



Land Use & Environment Committee

Olympia Housing Action Plan Recommendation

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Title

Olympia Housing Action Plan Recommendation

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to recommend the Olympia Housing Action Plan as proposed and forward to the City Council for acceptance

Report

Issue:

Whether to recommend the Olympia Housing Action Plan for acceptance by the City Council. The Housing Action Plan includes strategies and actions that promote more housing, more diverse housing types, affordability and stability.

Staff Contact:

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Presenter(s):

Amy Buckler, Strategic Projects Manager

Background and Analysis:

On May 27, staff and the Planning Commission Chair Candi Millar briefed the Land Use and Environment Committee about public comments received regarding the Housing Action Plan. The Committee requested various changes to the plan, which staff has made. Staff also made a few other changes, namely to the SEPA recommendations, based on public comment and discussion with the Committee. The attached Revisions to the Draft document outlines the changes, which are also reflected in the attached Housing Action Plan (proposed plan.)

The Committee asked staff to identify actions in the plan that support development of workforce housing (housing affordable to households that earn between 60-120% of area median income.) The attached Actions for Low Income and Workforce Housing document can be a helpful tool for thinking

about which actions can serve this need.

The Planning Commission held a public hearing on the draft Olympia Housing Action Plan on May 17, and their letter to the City Council summarizing what they heard is attached. Also attached is a letter of support from the Department Commerce.

The City Council is scheduled to consider acceptance of the Housing Action Plan on June 22. The Committee is asked to make a recommendation this evening.

BACKGROUND

In 2019, the Washington State Legislature made grant funds available to cities to develop housing action plans that promote more housing, more diverse housing types and affordability. In recognition of our shared housing market and the cross-jurisdictional need for affordable housing, the Cities of Olympia, Lacey and Tumwater jointly applied for and received funds to collaborate on this effort.

With help from Thurston Regional Planning Council (TRPC), the cities completed several deliverables that provide necessary background information and identify strategies and potential actions the cities can take. These actions are available on the Engage Olympia page and include:

- A housing needs assessment, including a 25-year projection of housing affordable at different income levels.
- A landlord survey, to better understand what residents are paying for rent and how rents are changing.
- A draft regional housing action plan (menu of actions) cities can take to ensure housing stock adequate and affordable for current and future residents.

At this time, each city is conducting their own public review process to determine which actions to include as they adapt the regional draft into city-specific housing action plans. Each city will adopt their own housing action plan by June of 2021, in order to meet the requirements of the grant which funds this work.

The Housing Action Plan identifies seven housing needs/gaps to be addressed:

- **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.
- **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 those at risk of or experiencing homelessness and people with disabilities.

The Plan includes over 70 potential actions the City can take to help meet housing needs. The City of Olympia has already implemented approximately one third of these actions, at least partially. Tables

in the draft plan include implementation status, current approach, recommended approach, city resources needed and recommended timeframe. The actions are organized around six strategies:

1. Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.
2. Make it easier for households to access housing and stay housed.
3. Expand 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.

NEXT STEPS - PUBLIC PROCESS

The City Council is scheduled to consider acceptance of the Housing Action Plan on June 22. Following adoption of the Housing Action Plan, public engagement and implementation of housing actions will be ongoing. The City will also hold a public process to update the Housing Element of the Comprehensive Plan between 2022-2025.

Neighborhood/Community Interests (if known):

The Planning Commission's letter summarizing public comments received on the Housing Action is attached. All of the written comments received are attached to the Planning Commission's letter.

Housing affordability and development are major issues of importance to the community. Olympia's recently developed One Community (homeless response) Plan identified building more housing of all types for all incomes as a key priority moving forward.

Options:

1. Move to recommend the Olympia Housing Action Plan as proposed and forward to the City Council for acceptance.
2. Move to recommend the Olympia Housing Action Plan with modifications and forward to the City Council for acceptance.
3. Do not forward the Olympia Housing Action Plan for approval

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. Following adoption of the Housing Action Plan, implementation actions may need additional financial resources to complete.

Attachments:

Olympia Housing Action Plan
Revisions to the Draft
Actions for Low Income and Workforce Housing
Planning Commission Letter
Commerce Letter
[Link to Engage Olympia Page](#)

