



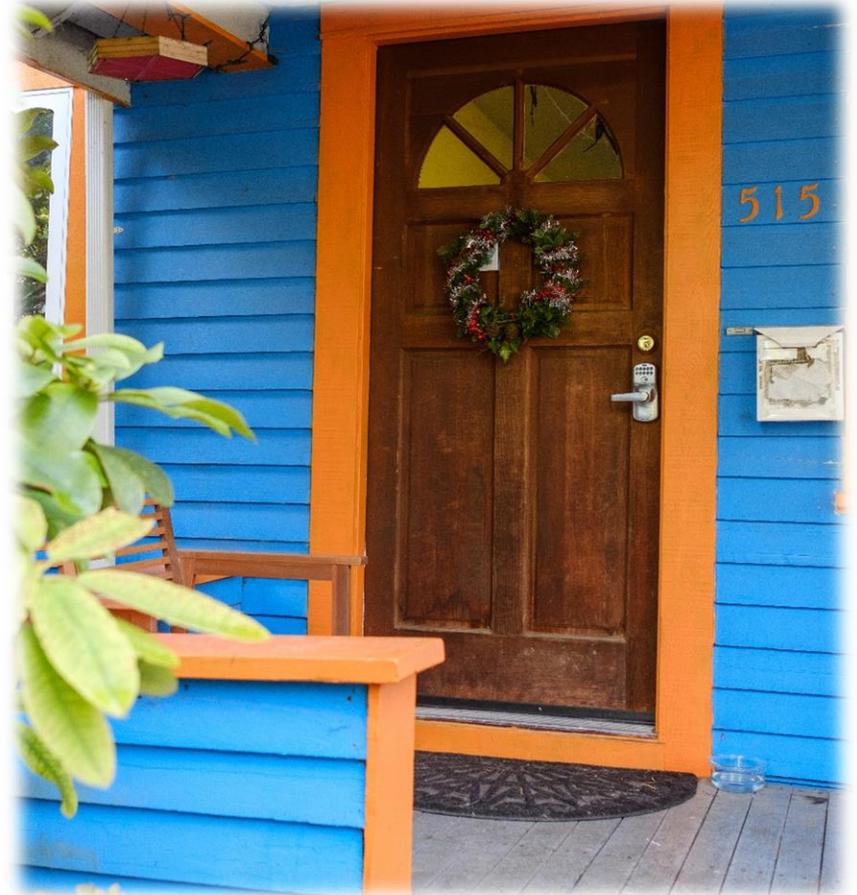
Housing Action Plan



Amy Buckler, Strategic Projects Manager
Community Planning & Development
Land Use & Environment Committee, Feb 21, 2021

Outline

- Overview of project
- Review key findings
 - Housing Needs Assessment
 - Landlord Survey
- Equity
- Overview of 6 strategic focus areas
- Next steps



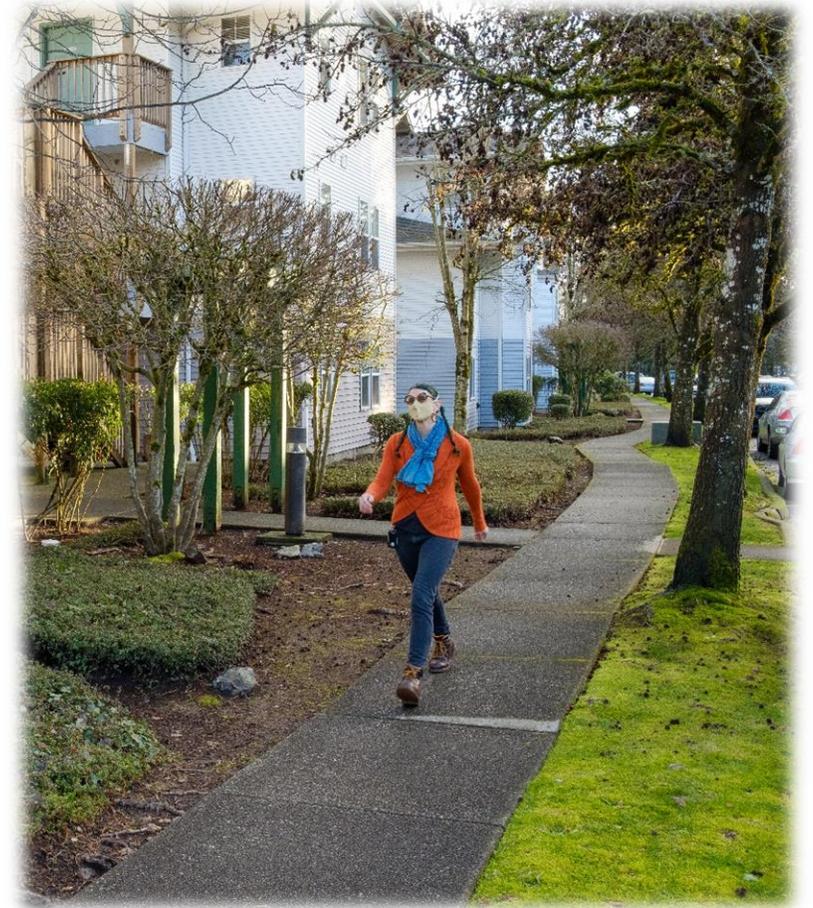
Project Overview

- Grant funded (HBI923)
- Collaborating with Lacey, Tumwater and Thurston Regional Planning Council (TRPC)
- Long term planning (25 years)
- Focus on actions cities can take
- Goal: increase housing supply, affordability and diversity of housing types



Project Overview

- TRPC Deliverables Completed:
 - Regional Housing Needs Assessment
 - Landlord Survey
 - Regional Housing Action Plan
- Each city:
 - Is conducting its own public review process to choose actions
 - Must adopt a city-specific housing action plan by June of 2021



Growth Projection

Over the next 25 years:

- Thurston County's population will grow from 294,000 to 380,000 people
- 64% will live in Olympia, Lacey, Tumwater and their urban growth areas (UGA's)
- Project 34,000 new households within this urban area
- Just over 14,000 new households projected for Olympia and its UGA
 - 46% increase in our housing stock between 2020-2045

Changing Demographics

- Population is growing older
 - 25% will be over 65 in 2045, compared to 18% today
- Average household size is getting smaller
 - 2.2 people per household vs. 3.1 in 1960
- 54% of Olympia households are renters
- Only 37% of Olympia households are married couples with children. More:
 - non-family households
 - householders living alone
 - single parent households
 - households without children



Affordability

The cost of housing is rising faster than incomes

Median Household Income

+2.8%

Increase per Year
2010-2018

Median Home Sale Price

+4.0%

Increase per Year
2010-2018

Average Rent

+5.0%

Increase per Year
2010-2018

Affordability

- Over 1/3 of Thurston County households (34,650 households) are housing cost burdened
 - Meaning they spend more than 30% of their income on housing
- Lower income households (those making less than 80% AMI) are far more likely to be cost burdened



Income Projection

	Households with an Income* of:			TOTAL HOUSEHOLDS
	<= 30% of area median	30% to 50% of area median	50% to 80% of area median	
2012-2016 Estimate				
Lacey	1,800	1,900	3,600	7,200
Olympia	3,300	2,700	3,500	9,500
Tumwater	1,200	900	1,400	3,500
Cities Combined	6,200	5,500	8,500	20,200
2045 Projection				
Lacey	2,200	3,000	5,500	10,700
Olympia	5,200	5,200	6,500	16,900
Tumwater	1,900	1,700	2,800	6,400
Cities Combined	9,300	9,900	14,800	34,000

Landlord Survey

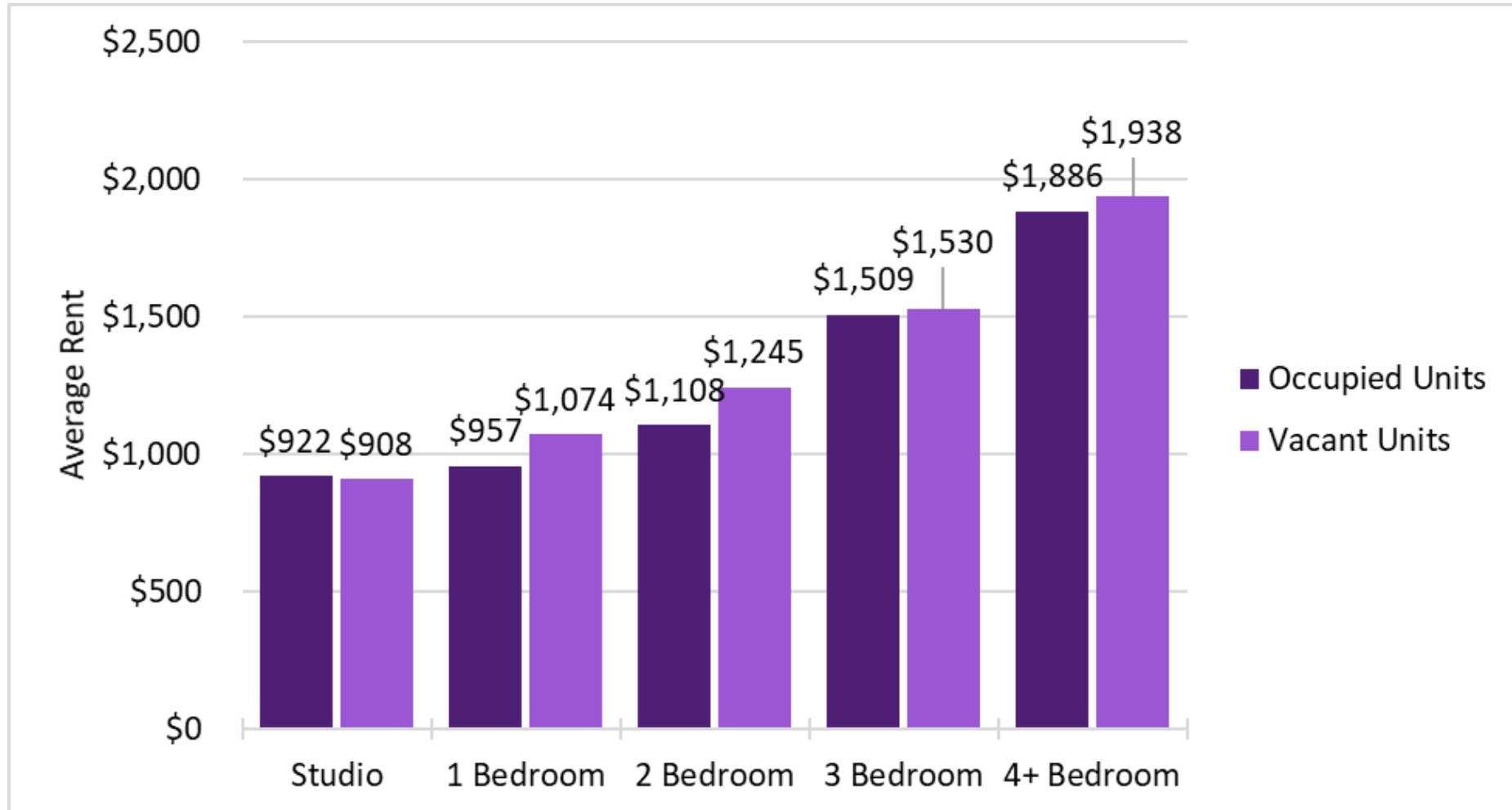
- 9,800 surveys mailed
- 13% response rate
- Represents 5,430 units
- 59% of respondents rent only one unit



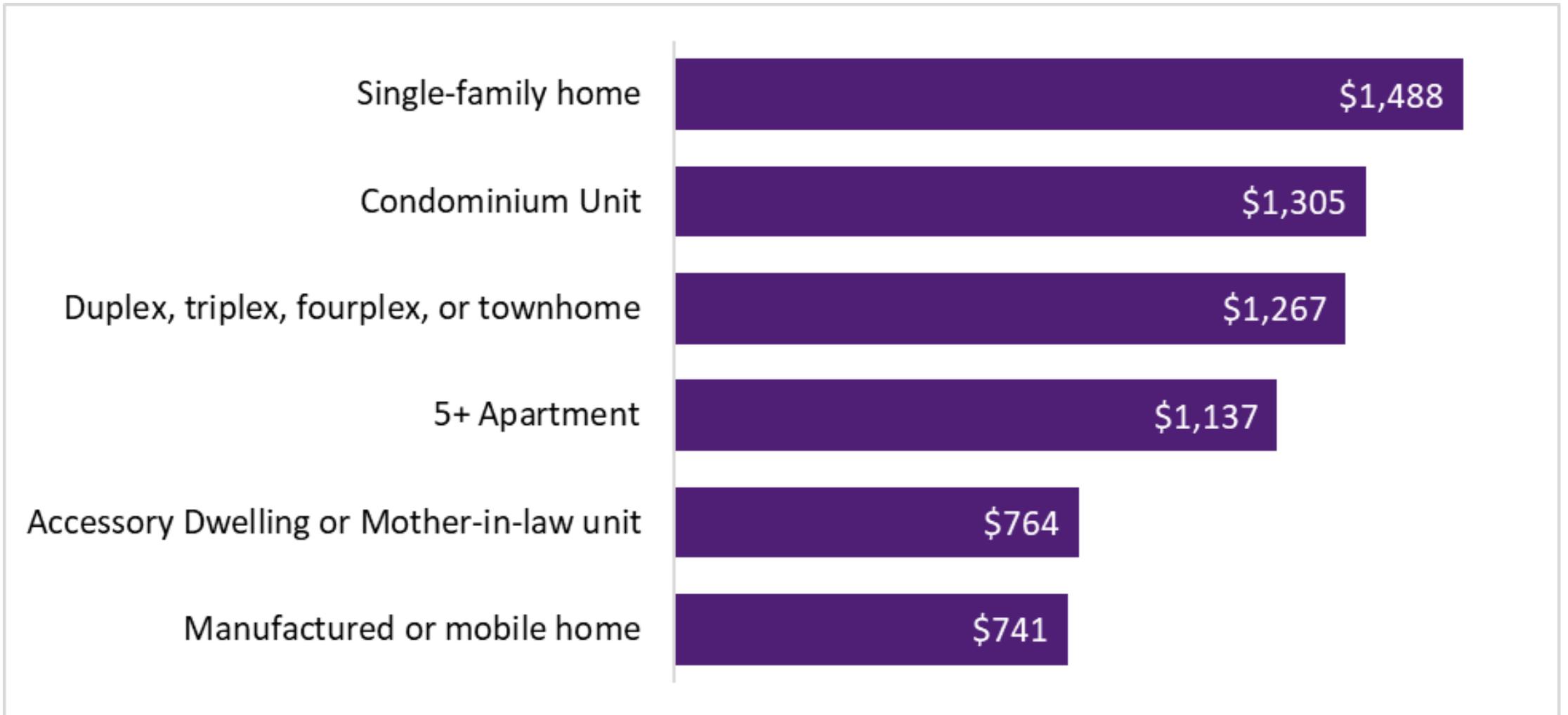
Vacancy Rates

Urban Growth Area	Number of Bedrooms					TOTAL Units
	Studio	1	2	3	4+	
Occupied Units						
TOTAL	171	910	2,022	1,682	340	5,125
Vacant Units						
TOTAL	21	44	62	162	16	305
Total Units	192	954	2,084	1,844	356	5,430
Vacancy Rate	10.9%	4.6%	3.0%	8.8%	4.5%	5.6%

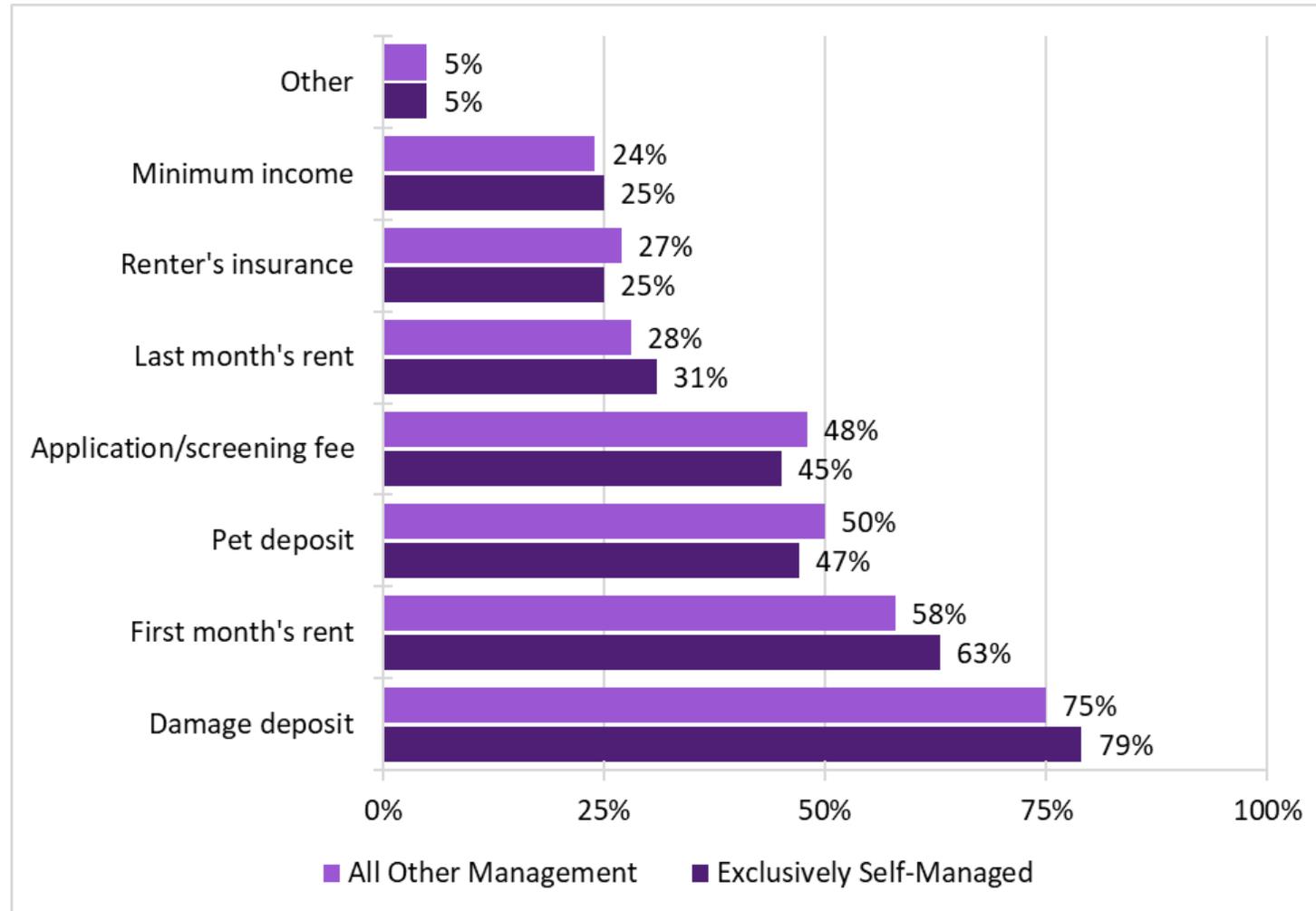
Average Rent



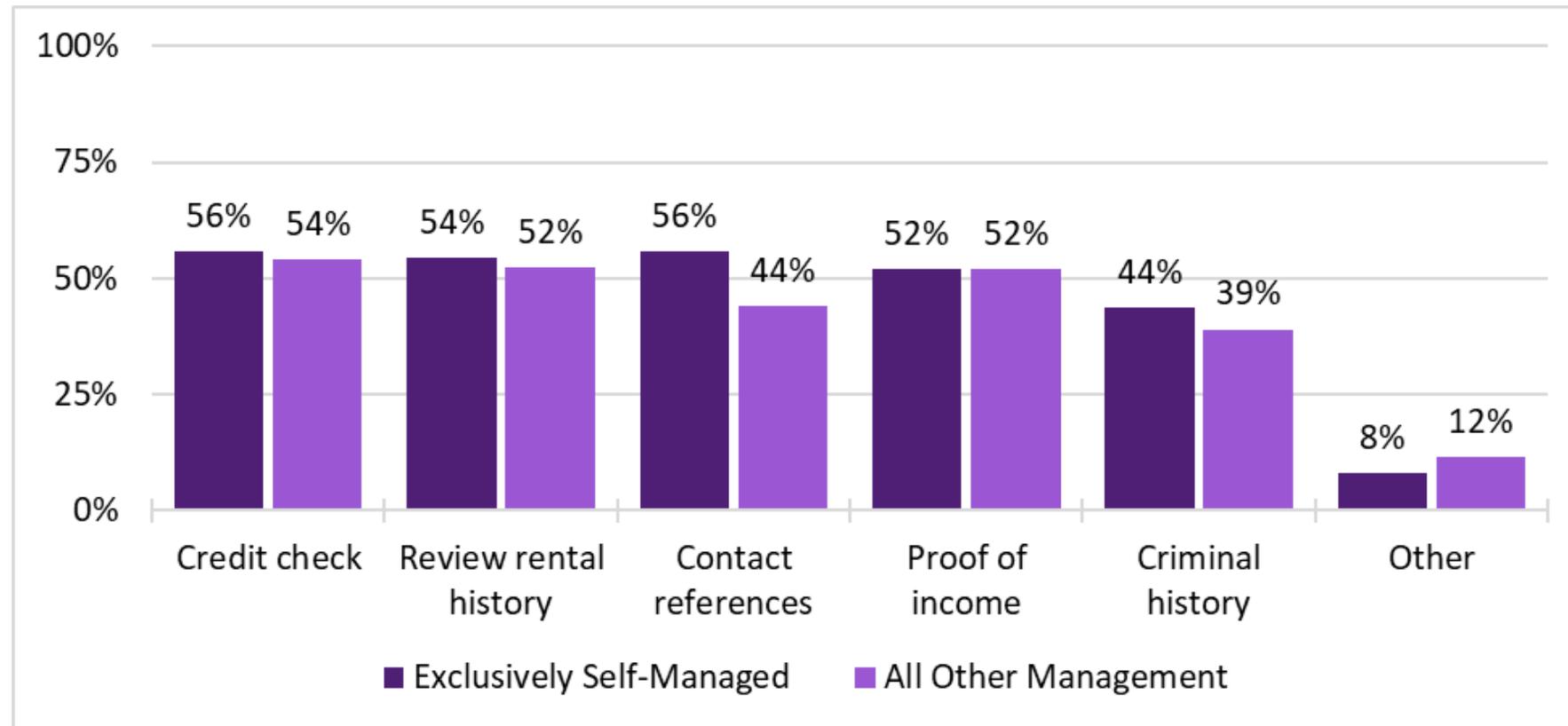
Average Rent by Type



Financial Requirements



Screening Requirements



Equity

- What does equity mean in this context?
Access and opportunity
 - Data shows that in Thurston County people of color generally:
 - Have more people in their household
 - Are less likely to own their own home
 - Have smaller household income
 - Are more likely to experience homelessness
- than people who are white

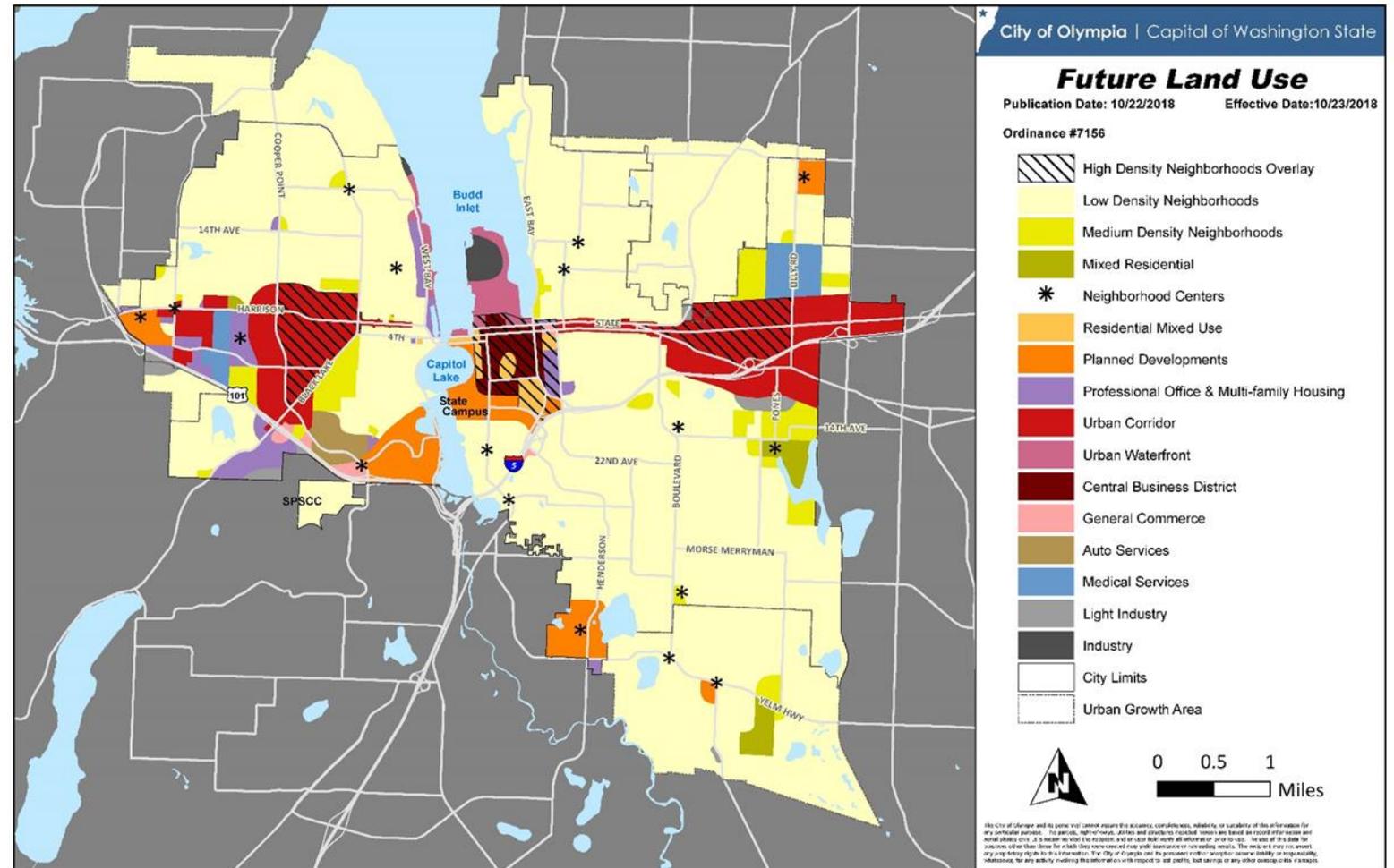


Equity

- Policies of government and private sector have led to the disparities we see illustrated in the data today
- People of color in our community are generally disadvantaged in terms of what they can afford/choose
- Increasing housing affordability is an equity issue
- Understanding the data and acknowledging the issue is just the start – we have much more work to do
- Second Equity and Inclusion Coordinator will be hired in 2021
- Underway is formation of a Social Justice and Equity Commission
 - The Commission's perspective will be crucial to ongoing planning & implementation

Where Housing Goes Matters

- Approximately 50% of our current capacity for residential growth is in downtown and the urban corridor – where we have the best access to transit (can reduce combined housing/transportation costs)
- Another 38% of capacity is infill into low density neighborhoods



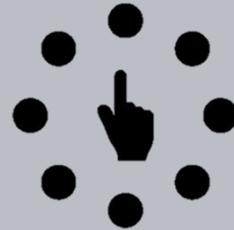
THE CHALLENGE – MEETING THE GREATEST NEED



Affordability.
Reduce the cost of housing for low-income and cost-burdened households



Supply. Increase the inventory of housing for all households.



Variety. Increase the variety of housing sizes and types.



Seniors. Increase the stock of housing options needed for aging seniors.

THE CHALLENGE – MEETING THE GREATEST NEED



Improvements. Maintain the existing housing stock, including improving energy efficiency and air quality.



Stability. Increase household wealth by providing safe, stable options for rental housing and pathways to homeownership.



Supportive Housing. Increase permanent housing options for people with disabilities and those at risk of or experiencing homelessness.

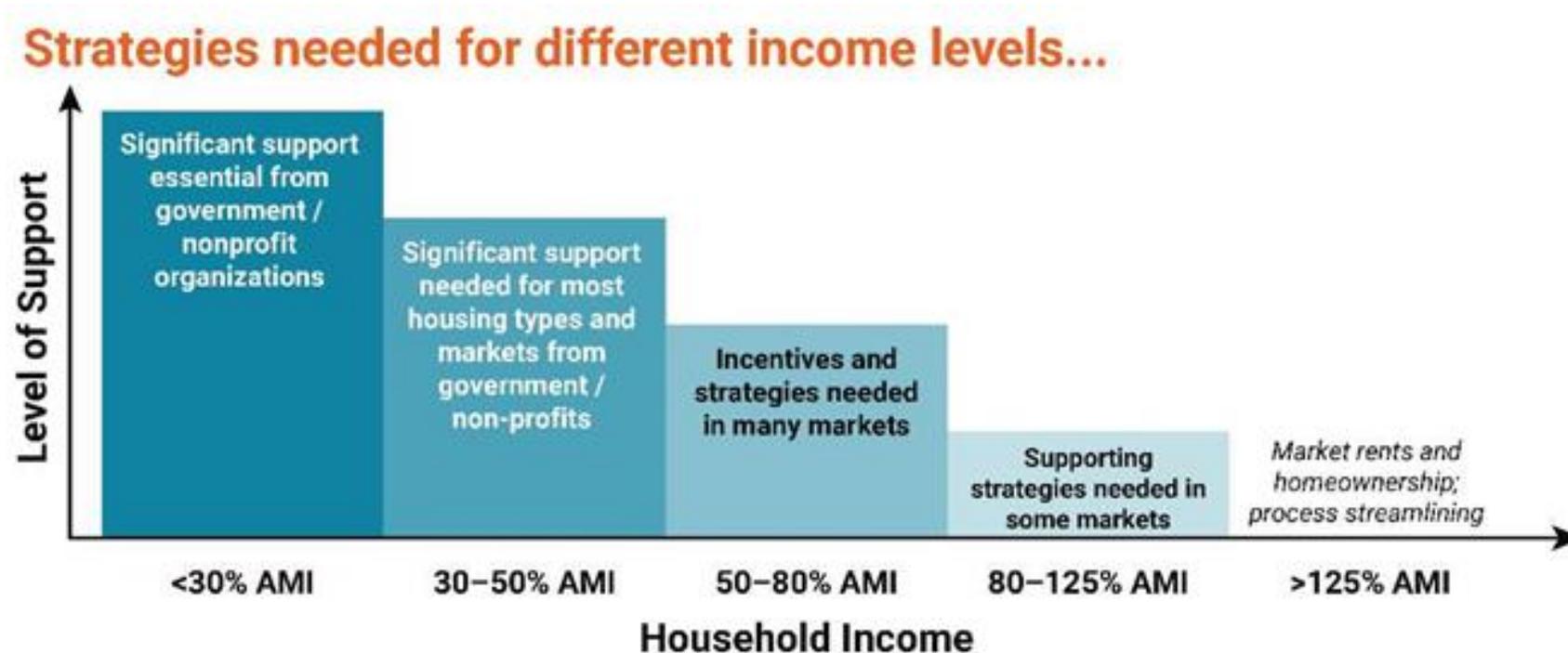
Six Strategies for Addressing Needs

1. Increase the supply of permanently affordable housing for households that make 80% or less of the area median.
2. Make it easier for households to access housing and stay housed.
3. Expand the overall housing supply by making it easier to build all types of housing projects.
4. Increase the variety of housing choices.
5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
6. Establish a permanent source of funding for low-income housing.

Increase the supply of permanently affordable housing for households that make 80% or less of the area median

Actions that:

- Increase the supply of low-income housing & Support low-income housing providers



Establish a permanent source of funding for low-income housing

Actions that:

- Increase funding for low-income housing
- Provide a regional strategy for distributing funds



Expand the overall housing supply by making it easier to build all types of housing projects

Actions that:

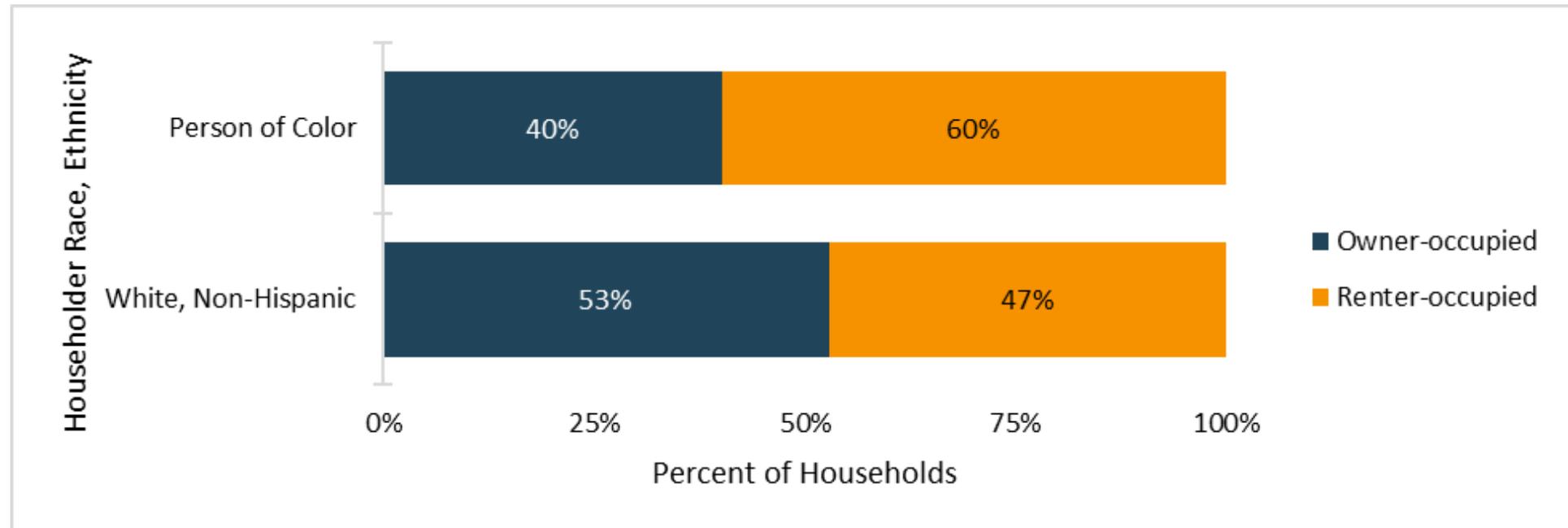
- Streamline development and construction of market-rate housing
- Incentivize desired housing types



Make it easier for households to access housing and stay housed

Actions that:

- Prevent eviction and displacement & Build equity thru home ownership



Increase the variety of housing choices

Actions that:

- Increase allowed housing types, especially in low-density zones
- Expand options available



Continually build on resources, collaboration & public understanding to improve implementation of housing strategies

Actions that:

- Guide Olympia, Lacey and Tumwater to continually engage with community
- Establish strong partnerships with affordable housing providers to address housing affordability



Actions

- We are doing a lot already
- Stay the course with actions on this year's workplan
- Tracking several bills in legislature related to housing
- Likely more actions will be identified in the future
- More action needed across the whole industry



Next Steps

<i>March-December 2020</i>	<i>August-December 2020</i>	<i>January-May 2021</i>	<i>June 2021</i>	<i>June 2021 and Beyond</i>
Examine Trends & Needs	Develop Housing Action Plan Framework	Develop Olympia Actions	Adopt Olympia's Housing Action Plan	Implementation
<p>Deliverables Project Website ✓ Housing Needs Assessment ✓ Income Forecast ✓ Rental Housing Survey ✓ Review of Olympia's Comprehensive Plan and development code ✓</p> <p>Public Engagement Regional Stakeholder Group Rental Housing Survey</p> <p>Land Use & Environment Committee</p>	<p>Deliverables Draft Regional Housing Action Plan Framework ✓</p> <p>Public Engagement Regional Stakeholder Group</p> <p>Land Use & Environment Committee</p>	<p>Deliverables Draft Olympia Housing Action SEPA determination</p> <p>Public Engagement Regional (Online) Event ✓ Storymap Olympia (Online) Event Online Survey Stakeholder Focus Groups SEPA Comment Period Advisory Board Briefings*</p> <p>Land Use & Environment Committee (Feb 18, May 20)</p>	<p>Deliverables Final Housing Action Plan</p> <p>Public Engagement City Council TBD</p>	<p>Deliverables Update Comprehensive Plan Housing Element (2022)</p> <p><i>Various</i> <i>Policy & Code Updates</i> <i>Investments</i> <i>Partnerships</i></p> <p>Public Engagement Review by Social Justice & Equity Commission <i>Various</i> <i>Public Events</i> <i>Surveys</i> <i>Advisory Board Briefings</i></p> <p>Land Use & Environment Committee</p>



Discussion

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