



Land Use & Environment Committee

Housing Action Plan Briefing

Agenda Date: 5/21/2020
Agenda Item Number: 6.C
File Number: 20-0386

Type: discussion **Version:** 1 **Status:** Filed

Title

Housing Action Plan Briefing

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive a briefing on the Housing Action Plan scope of work. Briefing only; No action requested.

Report

Issue:

Whether to receive a briefing on the Housing Action Plan scope of work.

Staff Contact:

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Presenter(s):

Amy Buckler, Strategic Projects Manager

Background and Analysis:

Together, the cities of Olympia, Lacey and Tumwater applied for and received \$300,000 in grant funds from the WA Department of Commerce to use toward the development of housing action plans. Staff will provide a briefing about the scope and timeline for this project, which is just now getting underway.

The 2019 Washington State Legislature approved E2SHB 1923. Among other provisions, this legislation directs the Washington Department of Commerce to distribute grants to cities and counties to complete housing action plans. E2SHB 1923 requires these to incorporate multiple elements, including a housing needs assessment resulting in a projection of housing needs by various income levels and an income forecast compared to housing affordability.

The three cities have all signed an interlocal agreement directing a portion of the grant funds to the Thurston Regional Planning Council (TRPC) for data, analysis and some public engagement. Between now and January 2021, TRPC will prepare a regional housing needs assessment along with

a menu of options for increasing the supply and variety of housing to serve the region's projected housing needs. Then each city will develop its own housing action plan. Olympia staff will also complete a review of the City's Comprehensive Plan Housing element for potential updates. Per the grant, the housing action plan needs to be adopted by June 2021.

A staff work group from the three cities and TRPC have formed and work is underway on the regional housing needs assessment, including the following:

- **Rental housing landlord survey** to determine what residents are paying for housing (not a vacant unit cost survey). (scheduled for fall)
- Document **existing housing stock**, including **location** (and major centers), **age, value, and size** where possible.
- Document **trends in housing affordability**, comparing Thurston County to adjacent counties where possible.
- Document **trends in recent housing growth**, examining the **location, types, and value** (affordability) of new housing stock **at the zoning district level**. Compare this to Comprehensive Plan zoning.
- Summarize the Comprehensive Housing Affordability Strategy (CHAS) data set to **document trends in housing affordability**. (This data set provides **information on cost burdened and severely cost burdened households**, - available for several time frames starting with 2006 at the county level.)
- Develop a **projection of housing needs by income levels** (30%, 50%, 80%, 100%, 120%, and above of Area Median Income) **at the countywide and city/UGA level**.
- Analyze the **average wages for each employment sector** in the regional employment forecast (20 year) to gain a better understanding of how wages will change over time given the type of employment forecast. **Compare that to income and housing affordability. Develop an income forecast.**
- Work with the Cities of Lacey, Olympia and Tumwater to identify example new housing development and redevelopment sites and assess suitability for types of housing, supporting infrastructure, market constraints (ratio of development/construction costs to local market rent/sale capacity.)

Per the interlocal agreement, TRPC will establish a methodology for data collection in a way that can be replicable for continual year-to-year analysis. The intent is to help us regularly track and adapt our regional and local actions to meet housing goals.

The project scope of work is attached. A link to the project website is also attached.

Neighborhood/Community Interests (if known):

Housing affordability and development are major issues of importance to the community. The recently developed homeless response plan identified building more housing of all types for all incomes as a key priority moving forward.

Options:

Briefing only.

Financial Impact:

The Washington State Department of Commerce awarded Olympia, Lacey and Tumwater grants totaling \$300,000 for development of housing action plans. Under an interlocal agreement, \$150,000 will be directed to the Thurston Regional Planning Council for supportive tasks. Olympia will use its remaining \$50,000 to support staff work on the effort.

Attachments:

Scope of Work

Project Website