

Olympia Strong

Economic Opportunity
for Everyone



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LETTER FROM THE MAYOR

The COVID 19 global pandemic wrought physical and mental health challenges across Olympia and major disruptions within the economic sectors of Olympia and the region.

Many workers lost jobs or faced reduced hours, and some small businesses experienced temporary or permanent closures. Supply chain disruptions changed the way businesses operate, even today, and the extended shift to a work-from-home economy has contributed to driving housing prices above the means of many renters and aspiring first-time buyers.

The impacts of the pandemic were far-reaching and exposed fundamental inequities in our economy. People with the least financial stability experienced greater challenges with income loss, lack of access to basic needs, anxiety, and depression—a reality that disproportionately affected Black, Hispanic, Indigenous, immigrant and low-income households; the LGBTQ+ community; and people with disabilities. As Olympia plans for the future, we are committed to taking more actions to close the exacerbated equity gaps that continue to exist in our community.

Olympia Strong is a framework for clarifying the City's role and priorities for creating and maintaining economic opportunity for a broader cross-section of our community. It will grow equitable opportunities for prosperity, strengthen local enterprises, make our public services more resilient, and build a healthier economy for everyone who calls this place home.

Olympia Strong is how we will reset our community for the future.

Mayor Dontae Payne



Dontae Payne, Mayor

CONTEXT



The *Olympia Strong* initiative was launched in the shadow of a COVID 19 and the resulting Thurston Strong economic response. In addition to addressing immediate needs, the Thurston Strong coalition developed a 24-Month *Economic Recovery and Reset Plan*. The plan outlines strategies for addressing major challenges exposed by the pandemic, including the tenuous condition of our childcare system, a lack of local middle-wage employment opportunities and the need for training and resource support for small businesses working to stabilize and grow in an evolving economic landscape.

The response also targeted specific funds to areas with higher instances of poverty and businesses/workers susceptible to closure, ultimately launching 10 new microenterprises, with the majority being Black, Indigenous and other People of Color-owned.

Olympia Strong serves as an extension of Thurston Strong and early community response and recovery efforts now adapted for local conditions and opportunities. It includes goals and strategies based on community feedback that will inform an update of the City's Comprehensive Plan and a specific action plan to guide City investment and policy priorities.



ENGAGEMENT APPROACH

From the beginning, we knew it was crucial for Olympia Strong to be deeply informed by community voices. That was the only way to make sure this effort would truly benefit everyone it will serve. To get there, we went outside the standard model of public engagement that asks people to come to us. Instead, it was clear that we needed to directly go to the people.

This launched a communitywide conversation about economic opportunity and resiliency. What does true opportunity look and feel like to people with different backgrounds and life experiences? What barriers do people face when seeking economic security, and how might those barriers be overcome? How can the City of Olympia center its residents as the core of its economic development strategy?

To begin answering those questions, the Olympia Strong team employed a variety of engagement tools with the goal of hearing from a broad spectrum of voices.



Methods included



2 online surveys

25 person-on-the-street interview events

35+ community interviews

5 listening sessions with underrepresented groups

3 industry focus groups

7 advisory board briefings



6 community group briefings

7 Saturdays at ASHHO Cultural Center

2 open houses



Following those early efforts, the City invited the broader community to evaluate and prioritize action concepts based on their potential to build a stronger and more inclusive economy. Over the course of nearly a year, we talked to and heard from hundreds of people from all walks of life. We learned about the different ways people's lives were impacted by the pandemic, and the divergent realities faced by those able to work from home compared to essential workers who were required to show up throughout. Homeowners emerged from the pandemic with increased home values and steady mortgage payments. Renters, on the other hand, have encountered rapidly escalating housing costs while first-home buyers are encountering unattainable purchase levels paired with high interest rates.

Other workers are concerned about displacement due to expanding automation of their occupations and post-pandemic evolutions in the workplace. The Olympia Strong plan is a response to these conditions and the concerns and aspirations shared by diverse community who supported this plan with their time and perspectives.

A complete summary of public engagement activities is provided in report **Appendix A**.

SUMMARY OF FINDINGS

What's Working

According to stakeholders, Olympia is already an opportunity-rich and resilient community in many ways. Examples cited include:



Education and Workforce Pathways

The City is collaborating with workforce development partners on several initiatives, including a Career Hub initiative focused on creating new employment pathways into the trades for youth and dislocated workers. United Way and South Puget Sound Community College (SPSCC) have launched a pilot program to place continuing education Navigators in local high schools. These first-generation college students have recent lived experience that students appreciate, and they are already having an impact on FAFSA (financial aid) completion rates. SPSCC just completed a \$12 Million-dollar fundraising campaign that will further endow programs like *Black Scholars* and *Ignite* that cover tuition, books and fees as well as mentorship services that increase student retention rates.

Early Housing Efforts

While stability will take years to achieve, observers say early accomplishments in temporary and supported housing provide a sense of hope. The City and partners have created 240 units of temporary housing through the purchase of two hotels, constructed 50 tiny homes at the Franz-Anderson location, and added 65 units through Unity Commons Phase II. The City and Family Support Center are also advancing work at The Landing, which will add an additional 62 units of supportive housing serving some 200 people. On the renter protection front, the City has approved a landlord registry to track and coordinate rental housing conditions and passed an ordinance to require longer notification periods for rental rate increases.





Business Resources and Support

The City has increased support and investment for start-up, scale-up and other business trainings that elevate opportunities for women in business and entrepreneurs of color through Enterprise for Equity, the Center for Business and Innovation, and other community partners. The Thurston Economic Development Council (EDC) and Thurston Chamber host BIPOC business advisory councils who help inform plans and investments. The EDC is now the lead agent for the statewide APEX accelerator which, among many other responsibilities, helps emerging entrepreneurs secure public contracts for a wide range of business services. The City is also coordinating a major investment in the creative sector, having secured a Cultural Arts Access tax fund, and is transforming the former National Guard Armory located on the edge of downtown into a creative campus.

Economic Resiliency Partnerships and Systems

In recent years, community partners have rallied together to achieve great things. In 2018, local voters approved Proposition 1 that added routes, frequency and timespan to Intercity Transit service, and converted the system to zero-fare, ensuring community members can access work, health care and schools regardless of income. The Thurston Strong partnership administered over \$24 Million in financial aid to help workers, businesses and nonprofits weather the COVID-19 pandemic. Community Youth Services is spearheading an Anchor Initiative with the goal of reducing youth homelessness to 0%. The Port of Olympia is working with state and federal partners to ensure sea lanes remain accessible in the event of a major emergency that renders I-5 impassable and requires people and goods to travel by sea.

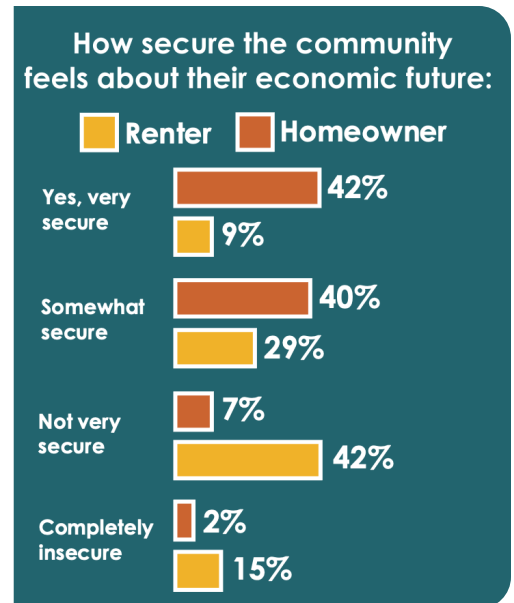


Persisting Economic Challenges for Individuals

While many factors affect one's sense of economic security, several common themes are clear:

Housing Instability

Renters and homeowners are experiencing economic challenges in vastly different ways. Over half of renters are spending over 30% of their income on housing with 45% of renters reporting they have struggled to buy food or groceries over the past year (compared to 14% of homeowners). Homeowners, even if they are still paying a mortgage, have seen incredible growth in home value over the past several years, benefiting from predictable payments and building equity. Conversely, renters have seen rapidly increasing costs and fewer available units. At the same time, they see many of the few single-family homes that do come to market being purchased by non-local buyers (who can now work from home) or out of state corporations with the intention of them being rentals. To many, home ownership feels completely out of reach.



Increased Cost of Living

Beyond rising rent, the cost of goods and services has outpaced peoples' ability to keep up. For many, wage gains have been overwhelmed by the cost of living. As noted in "Notable Data and Trends" (page 21), over 96% of renters who responded to our community survey say they've had difficulty affording groceries this past year. That figure is far lower for homeowners, but not negligible. Survey respondents also indicated that increasing taxes and fees were in the top three barriers to feeling more economically secure.

Limited Upward Mobility

This is a two-pronged issue. Our social service and education partners stress the importance of reaching children earlier to ensure they know what career options are available to them. Many are unable to imagine what's possible, let alone that there are systems in place to support them. On a second front, many workers have limited options for moving up or increasing income. Notably, many of these work in occupations that were temporarily displaced or had hours reduced during the pandemic, including childcare, food service and personal services. Systemic barriers make it most difficult for people facing generational poverty, racism, or discrimination.

Disaffected Youth and Educational Barriers

Census statistics show that the volume of disaffected youth—people aged 16-19 who are not in school, have not graduated and are not working—has increased from 2% to 10% over the past decade. Fewer than half of high school seniors complete FAFSA applications, which provide financial aid for continuing education and training. Similarly, just over half of those entering community college complete their degree, certificate, or transfer to 4-year schools. While the figures are higher in Olympia, many Olympia students would benefit from additional supports to achieve sustainable economic security. What's more, our nation is facing an unprecedented youth mental health crisis. With out a more proactive approach, a growing sense of helplessness or hopelessness will ultimately lead to long-term impacts for these individuals' lives and the broader workforce at-large.

Persisting Economic Challenges for the Community

Our broader community has many real and present concerns, including:

Lag in Affordable Workforce Housing Availability

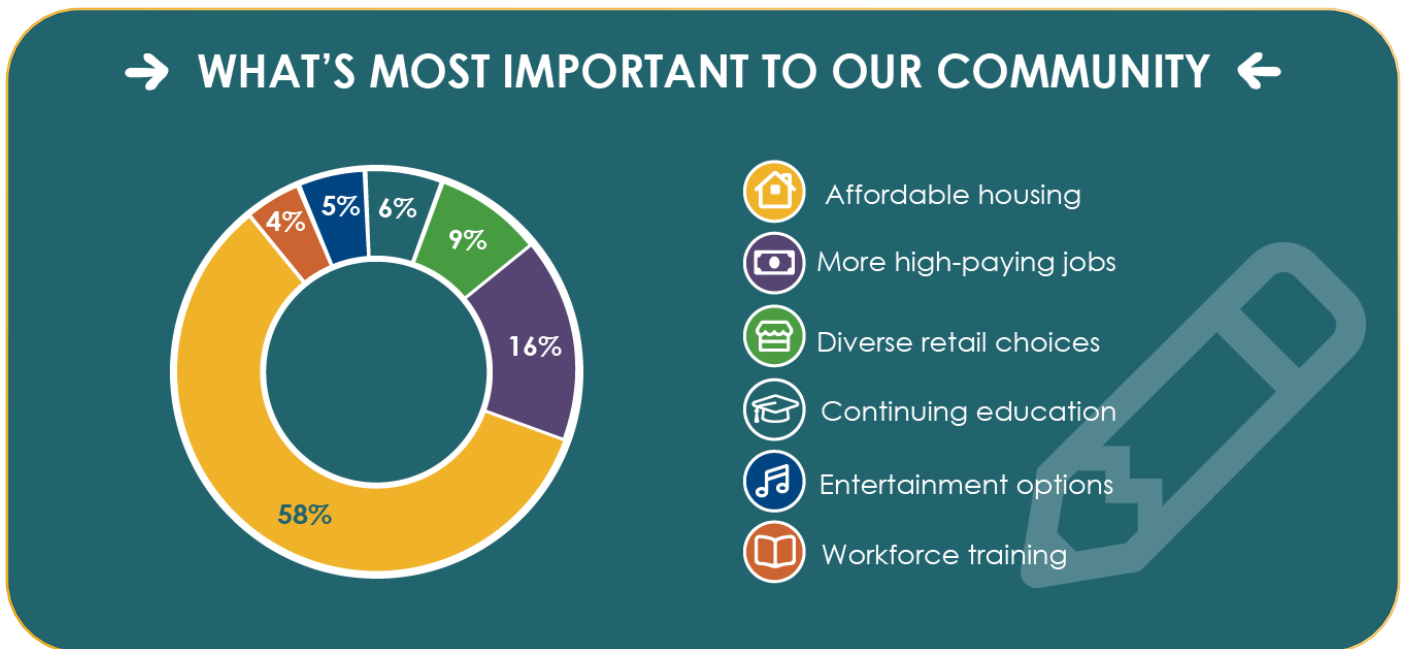
While efforts are underway to bring affordable housing online, it will take years to catch up. As a result, many Olympia workers now reside outside of Thurston County. Some factors contributing to this challenge are beyond local control (e.g., material and labor prices). However, exploring near-term solutions like increased densities and accessory dwelling units, code requirements, land use process, and permitting/development fees, may be worth revisiting.

Persistent Homelessness

Despite considerable investment by the City and many partners, and heartening success stories, homelessness remains a challenge in Olympia and many other places. Even if there were enough financial resources to tackle the issue at full scale, there are capacity gaps in our treatment and wrap around service network and new housing options will take time to bring online.

Desire for Higher-Wage Jobs

The community wants higher-wage jobs in general, and in certain types in particular. Priorities include tech, clean manufacturing, construction, green power, food system and corporate headquarters. There is also continued support for all types of small and independent businesses, entrepreneurs, startups, and technical and training assistance.



Systemic Inequality and Discrimination

Some face unnecessary barriers in obtaining and maintaining employment and financial security. People with physical and developmental disabilities are underrepresented in the labor market. Formerly incarcerated individuals have limited options and little support as they seek to reenter the workforce. LBGQT+ and BIPOC community members encounter discrimination or higher barriers to accessing capital. They also are less likely to secure rental housing or own a home. Non-Hispanic white home ownership is 20% higher than all other races and ethnicities.

Childcare System Barriers

Childcare, in Olympia and beyond, has been challenging for providers and families alike for years. The pandemic drove it into crisis. Attendance, due to COVID, is difficult to predict. New safety rules have driven up costs. Workers are harder to recruit and retain. The cost of starting new centers has soared and enrollment costs are beyond the reach of even many middle-income families. The result: more people (primarily women from middle- and lower-income families) are dropping out of the workforce and the attendant workforce shortages slowing economic recovery for all.

Climate Response and Mitigation

Economic risks associated with climate change are rising. Heat waves, storms and flooding are more frequent, and many of our core industries are at-risk (e.g., shellfish farming, agriculture). Even as we address impacts, we also have to act to slow and adapt to climate change. New construction must be energy-efficient; old structures retrofit with new tech. Infrastructure will be required to accommodate the transition from gas to electric powered vehicles. Other adaptive management strategies will be required to keep up with the pace and nature of future impacts.

Expenses Forecast to Grow Faster Than City Revenues

Although the City's tax base remained relatively strong through the pandemic, forecasts indicate expenditures might exceed revenue within a few years without policy or administrative adjustments. Stable revenue is critical to ensuring essential services. New revenue sources will need to be identified, or levels of service reduced.

Limited Land Supply for Employment Centers

Olympia possesses very little industrial zoning to accommodate advanced manufacturing or other large employers. High wage employment will likely be focused within info-tech, healthcare and professional services sectors in addition to state government.

Industry Change, Supply Chain and Labor Challenges

On the business front, resiliency is being tested not only by the increasing cost of goods, but also labor and disruptions to the supply chain which has been slow to correct following pandemic shutdowns. Some are also facing transformative shake-ups: more households are ordering food delivery; more consumers are purchasing electric vehicles and many workers are migrating to employers who offer work from home options, to name a few examples. It is imperative that the private and public sectors engage one another to ensure support systems and proactive policies and investments facilitate a successful transition into the future.

These economic challenges, as well as Olympia Strong's approach to growing a healthy and resilient economy, will be addressed in the following section.

IMPLEMENTATION MAP: PATHWAYS AND INITIATIVES



In response to broad community feedback, an extensive data analysis (see “**Notable Data and Trends**” beginning on page 21), and the input of many community partners, the City developed an action plan designed to expand economic opportunity and resiliency. To know whether we’re succeeding in those aspirations, we’ve identified a variety of specific data metrics, as outlined in the next plan section.

The action plan is built around four primary Pathways which are summarized below. A complete Action Plan Matrix is managed in-house and contains additional details for each proposed action including relevance to other community plans, implementation partners and other details. It is updated annually and can be viewed upon request.

Perhaps most importantly, the matrix identifies the wide array of partner organizations that will be involved in moving proposed actions forward. In some cases, the City is the appropriate lead to spearhead implementation activities. In many other cases, we play a supporting role and are fortunate to have collaborations with a multitude of community institutions, partners, and cultural organizations. For a full list of community organizations that were consulted as a part of this process and may play a role in implementation see **Appendix A**.

Each pathway is rooted in addressing the gaps, barriers, and needs synthesized from the data analysis and the public engagement process. The four pathways identify a specific vision, community benefits, and a slate of proposed initiatives aimed at advancing the vision.

The pathways are:

- **EDUCATION + WORKFORCE**
- **HOUSING + SENSE OF SECURITY**
- **BUSINESS ENTERPRISE RESOURCES + SUPPORT**
- **COMMUNITY PRIDE, LOVABILITY + RESILIENCY**

In addition to the action initiatives, Olympia Strong recommends updates to the City’s Engineering Design and Development Standards to facilitate adaptive reuse as well as adding the following to local and regional City legislative advocacy dockets:

- Higher Medicaid reimbursement rate (fewer health clinics accept that form of insurance)
- Multifamily home ownership options (e.g., condominium liability reform)
- Childcare solutions
- Expansion of mental health facilities and services



PATHWAY: EDUCATION + WORKFORCE

VISION

Every Olympian is afforded quality lifelong educational or training opportunities that help them achieve upward mobility and financial stability.

COMMUNITY BENEFITS

- Increased sense of hope and self-reliance
- Decrease in equity gap
- Interruption of poverty cycle
- Activation of 100% of our workforce potential
- Decreased reliance on social service networks



PROPOSED INITIATIVES

- A) Create an Olympia Youth Council to expand community leadership and involvement opportunities for diverse high school students.
- B) Grow the Olympia Career Hub, a career training program to prepare people for local in-demand occupations, including but not limited to jobs in construction, clean energy, the medical sector, logistics and supply chain management.
- C) Ensure flexible, appropriate locations for workforce training programs to locate.
- D) Support and increase participation in programs that introduce youth to career options and prospective employers, such as Find Your Future and other employer integrated workforce development activities.
- E) Partner with the United Way to fund a Navigator that connects all Olympia School District high schoolers to continuing education opportunities and financial resources.
- F) Coordinate with Journey2Jobs and other programs that provide skill-building, employment and related wrap-around services for formerly homeless and incarcerated individuals.
- G) Hold quarterly leadership team meetings with The Evergreen State College to identify partnership opportunities.
- H) Expand City internships, mentorships, job shadowing, tours and other measures that expand career pathway opportunities for a broad cross-section of our community.
- I) Partner with Morningside and other organizations to provide and promote employment opportunities for adults with disabilities.
- J) Explore a requirement that City capital projects over a certain threshold require the contractor to have a percentage of their labor hours performed by apprentices.

PATHWAY: HOUSING + SENSE OF SECURITY



VISION

All Olympians can enter and sustain stable housing while building household financial security.

COMMUNITY BENEFITS

- People who work in Olympia can afford to live here
- Housing is affordable for lower income households and first-time buyers
- Increase in generational wealth building through home ownership and affordable rental options
- Employer confidence that workers can access affordable workforce housing
- More residents can afford to pursue personal growth opportunities
- Improvement in other attendant indicators: law enforcement interaction, food security, health outcomes, et al



PROPOSED INITIATIVES

- A) Study outcomes and best practices from the universal basic income pilot project (EsCA) managed by PacMtn and evaluate options for connecting more Olympians to this or similar economic security resources.
- B) Proactively purchase vacant and underutilized properties that can be used for or converted into permanently affordable or rent-capped housing stock.
- C) Grow partnerships with low-income housing developers and organizations seeking to build housing stock that meets the community's needs, including opportunities for home ownership and projects that meet the specific needs of various populations (e.g., people with disabilities, seniors, justice-involved individuals).
- D) Explore the feasibility of partnering with Morningside and/or similar organizations on an innovative integrated housing development that builds familiarity and connections between people with developmental disabilities and other community members seeking affordable housing alternatives.
- E) Follow recommendations from the 2023 study on ways City can facilitate development of housing options that include long-term affordability and home ownership, including multifamily ownership options and other creative solutions and projects that meet the specific needs of various populations.

- F) Evaluate options for providing low-interest loans for projects that add affordable housing stock in the city.
- G) Incentivize and streamline the conversion of vacant office buildings into housing, and promote Olympia as a great place to undertake adaptive reuse projects.
- H) Involve a collaborative interdepartmental team to conduct a comprehensive review of City policies, fees and development regulations to identify viable options with a goal to make it easier to build and reduce overall housing costs in balance with other goals and priorities.
- I) Recommend targeted public infrastructure investments that help attract and expedite private sector housing construction or redevelopment.
- J) Convert Plum Street Village into transitional housing for formally houseless and incarcerated individuals who simultaneously enroll in training and education programs, or begin reentry into the workforce.
- K) Create a regional resource of affordable housing tools with a target audience of brokers and developers looking to develop or rehab buildings for housing.
- L) Pursue public assistance (tech training, funding) to assist low and moderate income households with existing building retrofits, to promote long term health, safety and energy savings.
- M) Create a household financial expense reduction toolkit with info about city service discounts for low income households, library resources, food bank, etc.



PATHWAY: BUSINESS ENTERPRISE RESOURCES + SUPPORT

VISION

All Olympia businesses and entrepreneurs are able to access investment capital and world-class training and technical assistance in a supportive environment that celebrates and promotes their success.

COMMUNITY BENEFITS

- Build a more inclusive economy
- Ensure access to workforce training and employment services
- Facilitate access to capital
- Stimulate local, independent businesses
- Creates new avenues to business ownership and prosperity for employees



PROPOSED INITIATIVES

- A) Provide full spectrum business support and training programs through the Thurston EDC Center for Business and Innovation, as well as micro and alternative business development and succession planning programs offered through organizations such as Enterprise for Equity and Northwest Cooperative Development Center.
- B) Continue seeking ways to expand access to capital for aspiring entrepreneurs from underbanked and underrepresented populations (e.g., support EDC/Thurston County Target Zone Startup Grants, outreach to banks and credit unions, City sponsored micro-loan fund).
- C) Stand up a Community Resource Navigator pilot project that places paid staff and volunteers in target zone neighborhoods and/or community centers where they can help connect residents with business startup resources, career pathways or other support that increases financial resiliency (e.g., offer grassroots support programs, start here resource fair).
- D) Partner with EDC to help attract and help grow anchor employers that align with Olympia values, with an emphasis on anchor employers and emerging sectors, tech, green energy and construction (e.g., Mud Bay, Fungi Perfecti, Naked Prosthetics, Forma Construction).
- E) Provide or coordinate barrier-busting assistance for business or employer partners (typical issues include permitting, public safety, city policy, etc.)
- F) Coordinate a multi-partner conversation and other outreach to identify actions and resources that can help stabilize the Childcare industry and add capacity/lower family costs over time.
- G) Explore options to expand Olywahoo summer day camp to serve more families, including increasing scholarships for low income households.

- H) Explore partnership options with the Squaxin Island Tribe that will expand economic opportunities downtown while also featuring Tribal culture and heritage.
- I) Formally celebrate Olympia businesses for their support of community goals like sustainability, climate action, equity, championing youth, etc. to help build on City's business-friendly reputation (in addition to Chamber, EDC existing programs).
- J) Support pop ups (temporary retail events) as a way to activate vacant buildings and provide opportunity for microbusinesses, including makers and artists.



PATHWAY: COMMUNITY PRIDE, LOVABILITY + RESILIENCY

VISION

Olympia is a safe, resilient and welcoming city with strong, inclusive support networks and abundant community character.

COMMUNITY BENEFITS

- Increases pride in our community, hope and a sense of place
- Increases the City's desirability as a home town, visitor destination and place to do business
- Increases tax and business revenue from tourism and vital urban centers
- Improves emergency response preparedness and capacity
- Ensures sustained focus on infrastructure capacity and climate adaptation priorities

PROPOSED INITIATIVES

- A) Advance Arts, Cultures and Heritage initiatives that expand our Creative Economy through opportunities and funding for artists and art organizations, as well as for the community to engage with the arts (Implement plans for the Armory Creative Campus, Inspire Olympia and the Downtown Creative District).
- B) Support, implement and promote initiatives that create unique and welcoming places and spaces in Olympia for the benefit of the community and visitors.
- C) Support expansion of recreation and entertainment venues for youth (e.g., a youth center or similar gathering place for youth).
- D) Explore opportunities and resources to grow parks and recreation programs for middle school and opportunity youth (e.g., youth in foster care, justice involved youth) that provide mentorship and foster belonging, life and job skills.
- E) Explore and identify community pride building events, programs and other features (e.g., community clean-up day, city flag, cultural events).
- F) Support Experience Olympia (Visitor and Convention Bureau) strategic planning to evaluate, define and implement priority Olympia visitor promotion investments (marketing, physical attractions, service gaps, et al).



- G) Identify a contact and structure for coordinating with the State of Washington on economic development activities to determine the most mutually beneficial investments and policies, and establish an action team to follow through on implementation (climate change response, capital campus, I-5 access and bottlenecks, Deschutes Estuary, housing and homelessness grants, et al).
- H) Promote and support Port of Olympia role and value in the case of catastrophic infrastructure damage that requires sea or freight transport of people, goods and services.
- I) As part of developing a climate adaptation and preparedness plan, explain and promote why timely investments adaptation priorities build preemptive economic resiliency for all.
- J) Adapt the successful Thurston Strong model to help better prepare for future economic disruptions and emergencies and Implement effective disaster recovery.
- K) Continue to support city owned facilities that host partners such as the Timberland Regional Library, Senior Center, Washington Center for Performing Arts, Farmers Markets and Hands On Children's Museum as important community assets that play a role in economic development through community enrichment and tourism.



PROGRESS TRACKING INDICATORS



There are many ways to monitor future progress toward our economic goals. At least initially, staff will monitor several key indicators within each major focus area as follows:

Education + Workforce

- Workforce Participation Rate by Demographic Cohort
- Educational Attainment by Demographic Cohort
- FAFSA Completion Rate by Demographic Cohort

Housing + Sense of Security

- Number of Housing Units Permitted Annually
- Median Household Income by Demographic Cohort
- Percent of Community Members Who Feel Economically Secure by Renter and Homeowner
- Percent Housing Burdened by Demographic Cohort

Business Enterprise Resources + Support

- Business Service and Training Participants and Satisfaction by Demographic Cohort
- Annual Sales Tax by Industry Category
- New Business Enterprise Startups by Demographic Cohort

Community Pride, Lovability + Resiliency

- Annual Lodging Tax
- Annual Farmers Market Sales
- Annual Children's Museum Attendance
- Annual Washington Center Attendance
- Citizen Satisfaction (City Survey)



CONNECTED EFFORTS, PLANS AND PROGRAMS

Olympia Strong is a new initiative to strengthen economic opportunity and resiliency in Olympia. The pandemic, rising housing costs and a renewed focus on racial equity have had significant impacts in our community and beyond. We will have to work even harder to build support systems and networks that meet people where they're at and help more of our community achieve and sustain economic stability.

But we're not starting from scratch. Over the past several years, Olympia has led or been a part of many successful programs to help strengthen economic resiliency. The efforts and initiatives below provide a powerful starting point for Olympia Strong and our goal of ensuring all people have economic opportunities.

Thurston Strong

- Regional partnership to coordinate economic response during pandemic
- Establishes baseline strategy to respond to future emergencies
- Over \$24 Million in mitigation aid distributed to hundreds of businesses and nonprofits
- Start-up funding provided for ten new businesses in target zones as part of economic reset
- BIPOC Business Advisory Task Force launched to expand economic opportunity

Olympia Career Hub

- Training center offers targeted work readiness skills, programs and support
- Helping to build new pathways for those impacted by pandemic and homelessness
- Facilitated by Thurston Chamber of Commerce Workforce Division, PacMtn, local employers
- Construction corps will yield more qualified builders to help with affordable housing

Downtown and Waterfront Investments

- Offers diverse retail and dining options, vibrant arts and entertainment
- Features walking and watercraft access, popular farmers market, marina
- Growing residential base to support commercial landscape and attract new investment
- Home of international port with trade and emergency response capabilities

Intercity Transit Zero-Fare Initiative

- Zero-fare, ticketless transit creates universal access and faster service
- Provides transportation cost savings for workers
- Expands service to employment centers
- And other public transit enhancements supported by 66% of voters in an anti-tax landscape

Seat of State Government

- Attracts visitor spending, especially during legislative session
- Provides a stable, higher-wage employment base
- Increases daytime sales at local establishments

South Puget Sound Community College (SPSCC)

- Everyone eligible for scholarships or other financial assistance for tuition
- Student Needs initiative provides financial support for more than just tuition
- Unique programs like Black Scholars provided students with mentors

PacMtn Industry and Workforce Real-Time Data

- Region now has ability to track industry and workforce data at-a-glance
- Workforce training programs built around core and emerging industry needs
- Schools and training partners alerted to opportunities and skill needs
- Statewide, one-stop platform that connects students with work-based learning opportunities

United Way Education to Financial Stability Task Force

- Less than 50% of graduating HS seniors in Thurston County/WA State pursue continuing ed.
- New Navigators operating out of SPSCC will connect with students, families, help with FAFSA
- Case Managers will help ensure students reach completion (certificate or transfer to 4-yr)

Thurston Economic Development Council, Chamber of Commerce and PTAC

- Scale-Up training and microbusiness support for every level
- Contracting assistance with state and federal government
- International trade gateways and certification
- Networking events and promotion

Creative Arts District

- Downtown is home to 150+ creative industries
- Plus, 42 historic buildings, 38 food businesses, 25 makers and 10 performance and event spaces
- Continue and recent investments include: Arts Walk, Asian Pacific American Heritage Celebration, Hispanic Festival, painted crosswalks, street and alley lighting, new murals, Love Oly Summerfest and Winterfest, Sweet16 All Styles Battle
- \$8.8 million investment to reopen and modernize Washington Center for Performing Arts
- New investments: State Theater/Harlequin Productions, Capitol Theater and Oly Family Theater

One Community Plan

- Working with State and partners to move homeless into supportive housing
- Expansion of behavioral health resources
- Increase availability of tiny homes
- Expanded housing preservation for senior populations
- Renter protections
- Low barrier workforce development programs for unhoused populations

Climate Resiliency Plan

- Partner in Thurston Climate Mitigation Plan
- New climate framework to evaluate potential impact of City decisions and initiatives
- Climate Resource Webpage
- Work underway to protect waterfront



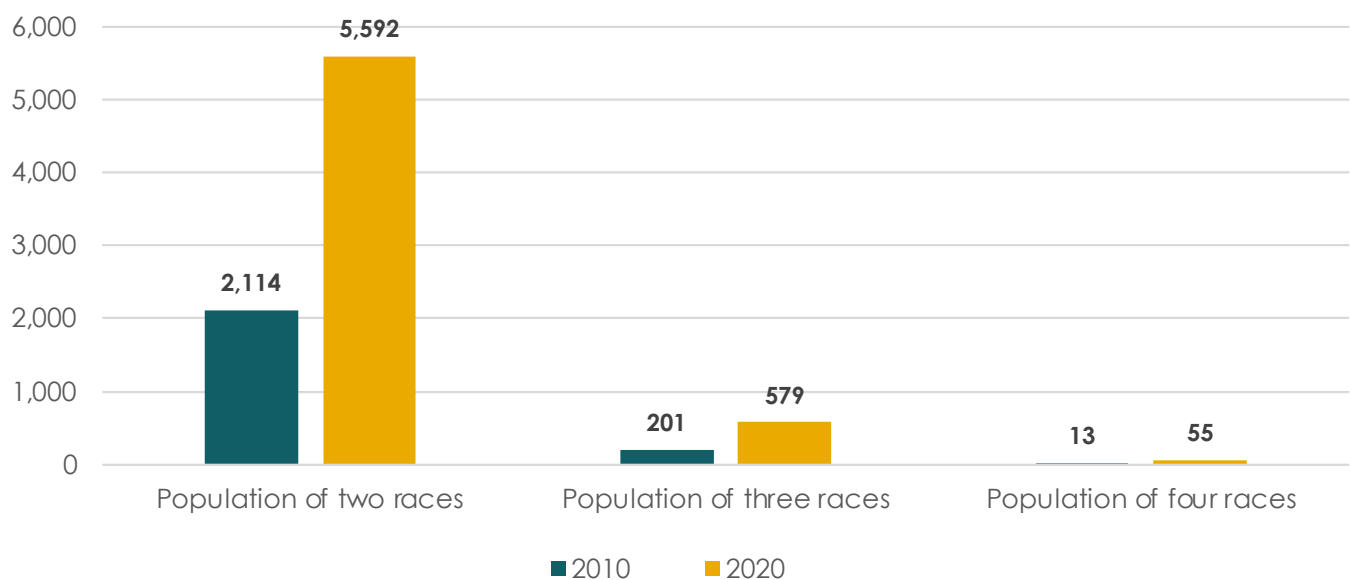
NOTABLE DATA AND TRENDS

The following are a few notable findings from a broader data profile developed early in the project. Additional charts and graphs are available for review on the Olympia Strong website.

Olympia is Diversifying

While Olympia is still predominantly white, over the past decade or so, population growth has been driven by people of color. Just over 2,000 of 9,000 community members added over the 2010-2020 time period are white-alone, and nearly 4,000 are of mixed-race.

Growth of Olympia Multi-Race Populations: 2010 vs. 2020



Source: US CENSUS



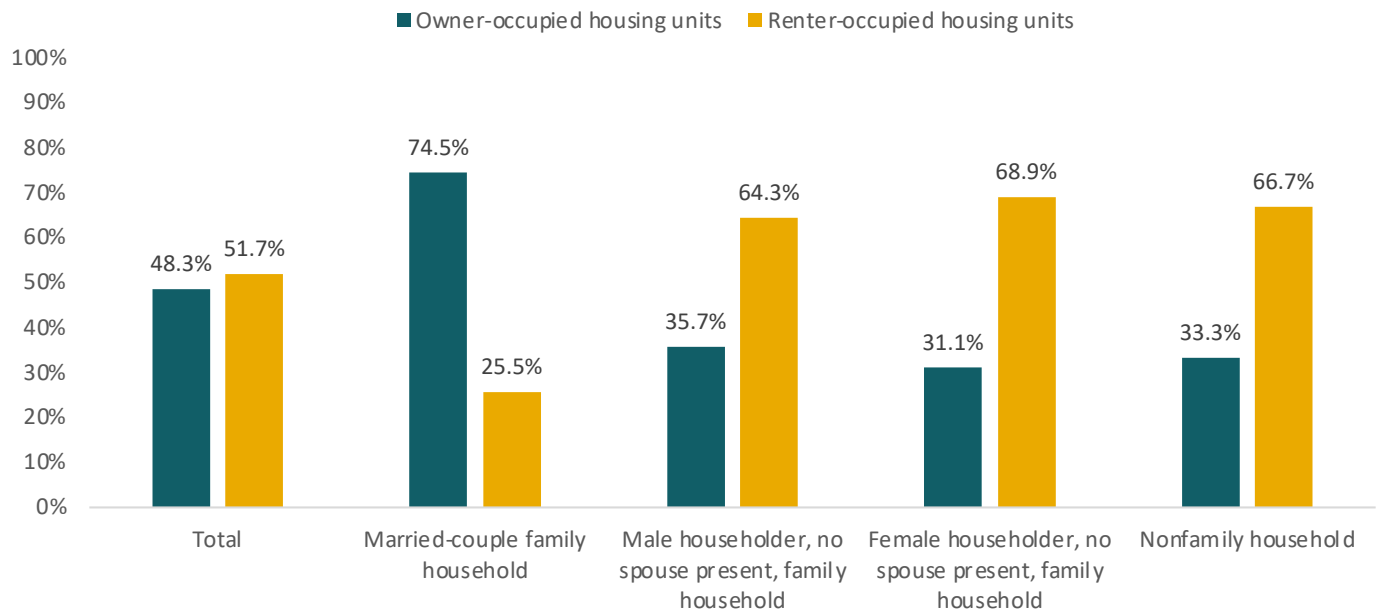
Renters Spend a Considerably Higher % of Income on Housing Than Homeowners

Olympia is now home to more renters than homeowner households. Home ownership has long been the pathway to the “American Dream,” where people earn equity and build economic security. In Olympia, white households are homeowners by a 20% margin above all other races, and all races experienced sharp cost increases over the past two years, making home ownership much more difficult to save for. This trend is largely driven by unmarried family households. While three quarters of married family households own a home, just one third of single-parent and non-family households can say the same.

The financial strain of housing costs for renters is especially concerning. As of 2020 (conditions have exacerbated since then), just 20% of homeowners spent over 30% of household income on housing compared to 53% of renters. For context, financial advisors recommend spending 30% or less on housing, and yet more than half of Olympia renters find themselves in that situation with few options for more affordable solutions. This can have a spiraling effect as less disposable income means fewer resources available for other pressing needs including food, health care and education.

Compounding the negative economic impact, those spending above 30% are less likely to be able to save for a down payment toward eventual home ownership. They also forego tax benefits afforded to those who are able to write-off a portion of their mortgage interest payments.

Olympia Home Owner-Renter Occupancy Profile by Household Type: 2022



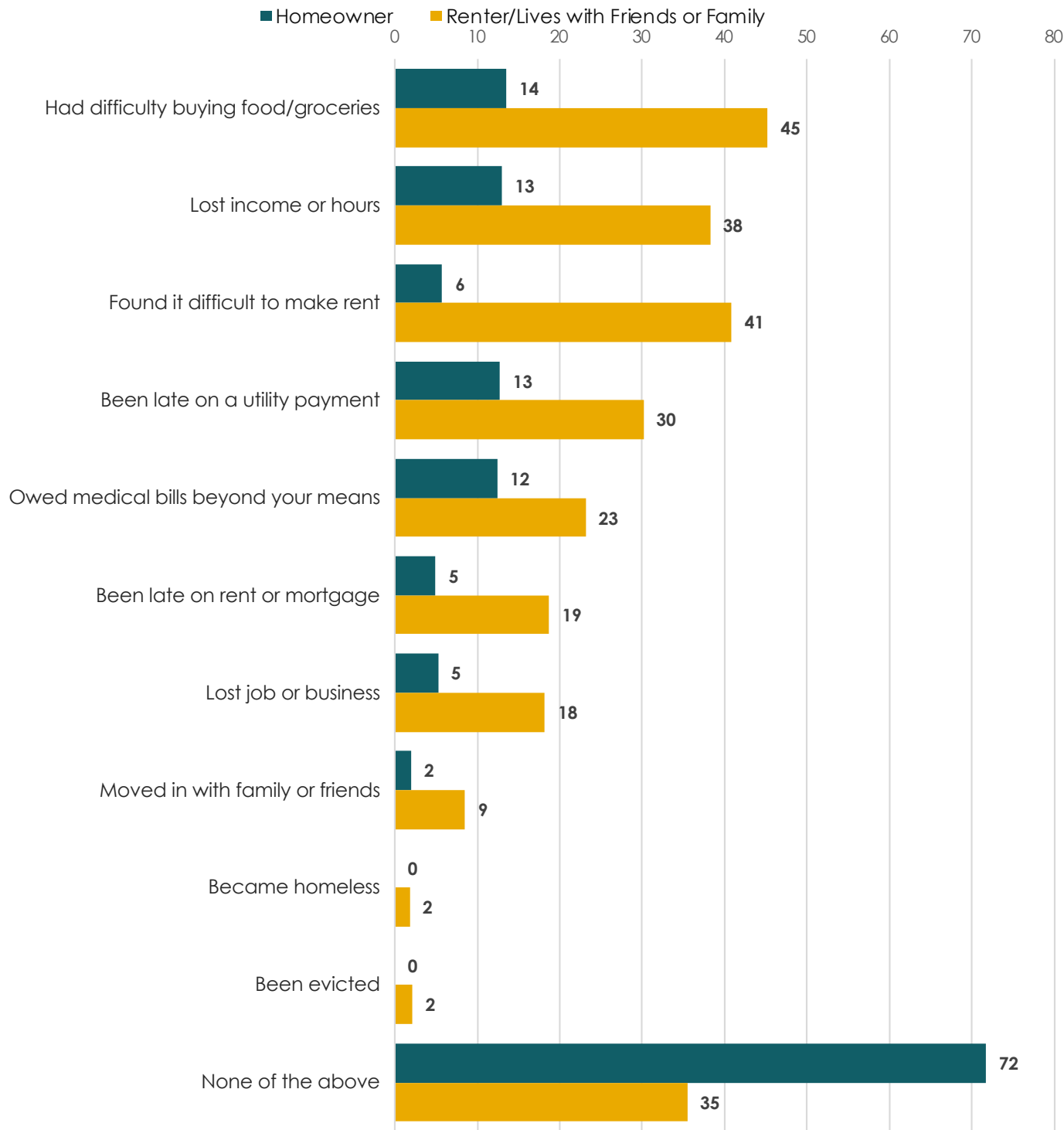
Source: US CENSUS

Many Renters Are Struggling Financially

Results from a statistically valid survey conducted by the City in May 2023 show renters have experienced considerably more economic challenges than homeowners. While 72% of homeowner respondents report experiencing “none of the above” financial hardships, 65% of renters experienced at least one or more.

In the last year, have you or your household experienced any of the following?

(Figures are % of respondent cohort responding affirmatively to each option)

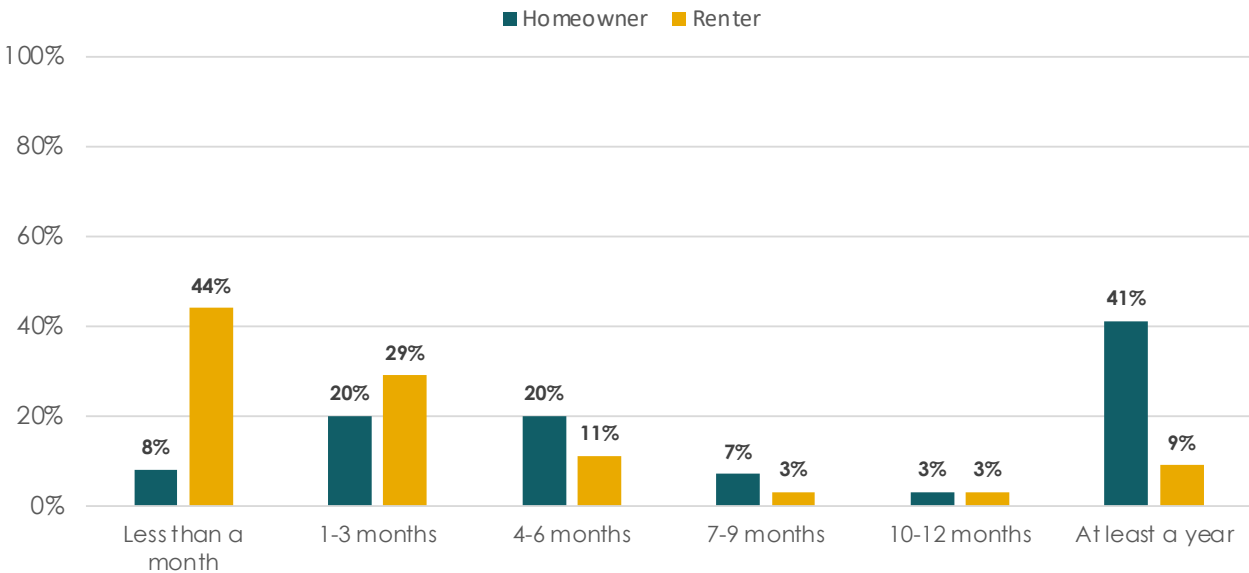


Source: Embold Research, City of Olympia

Many Community Members Lack Emergency Savings

There is considerable disparity between renters and homeowners responding to our question on financial savings. While over 40% of homeowners believe they could meet expenses for at least a year if they were to become unemployed, fewer than 10% of renters have that same financial wherewithal. Some communities have explored the use of Basic Income programs and Individual Development Accounts (IDAs) as a means for preventing low-income households from sliding further into poverty. Through a combination of public and private funding, IDAs can help people stabilize their household budget and begin to build savings that help move them into home ownership.

How many months could you meet expenses if you become unemployed today?

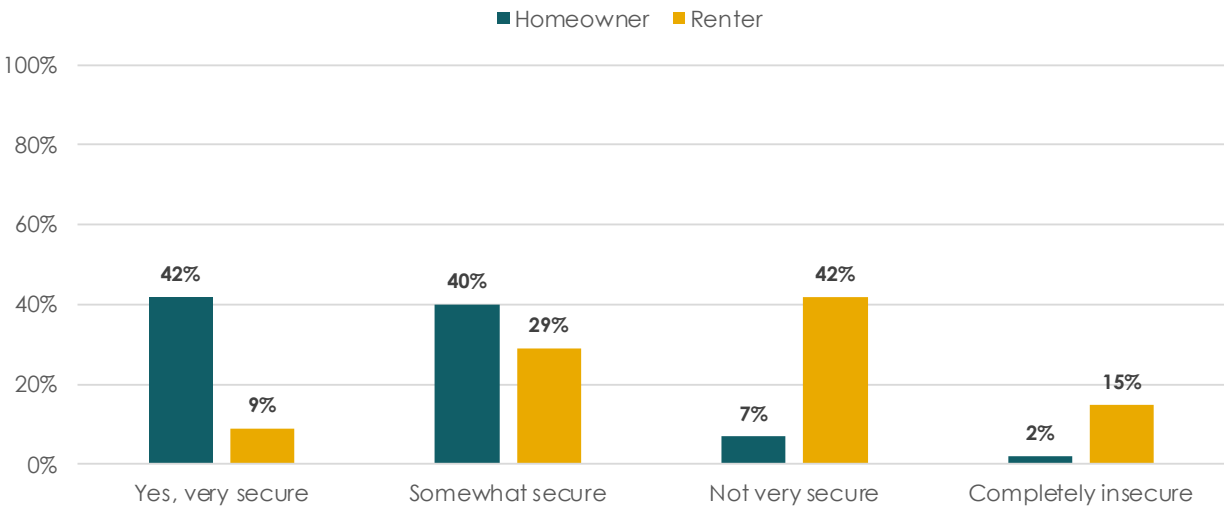


Source: Engage Olympia Online Survey

Renters Feel Far More Economically Insecure Than Homeowners

About 57% of renters say they feel “not very secure” or “completely insecure” about their economic future compared to just 9% of homeowners. Fewer than 1 in 10 renters feel “very secure.”

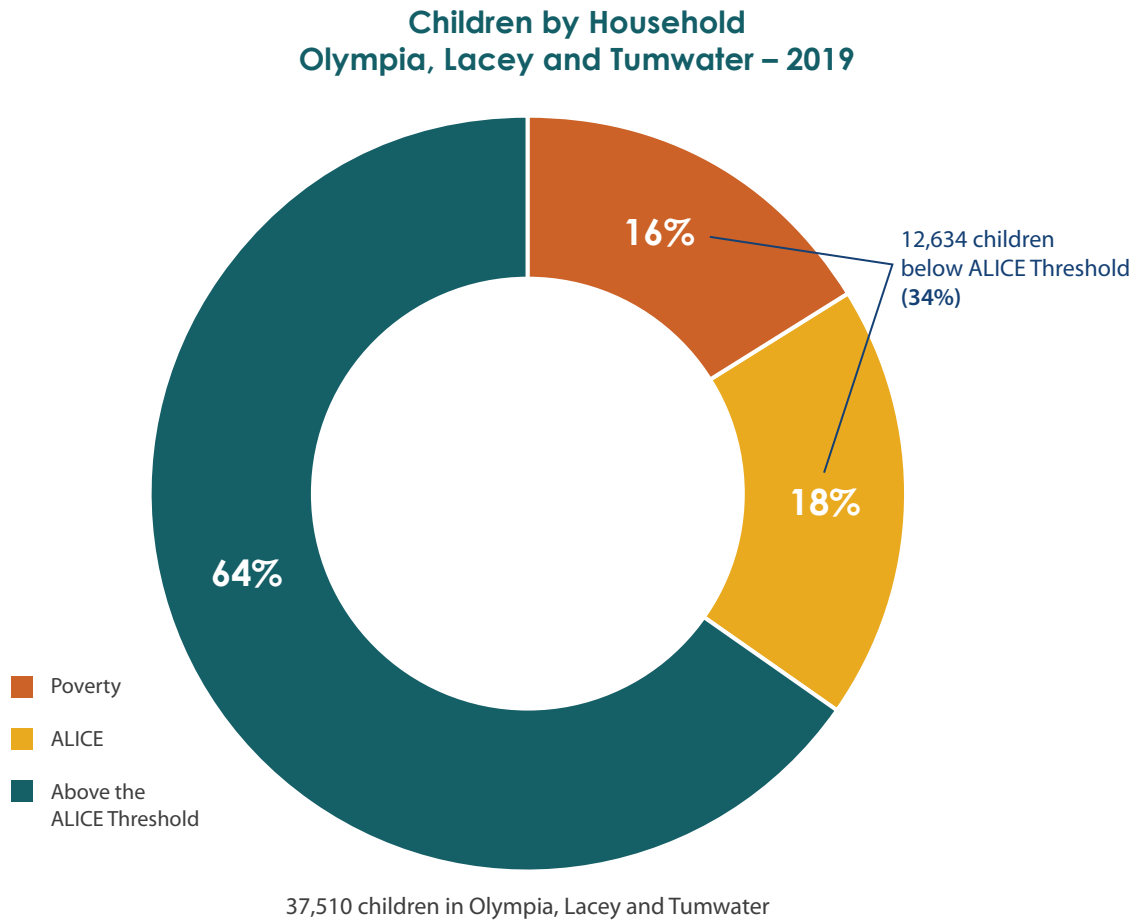
Do you feel secure about your economic future?



Source: Engage Olympia Online Survey

Approximately One-Third of Olympians Struggle to Make Ends Meet

While many Olympia households are financially stable, about a third are struggling to make ends meet. In addition to the cost burden data presented above, we also looked at the rate of poverty and the United Way's ALICE (Asset Limited, Income Constrained, Employed) threshold to better understand economic struggle for Olympians.



Source: United Way ALICE Report 2020

Olympia's poverty rate is around 16 percent – nearly 3 percent higher than the national average. Another measure – the United Way's ALICE threshold – looks at children specifically in a community and asks how many children live in households that can't meet their basic needs. This is based on a survival budget that includes local area costs for housing, transportation, childcare, health care, a smartphone and taxes.

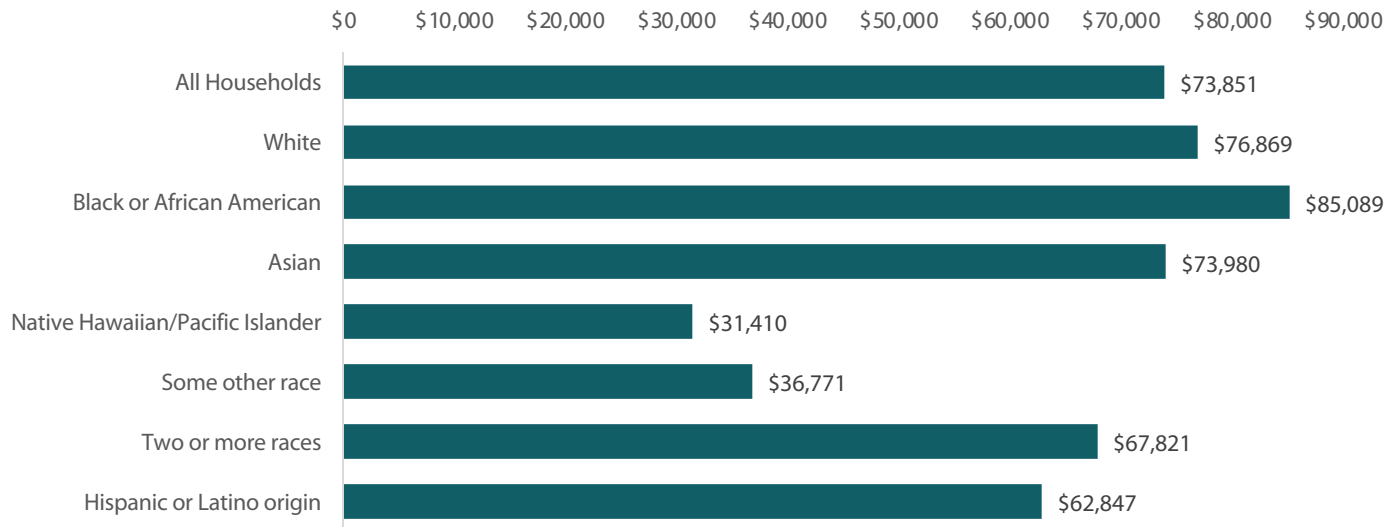
The ALICE Report reveals that in Olympia, Lacey and Tumwater combined, 16 percent of children live in a household below the federal poverty line, while another 18 percent of children live above the poverty line but below the ALICE threshold. In other words, 34 percent of children in our community may be living in households struggling to meet their basic needs.

The United Way also reports while there are children below the ALICE threshold across all demographic groups within Washington State, those who are Black, Indigenous, Hispanic, Native Hawaiian or Pacific Islander are more likely to be ALICE than White or Asian populations. In addition, households that include someone with a disability, those who are not native to the U.S. or with limited English-speaking ability are also disproportionately likely to live below the ALICE threshold. The United Way's report on the Covid-19 pandemic also revealed ALICE families to be disproportionately affected by the pandemic.

Median Household Income by Race and Ethnicity

While American Community Survey (ACS) estimates are not exact, it is still easy to observe large discrepancies in median household income between households of different races. More research might help explain the disparity. Some of it may be racial bias in employment. But another portion could be that people aggregate income through other means. Ultimately, the goal is to elevate more people from all races and increase income parity.

Olympia Median Household by Householder Race: 2022

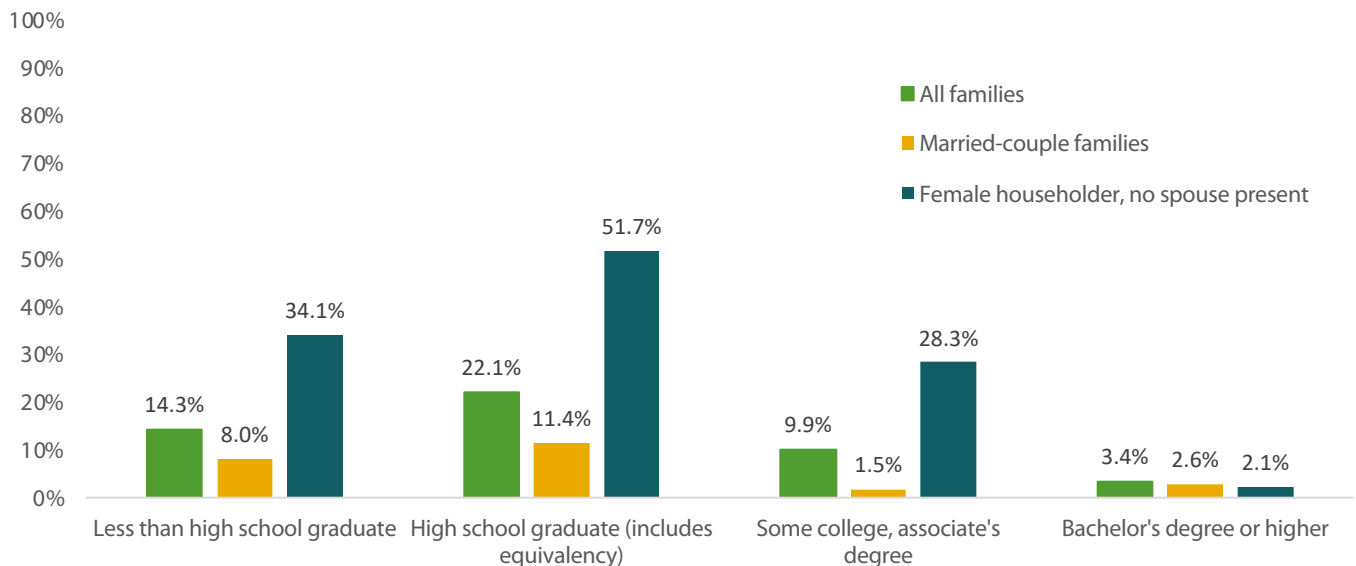


Source: US CENSUS

Education Is Essential to Personal Economic Security

Education is one of the most effective antidotes for escaping poverty. Unfortunately, many people lack mentorship or awareness of opportunities available to them or run into conditions that preclude them from pursuing advancement opportunities. As the graph below shows, immediate gains might be made by focusing on single-parent households. Direct assistance targets could include affordable childcare, workforce training, continuing education scholarships and other aid to sustain educational pathways.

Olympia Poverty Rate by Educational Attainment of Householder: 2022



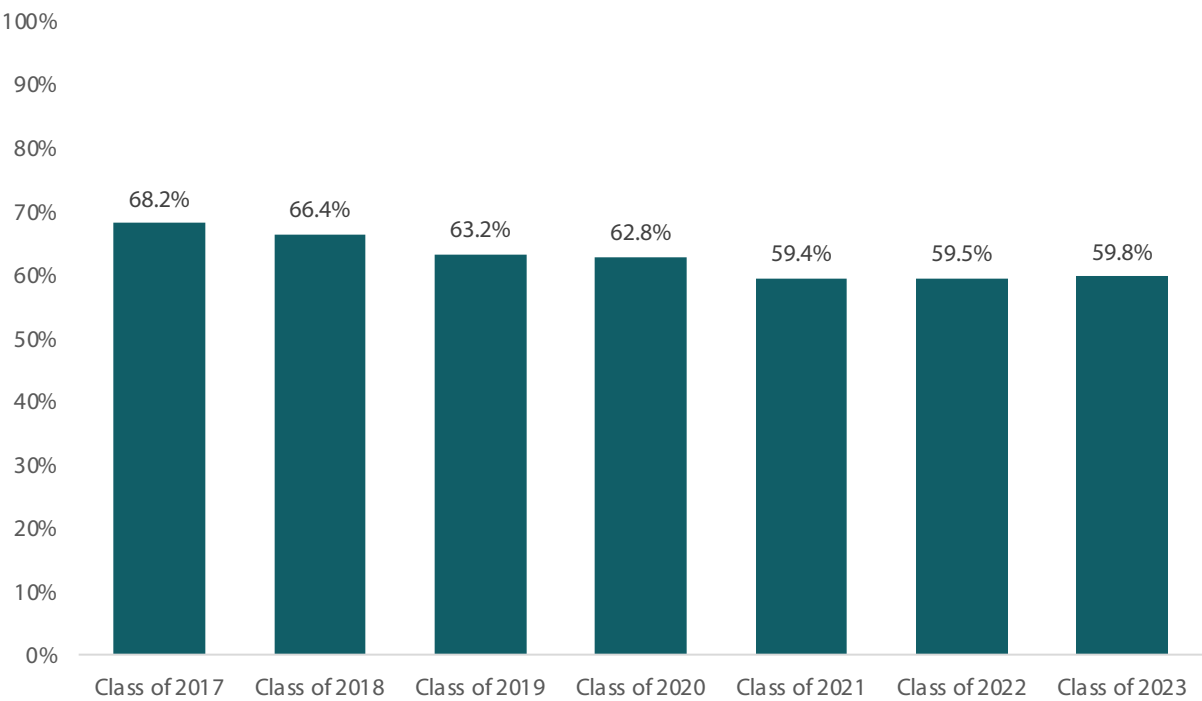
Source: US CENSUS

FAFSA Completion Rate

The Free Application for Federal Student Aid (FAFSA) completion rate is an indicator of participation in continuing education, whether two-year or four-year college, or some other form of certificate training. Data show that students who pursue these opportunities go on to earn considerably more income than those that end formal education at high school graduation. Community partners, led by the United Way Education to Financial Stability Task Force, are working to increase awareness. In 2022, they launched a pilot project that brought bilingual (Spanish) Navigators in two North Thurston schools. Since then, the Olympia School District added a navigator position as well. Navigators make it easier for students to identify and achieve post high school goals. The United Way hopes to add navigators in every Thurston County high school, so all students have pathways to affordable continuing education and sustainable financial futures.

Completion rates are lower in low-income and certain minority populations, and among male and nonbinary compared to female populations. The pandemic also set the community back, with the application dropping off steadily from 2018-2023, as manifest in the chart below. While overall FAFSA completion rates are higher than average in the Olympia School District, they have been trending down. FAFSA funding can be used for certificate training or other continuing education programs, in addition to two- or four-year college tuition.

FAFSA Completion Rate: Olympia School District, 2017-2023



Source: OSPI/WSAC

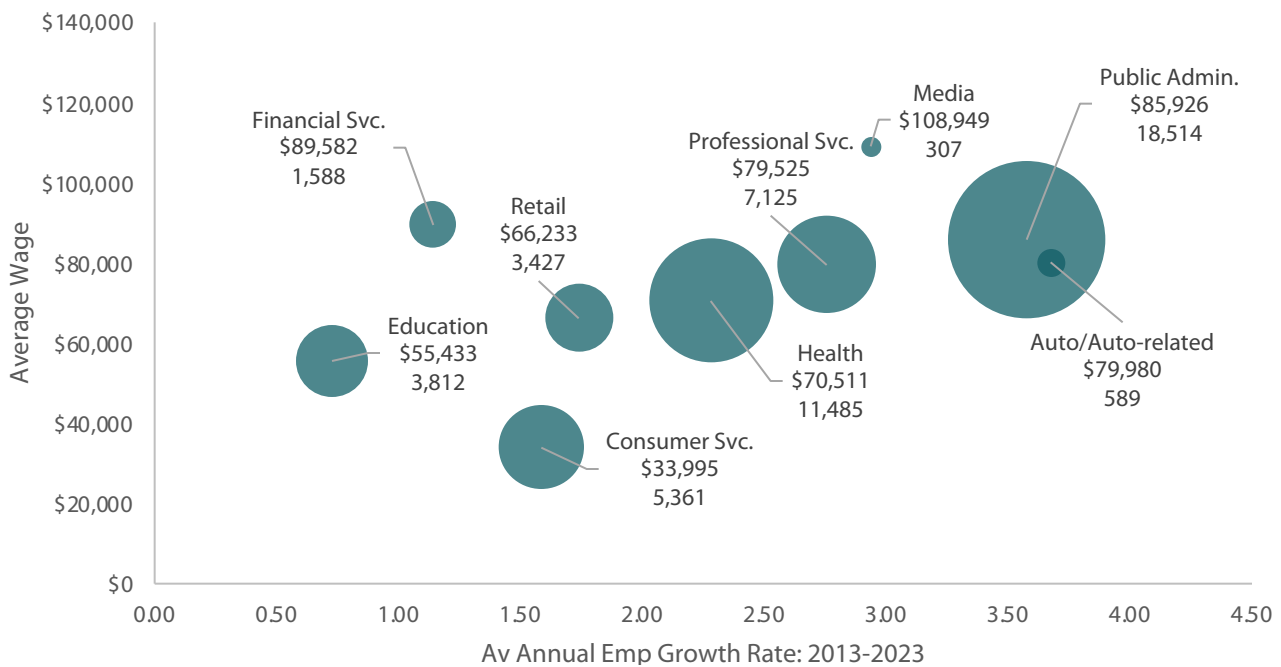
Industry Anchors Over Past 10 Years: Public Administration, Health and Professional Services

Over the past decade, including the early stages of COVID-19 pandemic shutdowns, several industry clusters remained stable or grew in Olympia. Public Administration and Healthcare continue to serve as our employment volume and wage anchors, while the Professional Services sector has grown the most jobs among higher-wage industries.

Other industries like Retail and Consumer Services are critical employment clusters but offer slightly below-average wages on balance. The Media sector is the smallest of Olympia's industry clusters but offers the highest annual wages and has experienced strong growth. The relevant data is presented in both table and bubble graph form below.

- How to read this bubble graph:**
- Vertical axis = higher/lower average wage
 - Horizontal axis = lower/higher annual rate of growth over past decade
 - Size of bubble = total number of people employed in that specific industry

Olympia Industry Cluster Performance: Average Annual Growth (2013-2023), with Current Employment (size of bubble) and Average Wages



Source: JobsEQ/J Robertson and Company

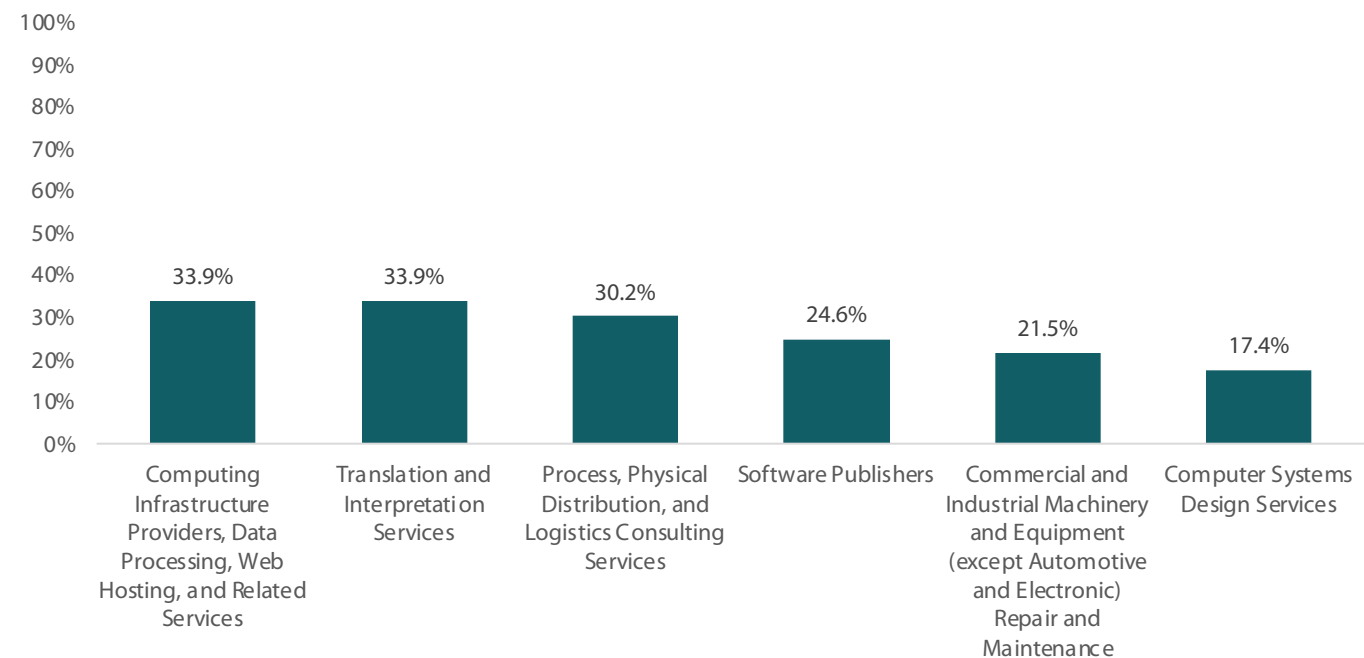
The above bubble graph information is also shown in the following table:

Olympia Industry Performance: 2013-2023			
Industry Group	Employment	Avg Annual Emp. Growth Rate (%)*	Average Wages
Public Administration	18,514	3.58	\$85,926
Health	11,485	2.28	\$70,511
Professional Services	7,125	2.76	\$79,525
Retail	3,427	1.74	\$66,233
Consumer Services	5,361	1.59	\$33,995
Education	3,812	0.73	\$55,433
Financial Services	1,588	1.14	\$89,582
Auto/Auto-related	589	3.68	\$79,980
Media	307	2.94	\$108,949

Technical Industries Have Been Driving New Employment

While the pandemic was difficult for many, some industry sectors were still able to thrive. Notably, most of Olympia’s fastest-growing sectors are technology related.

Fastest Growing Olympia Industries: 2018-2023
(filtered for industries that added at least 60 jobs)



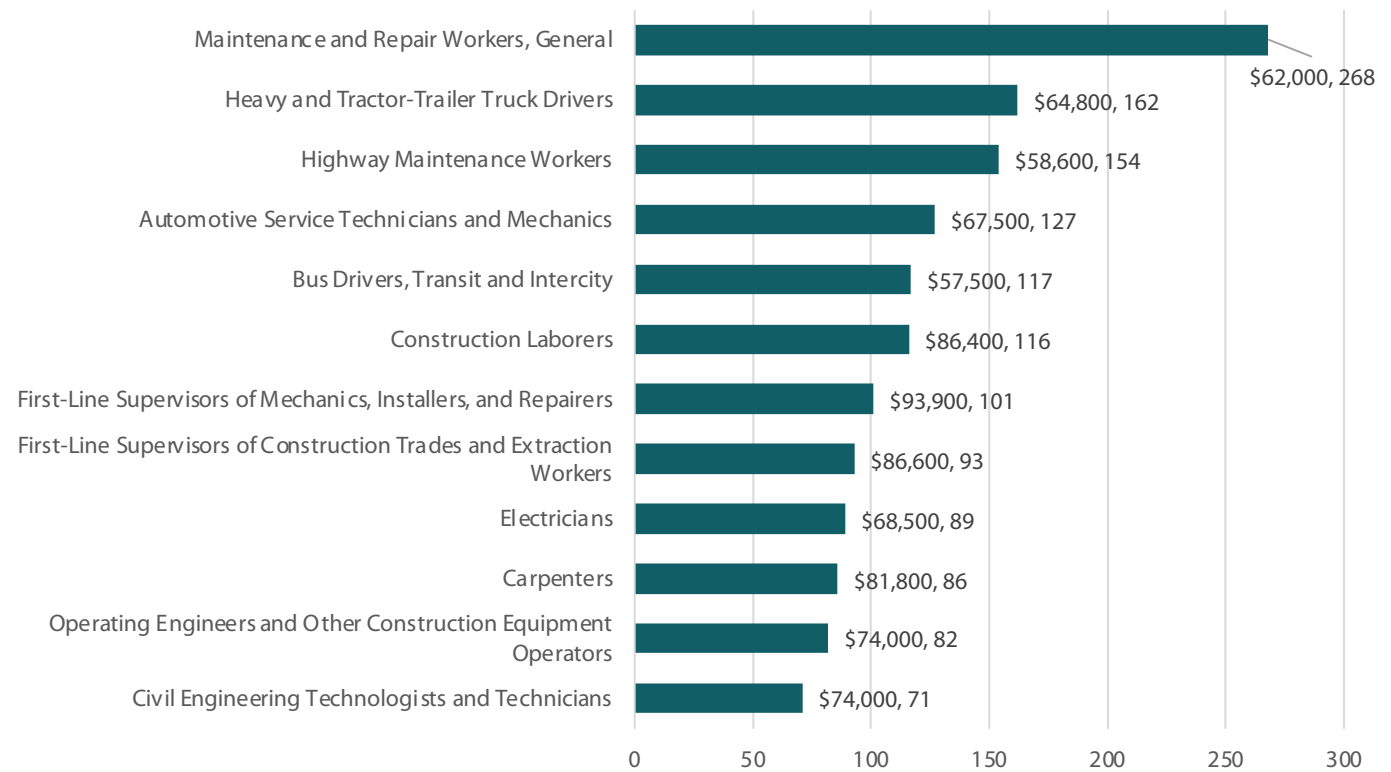
Source: JobsEQ/J Robertson and Company



Many Trade Occupations are In-Demand

A recent report indicated that, by 2035, 49% of jobs in Washington State will require skills training. While some of those occupations do not yet exist, certain core trade occupations are already in-demand here in Olympia, and many pay strong wages. The graph below shows the total volume demand for select trades and the average wage paid. A person who starts as a construction laborer might earn around \$51,000 when they enter the field. If they were to continue that career journey and become a construction manager, the average wage rises to more than \$97,000. Initiatives like the City of Olympia Career Hub and various career connected learning programs are in place to help facilitate pathways in the trades as well as entry into certificate programs at South Puget Sound Community College.

Olympia Trade Worker Demand by Mean Wage and Total Workers Needed: 2023-2028



Source: JobsEQ/J Robertson and Company



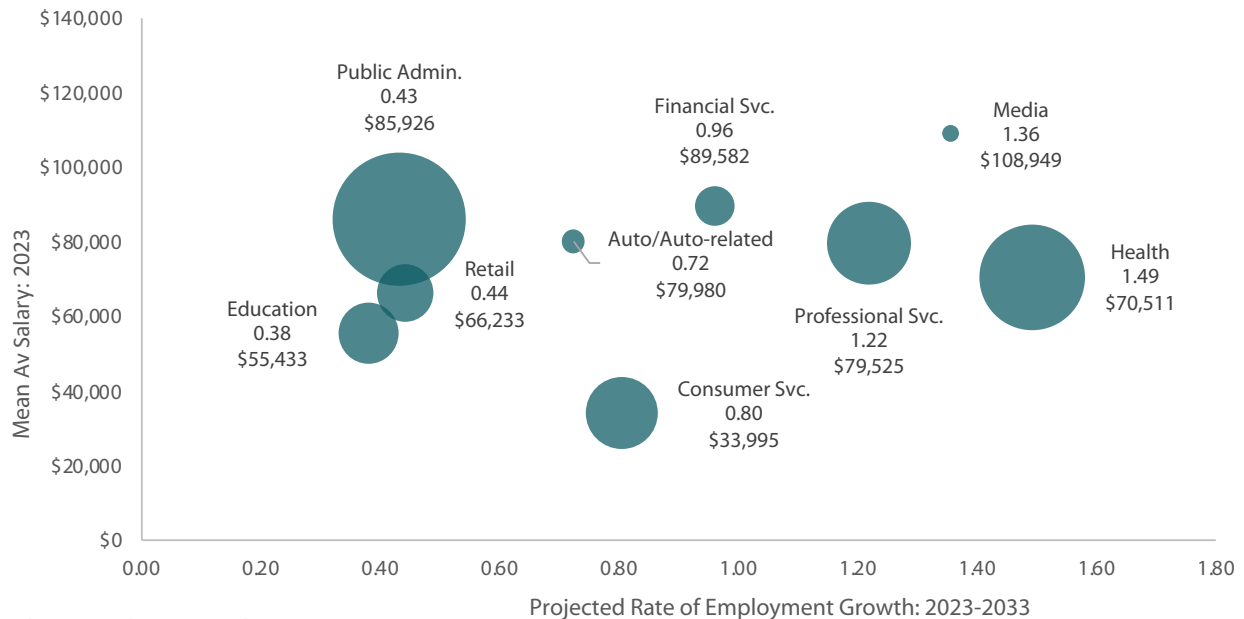
Industry Drivers Over Next 10 Years: Recovery and Rebound

The forecast is less reliable yet still informative. The Health Sector, Professional Services and Auto Services are best-bets for NEW employment volume and higher-wage job growth. Consumer Services and Education will also grow, driven by pandemic recovery. Meanwhile, media growth will be driven by a rebound in theater attendance post-COVID and expansion of new markets including motion picture and video production.

Public Administration, which is dominated by State employment, will remain one of our largest industry clusters, but in terms of job growth, public sector employment will not grow as fast as in the private sector. In fact, between 2000 and 2020, private sector jobs grew by 52% compared to 13% for the public sector. Looking forward, it appears private sector industries will continue to drive employment gains, particularly as the economy continues to emerge from COVID setbacks.

- How to read this bubble graph:**
- Vertical axis = higher/lower average wage
 - Horizontal axis = lower/higher annual rate of growth over past decade
 - Size of bubble = total number of people employed in that specific industry

Industry Cluster Forecast: Annual Rate of Growth (2023-2033) by Current Employment Volume and Mean Wages (size of bubble)



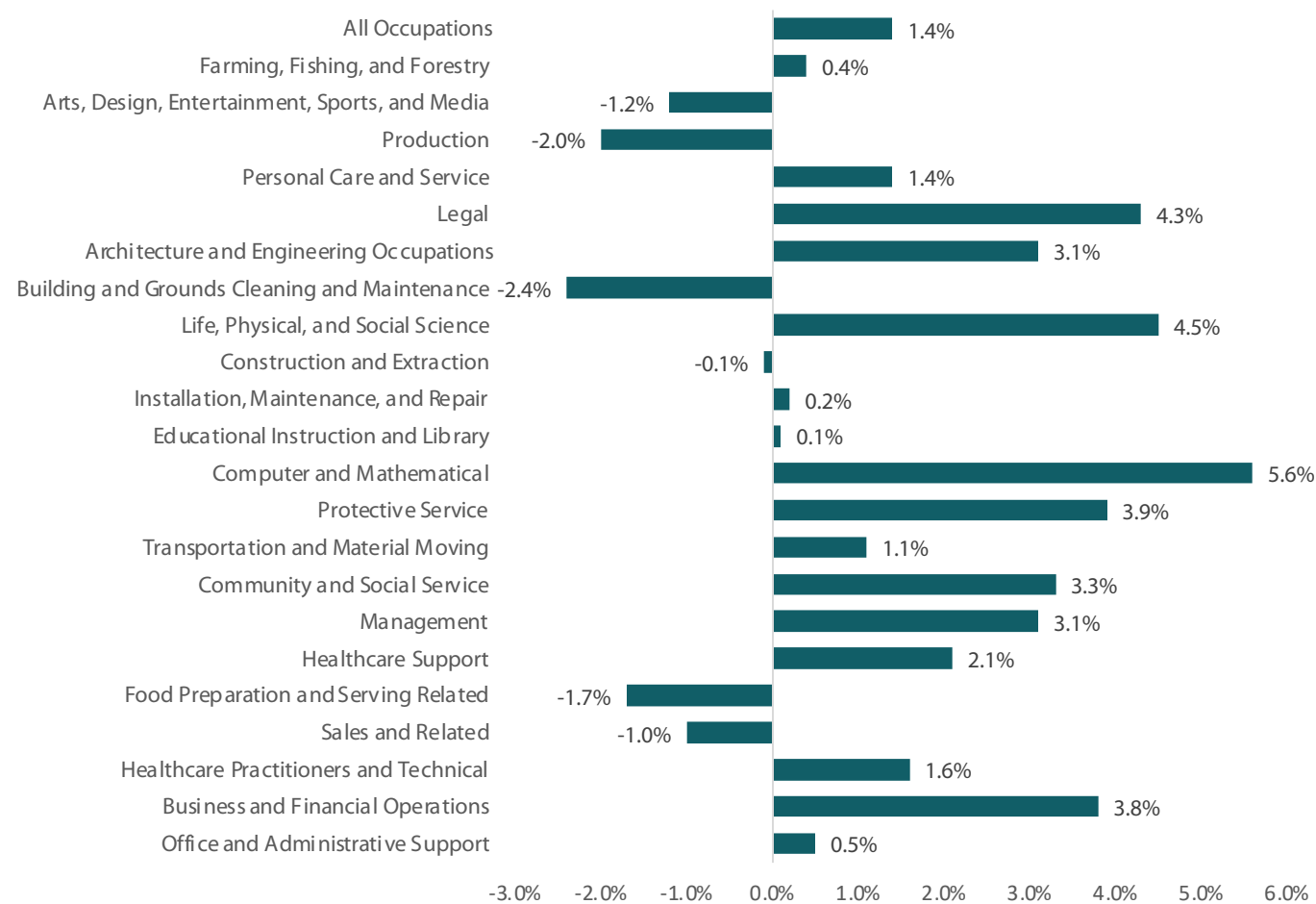
Source: JobsEQ/J Robertson and Company

The above bubble graph information is also shown in the following table:

Olympia Industry Forecast: 2021-2031			
Industry Group	Employment	Avg Annual Emp. Growth Forecast Rate (%)*	Average Wages
Media	307	1.36	\$108,949
Consumer Services	5,361	0.80	\$33,995
Health	11,485	1.49	\$70,511
Education	3,812	0.38	\$55,433
Professional Services	7,125	1.22	\$79,525
Auto/Auto-related	589	0.72	\$79,980
Financial Services	1,588	0.96	\$89,582
Public Administration	18,514	0.43	\$85,926
Retail	3,427	0.44	\$66,233

Most occupations have experienced growth, even after cuts during the pandemic. Computer/Math and Life/Physical/Social Science jobs have outpaced all others. Building and Grounds Maintenance occupations declined slightly, most likely due to fewer people using or occupying government and commercial facilities.

Olympia Occupation Change: Avg Annual Rate of Growth/Decline, 2018-2023

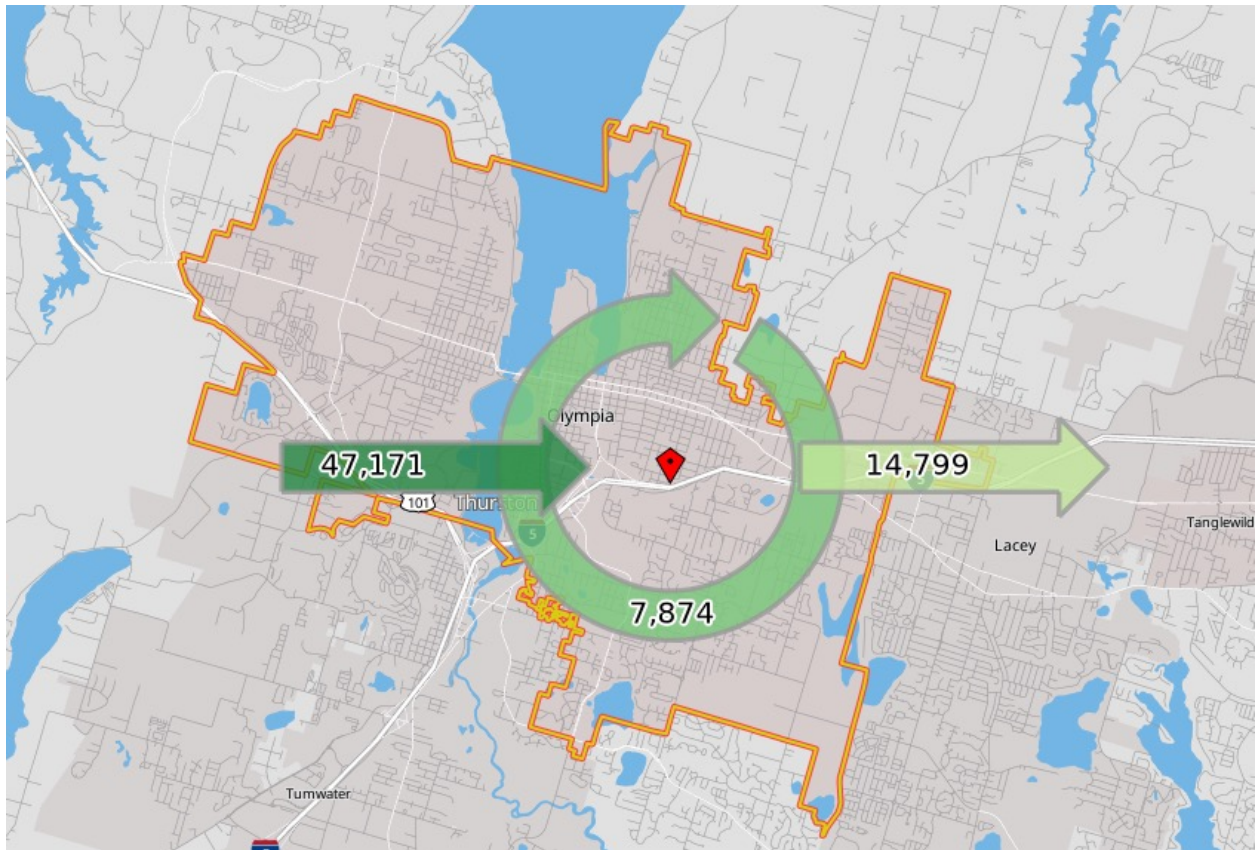


Source: JobsEQ/J Robertson and Company

Olympia Doubles Population Size During Work Week

Data from 2021 show Olympia to be the primary job center for Thurston County and five-county Pacific Mountain region. Over 47,000 non-resident commuters enter Olympia for work, while nearly 15,000 Olympia residents travel outside the city for work. Far less people - about 8,000 out of 23,000 Olympia workers – both live and work in the city. The highest percentage of in-commuting Olympia workers come from unincorporated Thurston County, Lacey, Tumwater, Seattle and Tacoma. Olympia workers commuting out of the City for work primarily travel to Lacey, Tumwater, Seattle, Tacoma and Lakewood. Notably, post-pandemic, 1,500 fewer workers are coming to Olympia for work from out of town, and 400 fewer working Olympia residents leave the City for work. Just over 1,000 residents who worked in Olympia still do, reflecting the national surge in pandemic-time retirements or other related workforce decline.

Overall, Olympia hosts 18% of Thurston County’s population and 39% of all jobs. Olympia is also the leading sales tax generator, accounting for about 39% of all sales tax collected in Thurston County thanks, in large part, to Capitol Mall and the Olympia Auto Mall. But the City also has a vibrant small business economy. In 2020, it is estimated that 79% of Olympia firms employed fewer than 10 people, and 88% employed fewer than 20.

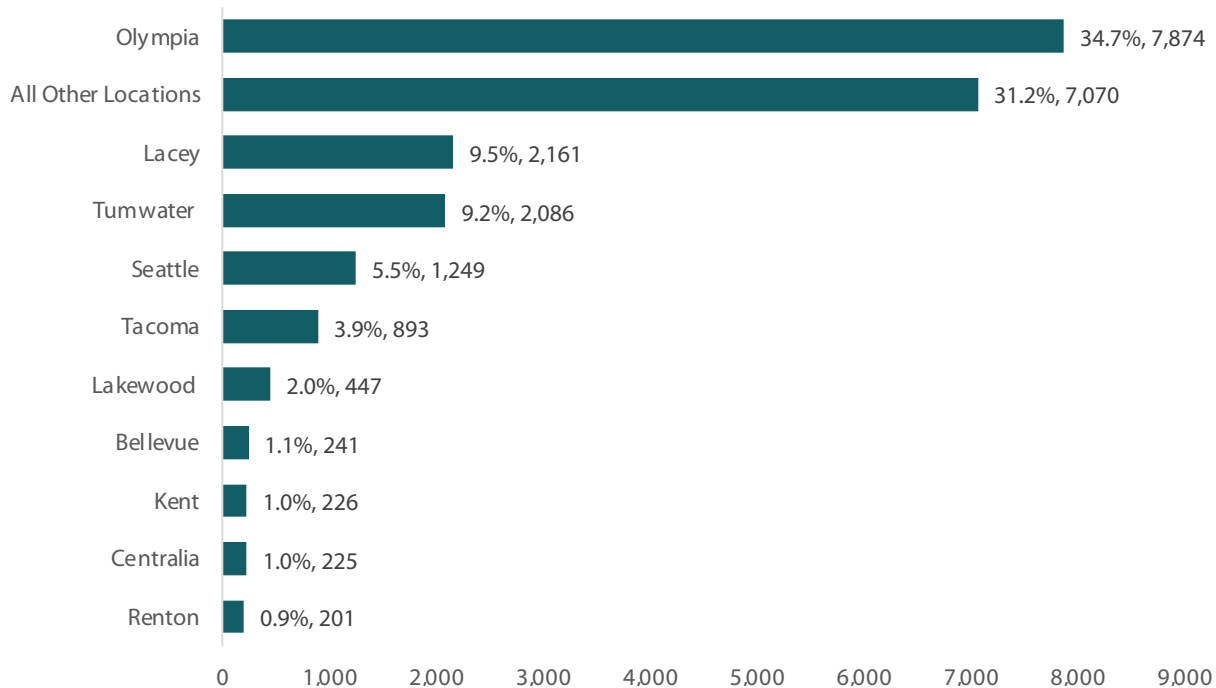


Source: US CENSUS

Over 65% of Olympia's Working Residents Work Outside of Olympia

As of 2021, just 34.7% of Olympia residents stayed in Olympia for work. Another 19% commuted to Lacey or Tumwater and at least 15% are known to commute 45 minutes or more.

Olympia Resident Workers by Place of Work, Volume and Percentage (22,673 total workers): 2021

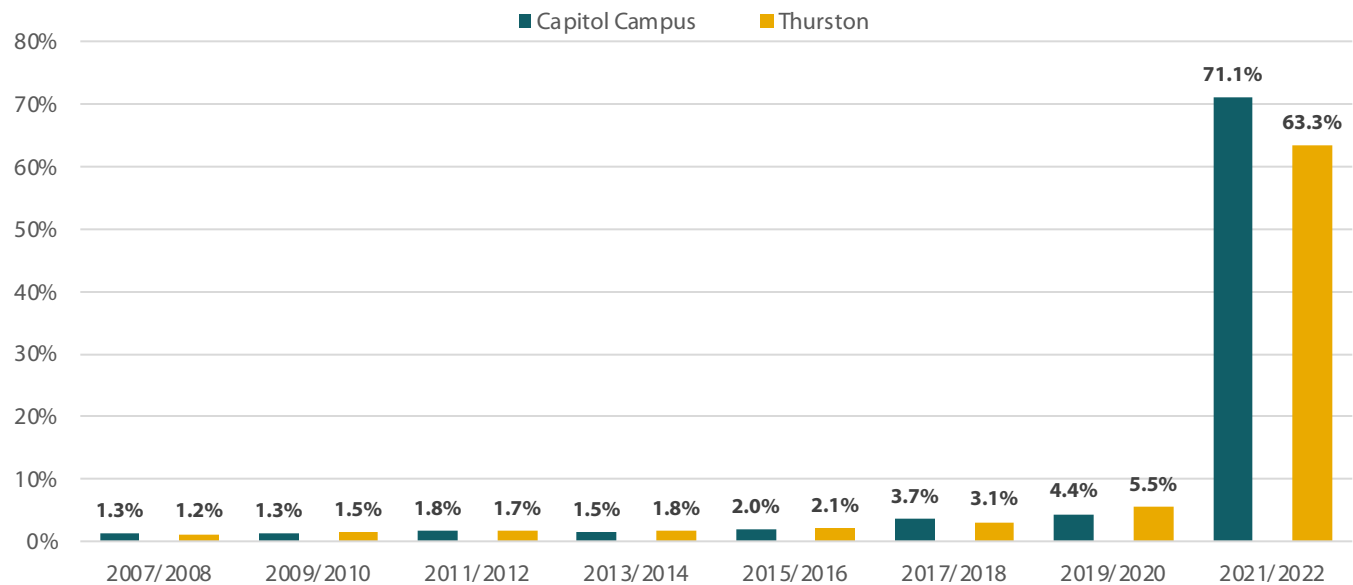


Source: US CENSUS

Remote Work Continues to Impact Employment in Divergent Way

As the graph below shows, remote work/telework had been gradually increasing since 2007. The pandemic expedited the transition dramatically. Even as the pandemic eases, large numbers of office workers remain working full or part-time from home.

Olympia-Area Telework Rates: 2007-2022



Source: Thurston Regional Planning Council (TRPC)/J Robertson and Company



In the following two charts, we see how visitor and worker presences has returned to a “relative” normal in downtown Olympia, worker levels at the Capitol Campus have not. The delay, or perhaps permanent change in physical employment presence will have far-reaching negative impacts for the business ecosystem.

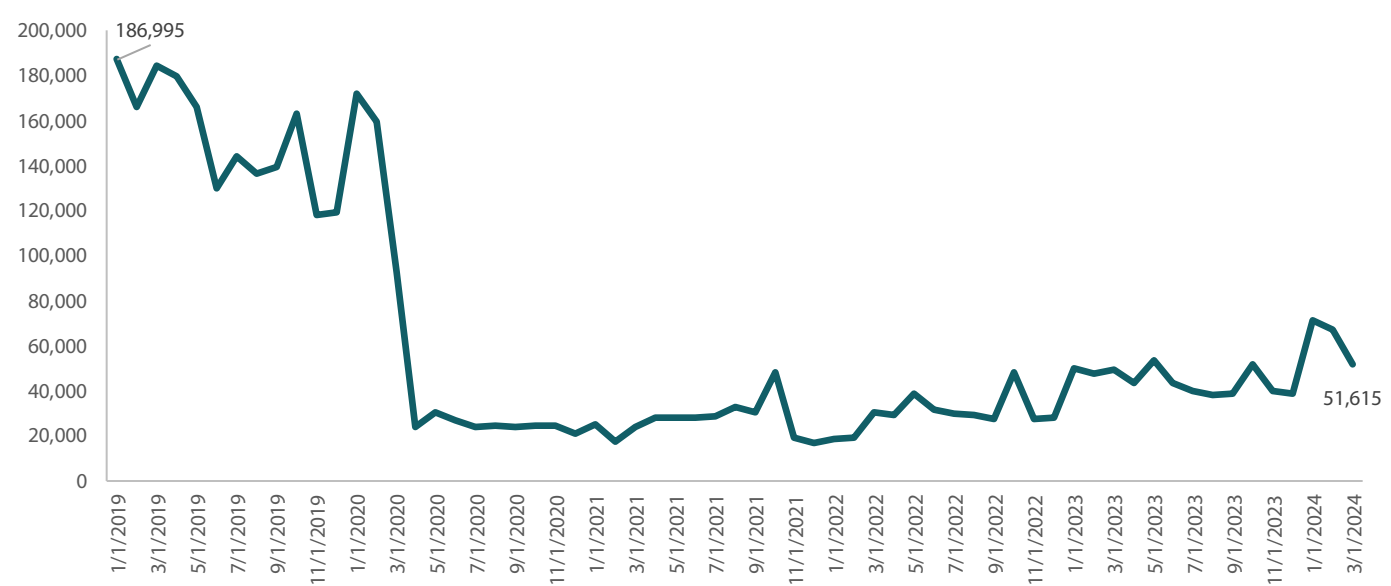
Fewer State (and other) employees means less income for local food and entertainment establishments, reduced sales at retail stores, fewer parking fees for the City, increased commercial real estate vacancies and so forth. While revenue streams may persist or event increase for other industry operations based on point of purchase sale tax, our historic business ecosystem is undergoing considerable disruption.

Downtown Olympia People Presence (PBI Boundary): 2019-2024



Source: Placer AI

Capitol Campus People Presence: 2019-2024



Source: Placer AI

OLYMPIA STRONG AND THE COMPREHENSIVE PLAN UPDATE

The City is currently updating the community's Comprehensive Plan and city-wide focus areas. Olympia Strong initiatives and findings will be incorporated and reflected in both the Comprehensive Plan Economy Chapter and city-wide focus area data metrics. The Economy Chapter will adopt the Olympia Strong vision statement and economic success goals, including:

- Everyone has pathways to economic prosperity.
- Our economy adapts and thrives in the face of economic challenges and opportunities.
- Strong sense of pride and belonging in Olympia inspires investment in a vibrant economy.
- Olympia is a place of choice for entrepreneurs and small business.
- Olympia attracts industries that generate jobs and a livable wage.

While the Comprehensive Plan Economy Chapter enumerates overall city economic goals and policies, the Olympia Strong plan fills in the details and lays out specific actions designed to implement intended outcomes. Updates to the Comprehensive Plan Economy Chapter are driven, in large part, by current data and community engagement undertaken through the Olympia Strong process.





ACKNOWLEDGEMENTS

This process was made possible through the vision and guidance of the 2023 Olympia City Council. Thank you, Mayor Cheryl Selby, Mayor Pro Tem Clark Gilman, Councilmember Jim Cooper, Councilmember Yến Huỳnh, Councilmember Dani Madrone, Councilmember Lisa Parshley and Councilmember Dontae Payne.

Additional project support recognition is due: City Manager Jay Burney, Economic Director Mike Reid, Project Manager Amy Buckler, Economic Development Senior Program Specialist Daisha Versaw, Jason Robertson of J Robertson and Company and outreach interns Shwanna Mershon and Ava Robertson.

Lastly, thank you to the Olympia community who informed and participated in this process.



APPENDIX A: OLYMPIA STRONG PUBLIC ENGAGEMENT SNAPSHOT



Overview

- 2 online surveys (+/-300 participants)
- 25 person-on-the-street interview events (200 individuals reached)
- 35+ community interviews
- 5 listening sessions with underrepresented groups
- 3 industry focus groups
- 8 advisory board briefings
- 6 community group briefings
- 7 Saturdays at ASHHO Cultural Center

Community Organization Interview and Meeting Participants

- ASHHO
- Asian Pacific Islanders Coalition
- Chamber of Commerce
- Cielo
- Community Foundation
- Community Youth Services
- Construction Corps Trainees
- Dupont Carpenters Training
- Economic Development Council
- EDC BIPOC Business Taskforce
- Emerald Cities Collective
- ESD 113
- Evergreen State College
- Experience Olympia & Beyond
- Family Education & Support Services
- GRUB
- Islamic Center
- Journey to Jobs
- Morningside
- New Market Skills Center
- Northwest Cooperative Development Center
- Olympia Area Chinese Association
- Olympia Downtown Alliance
- Olympia School District
- PacMtn Workforce Development
- Pizza Klatch
- Port of Olympia
- POWER
- Senior Services of South Sound
- South Puget Sound Community College
- TESC Gateway Program
- Thurston Chamber Board
- Thurston Conservation District
- Thurston Thrives
- Timberland Library
- TRPC/Fire Disaster Planning
- United Way
- WA Building & Construction Trade reps
- WA Comm on Asian Pacific Affairs
- WA State Plan to Dismantle Poverty
- West Olympia Business Assoc.
- WSU Extension

Industry Focus Groups

- Auto Mall
- Financial Sector
- Health Care Sector

Advisory Board Briefings

- BPAC
- CNA
- Inspire
- OHC
- OPC
- PBI
- PRAC
- SJEC

Targeted Focus Groups

- Adults in Re-entry (Justice-involved)
- EDC BIPOC Business Taskforce
- Low Income, Working Families, Single Parents
- People with Disabilities
- Renters
- SPSCC Ignite Students (DEI and Black Scholars)
- Thurston BIPOC Business Roundtable
- Transgender Town Hall (review 2020 town hall input)

Other Engagement

- Individual Council Member Briefings (2022)
- Planning Commission (June 5, July 10 and July 25, 2022)
- City Council (July 18, 2022 and August 15, 2023)
- Public Meetings (June 12 and June 14, 2023)



Olympia **Strong**

A Roadmap for Economic Resiliency

olympiawa.gov/olympia-strong