

# Notice to Recognized Neighborhood Associations

Community Planning & Economic Development, Long Range Planning Division

You are receiving this notice as an identified contact person for your *Recognized Neighborhood Association*. Please share this information with your neighbors.

Type of Notice  Notice of Application/Proposal  Notice of Public Hearing  Other	Draft revisions to the Housing chapter of the Olympia 2045 Comprehensive Plan, as part of the periodic update of the Plan.				
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# **Proposal Information**

- 1. A description of the proposed project action and a list of permits required with the application, including other government agencies having decision-making authority or providing funds for the application or action: The proposal includes the Housing chapter of the City's Comprehensive Plan. Currently housing goals and policies are included in the Land Use and Urban Design Chapter and the Public Services Chapter of the Comprehensive Plan. All Chapters are reviewed through a public process and a public hearing will be conducted by the Planning Commission. The Commission will issue a recommendation for the City Council. Final decision making on the Comprehensive Plan is the responsibility of the Olympia City Council.
- 2. Identification of known permits required with the application. None.
- 3. Identification of existing environmental documents that evaluate the proposal. An Environmental Impact Statement (EIS) is currently under development for the Comprehensive Plan Update.
- 4. The location where the application and any requested studies can be reviewed. Related materials are available upon request. Most are available electronically and could be sent via email. Inquiries should be directed to Casey Schaufler at <a href="https://olympia.va.us">olympia.va.us</a> or the email address above.
- 5. Public comments will be taken through the close of the public hearing, which is not yet scheduled. At a minimum, comments will be accepted for thirty days (through **June 13, 2025**).
- 6. All people have the right to comment on the application, receive notice of and participate in any hearings, request a copy of the decision, and be informed of any appeal rights. To receive these notices, please submit an email to <a href="mailto:olympia2045@ci.olympia.wa.us">olympia2045@ci.olympia.wa.us</a> and request to become a "Party of Record" for the Comprehensive Plan Update.

# **Summary of Proposal**

Proposed Housing chapter of the Comprehensive Plan. Please see attached.

### What Olympia Values:

Our city is committed to fostering well-planned neighborhoods that reflect our heritage while embracing innovation, ensuring that housing options are available for all income levels and life stages.

- **Affordability & Accessibility** We strive to provide housing options that meet the needs of all residents, across every level of affordability, ensuring that no one is left behind.
- **Sustainability & Smart Growth** We embrace responsible development practices that preserve our environment, promote efficient land use, and encourage diverse housing types within vibrant, walkable neighborhoods that include access to transit services.
- **Equity & Inclusion** We work to eliminate barriers to housing, prevent displacement, and create a community where people of all backgrounds and income levels feel welcome and can thrive.
- Collaboration & Innovation We partner with regional stakeholders, businesses, and nonprofit organizations to develop creative solutions that expand housing opportunities.
- **Community & Livability** We prioritize the quality of our neighborhoods by promoting well-designed housing that supports a high standard of living, public transportation access, and local economic growth.

Through these commitments, we will ensure that our community remains a welcoming and thriving place for generations to come.

### **Our Vision for the Future:**

A diverse, inclusive, and sustainable community where everyone has access to safe, affordable, and high-quality housing.

## **Provide a Variety of Housing Types to Meet All Needs**

Olympia is fortunate to have a variety of residential and mixed-use neighborhoods, offering single family detached and attached homes, condominiums, small scale multiple unit buildings, and apartments. But we are in a housing crisis. Demand for housing is greater than supply, and costs are increasing. The ability to own a home is out of reach for many who live here.

Stable housing is a cornerstone to our quality of life. As a community, we want to have a variety of housing types that are accessible and affordable to all current and future residents.

The City of Olympia has been working on a number of actions to reduce homelessness, increase affordable housing, and collaborate with other jurisdictions and agencies to explore regional solutions to these issues. Examples include a voter-approved Home Fund to create permanent supportive housing, reducing code barriers, preapproved building plan sets to encourage accessory dwelling units, and championing the formation of an interjurisdictional Regional Housing Council that sets policy and funding priorities to advance equitable access to safe and affordable housing in Thurston County. Additionally, the City has taken action including donating land and providing funding for low income housing development, increasing the types

of housing allowed in low density neighborhoods, reducing setbacks and allowing deferral of impact fees. Some of these actions are ongoing, while others can be strengthened or extended to new areas.

Adequate and affordable housing is critical to a healthy community. The Growth Management Act directs each community to plan for it by:

- Promoting a variety of residential densities and housing types
- Encouraging preservation of existing housing stock
- Identifying sufficient land for housing, including government-assisted housing, housing for low-income families, manufactured housing, multi-family housing, group homes, and foster-care facilities
- Plan for and accommodate housing for all income levels by updating goals, policies, zoning, and land capacity to include moderate-density housing, emergency and supportive housing, and future housing needs by income bracket
- Address equity and displacement by identifying and mitigating racially disparate impacts, engaging vulnerable communities, and adopting anti-displacement and affordabilitypreservation policies

The strategies of this chapter depend on well-formulated design standards to promote flexibility and innovation while enhancing the character of neighborhoods. We seek to establish and encourage diversity in housing opportunities and link diverse neighborhoods. With a strong foundation in preserving our heritage, our community can incorporate new housing and other developments in a manner that continues our legacy of well-planned neighborhoods. The housing goals and policies below provide a framework for residential land uses in Olympia and its urban growth area (UGA) and for supporting affordable housing.



An Olympia neighborhood with a mix of apartments and town homes.

Many factors contribute to the need for more and varied housing:

- Olympia's growing residential population
- Varying household incomes
- The capitol's legislative session creates a demand for short-term housing
- College students seek affordable housing near transportation corridors and services
- Households are getting smaller
- The proportion of seniors is increasing

The City will regularly provide information to community members on affordable housing, family incomes, and market rate housing.

Olympia is part of a larger housing market extending throughout Thurston County and beyond. Thus, planning for housing is done based on anticipated shares of this larger area. The 2020 Census indicated that Olympia and its urban growth area (UGA) included approximately 30,735 housing units. According to the Thurston Regional Planning Council (TRPC) 2024 Population and Housing Data, about 52% were single-family homes, 45% were multi-family (shared-wall) units, and 3% were manufactured housing. The 2024 housing needs analysis projects that Olympia and its urban growth area will require approximately 14,295 new housing units by 2045 to accommodate population growth.

Based on existing zoning and development patterns, Olympia and its UGA have a combined capacity of approximately 18,941 housing units, ensuring adequate space for anticipated growth. Nearly 3,468 units can be accommodated in mid-rise multifamily zones, 7,352 units in low-rise multifamily zones, and 1,152 units in moderate-density zones. Additionally, Olympia's accessory dwelling unit (ADU) capacity is projected to be approximately 310 units over the planning period.

Because Olympia generally allows small group homes and manufactured housing wherever single-family homes are permitted, allows larger group homes by special approval, and does not discriminate with regard to government-assisted housing, foster-care, or low-income housing, the area is expected to be adequate to accommodate all types of housing. Furthermore, Olympia is actively working to ensure that zoning regulations do not act as a barrier to affordable housing.

A key finding in the <u>2024 housing needs assessment</u> is that while land availability is not a constraint in Olympia, affordability remains a critical issue. To meet all housing needs, it is necessary to allocate enough land that will be suitable for a variety of housing types and costs, including detached homes, duplexes, group homes, small cottages, apartments, special needs housing, manufactured housing, and accessory dwellings. This approach will help provide both variety and affordability in housing options.

The 2024 analysis indicates that of the 14,295\* new housing units needed by 2045, Olympia will need approximately 7,616 additional housing units affordable to low-income households (0-80% area median income). To meet these needs, Olympia will need to implement policies that promote affordability, prevent displacement, and encourage the construction of a diverse range of housing types.

\*0-80% AMI  $\approx$  7,616 units; 80-120% AMI  $\approx$  3,623 units; greater than 120% AMI  $\approx$  3,056 units.

# Olympia Housing Needs by 2045 (City and UGA)

Income Level		Zone Categories Serving These Needs	Housing Need	Aggregate Need	Total Capacity	Surplus
Extremely Low- Income	0-30% PSH	Low-rise Multifamily     Mid-rise Multifamily     ADUs	1,098	7,616	12,282	4,666
	0-30% Other		2,617			
Very Low-Income	30-50%		3,312			
Low-Income	50-80%		590			
Moderate Income	80-100%	Moderate Density	2,328	3,623	5,404	1,781
	100-120%		1,296			
Emergency Housing (Beds)		286	286	2,223	1,937	

- GH1 The range of housing types and densities are consistent with the community's changing population needs and preferences.
- **PH1.1** Support increasing housing densities through the well-designed, efficient, and cost-effective use of buildable land, consistent with environmental constraints and affordability. Use both incentives and regulations, such as minimum and maximum density limits, to achieve such efficient use.
- **PH1.2** Adopt zoning that allows a wide variety of compatible housing types and densities.
- **PH1.3** Allow 'clustering' of housing compatible with the adjacent neighborhood to preserve and protect environmentally sensitive areas.
- **PH1.4** Disperse low and moderate-income and special needs housing throughout the urban area.
- **PH1.5** Promote affordable housing across the community by streamlining regulatory reviews, reducing delays and costs, eliminating barriers, permitting accessory dwelling units, and allowing a wide range of housing types.
- **PH1.6** Allow manufactured homes on individual lots, promote preservation of manufactured home parks and enable these parks in multi-family and commercial areas, all subject to design standards ensuring that the units are appropriately scaled and designed to integrate with surrounding housing and land uses.
- PH1.7 Allow single-family housing on small lots, but prohibit reduced setbacks abutting conventional lots.
- PH1.8 Encourage and provide incentives for residences above businesses.
- **PH1.9** In all residential areas, allow small cottages and townhouses, and accessory dwelling units -- all subject to siting, design and parking requirements that contribute to neighborhood character.
- **PH1.10** Require effective, but not unreasonably expensive, building designs and landscaping to blend multi-family housing into neighborhoods.
- **PH1.11** Encourage multi-family structures to be located near collector streets with transit service, arterial streets, or neighborhood centers to support accessibility and connectivity.
- **PH1.12** Ensure that multi-family structures are designed to be compatible with adjacent housing and are 'stepped' to follow the natural topography of the site.

- **PH1.13** Require a mix of single-family and multi-family structures in villages, mixed residential density districts, and apartment projects when these exceed five acres; and use a variety of housing types and setbacks to transition to adjacent low-density areas.
- **PH1.14** Encourage adapting non-residential buildings for housing.
- **PH1.15** Provide annual information on affordable homeownership and rentals in the City, including the operative definitions of affordable housing, criteria to qualify for local, state, and federal housing assistance, data on current levels of market-rate and affordable housing, demand for market-rate and affordable housing, and progress toward meeting market-rate and affordable housing goals.

### Affordable Housing for All

Adequate and affordable housing is critical to a healthy community. It must be located near jobs and services or on bus routes. It also must be safe and well-maintained.

The City addresses housing needs for our most vulnerable community members through its Consolidated Plan, which is updated every three years. The Consolidated Plan identifies Olympia's priority housing, shelter, social service, economic development and public facility needs. The City works with other jurisdictions, private industry and nonprofit organizations to find solutions to low-income housing needs.

- GH2 Affordable housing is available for all income levels throughout the community.
- **PH2.1** Promote a variety of residential densities and housing types so that housing can be available in a broad range of costs.
- **PH2.2** Encourage preservation of existing houses.
- **PH2.3** Take steps to ensure housing will be available to all income levels based on projected community needs.
- **GH3** Deteriorating residential areas within the City are revitalized.
- **PH3.1** Support efforts to preserve the historic features or character of historic properties in City housing rehabilitation programs.
- **PH3.2** Provide assistance and incentives to help low-income residents rehabilitate properties they cannot afford to maintain.
- GH4 Special needs populations, such as people with developmental disabilities, the homeless, the elderly, and others who have difficulty securing housing, have adequate, safe, and affordable housing.

- **PH4.1** Disperse housing for low-income, moderate-income, and special-needs residents throughout Olympia and its Urban Growth Area, and discourage concentration of such housing in any one geographic area.
- **PH4.2** Support the Fair Share Housing allocation process and work with other jurisdictions to monitor progress toward achieving agreed upon goals.
- **PH4.3** Evaluate the possibility of providing density bonuses to builders who provide low-income housing in market-rate developments, and of tying the bonus to affordability.
- **PH4.4** Encourage new housing on transportation arterials and in areas near public transportation hubs.
- **PH4.5** Encourage self-help housing efforts in which people earn home equity in exchange for renovation or construction work, such as "sweat equity" volunteer programs.
- **PH4.6** Retain existing subsidized housing.



Unity Commons opened in a Olympia as a collaboration of multiple regional housing partners to provide emergency and permanent supportive housing.

### GH5 Prevent displacement and increase housing stability through tenant protections.

- **PH5.1** Establish and enforce tenant protection policies that make it easier for tenants to access housing and stay housed. Ensure policies consider additional barriers faced by marginalized renters to increase access to housing and housing stability.
- **PH5.2** Establish and enforce tenant protection policies that reduce upfront and ongoing housing costs to reduce housing cost burden.
- **PH5.3** Require at least 90 days' advance notice for rent increases above a certain threshold to allow tenants to adjust or find alternative housing.
- **PH5.4** Develop and maintain a formal relocation assistance program for tenants who are displaced (due to redevelopment, substantial rent increases, or eviction without cause, or other reasons). Consider supportive program elements such as financial assistance, moving cost coverage, and connections to alternative housing.
- **PH5.5** Take steps to improve environmental health, habitability, and energy efficiency in rental housing.
- **PH5.6** Consider adoption of policies to help renters access homeownership opportunities. Enact a Tenant Opportunity to Purchase Ordinance (TOPO) to give renters the first right to purchase their rental unit if the landlord decides to sell.
- **PH5.7** Increase transparency in rental housing market practices and transactions to ensure housing consumers are protected and informed.

#### Social Services Fulfill a Vital Need

There are many reasons why community members may sometimes need extra help. The loss of a job or a serious illness can leave many of our residents without the means to meet their basic needs. Currently, the social safety net in our community is made up of a network of religious and charitable organizations that partner with local government to provide services to vulnerable community members.



Community volunteers help build tiny homes for Quince Street Village.

GH6 Our community is safe and welcoming and social services are accessible to all who need them.

**PH6.1** Support non-profit and faith-based charitable organizations that provide funding and/or oversight for social service funding.

**PH6.2** Work with other local governments to provide financial support and oversight of social service funding.

**PH6.3** Support programs and projects that assist low-income people and those at risk of homelessness with public funding.

**PH6.4** Identify barriers to social service, shelter and housing resources for low-income people and those at risk of becoming homeless.

GH7 There is enough emergency housing, transitional housing, permanent housing with supportive services, and independent affordable housing.

**PH7.1** Encourage a strong network of emergency shelter resources for homeless and at-risk families with children, childless adults, unaccompanied youth, and victims of sexual and domestic violence.

**PH7.2** Take a regional approach with other jurisdictions so that support for a broad range of social services and resources, including shelter and housing, can be maximized.

**PH7.3** Encourage businesses, charitable non-profit organizations, and faith-based community organizations to provide shelter and housing services.

- **PH7.4** Support coordinated service delivery models to maximize the best use of public, charitable, and privately-funded shelter and housing resources.
- **PH7.5** Support best practices that reflect current standards of care, and incorporate emerging models that optimize the use of public and charitable resources.
- **PH7.6** Encourage shelter and housing providers and programs to locate in the greater Olympia area, or near transportation arterial hubs, so residents can easily access them.
- **PH7.7** Work toward making the community more aware of homelessness in Olympia and how it can be prevented as a way to encourage charitable support and involve community members to help reach positive outcomes.
- **PH7.8** Use data to continually assess the community's need for shelter and housing and who it is serving. Use this data to continually improve these services.
- **PH7.9** Revise policies that limit or prevent the community from providing shelter and housing resources.
- **PH7.10** Coordinate land use, housing, transportation, and capital facility planning to support all aspects of shelter and housing resources, including emergency shelter, transitional housing, permanent housing with supportive services, and low-income housing.
- **PH7.11** Integrate group homes into all residential areas of the community. Set zoning standards to ensure group home sizes (number of residents and staff) are compatible with allowed densities and that transportation and other services are available.
- **PH7.12** Evaluate regulations so the City can be more flexible in locating shelters and increasing capacity.
- GH8 The existing low-income housing stock is preserved.
- **PH8.1** Continue to fund the repair and rehabilitation of housing using federal, state, and local funding sources.
- **PH8.2** Support applications by the Housing Authority of Thurston County and other non-profit housing developers to construct or purchase existing units that are affordable to low-income households.
- **PH8.3** Support applications from eligible non-profits to federal and state funding sources to build new, or rehabilitate existing, housing to meet low-income housing needs.

- **PH8.4** Encourage and provide technical assistance to private developers and non-profits applying for below-market-rate state or federal loans to construct or rehabilitate low-income, multifamily rental housing.
- **PH8.5** When Community Development Block Grant or Housing and Urban Development-funded buildings are at risk of being converted to market-rate status, inform the tenants of any purchase and relocation options available. When possible, help the Housing Authority of Thurston County and non-profit organizations buy such housing.
- **PH8.6** Enforce policies\* that provide financial and relocation help to people who are displaced from their homes as a result of construction and development projects using federal funds.
- \*(Per section 104(d) of the Housing and Community Development Act of 1974 as amended, requiring the replacement of low- and moderate-income housing units that are demolished or converted to another use, in connection with a Community Development Block Grant project.)
- GH9 New low-income housing is created to meet demand.
- **PH8.1** Continue to support projects funded by low-income tax credits and revenue bonds.
- **PH9.2** Investigate and support appropriate multi-jurisdictional support for the Housing Authority of Thurston County bond sales.
- **PH9.3** Promote partnerships between public and private non-profit organizations to increase housing and home ownership opportunities for people with special needs, and for low- and moderate-income households.
- **PH9.4** Continue to encourage development of single-room occupancy (also known as co-living housing) units downtown, along urban corridors, and in other areas where high-density housing is permitted. This could include encouraging alliances between public, private, and nonprofit organizations.
- **PH9.5** Evaluate the possibility of supporting a program that would allow low-income tenants of manufactured home parks to jointly purchase and renovate permanent sites for their manufactured homes. Consider funding programs to subsidize the interest rates, loan origination fees, and/or other costs of acquiring the land.
- **PH9.6** Help low-income and special needs residents find ways to purchase housing, such as shared or limited-equity housing, lease-purchase options, co-housing, land trusts, and cooperatives.
- **PH9.7** Work with jurisdictional partners through the county-wide Home Consortium, to fund affordable housing projects that serve low- and very low-income residents.

**PH9.8** Continue to administer the Housing Tax Credit program to develop both market-rate and low-income housing.

**PH9.9** Support non-profit and faith-based organizations in their efforts to provide emergency homeless shelters.

PH9.10 Donate, lease or sell surplus city-owned land to developers for low-income housing.

## For More Information:

- Thurston Regional Planning Council Housing Affordability
- One Community Plan
- Housing Action Plan

