



Planning Commission

Olympia 2045 - Housing Element Chapter of the City of Olympia Comprehensive Plan Update

Agenda Date: 7/15/2024
Agenda Item Number: 6.B
File Number:24-0584

Type: discussion **Version:** 1 **Status:** In Committee

Title

Olympia 2045 - Housing Element Chapter of the City of Olympia Comprehensive Plan Update

Recommended Action

Information only. No action requested.

Report

Issue:

Discussion of the Housing Element to be included in the Olympia 2045 Comprehensive Plan Update.

Staff Contact:

Casey Schaufler, Associate Planner, Community Planning & Development, 360.753.8254

Presenter(s):

Casey Schaufler, Associate Planner, Community Planning & Development

Background and Analysis:

In 2021, the Washington Legislature changed the way communities are required to plan for housing. House Bill 1220 (2021) amended the Growth Management Act (GMA) to instruct local governments to “plan for and accommodate” housing affordable to all income levels. This significantly strengthened the previous goal, which was to encourage affordable housing.

The amended law also directed the Department of Commerce to project future housing needs for jurisdictions by income bracket and made significant updates to how jurisdictions are to plan for housing in the housing element of their comprehensive plans. These new changes to local housing elements include:

- Planning for sufficient land capacity for housing needs, including all economic segments of the population (moderate, low, very low and extremely low income, as well as emergency housing and permanent supportive housing).
- Providing for moderate density housing options within Urban Growth Areas (UGAs), including but not limited to duplexes, triplexes and townhomes.
- Making adequate provisions for housing for existing and projected needs for all economic segments of the community, including documenting programs and actions needed to achieve housing availability.
- Identifying racially disparate impacts, displacement and exclusion in housing policies and regulations, and beginning to undo those impacts; and identifying areas at higher risk of displacement and establishing anti-displacement policies.

Attachment 1 is the Department of Commerce's Expanded Housing Checklist. This document is used to assist in meeting the intent of the statute, it provides an overview of required housing elements of this new chapter.

The City of Olympia Housing Action Plan began as a collaborative effort between the Cities of Olympia, Lacey, and Tumwater. Together with help from Thurston Regional Planning Council the cities developed a Regional Housing Needs Assessment and Housing Gap Analysis, a Landlord Survey, and a draft set of actions to address identified housing gaps.

Grounded in data and strategies common across all three cities, Olympia's Housing Action Plan identifies specific actions the City of Olympia will take to address housing needs. This plan is also intended to inform the City's Comprehensive Plan policies and guide implementation of actions that help the City meet its housing needs and strategic objectives.

Olympia's Housing Action Plan identifies actions the City can take to increase housing supply, bolster the diversity of housing options, and increase affordability and stability for residents.

The Housing Action Plan expands on prior City efforts to address housing needs. Such efforts include establishing more flexible codes and pre-approved plan sets to encourage accessory-dwelling units, a voter-approved Home Fund for permanent supportive housing, and an impact-fee reduction that applies only to affordable-housing projects.

The Cities of Olympia, Lacey and Tumwater identified six shared strategies for addressing housing needs within their communities:

1. Increase the supply of permanent, income-restricted affordable housing.
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.

The Olympia Housing Action Plan, completed in June of 2021, is provided as Attachment 2.

Climate Analysis:

The Climate Analysis Framework will be completed and summarized with draft chapter.

Equity Analysis:

The Equity Analysis Framework will be completed and summarized with draft chapter.

Neighborhood/Community Interests (if known):

The Housing Action Plan, as well as the One Community Plan developed to address homelessness, garnered wide and varied interest from across the City of Olympia and the region at large. Building upon the outreach done in the development of the Housing Action Plan and One Community Plan, City of Olympia staff will provide opportunities for review and comment of the draft housing element chapter in the near future.

Options:

None. No action requested.

Financial Impact:

The City of Olympia is contributing an amount not to exceed \$40,000 for a consultant to prepare a displacement study as required per RCW 36.70A.070. This study is being done in collaboration with the Cities

of Lacey, Tumwater, and Yelm.

Attachments:

Attachment 1 - Dept. of Commerce Housing Checklist

Attachment 2 - Olympia Housing Action Plan