family suburban homes. However, single people and empty-nesters, as well as low-income and disabled residents, may prefer apartments and homes on small city lots close to stores, parks, bus stops, and jobs. Projected population growth among senior citizens, in particular, may help drive demand for smaller, lower-maintenance housing near medical services.

The rental market – representing just over one-third of all housing – has often outpaced the rate of inflation. The median rent of a two-bedroom unit rose 25 percent between 2011 and 2016, increasing from \$806 to \$1,004. According to Thurston Regional Planning Commission data from 2017, the average rent in Thurston County is \$1050, with an apartment vacancy rate of 2.7 percent. The vacancy rate for apartments in Thurston County has declined significantly since a high point in 2012, when rates were over 5 percent. In general, a vacancy rate of 5 percent indicates that demand matches supply. Thurston County's lower vacancy rates indicate that rental prices are likely to continue to rise.

Housing "cost burden"

Housing is considered affordable when it accounts for 30 percent or less of monthly household income. According to data from the 2016 American Community Survey, 32 percent of homeowners and 51.3 percent of renters are "cost-burdened," meaning that they spend more than 30 percent of their income on housing costs (Figure 2).

Ten percent of homeowners and 23 percent of renters are "severely cost-burdened," and spend more than 50 percent of their income on housing costs. In 2015, there were approximately 23,000 households (13,000 renters and 10,000 homeowners) in Thurston County classified as cost-burdened and severely cost-burdened. This is about one-third of the total community.

"Severely cost-burdened" owners up 35 percent since 2010

The numbers of cost-burdened renters and owners in Thurston County have both increased since 2010. The total number of households experiencing a severe cost burden has increased 35 percent over the last decade.

Above: The playground at the Salmon Run Apartments, a development funded through HOME and other state and federal grants.

The principal intended beneficiaries of CDBG and HOME are households with incomes less than 80 percent of area median income (AMI), a number that equated to \$50,283 in 2016. More than two-thirds of these households are cost burdened. For the poorest households, those with incomes less than 30 percent of AMI, more than 80 percent are cost-burdened.

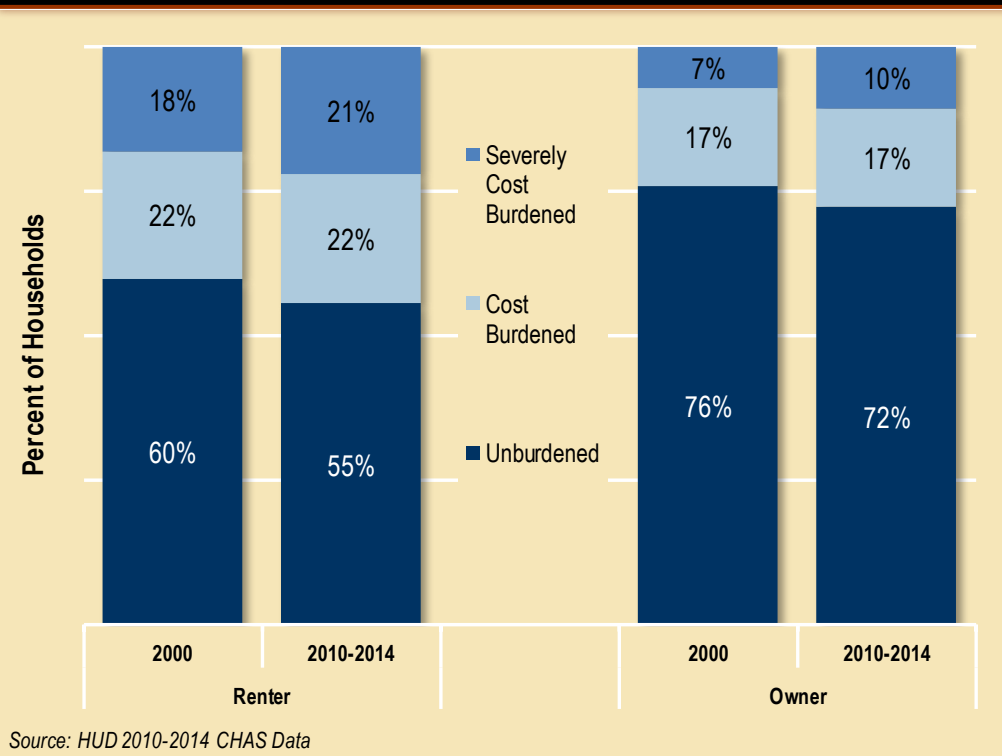
Many cost-burdened owners and tenants cannot afford to make basic repairs and therefore face a higher risk of experiencing dangerous housing conditions, such as mold and roof damage. The CDBG and HOME programs can help by providing rehabilitation loans for rental housing units.

These loans can be used to eliminate hazards, such as failing electrical systems and lead-based paint. The loans can also reduce utility costs by upgrading insulation and heating systems. Rehabilitation loans provide a less expensive way to support low-income housing than alternatives such as new construction.

In most cases, rehabilitation loans are repaid, allowing the funds to be “reused” for other eligible activities.

Right: Homes First purchases houses, apartments, and duplexes and rehabilitates them for low-income and special needs individuals and families.

Figure 2. Cost Burdened and Severely Cost Burdened Households





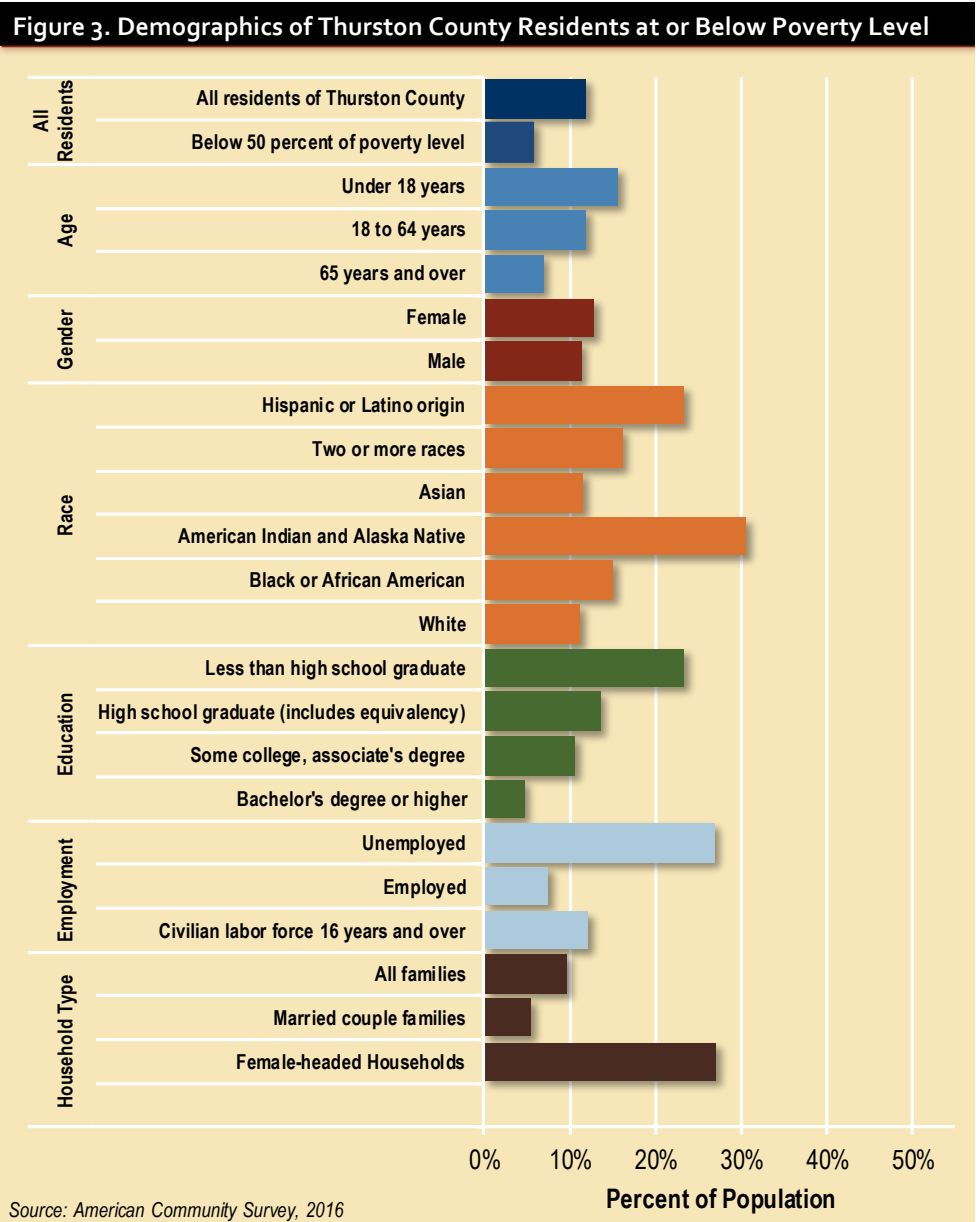
Social Services

The federal Census Bureau establishes the poverty rate based on family size, ages of the members, and income. Within Thurston County, the overall poverty rate is 12 percent, and 5.7 percent of the population had incomes below 50 percent of the poverty level (Figure 3). More African-American, Latino, American Indian, and Alaskan Native residents are poor. Residents without a high school diploma had nearly double the average rate of poverty, and more than one-quarter of those unemployed reported living in poverty.

Poverty rate is higher for children

The poverty rate is higher than average for children in the county, of whom 8,985 live in households experiencing poverty. Of these, 4,147 are in extreme poverty, meaning that they live in families with incomes less than 50 percent of the federal poverty rate. Data from the Office of the Superintendent of Public Instruction indicate a 47 percent rise in the number of homeless students from 2013 to 2015.

Above: A staff member at Rosie's Place, a center for homeless and low-income youth, distributes socks.



The 2018 Homeless Census found 324 unsheltered individuals, more than 40 percent of the total number of homeless.

One quarter of families with children are headed by single mothers. More than half of female-headed families with children under five years old are in poverty. More than 60 percent of single mothers in Thurston County are between 20 and 30 years old, while an additional 16 percent are under age 20. These numbers indicate that many single mothers face the challenges of trying to graduate from high school and college and enter the job market while raising young children.

School lunch program—poverty measurement

Another useful source of information on poverty among children is the number of children enrolled in the National School Lunch Program, which provides free and reduced-price meals in public schools. Statewide enrollment has been slowly decreasing since 2012. The county's enrollment has seen a similar level of decline over the last five years. Seven out of eight of the county's districts have seen significant decreases in enrollment. Griffin School District was the only district with an increase in enrollment, but had a modest change of about 2.3 percent.

Below: The Community Care Center in downtown Olympia is operated by Providence St. Peter Hospital, in collaboration with other nonprofit organizations. The Center provides a social service hub to connect people in need with available housing and services.



Rainier School District showed the biggest reduction in enrollment during that period, with the number of enrolled students declining 13.5 percent. However, Rochester, Tenino, and Rainier still have the highest school lunch enrollment levels overall, which remain above 45 percent.

Homelessness surpasses local shelter capacity

Thurston County participates in a nationwide annual count of homeless persons, known as the Point in Time (PIT) count. This census helps determine the number of homeless people in the county, as well as the causes of their homelessness, and assists in developing a comprehensive strategic response to the issue.

As housing costs have risen, the number of people without a place to live has grown significantly — the 2018 count revealed an increase of 56 percent (301 people) since 2017 (Figure 4 on the next page). Preliminary results from the 2018 count found that 835 individuals were homeless or lived in emergency or transitional housing. The 2018 Point in Time count showed the largest portion reported being unsheltered — 320 of 835 individuals — the second highest count since 2006 when the state began to require an annual census of homeless citizens.

Eighteen percent of those counted had been homeless for more than one year or had experienced four or more episodes of homelessness in three years. The definition of chronic homelessness – a HUD designation for individuals who are most in need of permanent supportive housing – includes having a disability as well as experiencing multiple episodes of homelessness.

Homelessness causes

Job loss was the number one cause self-reported for homelessness, followed closely by eviction. The next top three reasons listed for an individual becoming homeless were family crisis, economic reasons, domestic violence, and mental illness, respectively.

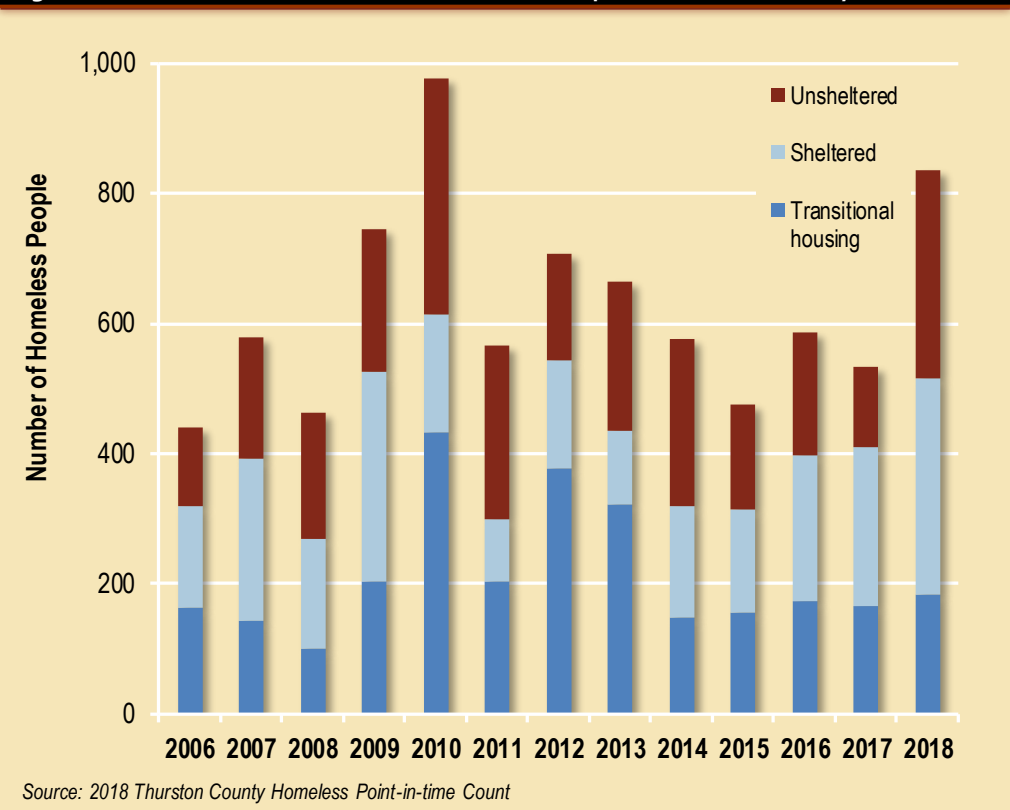
From 2013 to 2017, Thurston County invested approximately \$24 million in projects and programs that reduce homelessness by supporting affordable housing and redevelopment efforts. The region needs more programs that provide rapid rehousing for families and permanent supportive housing for adults with special needs.

Service providers have indicated that increased “low-barrier” shelter capacity is needed for adults — particularly men — who are underserved and may resist or be ineligible for existing shelter options. Lastly, with more than one-third of the homeless under age 21, the area needs more youth-specific shelters and programs to connect young people to services.

Social services, seniors, and the disabled

Almost 40 percent of Thurston County residents received services from the state Department of Social and Health Services (DSHS) in 2015, the most recent year for which complete data are available. The largest service category was the Basic Food Program, known commonly as food stamps. The number of people receiving food stamps has increased by 70 percent since 2005, and now includes more than 19 percent of the county. Temporary Aid for Needy Families, or cash grants that help families for short periods of time, were utilized by 2 percent of the population. Other

Figure 4. Sheltered and Unsheltered Homeless People in Thurston County



services provided include medical assistance, child support services, and outpatient mental healthcare.

In 2016, residents age 65 and older made up 16.5 percent of the total county population. The number of seniors is expected to grow to approximately 23 percent of the population by 2030. The first of the “baby boomers” – those born between 1946 and 1964 – turned 65 in 2011.

A disability is defined by federal law as the inability to engage in any substantial gainful activity due to a medically determinable physical or mental impairment that can be expected to result in death, or which has lasted for at least one year. Seniors have more disabilities than the county’s overall population, but experience less poverty and use fewer DSHS services. More than 35 percent of seniors experience one or more disabilities compared to 9 percent of non-seniors.

Many physically disabled people depend at least in part upon the federal government’s Supplemental Security Income (SSI) program to meet their basic living needs. SSI provides financial support for people with significant and long-term disabilities who have no other means of support. Washington State supplements the federal SSI payment with a state-funded monthly reimbursement. Fewer than 2 percent of Thurston County residents receive the federal SSI payment.



Public Facilities & Infrastructure

CDBG is a flexible funding source that can be used for the construction and improvement of public facilities and infrastructure projects. To be eligible, a project must benefit all residents of an area where at least 51 percent of the residents are low or moderate income.

Public facilities can include libraries, recreational facilities, homeless or domestic violence shelters, nursing homes, youth facilities, or group homes for the disabled. Potential infrastructure projects might involve streets, curbs, and water and sewer lines.

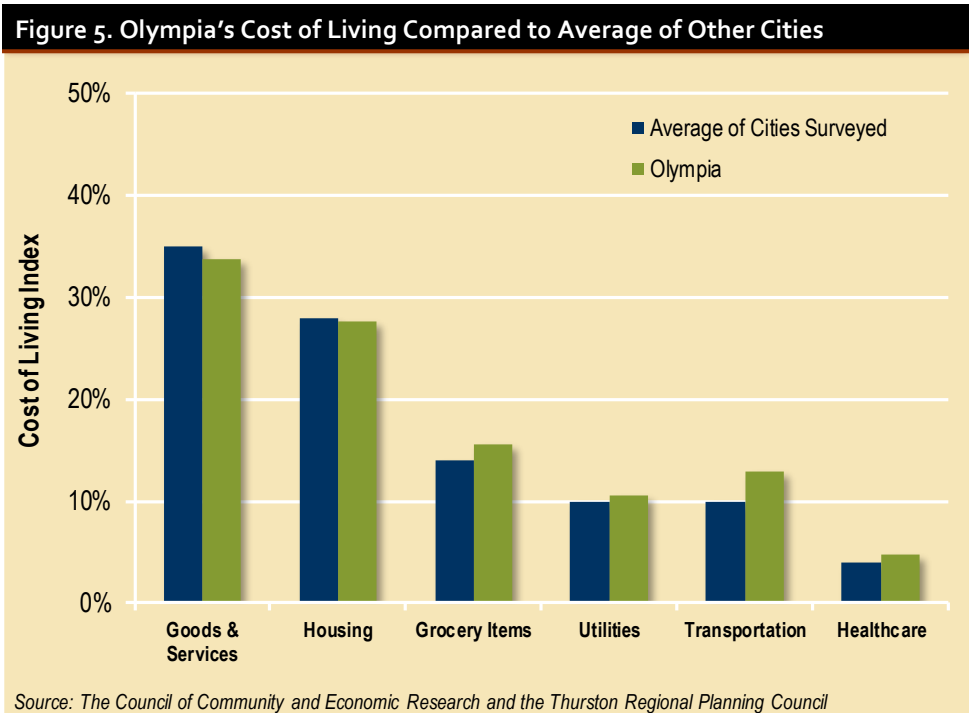
A major benefit of many of these projects is that they help low- or moderate-income residents make ends meet in a community whose living costs tend to be above the national average (Figure 5). For example, the cost of utilities in Olympia is more than 108 percent of the average for U.S. cities.

CDBG funds can also be used to make improvements to a public facility building’s energy efficiency, or to make it accessible to those with disabilities.

Rural areas benefit from infrastructure funding

Public facilities and infrastructure projects are often expensive and require multi-year financing by multiple stakeholders. However, these projects can have a direct impact on the economic and community development of an area. In many cases, infrastructure improvements are necessary prior to securing financing for projects that benefit low-income residents — such as a community that requires a sewage system upgrade before affordable housing can be developed.

Above: A City of Lacey sewer serves the public restrooms at the Woodland Creek Community Park. The 72-acre park is also home to the Lacey Community Center and Virgil Clarkson Lacey Senior Center.



Smaller cities and towns often have limited access to much-needed debt and equity capital that would allow them to invest in expensive infrastructure upgrades. For rural communities, CDBG can be a crucial funding source to enable the municipality to leverage other sources of financial support to invest in large sewer and drinking water projects.

Capital facilities plans and CDBG

Thurston County is one of 28 counties in the state that follow the requirements of the state's Growth Management Act (GMA), passed in 1990. The state's fastest growing counties and the cities within those counties must plan for growth in accordance with the GMA. Thurston County and its cities and towns are required to issue comprehensive plans that include plans for land use, housing, utilities, shoreline policies, and transportation.

The capital facilities plan is one requirement of the comprehensive plan, and describes capital projects necessary to support the county's forecast population growth and

CDBG allows rural and urban areas to prioritize needs for funding based on the conditions in their communities.

how they will be financed. The county's recently adopted 2018-2023 capital facilities plan identifies \$726,217,200 in total costs over the next 20 years—which are in addition to costs identified for the cities in its jurisdiction. Thirty-two percent of those costs are due to transportation improvements, mainly to prepare for additional capacity as the population grows. However, also included are costs for parks, solid waste and sewer projects, stormwater improvements, and the construction and rehabilitation of county buildings.

Sources of funding in capital facilities plans may include local taxes, municipal bonds, and development-mitigation fees. An additional — and often crucial — source of potential funding may come from federal and state grant and loan programs. CDBG dollars may be used to leverage these sources by providing matching funds.



Photo by Robert Whitlock



Economic Development

Thurston County continues to recover from the recession of a decade ago, and 2016 marked the fifth consecutive year of overall job growth. Consumer confidence is up, unemployment rates have declined, and household incomes have stabilized.

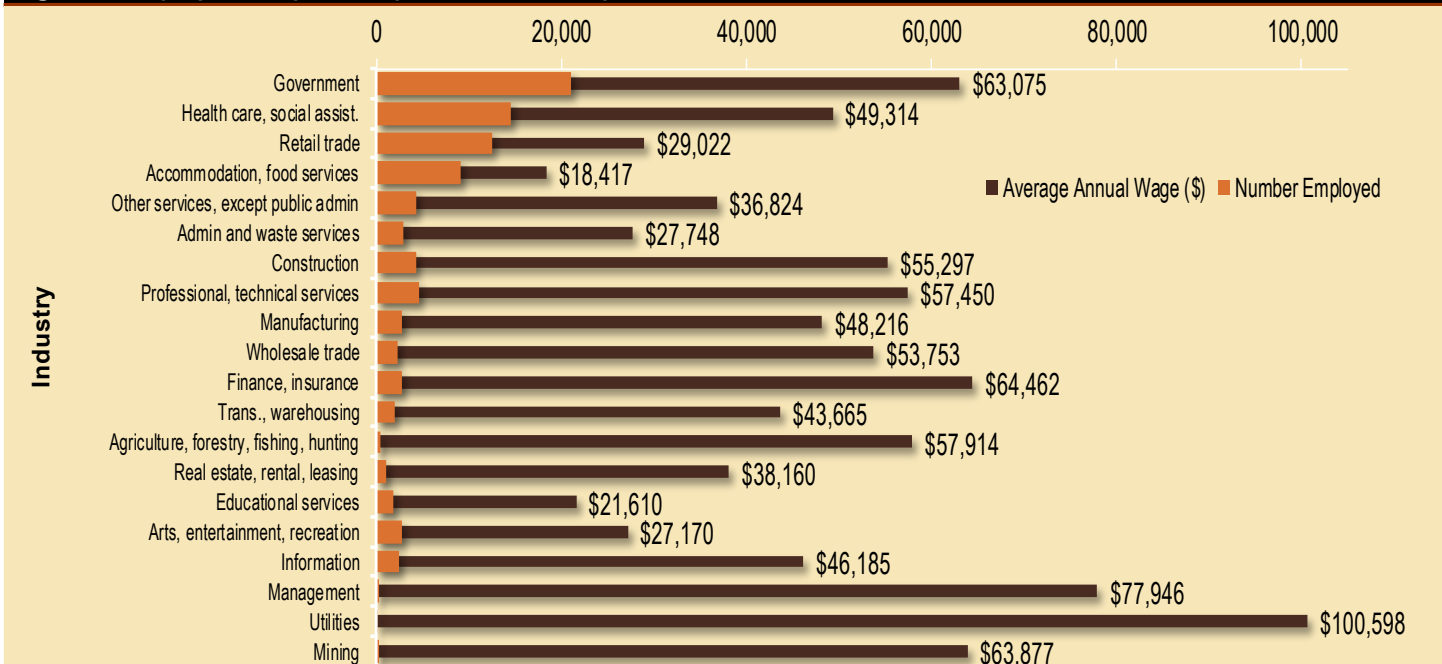
Jobs

More than one-third of all nonfarm employment can be attributed to government jobs. Government is by far the largest employer, with more than 20,000 people employed in 2016 and an average annual wage of \$63,075. Health care, retail trade, accommodation, and food services are the next highest categories.

With relatively low employment, utilities and management had the highest annual wages, at \$100,598 and \$77,946, respectively, as of 2016. Accommodation and food services had the fourth highest employment numbers, with nearly 10,000 people finding work in these industries. However, this category had the lowest annual wage of any category, at just \$18,417. For many residents without high school and college degrees, these jobs represent available work but do not provide adequate wages to keep a family out of poverty status.

Above: The Yelm water tower overlooks the city's downtown. Yelm has seen the county's fastest rate of growth since 2000.

Figure 6. Employment by Industry, Thurston County



Source: US Census 2016 County Business Patterns

State and local governments account for more than one-third of all jobs.

Median income lower, and joblessness slightly higher, than state

In 2016, Thurston County's median household income of \$63,286 was lower than that of the state as a whole (\$67,106). This level was slightly above the median household income for 2011-2015 (\$61,677). The median household income in unincorporated portions of the county was higher than in the incorporated communities.

Trends in the local unemployment rate tend to mirror patterns in the state and nation (Figure 17). Thurston County's rate reached 8.5 percent in 2010, but may have not reached the statewide high rates due to high levels of government employment. Since patterns in government employment, which are funded through tax revenue, tend to lag behind other sectors, the government sector may take longer to fully recover from the effects of the recession. As of 2016, the county unemployment rate has fallen to 5.8 percent, but remains slightly higher than the state average.

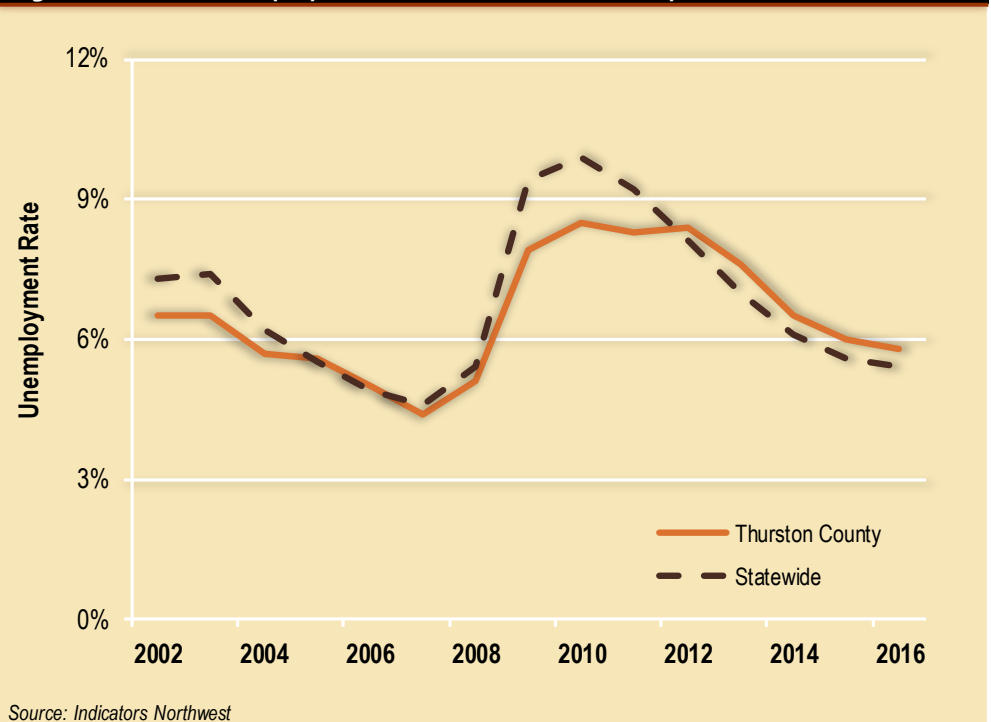
HUD loan guarantee program leverages grant dollars

The HUD Section 108 loan guarantee program enables local governments to pledge their current and future CDBG allocations as security for low-interest loans. Communities can borrow up to five times their most recent CDBG award for eligible projects that meet national objectives. The loans are typically used for economic development or housing projects that can generate income for repayments. Olympia has been approved by HUD to participate in the Section 108 program in order to leverage funding for larger projects.



A empty storefront in the Masonic Lodge Building in downtown Tenino. Taxes on business retail sales fund public transportation and law enforcement. Photo by Joe Mabel.

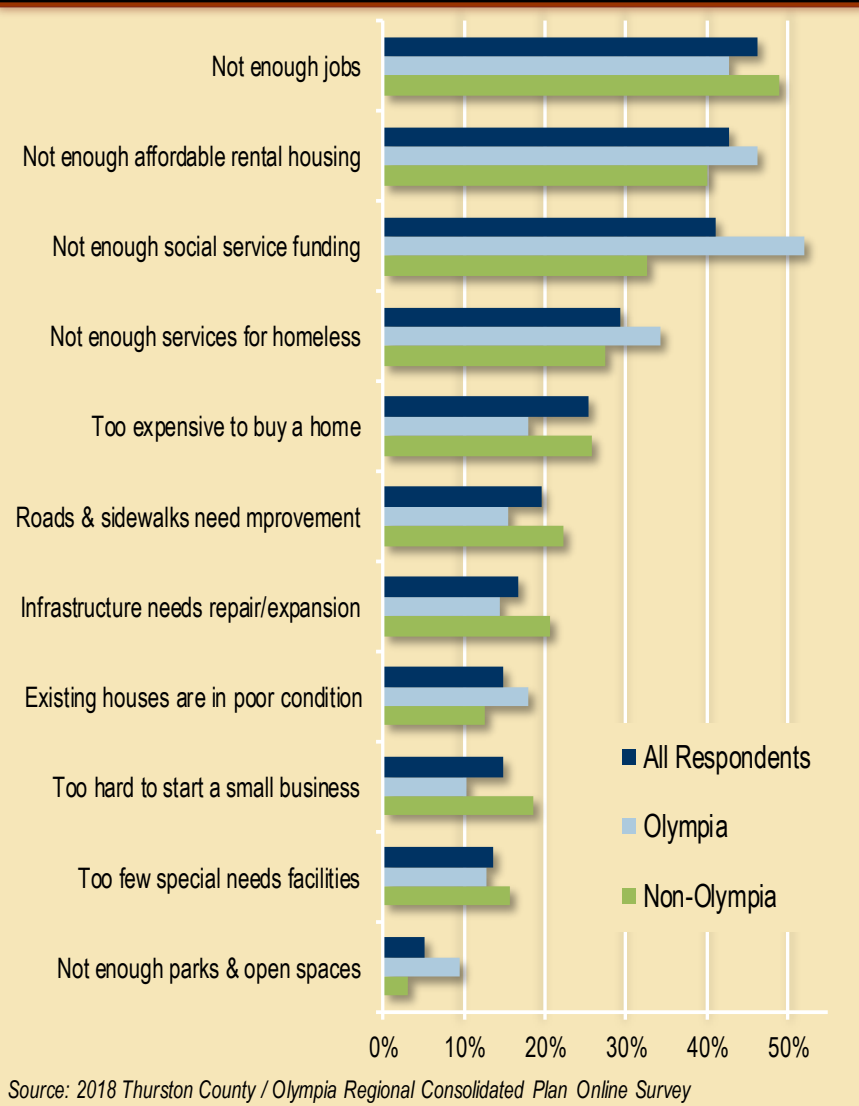
Figure 7. Annual Unemployment Rate for Thurston County and Statewide





Public Process

Figure 8. Perceived Challenges



More than 150 people participated in the planning process for the 2018-2022 Consolidated Plan. Residents, elected officials, service recipients, and social service providers offered their perspectives by responding to a survey or by attending a focus group or public hearing.

Community survey

A survey designed to gauge perceptions of challenges, needs, and priorities for the use of CDBG and HOME funds was conducted from November 21, 2017 to January 1, 2018. The survey was distributed by email to community partners and stakeholders, who were encouraged to forward the survey to their constituencies.

A total of 134 people responded. Olympia residents comprised 47 percent of respondents, with the remainder living in Lacey (12 percent), Tumwater (9 percent), Yelm (3 percent), Bucoda (1 percent), and Rainier (1 percent). Twenty-two percent reported living in unincorporated Thurston County. Six percent identified themselves as meeting the federal definition of disabled.

Above: The Homeless Housing Hub of the Thurston County Housing Action Team discusses the pending Five-Year Homeless Housing Plan as required by the State Homeless Housing Program.

More than one-third (39 percent) of respondents indicated that they had household incomes below 80 percent of area median income. More than half (64 percent) of the survey participants worked in a social service or nonprofit organization serving low-income clients. This level of participation from the target population of the CDBG and HOME Programs helps to ensure that disadvantaged voices have a place in the consolidated planning process. Homeowners were the majority of respondents, at 60 percent, while renters comprised 35 percent. Four people indicated they lived with family and friends, and one person reported being at risk for homelessness. Full survey results are available in the 2018-2022 Consolidated Plan report.

Jobs, rental housing are top challenges

Survey respondents were asked about the top challenges facing the region, and asked to judge the level of need for a variety of eligible activities in five categories. Additionally, they were asked which six activities they would fund next year, assuming that the regional CDBG and HOME programs receive \$1.15 million in 2019.

Figure 8 displays the perceived challenges indicated by survey takers. Each respondent could only choose three challenges. The results are delineated between all respondents, those who live in Olympia, and those who live elsewhere in Thurston County.

Regardless of location, respondents agreed on the top

Two-thirds of survey respondents selected homeless shelters as the highest priority for public services.

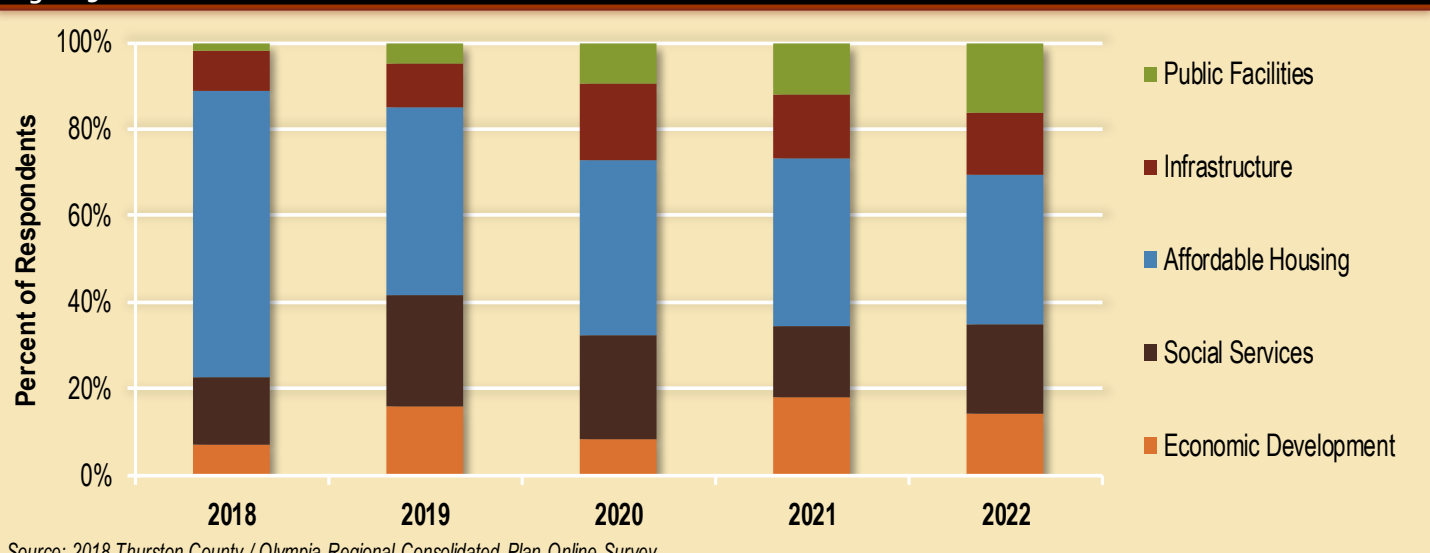
four challenges facing the region: “Not enough jobs,” “Not enough affordable rental housing,” “Not enough social service funding,” and “Not enough services for homeless.” County residents emphasized the need for jobs, while Olympians viewed lack of social service funding as the top issue.

Under affordable housing, 67 percent of respondents indicated a high need for homeless/transitional housing, followed by tenant-based rental assistance/housing vouchers (59 percent). Development of new renter-occupied housing was a top priority for 51 percent of respondents and housing facilities for persons with special needs was a top priority for 44 percent of respondents.

In the category of social services, more than 65 percent designated substance abuse services as the top area of need, followed closely by services for homeless persons (62 percent). Health services and child care were each marked as a high need by 47 percent of survey takers.

Under public facilities, homeless shelters remain the highest priority among survey respondents (66 per-

Figure 9. Priorities for the Next Five Years



cent). This was followed by domestic violence shelters (53 percent), childcare centers (45 percent), and removal of barriers to persons with disabilities (43 percent). In the infrastructure category, respondents selected flood prevention/drainage improvements as highest need (34 percent). Sidewalk improvements were also designated as a high priority by 24 percent of survey respondents, followed by sewer improvements (18 percent) and water system improvements (15 percent).

Under economic development, 36 percent of respondents thought loans to businesses that employ low-income people should be a high priority. Small business loans and training was marked as a high priority by 29 percent of respondents and business support services was marked as a high priority by 22 percent of respondents.

Affordable housing top regional priority

Next, respondents chose one of the five areas to focus on in each of the next five years (Figure 9). Affordable housing emerged as the top priority for the region in all years, both for Olympians and non-Olympians. Social services were identified as the second highest priority for non-Olympians in all years. Olympia respondents agreed for the first two years, but indicated that infrastructure should take priority in 2020, economic development should take priority in 2021, and public facilities should take priority in 2022.

It is clear that both Olympians and non-Olympians share similar priorities for their areas of focus. Looking into the future, respondents rank all five of the categories as important.

How to allocate \$1.15 million?

In the survey's budgeting exercise, respondents were asked to allocate \$1.15 million across multiple activities, which is the anticipated combined amount of funding that the region will receive for CDBG and HOME funding. In this activity, there was not much difference in the responses between Olympians and non-

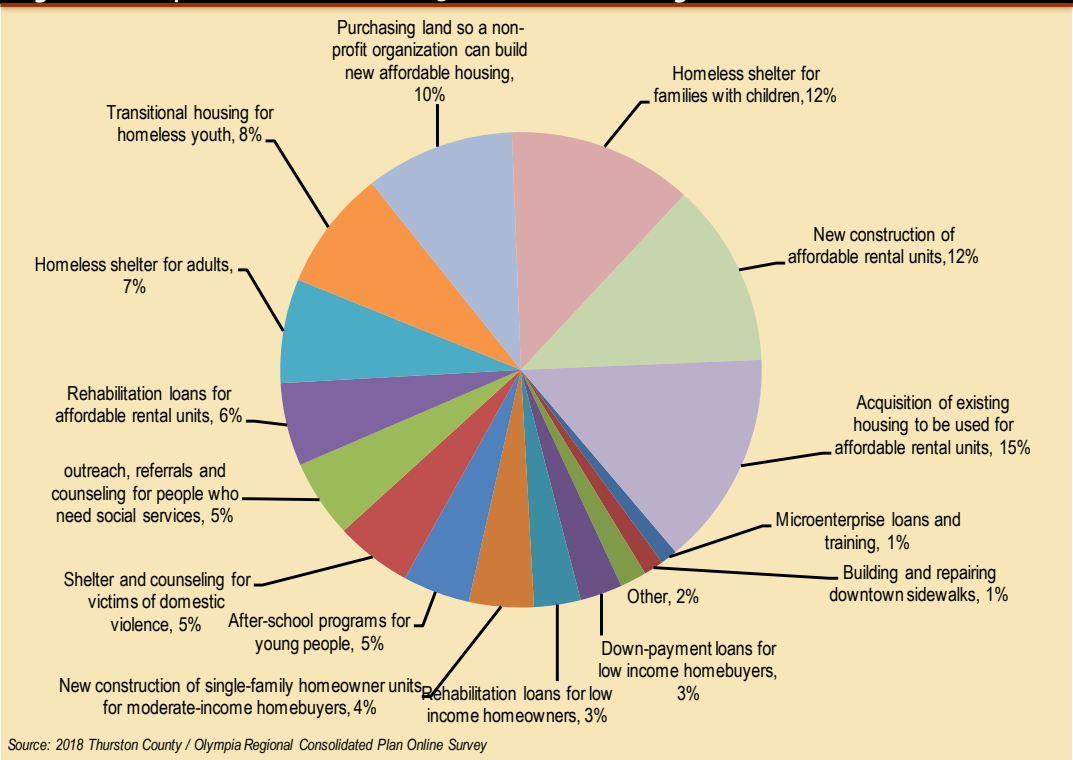
Affordable housing is the top priority for the region for the next five years, according to both Olympian and non-Olympian respondents.

Olympians.

The choice, "Homeless shelter for families with children," received the greatest number of allocations, and an average of \$216,197 per respondent. The choice, "Acquisition of existing housing to be used as affordable rental units," received the second highest number of allocations, and an average of \$246,267 per respondent (Figure 10).

"New construction of affordable rental units" received fewer allocations, but respondents gravitated toward a higher dollar figure, which averaged \$280,769. "New construction of single-family homeowner units for moderate income homebuyers," "Purchasing land so a non-profit can build new affordable housing", "Rehabilitation loans for affordable rental units", and "Homeless shelter for adults" also received high dollar amounts.

Figure 10. Respondents Allocate \$1.15 Million Across Categories





Priorities and Plans

The Thurston County Regional Consolidated Plan identifies the development of viable communities by the provision of decent housing, a suitable living environment and the expansion of economic opportunity.

Each of the six Consolidated Plan strategies was developed to address one or more of the CDBG national objectives, which are to benefit to low- and moderate-income persons, eliminate slums or blight, and meet urgent needs.

Six strategic goals

The six strategic goals provide a framework for the annual Action Plans, which identify specific activities to be funded each year. The goals are:

- Maintain, enhance, and expand the supply of rental, homeownership, and special-needs **affordable housing** for low-income populations.
- Create a comprehensive **homeless continuum of care** system that is responsive to the needs in our community.
- **Acquisition of land** to support the development of new affordable housing, public facilities or infrastructure to meet the needs of low-income residents.
- Provide essential **public services** for low-income and special-needs populations.
- Identify and create opportunities for **economic development** that principally benefits low-income people.
- Identify priority **public facilities and infrastructure** projects that serve low-income populations through-

Above: A staff member at Rosie's Place, a center for homeless and low-income youth in downtown Olympia. Rosie's Place provides job search assistance in addition to many needed services.

out the county, including community centers and sewer lines.

Strategic goals are broad in nature and are specifically designed to address all needs identified in the Consolidated Plan. Each year these strategies will be used as the framework from which to identify the specific activities to be pursued as action steps of the multi-year Consolidated Plan. These annual steps are presented in the one-year Annual Action Plans, issued by the Thurston County Commission and the Olympia City Council, which identify the specific projects and programs to receive funding.

Anticipated resources

The region's CDBG and HOME programs will receive an estimated \$— million in each of the next five years to address the strategic goals.

The region's first strategy is to maintain, enhance and expand the supply of rental, homeownership, and special-needs **affordable housing** for low-income populations. Through rehabilitation loans and grants, owner-occupied and renter-occupied housing can be renovated, including removing barriers for those with disabilities.

The HOME program can support investment into new construction, and both CDBG and HOME can be used for the acquisition of special-needs housing for either single family or multifamily. Funding can also be applied to public infrastructure required to support housing, land acquisition, and purchase of existing structures to support the development of new housing.

A comprehensive **Homeless Continuum of Care** refers to the multi-jurisdictional system that includes the region’s services, resources, and housing options needed to prevent homelessness and move those who become homeless quickly into stable and safe housing with appropriate services.

The **Continuum of Care** includes a coordinated, county-wide intake that serves as the primary entry point when an individual or household becomes homeless; monthly reporting on capacity in order to maximize the existing inventory; outreach to those who are in encampments or on the streets to bring them into the network of providers and assistance; and survival assistance for households with dire needs.

Figure 11: Goals and Priorities, 2018-2022

Goals	Description	Strategic Priorities	Types of Eligible Activities	Priority Level
Affordable Housing	Maintain, enhance, and expand the supply of rental, homeownership, and special needs affordable housing for low income populations.	Rental Housing	Acquisition, rehabilitation, new construction of affordable rental units, including special needs housing	High
		Owner-occupied housing	Rehabilitation, new construction, and downpayment assistance for homeowners	High
Homeless Continuum of Care	Create a comprehensive Homeless Continuum of Care system that is responsive to the needs in our community.	Homeless Services and Systems*	Coordinated entry, multiple types of services, including non-federally funded projects	High
		Housing Assistance	Rapid rehousing, diversion, emergency shelter and other housing solutions, including non-federally funded projects	High
Land Acquisition	Acquisition of land to support Strategic Priorities	Land Acquisition*	Purchase of land for affordable housing, public facilities or infrastructure construction	High
Public Services	Provide essential public services for low income and	Public Services*	Social Services including youth services, veteran services, homeless services	High
Public Facilities and Infrastructure	Identify priority public facilities and infrastructure projects that serve low and moderate income populations throughout the county.	Infrastructure	Water and sewer renovation, sidewalks, accessibility	High
		Community Facilities Serving Homeless Populations*	Day center or community space for homeless populations	High
		Public Facility Improvements	Community parks, neighborhood facilities, facilities for persons with special needs	High
Economic Development	Provision of training and small business education and training programs.	Business Assistance and Training	Start-up business training program for low income individuals and microenterprises	Medium
		Special Economic Development	Economic development, job training, commercial rehabilitation, and technical assistance to businesses	Medium
General Administration	Planning and administrative activity			Required

* Indicates that the Strategic Priority may support more than one Goal.

Notes:

- Urban County CDBG programs will serve low income residents throughout the county in all cities and towns except Olympia.
- Olympia CDBG programs will serve low income residents in Olympia.
- HOME program Funding will be available throughout Thurston County.
- Final project activities are determined respectively by the Board of County Commissioners and the City of Olympia Council.

CDBG funds can be used to purchase property, termed “**land acquisition**,” for any CDBG-eligible purpose that is clearly specified by the jurisdiction. Examples include purchasing land for a park or for commercial purposes, buying a building for a homeless shelter or to provide affordable rental housing, acquiring a deteriorated building for demolition, and purchasing permanent easements for water/sewer lines, streets, and utilities.

Each potential land acquisition project must be selected with a clearly stated end use, clearly defined beneficiaries, and must be qualified under a specific national objective. HOME funding may be used for land acquisition only under very specific circumstances, and development must occur within 12 months of the purchase.

Public Facilities and Infrastructure projects develop and repair public facilities that support low-income housing or neighborhoods. These projects can include new or repaired sewer lines, water systems, sidewalks, and other public utilities. Public Facilities can also include the new construction or the rehabilitation of facilities that serve predominantly low-income people, including community and youth centers and homeless shelters.

Public Services projects can support a wide range of services to assist low-income individuals and households to become stable and self-sufficient. This category of funding can support operations and maintenance costs for service as well as direct service delivery. These services can include food and nutrition programs, programs for seniors or youth, crisis centers, mental health programs, and domestic violence prevention programs.

Economic Development activities will fund a range of activities that provide economic opportunity and support the creation of jobs, principally for low- and moderate-income people. These activities include support for small and “micro” businesses, including training, technical assistance, and direct loans to support new small businesses

The region’s CDBG and HOME programs will receive an estimated \$2.5 million over the next five years to address the strategic goals.

and entrepreneurs. Funding can also be used to support a community planning process to expand economic opportunity.

Projects for 2018

An inter-jurisdictional group, including representatives from Thurston County, Lacey, Tumwater, Yelm, Rainier, Tenino, and Bucoda, have established a decision-making model for the Urban County CDBG program.

The HOME Consortium is an eight-member advisory board responsible for making county housing funding and policy recommendations. The Consortium is comprised of public elected officials from Bucoda, Olympia, Lacey, Rainier, Tenino, Tumwater, Yelm, and Thurston County, and is an advisory board to the county Board of Commissioners.

The HOME Consortium and the Urban County CDBG program have selected the projects in Figure 12, on the following page, for funding in 2018. Thurston County has \$3,661,531 in additional non-federal leverage monies for homeless services and affordable housing.

Regional Consolidated Plan

Additional information about these projects can be found in the full 2018-2022 Consolidated Plan, available on the websites of Thurston County and Olympia. The Consolidated Plan also provides information on the other sources of funds that the region receives to address homelessness and provide affordable housing for low-income persons and families, as well as a more detailed assessment of countywide needs.



Figure 12: Draft 2018 Annual Action Plan for CDBG and Home Proposed Activities

Goals	Strategic Priorities	Proposed Activities	Estimated Funding Level	Funding Source
Affordable Housing	Rental Housing	Homes First (Housing purchase and renovation)	\$457,629	CDBG—Urban County
		Union Gospel Mission (Genesis Acres Sewer)	\$237,244	
		Family Support Center (Westside Housing Project)	\$300,000	CDBG—Olympia
		Homes First (CHDO) (Housing purchase and renovation)	\$119,595	HOME—CHDO
		Homes First (Housing purchase and renovation)	\$298,989	HOME
	Owner-occupied housing	Habitat for Humanity (Deyoe Vista homeownership)	\$298,989	
Homeless Continuum of Care	Homeless Services and Systems*	Interfaith Works (Community Care Center)	\$32,236	CDBG—Urban County
	Housing Assistance	Day Center Staffing (Provider TBA)	\$45,000	CDBG—Olympia
Land	Land Acquisition*			
Public Services	Public Services*	Tumwater Boys & Girls Club (Scholarships)	\$25,822	CDBG—Urban County
		TOGETHER! (Community Schools)	\$92,699	
		Catholic Community Services (Community Kitchen)	\$25,694	
		City of Olympia (Downtown Ambassador Program)	\$55,000	CDBG—Olympia
Public Facilities and Infrastructure	Infrastructure			
	Community Facilities Serving Homeless Populations*	Community Center (new day center – partner TBA)	\$400,000	CDBG—Olympia
	Public Facility Improvements	Family Education and Support Services (Resilience Center)	\$120,000	CDBG—Urban County
Economic Development	Business Assistance and Training	Enterprise for Equity (Micro-enterprise training program)	\$20,000	CDBG—Olympia
		Joint Business Training Program (Thurston Economic Development Council & Olympia Downtown Alliance)	\$30,000	CDBG—Olympia
	Special Economic Development	Downtown Safety Projects (Olympia Downtown Alliance)	\$50,000	CDBG—Olympia
General Administration		Thurston County	\$243,767	CDBG—Urban County
		City of Olympia	\$100,000	CDBG—Olympia

* Indicates that the Strategic Priority may support more than one Goal.

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Thurston County

Thurston County Commissioners
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District 2 **Gary Edwards**
District 3 **Bud Blake, Chair**

Public Health & Social Services
Director **Schelli Slaughter**

Housing and Community Renewal Program
Housing Program Manager **Gary Aden**

City of Olympia

City of Olympia Council
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Position 3 **Nathaniel Jones, Mayor Pro Tem**
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Position 5 **Lisa Parshley**
Position 6 **Renata Rollins**
Position 7 **Jim Cooper**

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A CITIZEN'S SUMMARY OF THE 2018-2022 CONSOLIDATED PLAN

Prioritizing HOME and Community Development Block Grant Resources

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Urban County CDBG Program
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