### **DRAFT**

## City of Tumwater

## HOUSING ACTION PLAN



City of Tumwater

April 14, 2021 Draft

Adopted XXXX, 2021 by Ordinance No. 2021-007

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## **Executive Summary**

The City of Tumwater Housing Action Plan began as a collaborative effort between the Cities of Lacey, Olympia, and Tumwater to develop a Regional Housing Needs Assessment and Housing Gap Analysis, a Landlord Survey, and a draft set of actions to address the gaps identified in the housing gap analysis. The City Council adopted the City's Housing Action Plan to reflect the specific conditions and concerns of the City. The plan is intended to inform the City's Comprehensive Plan policies and development regulations and to guide implementation strategies to help the City meet its housing needs and strategic objectives.

### What are the Housing Gaps?

The following seven housing gaps were identified through the Housing Needs Assessment:

- 1. Reduce housing costs for low-income and cost-burdened households.
- 2. Increase the overall housing supply.
- 3. Increase the variety of housing sizes and types.
- 4. Increase senior housing options.
- 5. Maintain in good condition and improve the existing housing stock.
- 6. Provide safe, stable options for both renters and homeowners.
- 7. Increase permanent housing options for people with disabilities and those at risk of or experiencing homelessness.

### How can We Create an Equitable Housing Market?

About one in four Thurston County residents is a person of color, those who are Hispanic or Latino of any race, and those who are any race other than white alone. People of color generally have more people in their household, are less likely to own their own home, have a smaller household income, and are more likely to experience homelessness than their white, non-Hispanic counterparts. Increasing housing equity is not a single action but an overarching theme in this plan. Affordable housing opportunities cannot be created without also reducing housing-related inequities faced by people of

### COVID-19 Pandemic and the Housing Action Plan

In response to the outbreak of the COVID-19 pandemic, Governor Inslee issued a series of proclamations and declarations aimed at reducing the spread of the virus in Washington state, including requiring all nonessential workers to stay home and stay healthy and extending a moratorium on evictions to protect renters. As a result, significant changes in the Lacey, Olympia, and Tumwater area occurred, affecting businesses and residents alike.

The City of Tumwater will continue to monitor the impact of the pandemic on housing in the coming months and develop plans for implementing appropriate actions whether included in this plan or not. color. Each strategy in this report includes a discussion of how it, and the actions associated with it, will reduce inequity in our community.

### **Taking Action Locally**

Since the City Council adopted Resolution No. R2018-016 "Actions to Address Homelessness and Increase Affordable Housing in the City" in the summer of 2018 and approved the 2019 Housing Affordability Text and Fee Work Plans, the City 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. A summary of that work may be found in Appendix E *Previous Work*.

The Housing Action Plan builds on the affordable housing work the City has completed to date or that is underway, which was guided by Resolution No. R2018-016 and the 2019 City Council Housing Affordability Text and Fee Work Plans. The Housing Action Plan is the next step in the process of identifying actions to increase the amount of affordable housing in the City. The Plan will consolidate all affordable housing action items into one document that the City will use going forward to support the development of more affordable housing in the City.

The City is actively implementing actions that remove barriers and encourage appropriate housing development. Of the actions considered in developing this plan, the City has already implemented 19 actions, including making strategic investments in infrastructure, reducing setback requirements, relaxing ground floor retail requirements, and simplifying requirements for accessory dwelling units.

In addition to the work each of the City has already accomplished, this plan identifies a menu of 62 more actions the City will take to address housing gaps, needs, and equity:

- 17 actions that help increase the supply of permanent, income-restricted affordable housing.
- 10 actions that make it easier for households to access housing and stay housed.
- 17 actions that help expand the overall housing supply.
- 6 actions that help increase housing variety.
- 6 actions that help the City maintain forward momentum in implementing housing strategies.
- 6 actions that help establish a permanent source of funding for low-income housing.

Some of these actions are in the process of development/implementation and some have not been implemented. In addition, actions that were reviewed by the City as part of the development of Plan, but were not included in the final list of actions, may be found in Appendix B *Considered Actions*.

### Setting a Legislative Agenda

While this plan outlines actions the City can take to address housing gaps, needs, and equity, barriers also exist at the state and federal levels. By far, the largest barrier is a lack of funding for low-income and income-restricted housing, whether it is construction, improvement, rehabilitation, or rental subsidies. Other barriers include condominium liabilities for builders, tariffs on construction materials imported to the United States, and the impact of prevailing wage requirements tied to federal funding for small, non-profit housing developers. Chapter 4 *Legislative Needs* addresses this in more detail.

# Chapter 1. Introduction

Thurston County is one of the fastest growing counties in Washington State. The pressure to ensure all households have affordable access to housing is also growing and it represents a significant challenge for all stakeholders. The challenge to provide sufficient affordable housing is complicated by rising construction costs, insufficient inventory, and a greater need for coordinated responses between jurisdictions.

Since the City Council adopted Resolution No. R2018-016 "Actions to Address Homelessness and Increase Affordable Housing in the City" in the summer of 2018 and approved the 2019 Housing Affordability Text and Fee Work Plans, the City of Tumwater 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. A summary of that work may be found in Appendix E *Previous Work*.

In 2019, the Washington State Legislature passed HB 1923 encouraging cities planning under the state Growth Management Act to take actions to increase residential building capacity. These actions include developing a housing action plan "...to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market" (RCW 36.70A.600).

In recognition of the cross-jurisdiction need for affordable housing, the Cities of Lacey, Olympia, and Tumwater chose to collaborate with Thurston Regional Planning Council to develop a Regional Housing Needs Assessment and Housing Gap Analysis, a Landlord Survey, and a draft set of actions to address the housing gaps identified in the gap analysis. The draft set of actions was used as the basis for developing this local Housing Action Plan for adoption by the City Council. The Washington State Department of Commerce provided funding.

The project included four components:

- A regional housing needs assessment.
- A household income forecast to identify future housing needs.
- A survey of landlords and rental property owners to understand rental housing costs better.
- A draft housing action plan framework, to be modified to reflect to reflect current conditions and concerns adopted by the City, identifying a menu of actions for the City to implement to encourage development of a housing stock adequate and affordable for current and future residents.

The Housing Action Plan identifies a menu of actions for the City to implement. These actions are intended to encourage development of a housing stock adequate and affordable for current and future residents of all income levels. This information will be used by the City to update the Housing Element of the Comprehensive Plan and the Tumwater / Thurston County Joint Plan covering the urban growth areas in collaboration with Thurston County, as well as the implementing regulations.

Appendix A *Action Details* provides more detailed information on each action, while Appendix B *Considered Actions* lists all the actions considered through the development of this plan. Where appropriate, explanations as to why an action was not included in the plan are provided.

### **Sources of Actions**

The plan combined data and action ideas from a range of sources. Key sources included:

- Washington State Department of Commerce. Actions identified in Commerce's "Guidance for Developing a Housing Action Plan (public review draft)" were used as a starting point for the action list.
- **Comprehensive Plans.** Staff reviewed housing elements in the City's Comprehensive Plan and those of the cities of Lacey and Olympia for actions to include. See Appendix C *Policy Evaluation Summary* for more information.
- Development Codes. Staff reviewed the City's development code and those of the cities of Lacey and Olympia for actions to include. See Appendix D Regulations Evaluation Summary for more information.
- Stakeholder Committee. A stakeholder committee that included the Housing Authority of Thurston County, other low-income housing providers, real estate professionals, housing developers (low-income and market rate), and representatives of the Thurston Thrives Housing Action Team reviewed and added to the action list.
- Staff from the Cities of Lacey, Olympia, and Tumwater. City staffs provided feedback on actions that have already been completed or are underway, added actions that were local priorities, and removed actions that were outside of the Cities' authority.
- **Previous City Work on Affordable Housing.** City staff incorporated actions completed, underway, or not yet started from the City Council's 2019 Housing Affordability Text and Fee Work Plans. See Appendix E *Previous Work* for more information.
- **City Elected and Advisory Bodies.** The Mayor, City Council, and Planning Commission reviewed, discussed, and proposed amendments to the Housing Action Plan before adoption.
- Other Sources. Outreach was done to additional stakeholders as needed, including Habitat for Humanity, the Low-Income Housing Institute, Northwest Cooperative Development Center, and the Thurston Housing Land Trust.

### Addressing Housing Gaps and Needs

The Regional Housing Needs Assessment preceded the Housing Action Plan. The Regional Housing Needs Assessment reviewed data available on the region's housing needs and the available housing stock to identify gaps. The most pressing needs identified were the following:



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

Many actions included in this plan address multiple housing gaps or needs, and each action in this plan identifies which area of need it addresses.

### **Equity in Housing Affordability**

Not all households have access to affordable housing. Across Thurston County, people of color, those identifying as Hispanic or a race other than white alone, have lower incomes, are less likely to own their own home, are more likely to be housing cost-burdened, and are more likely to be homeless (Table 1).

Table 1. Metrics for equity in housing.

Metric	Person of Color	White, Non- Hispanic
Cost Burdened Households	37%	31%
Homeowners	52%	66%
People Experiencing Homelessness	~ 4.4 per 1,000	~2.4 per 1,000
Household with an Income Less than \$50,000	41%	33%

Across the United States, including Thurston County and its communities, policies have led to and reinforce housing inequities faced by people of color:

- Redlining. Neighborhoods with a large number of people of color were denied access to
  financing for home improvement and construction. This made it harder for people of color to
  build financial equity and stay or move out of poverty. While redlining is now illegal, people of
  color are still more likely to have mortgage applications denied or pay higher interest rates.
- **Zoning.** Zoning regulations explicitly barred racial and ethnic minorities. While this is illegal, zoning regulations today may implicitly bar people of color by placing restrictions on the sizes and types of housing that are affordable and accessible to disadvantaged populations. Zoning that exclusively allows single-family neighborhoods, an estimated 75 percent of all residential-zoned land across major cities in the United States, perpetuates this legacy of barring racial and ethnic minorities.
- Covenants. Privately enforced housing covenants used to exclude racial and ethnic minorities
  from predominantly white neighborhoods. Racial covenants became more common after the
  United States Supreme Court deemed racial zoning ordinances unconstitutional.

The City can help reverse the disparities caused by these problems by creating more opportunities for affordable housing. The City is also responsible for ensuring that new policies, which are not just around housing, do not exacerbate inequities. Resources like the Government Alliance on Race and Equity's "Racial Equity Toolkit" can help the City incorporate equity considerations in policymaking.

### How is Equity Addressed in the Plan?

Because creating affordable housing opportunities goes hand-in-hand with reducing housing-related inequities faced by people of color, increasing equity is not a single action but an overarching theme in this plan. Each strategy in this plan includes a discussion of how it and the actions associated with it work to reduce inequity in our community.

An action that promotes affordable housing, especially for the most vulnerable in our community, is an action that will promote equity.

### **Defining Terms Used**

The following terms are used in this plan.

**Affordable Housing**. Housing for which the household pays no more than 30 percent of its gross income for housing costs, including utilities.

**Income Restricted Housing.** Housing for which the occupancy of the units is restricted to households making 80 percent or less of the area median family income, as defined by the United States Department of Housing and Urban Development.

**Low-Income Housing**. Housing that is affordable for households making 80 percent or less of the area median family income, as defined by the United States Department of Housing and Urban Development. Low-income housing can take the form of income-restricted housing units or subsidized housing. Subsidized housing can take the form of the unit itself being subsidized or the household receiving a housing voucher to subsidize market-rate rent conditions.

**Manufactured Home Park**. A site under single ownership where ground space is made available for mobile homes, manufactured homes, or a combination of the two. Mobile homes and manufactured homes are both factory-built and considered dwellings for habitation rather than vehicles, such as a recreational vehicle. Mobile homes refer to those units that were factory-constructed prior to June 15, 1976, while manufactured homes are units were factory-constructed after that date.

**Permanent Supportive Housing.** Permanent housing intended specifically for chronically homeless and permanently disabled individuals and families. Supportive services, such as medical, mental health, enrichment programs, etc., and case management are available on site or closely coordinated to reduce barriers the inhibit households from accessing such services.

### **Assumptions**

Four primary assumptions guided development of this plan:

**Menu of options.** This plan is intended as a menu of actions for the City to implement. Actions that have already been implemented by the City are found in Chapter 2 *Actions Implemented*. Actions that considered by the City, but not implemented are found in Appendix B *Considered Actions*. Actions that can only be taken by other entities are not included in this plan.

**Analysis before implementation.** The City is a unique community with different priorities, development patterns, and resources that changes over time. This plan cannot respond to every future issue and need, but it does provide a framework for the City to consider how best to act. Further analysis on an action should be undertaken to determine how well it would respond to the specific need or gap the City attempts to fill.

**People experiencing homelessness.** This action plan addresses permanent housing solutions. The Thurston County Homeless Crisis Response Plan guides the region's emergency response to homelessness. Although there will be some overlap, this plan is limited to actions that result in or support the creation or preservation of affordable and low-income housing, including permanent supportive housing. Permanent housing is a fundamental part of solving the homelessness crisis our region is experiencing. Despite having a coordinated entry system designed to connect people experiencing homelessness quickly to housing, being responsive to needs is hampered by high housing costs and a lack of housing units.

The City also participates in the newly formed Regional Housing Council with the cities of Lacey, Olympia, and Yelm and Thurston County, created to leverage resources and partnerships to promote equitable access to safe and affordable housing in Thurston County. The Regional Housing Council looks at funding issues for responding to homelessness and housing affordability in the region.

**Addressing household income.** This plan does not address the income side of the housing equation. Attracting living wage jobs, increasing the minimum wage, and other actions affecting a household's income could help make housing more affordable. The City's Economic Development Plan and the Thurston Economic Development Council guide the region's response to economic development, which has a direct impact on household incomes. Although there will be some overlap, this plan is limited to actions that result in or support the creation and preservation of affordable and low-income housing units.

### **Housing Element Policies**

Appendix C Policy Evaluation Summary reviewed the City's current Comprehensive Plan housing policies in the Housing Element for connections to the gaps identified in the housing needs assessment and the status of policy implementation.

All the Housing Element goals, policies, and actions were reviewed and updated as part of 8-year GMA Comprehensive Plan Update in 2016 in Ordinance No. O2016-012. The Housing Element has been amended since the update. The next required eight-year Growth Management update of the Comprehensive Plan is expected to begin in 2022.

The City's housing policies are relevant to the housing needs assessment findings. Some minor adjustments may be appropriate for consideration as part of the 2021 annual Comprehensive Plan amendment docket.

See Appendix C Policy Evaluation Summary for complete details.

### **Development Regulations**

Appendix D *Regulations Evaluation Summary* reviewed the City's development regulations for connections to the gaps identified in the housing needs assessment.

The City's Development Code is in the process of being reviewed and updated as part of the work on the 2019 Housing Affordability Text and Fee Work Plans.

The City's development regulations are relevant to the housing needs assessment findings. Some adjustments may be appropriate for consideration in a future development code amendment docket.

See Appendix D Regulations Evaluation Summary for complete details.

# Chapter 2. Actions Implemented

[Completed actions need to be moved to Chapter 2 *Actions Implemented* and action references in Appendix B *Considered Actions* will be adjusted. Update numbers as actions are added or removed from the list in Chapter 3 *Local Action*. Update Action list in Appendix A *Action Details* as well]

As of April 1, 2021, the following actions have been implemented by the City of Tumwater.

- Adopt design standards that assist new forms of high-density housing and promote infill. The City adopted the Citywide Design Guidelines in 2016.
- Allow accessory dwelling units in all residential zones.
- Simplify requirements for accessory dwelling units (ex: title notification, owner living on site, etc.).
- Allow group homes in all residential zones and commercial zones that allow residential uses.
   Group homes are a source of housing for people with disabilities, seniors, those undergoing treatment for a variety of medical concerns, children in foster care, etc.
- Establish a multifamily tax exemption (MFTE) program. The Multifamily Tax Exemption (MFTE) Program is intended to encourage the construction of new, rehabilitated, or converted multifamily housing within designated areas. MFTE is limited to multifamily units with four or more units. Eligible projects typically receive an eight-year tax break or twelve years if the property owner/developer commits to renting or selling at least 20 percent of the units to households with an income at or below 115 percent of the median family income during the same period. Once the period lapses, the owner/developer is free to rent or sell units at market rate. The City adopted the MFTE program for the Brewery District and Capitol Boulevard Corridor for eight- and twelve-year projects in 2017 and expanded the MFTE program to include the Town Center and Littlerock Road Subarea for twelve-year projects in 2020.
- Make strategic investments in infrastructure expansion to reduce development costs. The City
  makes a concerted effort to invest in infrastructure expansion where it makes the most sense,
  thereby reducing development costs and spurring needed development in the right locations.
  Although the City makes such strategic investments, new development constructs the majority
  of infrastructure, affecting the overall cost of housing in that development.
- Process short plat applications administratively. Short platting is the division of land into a
  limited number of lots. Typically, approving land divisions is a legislative function of the City
  Council. However, state law requires cities to have a short plat process and approve such
  requests administratively. As of 2020, the City allows administrative approvals of short plats for
  land divisions of nine or fewer lots, the state's current limit for short platting.
- Recognize modular/manufactured housing as a viable form of housing construction. Since 2004, state law has recognized the value manufactured housing has on housing affordability.

Cities must treat manufactured housing the same as it does traditionally built housing and must allow mobile and manufactured homes to locate in existing manufactured home parks.

- Reduce setbacks and increase lot coverage/impervious area standards.
- Relax ground floor retail requirements to allow residential units. In commercial zones, retail uses are often required on the ground floor for mixed-use developments. The City has never established a requirement for ground floor retail in a mixed-use development.
- **Require minimum residential densities.** The City has required minimum residential densities since the approval of the Growth Management Act.
- With major comprehensive plan updates, confirm land is suitably zoned for development of all housing types. The City is required to include a Housing Element in its Comprehensive Plan. The Growth Management Act requires the Housing Element to include information on the types of housing available in the City and to confirm there is enough land available for such uses. As part of these updates, the City confirms whether the land itself is zoned properly to sufficiently allow the types of units envisioned in the community in the quantities necessary to meet housing needs. The City is undertaking a similar exercise now with Thurston County to update the Tumwater / Thurston County Joint Plan for the urban growth areas of the City.
- **Support compact development.** The City's Comprehensive Plan supports compact urban development to reduce urban sprawl and reduce the costs of public services.
- **Support low-income senior housing.** The City provides property tax and utility fee discounts for low income seniors.
- Process development applications expeditiously. The City is subject to deadlines under the GMA for processing housing plat applications. In general, these deadlines are being met. In addition, the City uses a hearing examiner for hearings related to larger new development projects and subdivisions, taking the politics out of these decisions and administratively approves final plats, reducing approval time.
- **Support transit oriented development** The City is served by public transit, operated by Intercity Transit. Public transit is an important component of affordable housing because parking requirements can be reduced, reducing construction costs, and income not spent on buying and maintaining vehicles means more of that income is available for housing.
- Support place making. According to TRPC's Urban Corridors Task Force (Dec 2011 report), place
  making is an important element of attracting high-density housing along urban corridors. The
  City is engaged in extensive place making such as restoration of the Historic Brewhouse and
  construction of the Deschutes Valley Trail to attract high-density residential development to the
  Brewery District and along Capitol Blvd.
- Use design guidelines to manage higher intensity uses. The City has adopted design guidelines for higher density housing to better integrate new development into existing neighborhoods.
- Regional Housing Council. In addition to these actions, the City is also taking advantage of a
  local revenue-sharing program established by <u>HB 1406</u>, which allows the cities to receive a
  portion of the State's existing sales and use tax to fund affordable housing programs and
  services. The cities of Lacey, Olympia, Tumwater, and Yelm and Thurston County pool their
  resources with guidance from the Regional Housing Council to help pay for housing supportive
  services.

# Chapter 3. Local Actions

[Completed actions need to be moved to Chapter 2 *Actions Implemented* and action references in Appendix B *Considered Actions* will be adjusted. Update numbers as actions are added or removed from the list in Chapter 3 *Local Action*. Update Action list in Appendix A *Action Details* as well]

### Local Actions to be Undertaken by the City

This chapter discusses the specific local actions that the City of Tumwater will be implementing as part of the Housing Action Plan.

The Housing Action Plan identifies six strategies for addressing housing needs in the City:

- 1. Increase the supply of permanent, income-restricted affordable housing.
- 2. Make it easier for households to access housing and stay housed.
- 3. Expand the overall housing supply by making it easier to build all types of housing projects.
- 4. Increase the variety of housing choices.
- 5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
- 6. Establish a permanent source of funding for low-income housing.

Sixty-two actions are associated with one of the six strategies in the Housing Action Plan, and each action is associated with filling one or more of the seven gaps identified in the Housing Needs Assessment:



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

#### **Table of Actions**

The table of actions associated with each strategy includes key information to know:

- Gaps or needs addressed by the action (as indicated by the above icons)
- Implementation status for the City, as represented by the following symbols:



**The action is implemented** – the City has completed the work necessary to implement the action.



**The action is pending** – the City has begun the work necessary to implement the action, but it is not yet fully implemented.



The action will be considered – the City will consider the work necessary to implement the action, but the work has not been scheduled.



The action is not recommended to be implemented – the City will not implement the action for the reason specified in the table of action below.

Detailed information on each action is provided in Appendix A *Action Details*. For a complete list of actions considered as part of the development of this plan, see Appendix B *Considered Actions*.

Neither the strategies nor the actions associated with them are in in priority order. Not all actions will be implemented by the City, and actions that can only be taken by other entities are not included in this plan.

#### **Effort to Implement**

**High** – Action would require significant resources to implement (funding, staff, political effort, etc.)

**Medium** – Action would require moderate resources to implement (funding, staff, political effort, etc.)

**Low** – Action would require few resources to implement (funding, staff, political effort, etc.)

N/A – Action not Applicable to the City

### **Effect on Housing Supply**

**High** – Action would result in a significant increase in desired housing units

Medium – Action would result in a moderate increase in desired housing units

**Low** – Action would result in a small increase in desired housing units

N/A - Action not applicable to the City

### Strategy 1: Increase the Supply of Permanent, Income-Restricted Affordable Housing.

Strategy 1 includes actions that increase the supply of housing affordable to low-income households (those making 80 or less percent of the area median family income) and actions that support the providers of low-income housing.

### Why is this strategy important?

Demand for housing is straining the limited supply of affordable options. For households with the lowest incomes, such as those headed by a retail clerk, a home health aide, or a childcare provider, market rate housing is unlikely to be an affordable option. For these households, even home maintenance costs, let alone rent or mortgage payment costs, can be unaffordable.

### How do these actions reduce housing costs?

Increasing opportunities for developing housing affordable to households with the lowest incomes increases housing affordability for these households. The need is great: according to the needs assessment, about 11,700 households in the Cities of Lacey, Olympia, and Tumwater have an income of 50 percent or less of the median family income. Another 7,500 households in the same category are anticipated over the 25 years.

Reducing the cost of renting and owning a home are both part of the solution. For households looking towards homeownership, the up-front costs associated with purchasing a home can put this option out of reach. Low-income households, however, can benefit from the stabilization in housing costs owning a home offers, in general, monthly mortgage payments stay the same over 30 years while monthly rent payments increase.

These actions also address the need for permanent supportive housing. For people moving out of emergency housing situations, such as a homeless shelter, permanent supportive housing provides not only affordable housing but also access to health and social services. These services build stability and decrease the likelihood residents experience homelessness again.

### How do these actions address equity?

People of color (Figure 1) disproportionately head the lowest income households in Thurston County. The same is true for people experiencing homelessness. Permanent, income restricted housing directly benefits both of these populations by providing affordable, stable housing options. Housing affordable to households with the lowest incomes can be rental or owner units, both of which help stabilize households. Programs that expand homeownership opportunities can significantly improve a household's wealth; this is especially important to addressing inequities for households of color stemming from historical policies like redlining and zoning.

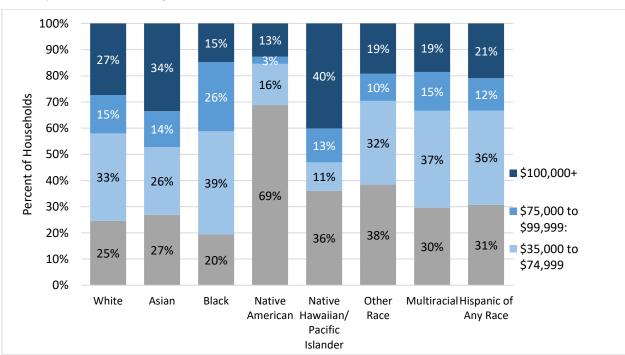


Figure 1. Household income in the Cities of Lacey, Olympia, and Tumwater combined by race and ethnicity, 2014-2018 average.

**NOTE:** In the figure above, householders who are Latino or Hispanic are only represented in "Hispanic of Any Race." Source: U.S. Census Bureau American Community Survey

Table 2. Strategy 1: Increase the supply of permanent, income-restricted affordable housing.

perma	gy 1: Increase the supply of anent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.a.	Donate or lease surplus or underutilized jurisdiction-owned land to developers that provide low-income housing and establish a process for accepting or coordinating the acceptance of land donations from others this action.  Gaps/Needs Addressed:		M	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.  While the City does not have any land to donate for housing that is not already committed to other uses, the City could accept or coordinate the acceptance of land donations from others this action.	Time for staff to develop and manage a program.	Implement.
1.b.	Require PRDs/PUDs for low-density development and include standards for including low-income housing.  Gaps/Needs Addressed:		M	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	Implement.

perma	gy 1: Increase the supply of inent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.c.	Adopt a "Notice of Intent to Sell" ordinance for multifamily developments.  Gaps/Needs Addressed:	₿	н	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	Implement.
1.d.	Provide funding for the Housing Authority of Thurston County and other non-profit organizations to buy income-restricted units proposed to be converted to market rate housing.  Gaps/Needs Addressed:		Н	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.  Could be part of the Regional Housing Council discussions as well.	Funding through the City Council's biennial budgeting process.	Implement.

perma	gy 1: Increase the supply of anent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.e.	As part of Comprehensive Plan and development code changes, include an evaluation of the impact such changes will have on housing affordability, especially for low-income households.  Gaps/Needs Addressed:		M	_	The City will consider the work necessary to implement the action, but the work has not been scheduled.  It is important to recognize that sometimes impacts are unavoidable when trying to balance multiple priorities, such as implementation of the Thurston Climate Mitigation Plan, Building Code updates, and the Housing Action Plan.	Additional time for staff to include such reviews during the preparation of amendments to the Comprehensive Plan and the development code.	Implement.
1.f.	Provide funding for renovating and maintaining existing housing that serves low-income households or residents with disabilities.  Gaps/Needs Addressed:	<b>~</b>	Н	M	The City has implemented this action through funding to nonprofits, CDBG funding, and work through the Regional Housing Council.	Action implemented by City.	Implement.

perma	gy 1: Increase the supply of inent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.g.	Allow manufactured home parks in multifamily and commercial areas.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City, because the City has enacted Ordinance O2008-009, which established the Manufactured Home Park (MHP) zone district in the City as the means to address this action.  See Action 2.c. below.	• None.	Do not implement.
1.h.	Provide funding for low-income and special needs residents to purchase housing through community land trusts.  Gaps/Needs Addressed:		Н	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.  This should be explored on a regional level through the Regional Housing Council, nonprofits, and whether the HATC could do this.	Funding through the     City Council's biennial     budgeting process.	Implement.

perma	gy 1: Increase the supply of nent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.i.	Offer density bonuses for low-income housing.  Gaps/Needs Addressed:	<b>✓</b>	н	M	The City implemented this action, as part of Ordinance No. O2020-005 Housing Affordability Text Amendments.  Consider allowing density bonuses in the Single Family Medium Density Residential (SFM) zone district for permanent lowincome housing in the form of triplexes and quads.	Time for staff to manage the annual reporting for such projects.	Implement.
1.j.	Define income-restricted housing as a different use from other forms of housing in the zoning code.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City. The City considered this action as part of Ordinance No. O2020-005 Housing Affordability Text Amendments discussions, but determined that defining income-restricted housing as a different use in Title 18 Zoning created more potential restrictions on the use.	• None.	Do not implement.

perma	gy 1: Increase the supply of anent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.k.	Offer and/or expand fee waivers for low-income housing developments.  Gaps/Needs Addressed:	(X)	н	M	The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Ordinance No. O2021-001 Housing Affordability Fee Amendments. [Status may change to implemented before adoption of the Housing Action Plan]	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	Implement.
1.1.	Require low-income housing units as part of new developments.  Gaps/Needs Addressed:		Н	Н	The City will consider the work necessary to implement the action, but the work has not been scheduled.  This should be required if the residential market can support it.  Commissioner Kirkpatrick comment: As a requirement, could negatively impact new developments.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	Commissioner Kirkpatrick comment: Try incentives and promotion first.

perma	gy 1: Increase the supply of anent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.m.	Fund development projects that increase low-income housing through grants or loans.  Gaps/Needs Addressed:	ZX.	Н	M	The City is currently implementing this action through funding to nonprofits, CDBG funding, and work through the Regional Housing Council.  Commissioner Kirkpatrick comment: Need to document what is done in Tumwater.	Time for staff to manage the annual reporting for such projects.	Commissioner Kirkpatrick comment: Concur

perma	gy 1: Increase the supply of anent, income-restricted lable housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.n.	Establish a program to preserve and maintain healthy and viable manufactured home parks.  Gaps/Needs Addressed:		M	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.  Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 6) Assess actions for assuring mobile home parks continue to provide affordable housing toward a goal of property ownership by residents under B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.  The City has discussed how to get manufactured home parks into a land trust arrangement.  Commissioner Kirkpatrick comment: Inventory existing Tumwater MHPs and develop a list of needs.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> <li>Time for staff to manage the annual reporting for such projects.</li> </ul>	Commissioner Kirkpatrick comment: Concur

perma	gy 1: Increase the supply of inent, income-restricted able housing.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.0.	Enhance enforcement of property maintenance codes to keep housing in good repair.  Gaps/Needs Addressed:	ŽŽ.	н	M	The City is currently implementing this action and may look at moving beyond the current complaint driven process, to consider periodic inspections of rental property such as mold/vermin inspections.  Commissioner Kirkpatrick comment: Start as voluntary.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Concur
1.p.	Partner with low-income housing developers (such as Habitat for Humanity) to expand homeownership opportunities.  Gaps/Needs Addressed:	ZX)	M	M	The City is currently implementing this action through funding to nonprofits, CDBG funding, and work through the Regional Housing Council.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Concur

Strategy 1: Increase the supply of permanent, income-restricted affordable housing.  Action	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
1.q. Extend public water and sewer to unserved areas to allow infill development in underdeveloped areas.  Gaps/Needs Addressed:		Н	M	The City Council's 2019 Housing Affordability Fee Amendment Work Plan included the item "making infrastructure investment for infill areas needing upgrades."  The Comprehensive Plan describes where the City expects, and is trying to direct, growth over the next twenty years. The private sector has traditionally done utility extension and upgrades as areas grow. For infill development, the City could invest to promote development in areas where new housing is desired, but upgrades to infrastructure, such as utilities and sidewalks, would be needed to support it.	<ul> <li>Funding through the         City Council's biennial         budgeting process.</li> <li>Time for staff to         develop and run such a         program.</li> <li>Amendments to the         Comprehensive Plan         Lands for Public         Purposes and         Transportation         Elements</li> <li>Amendments to the         priorities of the Capital         Facilities Plan</li> </ul>	

### Strategy 2: Make It Easier for Households to Access Housing and Stay Housed.

Strategy 2 actions address housing stability by preventing evictions and displacement and creating opportunities to build financial equity through homeownership.

### Why is this important?

Housing stability is an important component of housing affordability. When households face housing insecurity due to income or other issues, there can be a fine line between being housed and being homeless. Evictions and foreclosures are both destabilizing and can lead to long-term poverty. These events also make it more likely a household will experience homelessness.

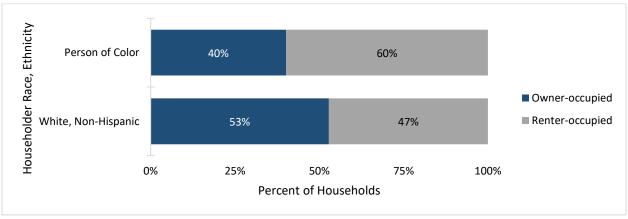
### How do these actions reduce housing costs?

For housing service providers, preventing homelessness in the first place is more cost-effective than housing someone experiencing homelessness. Households that can avoid evictions and foreclosures also avoid likely increases in their monthly housing costs, if they are even able to find a new home to live in. For renters, this can also include application fees, deposits, and other costs associated with finding new rental housing.

### How do these actions address equity?

People of color are more likely to rent (Figure 2) and more likely to have a lower income than their white, non-Hispanic counterparts. This makes them particularity vulnerable to eviction when rent increases exceed their ability to pay. This concern is reflected in the population experiencing homelessness, which is also disproportionately people of color.

Figure 2. Tenure by race and ethnicity in the Cities of Lacey, Olympia, and Tumwater combined, 2014-2018 average.



Source: U.S. Census Bureau American Community Survey

Homeownership is an important way for a household to build financial equity, move people out of poverty, and create generational wealth. Creating these opportunities for people of color, who were historically denied access to mortgages and loans, is particularity important.

Table 3. Strategy 2: Make it easier for households to access housing and stay housed.

Strategy 2: Make it easier for households to access housing and stay housed.  Action	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
2.a. Provide displaced tenants with relocation assistance.  Gaps/Needs Addressed:		Н	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.  More details would need to be provided for the action. It may be best implemented through funding to nonprofits, CDBG funding, and work through the Regional Housing Council.  Commissioner Kirkpatrick comment: Have Regional Housing Council set policies; non-profits manage.	<ul> <li>Funding through the City Council's biennial budgeting process</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
2.b.	Partner with local trade schools to provide renovation and retrofit services for low-income households as part of on-the-job-training.  Gaps/Needs Addressed:		M	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.  The City would like to see how to get more people into the building trades to help alleviate the labor shortage. Furthermore, the City could ask EDC to focus on helping people who want to start a construction company.	<ul> <li>Funding through the City Council's biennial budgeting process</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.
2.c.	Rezone manufactured home parks to a manufactured home park zone to promote their preservation.  Gaps/Needs Addressed:	<b>~</b>	L	M	The City has implemented this action through Ordinance O2008-009, which established the Manufactured Home Park (MHP) zone district in the City.  See Action 1.g. above.  Commissioner Kirkpatrick comment: Done.	Action implemented by City.	Commissioner Kirkpatrick comment: Concur.

house	gy 2: Make it easier for holds to access housing and oused.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
2.d.	Adopt a "right to return" policy.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City, because this would involve the City too much in market decisions	• None.	Commissioner Kirkpatrick comment: Concur.
2.e.	Adopt short-term rental regulations to minimize impacts on long-term housing availability.  Gaps/Needs Addressed:	<b>■</b>	Н	M	The City will consider the work necessary to implement the action if we start to see a problem, but the work has not been scheduled.  Commissioner Kirkpatrick comment: Are Air B&Bs licensed in Tumwater?  Require, if not.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

house	egy 2: Make it easier for cholds to access housing and noused.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
2.f.	Establish a down payment assistance program.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City. It is beyond the financial capacity of the City to manage such as program and would be better as a state or regional program.	• None.	Commissioner Kirkpatrick comment: Consider a program for rental up-front payments; non-profit to manage.

house	gy 2: Make it easier for holds to access housing and oused.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
2.g.	Identify and implement appropriate tenant protections that improve household stability.  Gaps/Needs Addressed:		Н	M	The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Rental Housing Amendments.  Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 9) Enact policies to protect tenants experiencing housing instability under B) Boost Housing Affordability — Actions to increase affordable housing to address this action.  Commissioner Kirkpatrick comment: Tenant protections can mean putting a burden on owners, who often are unable to afford to subsidize their rental property.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Limit to large rental companies.

house	gy 2: Make it easier for holds to access housing and oused.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
2.h.	Develop a technical assistance or education program for small landlords.  Gaps/Needs Addressed:	<b>II</b>	M	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	
2.i.	Consider acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled.  Gaps/Needs Addressed:	<b>II</b>	Н	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	
2.j.	Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold.  Gaps/Needs Addressed:	■	M	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	

## Strategy 3: Expand the Overall Housing Supply by Making It Easier to Build All Types of Housing Projects.

Strategy 3 includes actions that streamline the development and construction of market rate housing, both owner and renter-occupied homes.

### Why is this important?

Between 2020 and 2045, the population of the Cities of Lacey, Olympia, and Tumwater and their urban growth areas is projected to increase by over 60,000 people. This growth will require nearly 30,000 new housing units. When demand for housing is high, as it is now, but supply remains low, housing costs increase, reducing affordability. The increase in costs affects both renters, and those looking to buy.

### How do these actions reduce housing costs?

The Housing Needs Assessment showed that we would likely see a growth of households in all income categories, from the lowest earning ones to those earning well above the median income. This will require the construction of housing affordable to a wide range of incomes.

Expanding the housing supply also means people can find housing better suited their needs. For example: high prices for condos and rentals means empty nesters who want to downsize are more likely to stay in their single-family home. A young family looking to buy their first home may continue to rent or pay more than 30 percent of their household income on a mortgage if home sale prices are too high.

### How do these actions address equity?

When demand for housing is high but supply remains low, housing costs rise, decreasing affordability. Those with the lowest incomes, who are disproportionately people of color, are most affected. Rising rents are correlated with increased evictions and homelessness. Rising home prices mean homeownership, a way for disadvantaged households to build equity, becomes more difficult. Increasing costs can also lead to cultural displacement as people move to new neighborhoods that lack the businesses and institutions important to their community. While this process may be voluntary, it can be destabilizing for communities of color. When higher income households, those that can afford to rent or purchase at market rates, find housing that better meets their needs and budgets, more units are freed up that lower income households can afford. Expanding the overall housing stock also slows the rent/housing price increases that disproportionately affect people of color.

Market rate housing alone will not address the needs of the most disadvantaged populations, and pressure to develop market rate housing in communities of color can cause displacement. Strategy 1 includes actions to increase the supply of housing for the lowest-income households while Strategy 2 includes actions to make it easier for households to access housing and stay housed.

Table 4. Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.

housin	gy 3: Expand the overall g supply by making it easier to Il types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.a.	Offer developers density and/or height incentives for desired unit types.  Gaps/Needs Addressed:	~	н	L	The City implemented this action, as part of Ordinance No. O2020-005 Housing Affordability Text Amendments.	<ul> <li>Action implemented by City.</li> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to manage the annual reporting for such projects.</li> </ul>	Commissioner Kirkpatrick comment: Concur.
3.b.	Allow third-party review of building permits for development projects.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City, as there are concerns about the partiality of third-party reviewers. The City would rather intergovernmental agreement where we can share development review staff when things slowdown in one jurisdiction.	• None.	Commissioner Kirkpatrick comment: Concur.

housin	gy 3: Expand the overall ng supply by making it easier to all types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.c.	Develop a plan for adapting vacant commercial space into housing.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City as this may raise questions about a gift of public funds. Every property is unique. If the there is a problem property, the City can focus resources on it.	• None.	Commissioner Kirkpatrick comment: Concur.
3.d.	Allow residential tenant improvements without triggering land use requirements.  Gaps/Needs Addressed:	<b>⊞</b> ŏ	M	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

housin	gy 3: Expand the overall g supply by making it easier to Il types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.e.	Reduce parking requirements for residential uses, including for multifamily developments near frequent transit routes.  Gaps/Needs Addressed:	<b>~</b>	н	M	The City implemented this action, as part of Ordinance No. O2020-005 Housing Affordability Text Amendments.  The City needs to see how things work under Ordinance No. O2020-005 before proposing additional changes.	Action implemented by City.	Commissioner Kirkpatrick comment: Concur.
3.f.	Identify strategically placed but underdeveloped properties and determine what barriers exist to developing desired housing types.  Gaps/Needs Addressed:	<b>~</b>	L	L	The City has implemented this action in the Brewery District and Capitol Boulevard Corridor, specifically the WSDOT property.  Commissioner Kirkpatrick comment: Look for additional opportunities in residential areas.	Action implemented by City.	Commissioner Kirkpatrick comment: Expand.

housir	gy 3: Expand the overall og supply by making it easier to all types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.g.	Increase minimum residential densities.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City, as the City are already has reasonable minimum residential densities.	• None.	Commissioner Kirkpatrick comment: Concur.
3.h.	Reduce minimum lot sizes.  Gaps/Needs Addressed:	~	Н	L	The City implemented this action, as part of Ordinance No. O2020-005 Housing Affordability Text Amendments.	Action implemented by City.	Commissioner Kirkpatrick comment: Concur.

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.  Action	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.i. Lower transportation impact fees for multifamily developments near frequent transit service routes.  Gaps/Needs Addressed:	(XX)	Н	M	The City has begun the work necessary to implement the action for low-income households, but it is not yet fully implemented as part of Ordinance No. O2021-001 Housing Affordability Fee Amendments. [Status may change to implemented before adoption of the Housing Action Plan]  Commissioner Kirkpatrick comment: O2021-001 not yet on PC schedule.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	

housing	y 3: Expand the overall s supply by making it easier to I types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
	Expand the multifamily tax exemption to make it available in all transit corridors.  Gaps/Needs Addressed:		Н	M	The City has implemented this action.  Ordinance No. O2017-004 established the multi-family tax exemption program at the City. Resolution No. R2017-002 established the Brewery District and the Capitol Boulevard Corridor as the initial target areas.  Following the 2019 Housing Affordability Work Plan Development Fee Amendment 3) Expand the multifamily tax exemption program to other areas of the City, such as the Town Center, and the Littlerock Road Subarea, and look at expanding the percentage of permanently affordable units that would need to be provided, Resolution No. R2019-022 expanded the target areas to include the Littlerock Subarea and the Town Center.	Action implemented by City.	Commissioner Kirkpatrick comment: Concur.

housin	gy 3: Expand the overall g supply by making it easier to Ill types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.k.	Allow deferral of impact fee payments for desired unit types.  Gaps/Needs Addressed:	(X)	M	L	The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Ordinance No. O2021-001 Housing Affordability Fee Amendments. [Status may change to implemented before adoption of the Housing Action Plan]  Commissioner Kirkpatrick comment: O2021-001 not yet on PC schedule.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	

housi	ngy 3: Expand the overall ng supply by making it easier to all types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.l.	Simplify land use designation maps in the comprehensive plan to help streamline the permitting process.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City. The City currently has six residential zone district and allows residential development in all other zone districts, except for industrial zone districts. This has not been raised as an issue by residential developers in the City.	• None.	Commissioner Kirkpatrick comment: Concur.
3.m.	Integrate or adjust floor area ratio standards.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City.  The City uses floor area ratios in a very limited way for residential uses in the Capitol Boulevard Corridor – North Trosper District for mixed-use commercial and residential developments.	• None.	Commissioner Kirkpatrick comment: Concur.

Maximize use of SEPA The City has begun the Funding through the Commissioner 3.n. work necessary to City Council's biennial Kirkpatrick comment: threshold exemptions for implement the action in Concur. budgeting process. residential and infill support the City's development. Time for staff to review affordable housing goals and develop ordinance Gaps/Needs Addressed: found in Resolution No. updating development R2018-016, and address an code. action in the City Council's Time for the Planning 2019 Housing Affordability Commission to review Work Plan of raising the and the City Council to SEPA categorical exemption review and approve an thresholds for multifamily ordinance. residential development from 25 to 60 multifamily residential units to reduce duplicative environmental review. Н M Ordinance No. O2017-008 raised the SEPA exemption level for short plats to the maximum allowed by state law (9 lots) and to 25 for multifamily dwelling units. Ordinance No. O2019-022 raised the SEPA exemption level for multifamily dwelling units to the maximum allowed by state law (60 for multifamily dwelling units) The City may consider reviewing SEPA exemptions that would support residential development in the Brewery District,

housir	gy 3: Expand the overall ng supply by making it easier to all types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
					Capitol Boulevard Corridor, and Town Center.		
3.0.	Consult with Washington State Department of Transportation as part of the SEPA review process to reduce appeals based on impacts to the transportation element for residential, multifamily, or mixed-use projects.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City, as this has not been an issue for the City.  If it does become an issue, the City will revisit this action.	• None.	Commissioner Kirkpatrick comment: Concur.
3.p.	Continue to look for place-making opportunities along urban corridors.  Gaps/Needs Addressed:	<b>⊞</b> ∂	L	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Time for staff to develop and run such a program.</li> <li>Funding through the City Council's biennial budgeting process.</li> </ul>	

housi	egy 3: Expand the overall ng supply by making it easier to all types of housing projects.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
3.r.	Mix market rate and low-income housing to avoid creating areas of concentrated low-income housing.  Gaps/Needs Addressed:	<b>₩</b>	L	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	

#### Strategy 4: Increase the Variety of Housing Choices.

Strategy 4 actions address way to increase the variety of housing options, including duplexes, triplexes, accessory dwellings, and other housing forms that are not as common in the Cities of Lacey, Olympia, and Tumwater.

#### Why is this important?

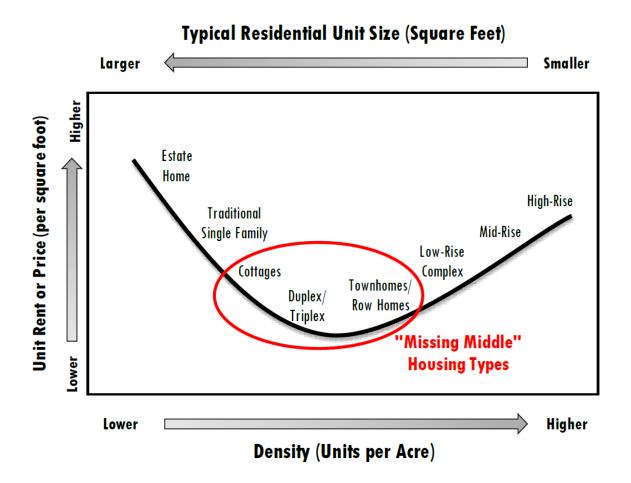
Household sizes in Thurston County have gotten smaller, an average of 2.5 people per household today. There are more single-parent families and householders living alone. As household formation and composition have changed over time, so have their housing needs. Increasing the variety of housing types allows households more choices and creates a dynamic housing market better able to meet the needs of people living in the Cities of Lacey, Olympia, and Tumwater.

#### How do these actions reduce housing costs?

"Middle density" housing, a small part of the Cities of Lacey, Olympia, and Tumwater's current housing stock, is an important part of an affordable housing strategy. Middle density housing includes small multifamily housing (duplexes and triplexes), attached townhomes, cottage housing, and accessory dwellings. Per unit costs tend to be lower than single-family homes, because the homes are smaller and developers can benefit from economies of scale. Per unit costs are also less than high-density multifamily because they are stick built (they do not require structured parking or other concrete and steel structures) and are typically in neighborhoods with existing infrastructure. This leads to lower costs for both homeowners and renters (Figure 3).

Diversifying the housing stock also recognizes that households are unique and have a wide range of housing needs. This is particularly true as our population ages. Middle density housing provides seniors a way to downsize while remaining in the neighborhoods they love.

Figure 3. Relationship between housing types, price, and rent, household income in the Cities of Lacey, Olympia, and Tumwater combined by race and ethnicity, 2014-2018 average.



Source: Washington State Department of Commerce, Housing Memorandum: Issues Affecting Housing Availability and Affordability (2019), p. 85. <a href="https://deptofcommerce.app.box.com/s/npwem3s3rvcsya15nylbroj18e794yk7">https://deptofcommerce.app.box.com/s/npwem3s3rvcsya15nylbroj18e794yk7</a>.

#### How do these actions address equity?

Increasing the variety of housing options provides more affordable housing options for low-income households, who are disproportionately people of color. Middle density housing can be both rental and owner-occupied. Affordable owner-occupied units would be a potential way to build financial equity.

Middle density housing also expands the housing options available in predominantly single-family neighborhoods, leading to a mix of household incomes. This allows low-income households to access some of the resources, such as better school districts or healthier neighborhoods, available to higher-income households.

*Table 5. Strategy 4: Increase the variety of housing choices.* 

	gy 4: Increase the variety of ng choices.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
4.a.	With major comprehensive plan updates, confirm land is suitably zoned for development of all housing types.  Gaps/Needs Addressed:	<b>~</b>	L	M	The City has implemented this action as part of every required eight-year GMA Comprehensive Plan update.	Action     implemented by     City.	Commissioner Kirkpatrick comment: Concur.
4.b.	Increase the types of housing allowed in low-density residential zones (duplexes, triplexes, etc.).  Gaps/Needs Addressed:	<b>~</b>	Н	н	The City implemented this action, as part of Ordinance No. O2020-005 Housing Affordability Text Amendments.	Action     implemented by     City.	Commissioner Kirkpatrick comment: Concur.
4.c.	Allow more housing types in commercial zones.  Gaps/Needs Addressed:	<b>~</b>	L	M	The City has implemented this action.  The City currently allows residential development in all commercial and mixeduse zone districts.	Action     implemented by     City.	Commissioner Kirkpatrick comment: Concur.

	gy 4: Increase the variety of ng choices.	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
4.d.	Adopt a form-based code for mixed-use zones to allow more housing types and protect the integrity of existing residential neighborhoods.  Gaps/Needs Addressed:		Н	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	Commissioner Kirkpatrick comment: Concur.
4.e.	Allow single-room occupancy (SRO) housing in all multifamily zones.  Gaps/Needs Addressed:	<b>~</b>	L	L	The City has implemented this action.  The City currently allows single-room occupancy in all multifamily zone districts.	Action     implemented by     City	Commissioner Kirkpatrick comment: Concur.

Strategy 4: Increase the variety of housing choices.  Action	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
4.f. Strategically allow live/work units in nonresidential zones.  Gaps/Needs Addressed:		M	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> </ul>	Commissioner Kirkpatrick comment: Expand to SFM & allow Section 8.

## Strategy 5: Continually Build on Resources, Collaboration, and Public Understanding to Improve Implementation of Housing Strategies.

Strategy 5 actions recognize the need for the Cities of Lacey, Olympia, and Tumwater to engage with the community and establish strong partnerships with affordable housing providers to address housing affordability.

#### Why is this important?

While the City does not build or manage low-income housing, the policies they enact can affect how much housing can be built and at what cost.

#### How do these actions reduce housing costs?

By establishing partnerships and collaborations with organizations who serve low-income households, the City can ensure that they are directing their resources and enacting policies that best serve low-income households.

For some, changes brought on by growth and new development in their established neighborhoods can be threatening. As a result, residents may support more affordable housing while at the same seek to prevent actions needed to increase affordable options. By also engaging with the community, the City can build a shared understanding of the challenges faced by low-income households and develop informed consent around the strategies needed to increase housing affordability.

#### How do these actions address equity?

Building public understanding around the challenges faced by low-income households includes recognizing the historical reasons why they are disproportionately people of color.

The people who typically engage in public review processes, especially land use processes, are often white and of higher income. Developing relationships with organizations that work with or represent communities of color and disadvantaged groups can help the City better:

- Identify who benefits or is burdened by an action.
- Examine potential unintended consequences of taking an action.
- Mitigate unintended negative consequences of taking an action.
- Build in strategies to advance racial equity.

Proactive efforts to ensure engagement in decision-making processes are broadly inclusive and grounded in achieving equity is necessary. With broader input representative of the whole community, decisions are better balanced and actions the City take can be more successfully implemented in an equitable fashion.

Inviting and bringing in people of all walks of life into the community conversation provides the most direct. Collaborating with leaders of disadvantaged populations can help make this happen and ensure government action does not increase inequities faced by people of color.

Table 6. Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.

Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.  Action	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
5.a Conduct education and outreach around city programs that support affordable housing.  Gaps/Needs Addressed:		M	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.  Need to define clearly the purposes and expected outcomes of such programs.  Commissioner Kirkpatrick comment: Begin by clearly defining the purposes and expected outcomes of programs in already approved actions.	<ul> <li>Funding through the         City Council's biennial         budgeting process.</li> <li>Time for staff to         develop and run such a         program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

resoul under		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
5.b.	Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.  Gaps/Needs Addressed:		Н	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.  It would be good to have an ombudsperson resource for renters established through the Regional Housing Authority or another regional organization.  Commissioner Kirkpatrick comment: Would also be good to have City Navigators (volunteers?)	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

resou under		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
5.c.	Identify and develop partnerships with organizations that provide or support low-income, workforce, and senior housing as well as other populations with unique housing needs.  Gaps/Needs Addressed:	(X)	M	L	The City has begun the work necessary to implement the action through partnerships with low-income housing providers and work through the Regional Housing Council.	<ul> <li>Funding through the         City Council's biennial         budgeting process.</li> <li>Time for staff to         develop and run such a         program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

5.d. Establish a rental registration program to improve access to data and share information with landlords.  Gaps/Needs Addressed:		L	The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Rental Housing Amendments.  Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 9) Enact policies to protect tenants experiencing housing instability under B) Boost Housing Affordability — Actions to increase affordable housing to address this action.  This may be best considered as a regional action.  A rental registration program will give the City a way to educate landlords about issues.  Commissioner Kirkpatrick comment: See 5.b. By City Navigators or City Staff.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.
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resour under		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
5.e.	Partner with a public or private developer to build a townhouse or row house demonstration project.  Gaps/Needs Addressed:	<b>⊞</b> ŏ	Н	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	
5.f.	Track data on affordable housing at the regional level.  Gaps/Needs Addressed:	<b>⊞</b>	L	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	

#### Strategy 6: Establish a Permanent Source of Funding for Low-Income Housing.

The actions address the need to increase funding for low-income housing and to provide a regional strategy for distributing funds.

#### Why is this important?

While the private sector will build most of the housing needed to meet demand in the Cities of Lacey, Olympia, and Tumwater, a significant portion of households earn less than 80 percent of the median area income. Paying market rate rents or mortgages may not be affordable for them (Table 7).

Table 7. Maximum rent and housing costs at various income levels, 2020.

HUD Income Limit* for a:	Yearly Income	Hourly Wage (Full Time)**	Monthly Rent or Mortgage Payment
2-Person Family			
Extremely Low Income (30%)	\$20,800	\$10.00	\$500
Very Low Income (50%)	\$34,700	\$16.70	\$900
Low Income (80%)	\$55,500	\$26.70	\$1,400
4-Person Family			
Extremely Low Income (30%)	\$26,200	\$12.60	\$700
Very Low Income (50%)	\$43,350	\$20.80	\$1,100
Low Income (80%)	\$69,350	\$33.30	\$1,700

**NOTE:** \*For 2020, HUD income limits are based on a median family income of \$86,700 for Thurston County. Assumes 3.5 percent fixed interest rate over a 30-year mortgage. Costs do not account for other housing-related expenses such as utilities, property taxes, and insurance.

Source: Thurston Regional Planning Council

Whether you are a nonprofit or a for-profit developer, there are real costs to consider in making a development project feasible. Table 8 provides an example of the monthly costs associated with developing a 100-unit apartment complex. This example is intended to give readers an idea of the costs associated with multifamily development; actual numbers for a real project will vary based on variety of factors.

Overall, each apartment unit costs \$250,000 to develop and includes acquiring land, engineering and architectural fees, environmental review, appraisals, city fees, construction costs, etc. Most developers do not have the cash to develop a project without financing. Some may not have funds for even a down payment to qualify for the development loan. Developers must also consider the ongoing costs once the development is up and running, costs for managing the property, taxes, and insurance, reserving funds for basic and more extensive repairs, etc. Monthly costs per unit could be \$1,695 just to cover the

<sup>\*\*</sup>Assumes one household member works full time at 40 hours per week.

financing and ongoing operating costs; this does not take into account any profit, just the cost to break even on the project and ensure the developer does not lose any money.

If a non-profit developer has the down payment covered through grant funding (about 25 percent of the total project cost), the cost can be reduced to \$1,395 per month. If the non-profit developer were able to obtain grant funding for the total cost of development, the developer would still need about \$500 per unit per month to cover maintenance and operation costs. For households with extremely low incomes, those making less than \$21,000 per year, this is a hard ask.

Table 8. Example of monthly costs associated with developing an apartment complex.

	Per Unit Cost – Not Grant Funded	Per Unit Cost – 25% Grant Funded	Per Unit Cost – 100% Grant Funded
Total Cost of Development Covers the total cost of development including land acquisition, engineering and architectural fees, environmental reports, appraisals, city fees, construction, etc.	\$250,000	\$250,000	\$250,000
Monthly Cost for Down Payment Financing approximately 25% of overall development cost. Assumes 5.8% return on investment.	\$300	\$0	\$0
Monthly Cost for Loan Payment approximately 75% of overall development cost. Assumes 4% interest rate.	\$895	\$895	\$0
Monthly Cost for Ongoing Operating Costs and Reserves*  Covers property taxes and insurance; utilities; landscaping and general maintenance; basic repairs; property management; and maintenance reserves for painting, new roofs, appliance replacements, etc.	\$500	\$500	\$500
TOTAL Cost per month over 30-year loan term	\$1,695	\$1,395	\$500

<sup>\*</sup>Per the Housing Authority of Thurston County, \$500 per unit is likely a modest amount for well-maintained properties

Note: This example is intended to give readers an idea of the costs associated with development; actual numbers for real project will vary.

Source: Housing Authority of Thurston County

#### How do these actions reduce housing costs?

Providing affordable housing for the lowest income households and those experiencing homelessness requires significant resources; right now, those resources are scarce, leaving many households unable to afford a decent and affordable place to live. Many of the actions identified in this plan will not be possible without more funding. The Cities of Lacey, Olympia, and Tumwater can play a significant role in leveraging local, state, and federal dollars for low-income housing. The City also recognizes the need to collaborate regionally on a funding strategy so that funds are used efficiently and distributed to the areas of greatest need. With more funding, housing units become more affordable for households, when costs for developing and maintaining units are reduced.

While the City has some capacity to increase funding, Chapter 4 recognizes the need for action at the state and federal level to increase funding for affordable housing.

#### How do these actions address equity?

People of color are disproportionately low-income, at risk of experiencing homelessness, or homeless. However, many of the actions in this plan to address these issues will be impossible to implement without additional funding.

Table 9. Strategy 6: Establish a permanent source of funding for low-income housing.

		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
6.a.	Develop a comprehensive funding strategy for affordable housing that addresses both the sources of funding and how the funds should be spent.  Gaps/Needs Addressed:	ZX)	Н	Н	The City has begun the work necessary to implement the action, but work is needed through the Regional Housing Council and other regional forums to determine overall allocation goals for shelters, transitional and permanent low income housing. Otherwise, we will continue to spend most of our money on shelters and never build any affordable units.  Commissioner Kirkpatrick comment: Continue to provide funding for shelters and transitional housing through non-profits. There will always be a need.	<ul> <li>Funding through the         City Council's biennial         budgeting process.</li> <li>Time for staff to         develop and run such a         program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
6.b.	Establish an affordable housing property tax levy to finance affordable housing for very low-income households.  Gaps/Needs Addressed:	<b>™</b>	н	н	The City will consider the work necessary to implement the action, but the work has not been scheduled.  The City would need to survey taxpayers and our large property tax generators first.  Commissioner Kirkpatrick comment: Push to early in schedule.	<ul> <li>Funding through the         City Council's biennial         budgeting process.</li> <li>Time for staff to         develop and run such a         program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.
6.c.	Establish an affordable housing sales tax.  Gaps/Needs Addressed:		Н	Н	The City will consider the work necessary to implement the action, but the work has not been scheduled.  The City would need to survey taxpayers and our big sales tax generators first.  Commissioner Kirkpatrick comment: Push to early in schedule. Is working for Olympia (2828 Martin Way project.).	<ul> <li>Funding through the         City Council's biennial         budgeting process.</li> <li>Time for staff to         develop and run such a         program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
6.d.	Establish a regional housing trust fund to provide dedicated funding for low-income housing.  Gaps/Needs Addressed:	X	N/A	N/A	The action is not recommended to be implemented by the City. This should be what the Thurston Housing Authority does. The City should not create another entity.	• None.	Commissioner Kirkpatrick comment: Concur.
6.e.	Capture the value of city investments (utilities, roads, etc.) that increase private investments in neighborhoods, especially in areas with planned or existing transit.  Gaps/Needs Addressed:	⊞⊘	Н	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.  We would need to do more research on what this involved or how to do it other than what we already do via latecomer agreements.	<ul> <li>Funding through the         City Council's biennial         budgeting process.</li> <li>Time for staff to         develop and run such a         program.</li> </ul>	Commissioner Kirkpatrick comment: Concur.

	Ĭ	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed	Planning Commission Recommendation
6.f.	Encourage the Housing Authority of Thurston County to take greater advantage of State and Federal housing grants and tax incentives.  Gaps/Needs Addressed:	Щ	L	M	The City will consider the work necessary to implement the action, but the work has not been scheduled.	Time for staff to develop and run such a program.	

# Chapter 4. Legislative Needs

The Housing Action Plan identified a number of barriers to affordable housing that need to be addressed at the state or federal level. Cities that are Tumwater's size are not the best suited to leverage sufficient funding to meet the needs identified in this plan. They need state and federal government relief to fill the gap. Loss of funding at either the state or federal level can have severe impacts at the local level. A joint legislative agenda developed by the Cities of Lacey, Olympia, and Tumwater will be necessary to address these issues.

Many of the actions in this plan require funding, especially actions to create affordable housing for the lowest income households and people moving out of emergency and temporary housing situations. Therefore, an important part of this legislative agenda is the need for funding for the construction and maintenance of low-income housing and permanent supportive housing.

#### **State Legislative Agenda**

- Increase funding for low-income housing construction.
- Increase funding for permeant supportive housing for those recently experiencing homelessness and moving out of emergency/transitional housing.
- Increase funding for renovating low-income housing to address accessibility upgrades, energy efficiency retrofits, and indoor health (e.g. lead and mold).
- Reform Washington's condominium liability laws.
- Amend the Manufactured/Mobile Home Landlord-Tenant Act, such as in <u>HB 2610</u>, to provide protections for tenants in the event of a sale.
- Allow tax increment financing.
- Require a portion of the Washington State Housing Trust Fund to be used for affordable homeownership projects.
- Update the multifamily tax exemption program to include projects that support homeownership opportunities.
- Encourage local manufacturing of construction products

#### **Federal Legislative Agenda**

Reduce tariffs that raise housing construction costs, making it more expensive to build housing.
 Example: the cost of softwoods (heavily used in construction) from Canada are up by about 25 percent.

- Increase federal Housing and Urban Development (HUD) funding for affordable housing, including housing vouchers and funding for the Community Development Block Grant (CDBG) program, the Self-Help Homeownership Opportunity Program (SHOP), and the Home Investment Partnerships Program (HOME).
- Examine the effect of Davis-Bacon Act prevailing wage requirements on small, non-profit housing developers.
- Increase funding for down payment assistance. This could include providing tax credits for first-time homebuyers with low-income, targeted down payment assistance for disadvantaged populations and communities of color, and increased funding for homeownership savings programs like Assets for Independence and the Family Self-Sufficiency initiative.
- Support the Neighborhood Homes Improvement Act tax credit, which would make it
  economically feasible to rehabilitate distressed homes for homeownership and expand
  affordable homeownership opportunities for local residents.

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## Appendix A. Action Details

[Completed actions need to be moved to Chapter 2 *Actions Implemented* and action references in Appendix B *Considered Actions* will be adjusted. Update numbers as actions are added or removed from the list in Chapter 3 *Local Action*. Update Action list in Appendix A *Action Details* as well]

This appendix includes a fuller description of what each action included in this plan entails. Where appropriate, the appendix includes applicable information on what the City of Tumwater can do or has done as well as resources with more information. The actions are grouped into their strategy categories:

- 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 the overall housing supply by making it easier to build all types of housing projects.
- 4. Increase the variety of housing choices.
- 5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
- 6. Establish a permanent source of funding for low-income housing.

Strategy 1: Increase the Supply of Permanently Affordable Housing for Households that Make 80 Percent or Less of the Area Median Income.

1.a. Donate or lease surplus or underutilized jurisdiction-owned land to developers that provide low-income housing.

In areas with high land costs, acquiring suitable land can add significant expense to an affordable housing project. Public lands can be donated or leased to affordable housing developers, thereby reducing the cost of development. In this case, affordable housing means housing for households with incomes 80 percent or less of the area median income.

When a jurisdiction does not own land appropriate for housing development, purchasing such land may be an appropriate measure. The land can then be donated or leased to developers that provide low-income housing.

For more information on donating public lands, see RCW 39.33.015.

1.b. Require Planned Residential Developments (PRDs)/Planned Unit Developments (PUDs) for low-density development and include standards for including low-income housing.

Planned Residential Developments (PRDs) and Planned Unit Developments (PUDs) and are intended to provide a developer flexibility when designing very large subdivisions. Generally, flexibility is provided in

terms of lot size and housing types. Requiring low-income housing as part of low-density PUDs/PRD can introduce a greater variety of housing of low-density housing types (duplexes, small apartment buildings, cottage housing, etc.) into a new neighborhood and ensure the neighborhood is affordable for a wider range of households. This may also encourage the private sector to partner with non-profits such as Habitat for Humanity to develop detached single-family homes for low-income households.

Low-density developments are more likely to consist only of detached single-family homes. Requiring PRDs/PUDs for low-density development can encourage more housing types in such developments. Requiring low-income housing in PRD/PUD proposals is a type of inclusionary zoning (income-restricted affordable housing must be included as part of new developments).

#### 1.c. Adopt a "Notice of Intent to Sell" ordinance for multifamily developments.

Requiring notice to the city, housing officials, and tenants when the owner of a multifamily development intends to sell gives the city the opportunity to preserve low-income units for the same purpose and tenants ample additional time to prepare for a potential move. Not every multifamily development is appropriate for purchase to preserve affordability, but the notice allows jurisdiction staff the time to consider it. The City may consider developing a list of criteria to determine the types of multifamily developments they want to preserve, including units currently required to be dedicated for use by low-income households, but which may be converted to market-rate units in the future.

#### Resources

- National Housing Preservation Database. Provides information on developments that have received housing subsidies. As of December 2020, more than 3,000 multifamily units (two or more units in a building) in Thurston County have active subsidies.
- 1.d. Provide funding for the Housing Authority of Thurston County and other non-profit organizations to buy income-restricted units proposed to be converted to market rate housing.

Income-restricted housing units developed or rehabilitated with federal money may in the future be converted to market-rate units. Partnering with HATC and other nonprofit organizations to purchase such units can help preserve housing options for low-income households.

1.e. As part of comprehensive plan and development code changes, include an evaluation of the impact such changes will have on housing affordability, especially for low-income households.

Changes to comprehensive plans and development codes should include an evaluation of how they would affect the amount of housing, the types of housing allowed, and the cost to permit, construct, and renovate housing. Evaluating the potential for displacement when affordable units are likely to be lost to redevelopment (such as a mobile home park that is redeveloped) is also appropriate. Particular attention should be given to areas of need identified in the Housing Needs Assessment, including low-income and permanent supportive housing, housing for seniors, and improving and retrofitting existing low-income housing.

1.f. Provide funding for renovating and maintaining existing housing that serves low-income households or residents with disabilities.

Low-income households and landlords that serve such households may not be able to afford costs for improving housing units that require renovation or rehabilitation. Need-based assistance to make home repairs, weatherization improvements, energy efficiency upgrades, and safety upgrades can ensure existing housing affordable to low-income households remains healthy for inhabitants, affordable, and in good repair. Assistance may be in the form of loans, tax reductions, or grants for landlords, homeowners, and tenants.

See also Action 2.b.

#### 1.g. Allow manufactured home parks in multifamily and commercial areas.

Manufactured home parks serve as one of the most affordable housing options for households in the region. If a city has not adopted a dedicated zone for manufactured home parks, it should consider allowing such developments in commercial areas and all multifamily zones.

See also Actions 1.n and 2.c.

This strategy could make it easier to enhance enforcement of property maintenance codes (see Action 1.o.).

## 1.h. Provide funding for low-income and special needs residents to purchase housing through community land trusts.

Community land trusts provide permanently affordable housing opportunities by holding land on behalf of a place-based community. As non-profit organizations, housing land trusts help to make homeownership both possible and affordable for low-income households. Locally, the Thurston Housing Land Trust serves all of Thurston County.

#### 1.i. Offer density bonuses for low-income housing.

Density bonuses allow developers to build more housing units than typically allowed if a certain percentage of units are low-income or income restricted. This policy is best implemented in coordination with low-income housing providers. Density bonuses are viable in areas where there is market demand for higher-density housing but do not pencil out where the demand is weak.

## 1.j. Define income-restricted housing as a different use from other forms of housing in the zoning code.

Defining income-restricted housing as a specific use allows the City to identify income-restricted housing explicitly as a permitted use in residential zones. It also allows the City to establish development regulations specific to low-income housing to streamline its design and permitting, making it a more attractive type of development for developers.

#### 1.k. Offer and/or expand fee waivers for low-income housing developments.

Impact fees, utility connection fees, project review fees, and other fees increase the cost of housing construction. Reducing or waiving fees for low-income housing developments reduces their

development costs and acknowledges that providing low-income housing has a positive impact on a community by:

- Ensuring vulnerable households can afford a home.
- Preventing individuals and families from becoming homeless.
- Reducing the cost of providing social services for households in crisis.

The costs for such offsets must be made up elsewhere. According to the Washington State Department of Commerce, reducing or waiving impact fees are most effective when paired with other housing affordability incentives.

See also Action 3.k.

For more information on fee waivers for low-income housing, see:

- RCW 82.02.060 for exempting impact fees for low-income housing.
- <u>RCW 35.92.380</u> and <u>RCW 35.92.020</u> for waiving utility connection and other utility fees for low-income persons.
- RCW 36.70A.540 for waiving or exempting fees for affordable housing.

#### 1.l. Require low-income housing units as part of new developments.

Future Thurston County households will have a range of incomes, and a portion of residential development will need to be affordable to low-income households. Requiring low-income housing units, whether for rent or ownership, ensures such units will be built as part of development. Consideration should be given to the number of low-income units required, how they are integrated with market-rate units, and whether thresholds should be enacted that exempt smaller developments from this requirement. This policy is best implemented in coordination with low-income housing providers.

#### 1.m. Fund development projects that increase low-income housing through grants or loans.

The City can provide funding directly to low-income and permanent supportive housing providers through grants or loans. This recognizes the need for public funding to build low-income housing beyond what market-driven incentives can provide. This action can be best implemented for projects located close to transit and with good access to organizations and agencies that serve low-income households.

## 1.n. Establish a program to preserve and maintain healthy and viable manufactured home parks.

Manufactured home parks can be prime locations for higher density redevelopment in communities with strong demand for new housing. However, they also serve as one of the most affordable housing options for households in the region. A program that seeks to preserve and maintain healthy and viable manufactured home parks may consider ways to assist:

- Unit owners to purchase the park outright.
- Unit owners to maintain and repair individual manufactured homes.

- Unit owners with funding to replace units that would be better replaced than repaired.
- Unit owners with funding for relocation when a park cannot be preserved.
- Park owners with making service and utility upgrades.
- Park owners with converting from septic to sewered service.

See also Actions 1.g and 2.c.

#### 1.o. Enhance enforcement of property maintenance codes to keep housing in good repair.

Property maintenance codes are intended to ensure the health, safety, and welfare of the public is adequately protected. Improved enforcement can help ensure pest infestations, lack of sanitary conditions, presence of mold, and structural issues are addressed in a timely fashion, thereby protecting homeowners, tenants, and the public at large. Enforcing adopted property maintenance codes is difficult due to the time, staffing, and funding needed to identify and address issues as they arise.

This strategy could have a negative impact on low-income households if resources are not also made available to such households (or their landlords) to make required repairs (see Action 1.f).

### 1.p. Partner with low-income housing developers (such as Habitat for Humanity) to expand homeownership opportunities.

Affordable homeownership opportunities allow low-income households to build wealth. Local jurisdictions can go beyond their own capabilities to encourage affordable homeownership opportunities by partnering with local housing groups and non-profit developers. This may include providing funding, gifting publicly owned property, supporting grant applications, assisting property owners, and other programs that increase affordable homeownership opportunities. See also Action 1.a.

## 1.q. Extend public water and sewer to unserved areas to allow infill development in underdeveloped areas.

The Comprehensive Plan describes where the City expects, and is trying to direct, growth over the next twenty years. The private sector has traditionally done utility extension and upgrades as areas grow. For infill development, the City could invest to promote development in areas where new housing is desired, but upgrades to infrastructure, such as utilities and sidewalks, would be needed to support it.

#### Advantages:

- City could direct improvements where it would like to see development
- Attract private development with public investments public/private partnerships

#### **Disadvantages:**

- Administrative requirements
- Need to refocus Capital Facilities Plan development processes
- Changes existing City investment priorities

#### Strategy 2: Make It Easier for Households to Access Housing and Stay Housed.

#### 2.a. Provide displaced tenants with relocation assistance.

Displacement can happen for a variety of reasons through no fault of the tenant. As redevelopment becomes a more attractive option than keeping a development as is, households, especially low-income households, can be displaced. Moving costs money, and low-income households may not have the funds available for making a required move. State law authorizes local governments to adopt an ordinance requiring developers to provide displaced tenants with relocation assistance to households that have an income of 50 percent or less of the area median income. Cities and counties can also dedicate public funds or use a combination of public and private funds for relocation assistance. When public action results in tenant displacement, relocation assistance is required.

For more information on relocation assistance, see RCW 59.18.440 (developer action) and RCW 8.26 (public action).

## 2.b. Partner with local trade schools to provide renovation and retrofit services for low-income households as part of on-the-job-training.

According to a 2019 housing memorandum prepared by PNW Economics, LLC and LDC, Inc. for the Washington State Department of Commerce, the majority of general contracting firms struggle to find skilled tradespeople (Issues Affecting Housing Availability and Affordability, p. 71.) Trade schools, apprenticeship programs, and other professionals that provide repair, retrofit, and renovation services to homeowners can scale up training with the help of homeowners who are in need of services at reduced rates.

This action may require additional assistance to the household to accomplish (Action 1.f).

## 2.c. Rezone manufactured home parks to a manufactured home park zone to promote their preservation.

Manufactured home parks provide some of the most affordable, non-subsidized forms of housing in Thurston County. Occupants of manufactured and mobile homes who own their unit lease the land under the unit. As property values rise, pressure to redevelop manufactured home parks increases, putting unit owners at risk of having to move (which can be costly) and being unable to find a new place to establish their home. Rezoning such developments to a manufactured home park zone can limit the types of development allowed in the zone and result in a more thorough public review process if rezoning is proposed.

See also Actions 1.g and 1.n.

#### 2.d. Adopt a "right to return" policy.

A "right to return" policy prioritizes down payment assistance for first-time homebuyers that have been displaced due to direct government action. Establishing a right to return policy should only occur if the city has also established a down payment assistance program (see Action 2.f.).

## 2.e. Adopt short-term rental regulations to minimize impacts on long-term housing availability.

When a property owner rents out an entire living unit on a short-term basis, generally a period less than 30 days, that housing unit cannot be used for the community's long-term housing needs. Regulating short-term rentals can reduce negative impacts to the housing market as well as the neighborhood where the short-term unit is located. While this action is most effective in communities that attract a robust tourism base, establishing regulations/registration for this use ensures the city can track the impact short-term rentals have on long-term rentals.

#### 2.f. Establish a down payment assistance program.

Washington State has a number of programs that provide down payment assistance to first time and low-income homebuyers. Establishing a down payment assistance program at the local level can assist more households in the Thurston County community towards the goal of homeownership. Down payment assistance typically takes the form of a low- or no-interest loan to the homebuyer, which can be paid back as part of the mortgage or at the time the mortgage is paid off, the home is sold/transferred to a new owner, or the property is refinanced.

For more information on state down payment assistance programs, see the Washington State Housing Finance Commission.

## 2.g. Identify and implement appropriate tenant protections that improve household stability.

Tenant protections help avoid or slow the process of displacement for households by preserving housing units, a household's tenancy, or access to information and assistance. Examples of tenant protections include but are not limited to the following:

- Adopting a just cause eviction ordinance that requires landlords to provide tenants with a legally justifiable reason for the eviction.
- Adopting a preservation ordinance, requiring developers to replace affordable housing units demolished as part of redevelopment.
- Adopting an eviction mitigation ordinance to find ways to end a rental agreement mutually rather than evicting tenants.
- Adopting an opportunity to purchase policy that better involves tenants in the decision-making process when a dwelling unit is to be sold.
- Developing a program to incentivize landlords to accept tenants with poor credit or criminal history.
- Improving enforcement of landlord/tenant laws.
- Increasing a tenant's access to legal assistance for landlord/tenant issues.
- Limiting or regulating fees associated with rental housing applications.
- Requiring landlords to establish payment plans for tenants that get behind on rent.

Each tenant protection has positive and negative aspects that should be reviewed and considered before implementing, and both tenants and landlords should be involved in the review process. For

more information on protections offered by the Residential Landlord Tenant Act, see <a href="https://example.com/chapter-59.18">Chapter 59.18</a> RCW.

#### 2.h. Develop a technical assistance or education program for small landlords.

As shown by the Landlord Survey, a large number of the rental properties in the City are owned and operated by small landlords. To maintain this local ownership and maintain these properties, a technical assistance or education program would be useful for training such landlords in basic maintenance activities and help them to know where to look for support if needed.

## 2.i. Consider acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled.

This action would support of Resolution No. R2018-016 Housing Affordability Action #6, "Assess actions for assuring mobile home parks continue to provide affordable housing toward a goal of property ownership by residents." This action would help preserve a large source of existing affordable housing in the future and help to protect residents from dramatic shifts in lot rental fees.

## 2.j. Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold.

This action would support actions in the Thurston Climate Mitigation Plan to reduce energy use in older housing, and support local landlords maintaining their properties without passing the costs to their tenants.

## Strategy 3: Expand the Overall Housing Supply by Making It Easier to Build All Types of Housing Projects.

#### 3.a. Offer developers density and/or height incentives for desired unit types.

Increasing height limits or the number of dwelling units per acre can provide an incentive for developers to include desired unit types. Desired unit types depend on the neighborhood or policy context and could include defining the type of building (courtyard apartment or manufactured home, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms.

#### 3.b. Allow third-party review of building permits for development projects.

While retaining control of issuing building permits, a city may find third-party reviews helpful for maintaining good customer service and ensuring reviews are timely as demand for reviews increase or the permit counter is short-staffed. Third-party reviews may also be employed if expedited review policies are established.

As of January 2021, the City indicated building permit review times are generally within acceptable periods for review.

#### 3.c. Develop a plan for adapting vacant commercial space into housing.

New technologies and the current COVID-19 pandemic are changing how people work and shop. The increase in telework decreases the need for office space. More online shopping increases the need for warehouses but decreases the need for brick-and-mortar retail space.

Planning for converting vacant commercial office and retail space with low market value into residential use can meet the needs of property owners losing rents and households needing housing. A streamlined permitting process can help transition vacant commercial space into needed residential units.

## 3.d. Expand allowance of residential tenant improvements without triggering land use requirements.

For improvement projects that add housing but have minimal neighborhood impacts, such as accessory dwelling units (ADUs) or conversions from single-family to a duplex or triplex, waiving building, engineering, and land use requirements can reduce the cost to the property owner or developer. Before implementing, the City should consider the impact of waiving requirements for parking, frontage improvements, landscaping improvements, etc. as waving some standards may not be appropriate given the context of the neighborhood.

## 3.e. Reduce parking requirements for residential uses, including for multifamily developments near frequent transit routes.

Because parking can be expensive to install or take up valuable site area, reducing parking associated with new development or redevelopment can lower overall development costs. Reducing parking requirements can result in increased density and be an appropriate trade-off when the development is near transit routes that receive frequent service. Additionally, fewer residents are likely to own vehicles in areas within walking distance of frequent bus service or neighborhood centers.

## 3.f. Identify strategically placed but underdeveloped properties and determine what barriers exist to developing desired housing types.

It is not always clear why a property especially suitable for residential development is underutilized. Identifying existing barriers can lead to a better understanding of how existing codes, infrastructure, and market conditions affect the viability of development projects that contain desired unit types. Desired unit types depend on the neighborhood or policy context and could include defining the type of building (four-story building or courtyard apartments, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms. Identifying barriers may lead to the city making investments in roads or utilities and present an opportunity to capture the value of city investments that spur private development (see Action 6.e). Barrier identification may also lead to changes to improve/streamline city codes, policies, and processes.

#### 3.g. Increase minimum residential densities.

Increasing minimum residential densities allows more dwelling units to be built per acre of land, can reduce the cost of each housing unit, increases the likelihood of public transit ridership, improves a

neighborhood's walkability, and reduces the per housing unit cost of providing urban services (water, sewer, garbage, etc.).

#### 3.h. Reduce minimum lot sizes.

Like increasing minimum residential densities, reducing minimum lot sizes allows more dwelling units to be built per acre of land, can reduce the cost of each housing unit, increases the likelihood of public transit ridership, improves a neighborhood's walkability, and reduces the per housing unit cost of providing urban services (water, sewer, garbage, etc.). For low-density developments like single-family neighborhoods, it also allows for smaller and low-maintenance yards.

## 3.i. Lower transportation impact fees for multifamily developments near frequent transit service routes.

Transportation impact fees are one-time charges assessed by a local government against a new development project to help pay for establishing new or improving existing public streets and roads. The streets and roads must be included in a community's Comprehensive Plan. The fee must directly address the increased demand on that road created by the development. For multifamily developments near frequent transit service routes, the idea is that many residents and visitors are able to utilize the public transit system, thereby reducing the impact of the development on public streets and roads.

#### January 2021 Transportation Impact Fees (rounded to the nearest dollar)

- Lacey: \$610-\$3,989 per dwelling unit. Varies according to unit type with detached single-family dwellings having the highest fees.
- **Olympia:** \$728-\$3,219 per dwelling unit. Varies according to unit type with detached single-family dwellings having the highest fees.
- **Tumwater:** \$497-\$3,919 per dwelling unit. Varies according to unit type with detached single-family dwellings having the highest fees. Assisted living facilities have a fee of \$439 per bed.

#### 3.j. Expand the multifamily tax exemption to make it available in all transit corridors.

The City has established a multifamily tax exemption (MFTE) program for specific areas of the City where it desires a pattern of development that is more urban residential or mixed-use. The target areas as of January 2021 are the Brewery District, Capitol Boulevard Corridor, Tumwater Town Center, and the Littlerock Road Subarea.

Opening the program to transit corridors can lead to more units being constructed in areas with low transportation costs and more units, at least for a time, affordable to low-income households.

#### 3.k. Allow deferral of impact fee payments for desired unit types.

New development affects existing municipal and community investments, and impact fees are a way to ensure new development pays their fair share. Impact fees may be delayed, but they must be paid before the impact is realized. Delaying payment of such fees allows a developer building desired unit types to spread the costs of a development over a longer period. State law already requires the City to establish a system for deferring impact fee payments for small, single-family residential developments. This action would expand the deferral program to developments with desired unit types.

Desired unit types depend on the neighborhood or policy context and could include defining the type of building (courtyard apartment or manufactured home, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms.

See also Action 1.k.

## 3.l. Simplify land use designation maps in the comprehensive plan to help streamline the permitting process.

Development must be consistent with a community's comprehensive plan; broad land use categories in the comprehensive plan provide the vision while more precise land use zones provide the implementation framework. Land use designations that are too specific in a comprehensive plan may require a developer to apply for a comprehensive plan amendment in addition to a zone change. Because comprehensive plan amendments are typically considered only once a year, this can slow the permitting process down substantially.

- Lacey: 33 land use designations in the Comprehensive Plan implemented by 33 land use zones.
- **Olympia:** 15 future land use designations in the Comprehensive Plan implemented by 33 land use zones.
- **Tumwater:** 19 future land use designations in the Comprehensive Plan implemented by 19 land use zones.

#### 3.m. Integrate or adjust floor area ratio standards.

Floor area ratio (FAR) is the ratio of a building's total floor area to the size of the property it sits on. Using FAR in place of density limits provides flexibility for developers to utilize more units and unit types. FAR can be used in place of density limits and when larger buildings are desired but using both standards (FAR and density limits) can result in limiting the number of units developed as well as the size of buildings constructed. FAR standards can also be paired with design guidelines to ensure the building form is consistent with existing or desired development.

#### 3.n. Maximize use of SEPA threshold exemptions for residential and infill development.

The State Environmental Policy Act (SEPA) review process is intended to ensure government actions have fully taken into consideration the environment before a decision is made. Actions that will likely result in an adverse impact on the environment must go through a more rigorous review (an environmental impact statement or EIS). Some projects are exempt from the SEPA review process because their impact on the environment is generally considered minimal and not adverse, but developments must still meet environmental standards. Single-family and multifamily developments with four or fewer units are automatically exempt from review under SEPA, and state law allows cities to adopt exemptions that are more flexible. The Cities of Lacey, Olympia, and Tumwater may exempt single-family developments with up to 30 units and multifamily developments with up to 60 units from SEPA review.

Table 10. Adopted SEPA Exemptions as of January 2021.

	Development Type	
Exemptions	Single-Family	Multifamily
Allowed per SEPA	30 units	60 units
Lacey	4 units	60 units
Olympia	9 units	No exemption
Tumwater	9 units	60 units

#### **Infill Exemptions**

In order to accommodate infill development, the Cities of Lacey, Olympia, and Tumwater may adopt SEPA exemptions for infill development to help fill in urban growth areas.

To qualify for the infill exemption:

- An EIS must already be issued for the comprehensive plan or the city must prepare an EIS that considers the proposal's use or density/intensity in the exempted area.
- The density of the area to be infilled must be roughly equal to or lower than what the adopted comprehensive plan calls for.
- The development must be residential, mixed-use, or non-retail commercial development. Commercial development that exceeds 65,000 square feet does not qualify for the exemption.
- Impacts to the environment from the proposed development must be adequately addressed by existing regulations.

If a city takes action to adopt an infill exemption before April 1, 2023, the city's action cannot be appealed through SEPA or the courts.

#### **Planned Actions**

Up front review and analysis of impacts to the environment can help streamline the process for developments. Individual developments projects associated with an adopted plan (subarea plan or master planned development, for example) can be exempted from further SEPA review when a threshold determination or EIS has been issued for the adopted plan. The threshold determination or EIS for the adopted plan must detail the project-level impacts of the proposed development, thereby forgoing the need for review when the specific project applies for permitting.

For more information, see:

- RCW 43.21C.229 (infill exemptions).
- RCW 43.21C.440 (planned actions).
- 3.o. Consult with Washington State Department of Transportation as part of the SEPA review process to reduce appeals based on impacts to the transportation element for residential, multifamily, or mixed-use projects.

The State Environmental Policy Act (SEPA) provides citizens with a process for challenge decisions made by jurisdictions and government agencies. While an important tool for holding government accountable, SEPA appeals can slow down projects, adding time and costs to the approval process.

HB 1923 passed into law in 2019 recognized that SEPA appeals add cost to infill and affordable housing projects while having minimal impact on transportation systems. The law provides cities with an option to protect SEPA decisions from appeal based on impacts to the transportation element of the environment when:

- The approved residential, multifamily, or mixed-use project is consistent with the adopted transportation plan or transportation element of the comprehensive plan.
- The required impact fees and/or traffic and parking impacts are clearly mitigated under another ordinance.
- Washington State Department of Transportation (WSDOT) determines the project would not present significant adverse impacts to the state-owned transportation system.

Consultation with WSDOT as part of the SEPA review process can help streamline the development process. For residential, multifamily, and mixed-use projects that do not meet the criteria above, the right to appeal the SEPA decision is maintained.

For more information, see RCW 43.21C.500.

#### 3.p. Continue to look for place-making opportunities along urban corridors.

In support of actions identified in the Sustainable Thurston Plan and the Thurston Climate Mitigation Plan, this action would help incentivize new residential developments in areas of the City, such as the Brewery District and the Capitol Boulevard Communities where redevelopment is encouraged to meet land use and economic goals and provide more residential development opportunities.

## 3.r. Mix market rate and low-income housing to avoid creating areas of concentrated low-income housing.

The action would ensure that not only market rate and low-income housing is created in the City, but residents of both would be able to intermix and create more opportunities for all economic classes.

#### Strategy 4: Increase the Variety of Housing Choices.

## 4.a. Increase the types of housing allowed in low-density residential zones (duplexes, triplexes, etc.).

As previously discussed, zoning regulations may unintentionally bar disadvantaged populations, including people of color, from neighborhoods due to restrictions on the size and types of housing that are affordable and accessible such to them. When housing in low-density residential zones is generally limited to single-family homes, the zone does not meet community needs for ensuring affordable housing options are available to a wider array of households. Examples of housing types that may be appropriate for low-density zones include but are not limited to the following:

- Duplexes, triplexes, and quadplexes.
- Townhouses.

- Accessory dwelling units.
- Courtyard apartments.

Not every low-density zone is the same, and some types of housing are more appropriate than other housing types. Cities will need to determine the most appropriate housing types for low-density residential zones.

#### 4.b. Allow more housing types in commercial zones.

Like low-density residential zones, commercial zones may benefit from more diversity in housing types, especially as changes in consumer shopping habits and employer work policies (telework, for example) open opportunities to convert commercial space into housing. Examples of housing types that may be appropriate for commercial zones include but are not limited to the following:

- Live/work units.
- Multifamily units.
- Townhouses.
- Courtyard apartments.

Not all housing types are appropriate in commercial zones, and analysis will need to be done to determine the most appropriate housing types for a commercial zone.

## 4.c. Adopt a form-based code to allow more housing types and protect the integrity of existing residential neighborhoods.

A form-based code uses the physical form and design of the public realm (building façade and streetscape) as the framework for regulation rather than the need to separate uses. Because of this, form-based codes are most useful in mixed-use zones where the widest variety of uses are already allowed and encouraged. Form-based codes are also useful when the goal is to protect an existing neighborhood character or where developing a cohesive character is desired.

#### 4.d. Allow single-room occupancy (SRO) housing in all multifamily zones.

Single room occupancy housing units are rentals dwellings consisting of small rooms intended for a single person to occupy. Kitchen and bathroom facilities are typically shared, as are other amenities offered by the housing facility. SROs and other types of micro housing (dormitories, small efficiency dwelling units, etc.) offer affordable options at both subsidized and market rates. Such uses are appropriate for and can integrate well in multifamily zones.

#### 4.e. Strategically allow live/work units in nonresidential zones.

A live/work unit is a single dwelling unit consisting of both a commercial/office space and a residential component that is occupied by the same resident who has the unit as their primary dwelling. The intent is to provide both affordable living and business space for a resident/business owner. The configuration of the live/work unit can vary:

• Live-within. The workplace and living space completely overlap.

- Live-above. The workplace is below the living space with complete separation between the two.
- Live-behind. The workplace is in front of the living space with complete separation between the two possible.
- Live-in-front. The workplace is behind the living space (typically a single-family dwelling) with some overlap between the two possible.

Although home occupations are a type of live/work unit, the emphasis here is on a more intensive nonresidential component (size, traffic generation, employees on site, etc.) that may not be appropriate to classify as a home occupation. Live/work units may also be appropriate in residential zones. In either case, cities will need to conduct additional analysis to determine the locations and types of uses appropriate for live/work units.

## Strategy 5: Continually Build on Resources, Collaboration, and Public Understanding to Improve Implementation of Housing Strategies.

#### 5.a. Conduct education and outreach around city programs that support affordable housing.

Providing the public and developers information about affordable housing programs can help households in need find assistance and developers identify resources for building desired unit types. Desired unit types depend on the neighborhood or policy context and could include defining the type of building (triplex or single-room occupancy building, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms. Education and outreach can also invite community dialogue on the need for diverse housing options in the community.

## 5.b. Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.

Housing issues are complex, and so are the resources available to households and landlords. When problems arise or a party needs to find information, having a designated resource to navigate issues and identify resources (development funding, tax assistance, housing opportunities, legal aid, weatherization programs, etc.) gives people more tools to reach their goals.

## 5.c. Identify and develop partnerships with organizations that provide or support low-income, workforce, and senior housing as well as other populations with unique housing needs.

Both for-profit and non-profit agencies provide or support low-income, workforce, and senior households. They often have expertise to deliver programs and housing the Cities of Lacey, Olympia, and Tumwater do not have as well as access to funding streams unavailable to the cities. Identifying shared vision and goals can help each organization to leverage funding and improve household access to assistance.

## 5.d. Establish a rental registration program to improve access to data and share information with landlords.

Understanding how many dwelling units are being rented, the types of units being rented, and the cost of rent is important information needed to understand the impacts on landlords and tenants of many of the actions in this plan. It also provides the Cities of Lacey, Olympia, and Tumwater with an easy way to

reach out to landlords and tenants, who are both important stakeholders when enacting many of the actions in this plan. This action is particularly suited to being implemented at the regional level and may be appropriate for the cities to develop through the Regional Housing Council. Doing so would ensure the same data is collected across the jurisdictions effectively and economically.

## 5.e. Partner with a public or private developer to build a townhouse or a row house demonstration project.

The action would encourage townhouse or row house development in the City.

#### 5.f. Track data on affordable housing at the regional level.

In order to understand if the actions in this Plan are working, regional housing data needs to be collected annually. The Regional Housing Needs Assessment and Housing Gap Analysis were valuable tools in the development of this Plan and maintaining an annual collection of data would be very useful.

#### Strategy 6: Establish a Permanent Source of Funding for Low-Income Housing.

## 6.a. Develop a comprehensive funding strategy for affordable housing that addresses both the sources of funding and how the funds should be spent.

Without a comprehensive funding strategy, it will be difficult to ensure dollars earmarked for developing affordable housing in the community are used to their full effect and meet the greatest need. A comprehensive funding strategy takes into consideration how the funds can be used, whether they can be leveraged to obtain other funding (grants, loans, etc.), and the types of projects the funding can support. This action is particularly suited to being implemented at the regional level and may be appropriate for the cities to develop through the Regional Housing Council.

## 6.b. Establish an affordable housing property tax levy to finance affordable housing for very low-income households.

The Cities of Lacey, Olympia, and Tumwater may impose a property tax levy up to \$0.50 per \$1,000 of a property's assessed value to fund affordable housing. The levy must be used for low-income households.

The levy, which lasts for up to 10 years, can only be enacted if:

- The city declares an emergency exists concerning the availability of affordable housing for households served by the levy.
- A majority of voters approve it.
- The city adopts a financial plan for spending the money.

If a property tax levy were enacted at the maximum rate of \$0.50 per \$1,000 of assessed value, homeowners can expect their property taxes to go up. This amounts to \$175 per year for a home valued at \$350,000 (Table 11). Households that rent can expect their monthly rent to increase on average between \$6.71 and \$11.91 each month, depending on the type of unit rented.

Table 11. Additional costs to households with a \$0.50 per \$1,000 property tax levy.

Owner-Occupied*		Renter-Occupied	
Assessed Value	Additional Property Taxes (annual)	Building Size	Additional Monthly Rent (average) per unit
\$350,000	\$175	Single-Family Dwelling	\$11.91
\$450,000	\$225	Duplex, Triplex, and Fourplex units	\$9.04
\$550,000	\$275	5+ Unit Apartments	\$6.71

Note: Rates for owners only apply to detached single-family homes. Costs, which are rounded, are based on the 2017 total assessed value of all taxable non-exempt properties and are adjusted for inflation to 2020 dollars.

Source: Thurston County Assessor.

Thurston County also has the ability to establish a property tax levy. If both cities and Thurston County impose the levy, the last jurisdiction to receive voter approval for the levies must be reduced or eliminated so that the combined rate does not exceed the \$0.50 per \$1,000 of assessed property value.

If the Cities of Lacey, Olympia, and Tumwater each enact the levy, nearly \$9.7 million could be collected for affordable housing in 2021 (Table 12). If the tax levy were adopted countywide, more than \$30 million would be available to serve low-income households in 2021. This includes developing new housing, enabling affordable homeownership, and making home repairs.

Table 12. Potential affordable housing funding from maximum property tax levy.

Jurisdiction	2020 Assessed Property Values	Potential Affordable Housing Funds
Lacey	\$7.4 billion	\$3.7 million
Olympia	\$8.2 billion	\$4.1 million
Tumwater	\$3.9 billion	\$1.9 million
TOTAL (cities only)	\$19.5 billion	\$9.7 million
TOTAL (Countywide)	\$31.5 billion	\$31.5 million

Note: Values, which are rounded, are based on the 2020 total assessed value of taxable non-exempt properties. Potential affordable housing funds are based on the total assessment of all properties combined.

Source: Thurston County Assessor.

#### **Property Tax Levies**

• Lacey: has not established a property tax levy.

- **Olympia:** has not established a property tax levy.
- **Tumwater:** has not established a property tax levy.
- Thurston County: has not established a property tax levy.

For more information, see <u>RCW 84.52.105</u>.

#### 6.c. Establish an affordable housing sales tax.

Beginning in 2020, cities may establish a 0.1 percent affordable housing sales tax by legislative authority or by voter approval. At least 60 percent of the revenue must be used for one or more of the following:

- Constructing affordable housing (new construction or retrofitting an existing building).
- Constructing facilities providing housing-related services.
- Constructing mental and behavioral health-related facilities.
- Funding the operations and maintenance costs of the three projects above.

Thurston County can also establish the affordable housing sales tax. If it does so before the Cities of Lacey, Olympia, and Tumwater, the cities will not be able to establish their own funds. If the cities and Thurston County impose the sales tax, the County must provide a credit to the cities for the amount they would have collected. If the Cities of Lacey, Olympia, and Tumwater had been able to enact an affordable housing sales tax in 2019, nearly \$5 million would be available to serve low-income households (Table 13).

For more information, see RCW 82.14.530.

Table 13. Potential affordable housing funding from maximum affordable housing sales tax in 2019.

Jurisdiction	2019 Taxable Retail Sales	Potential Affordable Housing Funds
Lacey	\$1.5 billion	\$1.5 million
Olympia	\$2.4 billion	\$2.4 million
Tumwater	\$0.9 billion	\$0.9 million
TOTAL (cities only)	\$4.8 billion	\$4.8 million
TOTAL (countywide)	\$6.2 billion	\$6.2 million

Note: Taxable retail sales are rounded.

Source: Washington State Department of Revenue, <u>Taxable Retail Sales.</u>

#### **Affordable Housing Sales Tax**

Lacey: has not established an affordable housing sales tax.

- **Olympia:** established an affordable housing sales tax in 2018, referred to as the "Home Fund." Approximately 65 percent of funds are dedicated to construction projects and 35 percent to housing program operations. Must be re-authorized by voters in 2028.
- **Tumwater:** has not established a sales tax.
- Thurston County: has not established an affordable housing sales tax.

## 6.d. Establish a regional housing trust fund to provide dedicated funding for affordable housing.

Housing trust funds are distinct funds established by local governments to receive funding to support housing affordability. Housing trust funds are not an endowment that operates from earnings but acts as a repository to prevent funds from being coopted for other purposes. Establishing a housing trust fund is particularly suited to being implemented at the regional level and may be appropriate for the cities to develop through the Regional Housing Council.

## 6.e. Use value capture to generate and reinvest in neighborhoods experiencing increased private investment (with a focus on areas with planned or existing transit).

Value capture is a type of public financing that recovers some or the entire value public infrastructure generates for private landowners. When roads are improved, water and sewer lines extended, or new parks or public amenities developed, property values tend to increase. Value capture is best planned for from the outset of a project and it can include developer contributions and special taxes and fees.

## 6.f. Encourage the Housing Authority of Thurston County to take greater advantage of State and Federal housing grants and tax incentives.

The Housing Authority of Thurston County is the primary source of low-income housing in community. Being able to take greater advantage of all federal and state housing grants and incentives would help support the production of more affordable housing.

## Appendix B. Considered Actions

[Completed actions need to be moved to Chapter 2 *Actions Implemented* and action references in Appendix B *Considered Actions* will be adjusted. Update numbers as actions are added or removed from the list in Chapter 3 *Local Action*. Update Action list in Appendix A *Action Details* as well]

In developing this plan, many actions were considered, though not all were included. This appendix provides a full list of the actions considered in the plan's development. Where appropriate, explanations for why an action was excluded are included. Actions were developed and refined over six months and the wording may not match previous versions.

Table 14. Actions considered but not included in the Housing Action Plan.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (1.a)	Donate or lease surplus or underutilized jurisdiction-owned land to developers that provide low-income housing.	
Excluded	Create shovel-ready housing developments that can be handed off to a developer to construct.	Action is out of scale with what our region can reasonably accomplish. Cities do not have the budgets or expertise to perform this action.
Excluded	Purchase property with the intent to donate or lease to developers that provide income-restricted affordable housing.	Combined with Action 1.a.
Included (3.a)	Offer developers density and/or height incentives for desired unit types.	
Included (1.b)	Require PRDs/PUDs for low-density development and include standards for including low-income housing.	
Excluded	Make regulations and permit processing more predictable, to remove some uncertainty for both builders and lenders.	Action not specific enough. Other actions more specifically address the need to improve predictability of regulations and permit processing.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Allow third-party review and approval of development projects (anytime OR when cities are backlogged).	See Action 3.b.
Included (3.b)	Allow third-party review of building permits for development projects.	
Excluded	Adopt a single development code for The Cities of Lacey, Olympia, Tumwater, and their urban growth areas to make regulations and permit processing more predictable.	Each community has a different identity with a desire for different standards.
Excluded	Waive reviews for energy code compliance when a project receives a green building certification.	It does not appear that a green building certification actually makes housing more affordable versus complying with energy code. In the right market conditions, may be an incentive to buy.
Excluded	Require shot clocks for permit processing.	State law already requires timelines for review, and the City is able to accomplish their reviews in a timely manner.
Included (1.c)	Adopt a "Notice of Intent to Sell" ordinance for multifamily developments.	
Included (1.d)	Provide funding for the Housing Authority of Thurston County and other non-profit organizations to income-restricted units proposed to be converted to market rate housing.	
Included (2.a)	Provide displaced tenants with relocation assistance.	
Implemented	With major comprehensive plan updates, confirm land is suitably zoned for development of all housing types.	
Excluded	On a regular basis, hold a series of community meetings to discuss how housing and zoning regulations affect equity goals.	See Action 5.a.
Included (4.a)	Increase the types of housing allowed in low-density residential zones (duplexes, triplexes, etc.).	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Allow more housing types in commercial and industrial zones.	See Action 4.c.
Included (4.b)	Allow more housing types in commercial zones.	
Included (4.c)	Adopt a form-based code for mixed-use zones to allow more housing types and protect the integrity of existing residential neighborhoods.	
Included (3.c)	Develop a plan for adapting vacant commercial space into housing.	
Included (3.d)	Expand allowance of residential tenant improvements without triggering land use requirements.	
Excluded	Prior to finalizing a draft for public review, vet comprehensive plans and development code changes with the development community to ensure desired housing types and locations are supported by market conditions.	See Action 1.e.
Included (1.e)	As part of comprehensive plan and development code changes, include an evaluation of the impact such changes will have on housing affordability, especially for low-income households.	
Implemented	Recognize modular/manufactured housing as a viable form of housing construction.	
Excluded	Provide for a dynamic mix of residential land uses and zones in order to create a diverse mix of sites available for different housing types.	This action is already implemented.
Implemented	Simplify requirements for accessory dwelling units (ex: title notification, owner living on site, etc.).	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Implemented	Allow accessory dwelling units in all residential zones.	
Excluded	Allow accessory dwelling units in commercial zones.	Not an issue that has ever been raised to staff; need to focus on actions that have real and lasting impacts.
Included (3.e)	Reduce parking requirements for residential uses, including for multifamily developments near frequent transit routes.	
Included (3.f)	Identify strategically placed but underdeveloped properties and determine what barriers exist to developing desired housing types.	
Excluded	Identify strategically placed properties where up zoning is appropriate.	see Action 3.f.
Implemented	Require minimum residential densities.	
Included (3.g)	Increase minimum residential densities.	
Included (3.h)	Reduce minimum lot sizes.	
Excluded	Support and plan for assisted housing opportunities using federal, state, or local aid.	Action not clear/specific enough
Excluded	Support diverse housing alternatives and ways for older adults and people with disabilities to remain in their homes and community, as their housing needs change.	Action not specific enough. Other actions more specifically address the need to support diverse housing alternatives for seniors.
Excluded	Retain existing subsidized housing.	None of the cities have subsidized units at this time, so it is not an action they would pursue. Other actions can support other entities in retaining existing subsidized housing.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Encourage new housing on transportation arterials and in areas near public transportation hubs.	Action not specific enough. See Actions 3.i and 3.e for actions that more specifically address the issue of housing near transportation facilities.
Included (3.i)	Lower transportation impact fees for multifamily developments near frequent transit service routes.	
Excluded	Reduce parking requirements for multifamily developments near frequent transit routes.	Combined with Action 3.e.
Implemented	Allow group homes in all residential zones and commercial zones that allow residential uses.	
Excluded	Limit the density of group homes in residential areas to prevent concentration of such housing in any one area.	May create a hindrance to ensuring there are enough housing opportunities for seniors. There are nearly 150 adult family homes in Thurston County now; their concentration in any one area is not known to be an issue.
Included (1.f)	Provide funding for renovating and maintaining existing housing that serves low-income households or residents with disabilities.	
Excluded	Support programs to improve energy efficiency, health conditions and public recognition of improvements in lowincome rental housing	Statewide need - not just a local need. Combined with Action 1.f.
Excluded	Fund programs that improve the energy efficiency and health conditions in low-income rental housing.	Combined with Action 1.f.
Excluded	Encourage self-help housing efforts and promote programs in which people gain home equity in exchange for work performed in renovation or construction.	Action not specific enough. See Action 1.p.
Included (1.p)	Partner with local trade schools to provide renovation and retrofit services for low-income households as part of on-the-jobtraining.	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Establish a manufactured home park zone to promote their preservation.	See Action 2.c.
Included (2.c)	Rezone manufactured home parks to a manufactured home park zone to promote their preservation.	
Included (1.g)	Allow manufactured home parks in multifamily and commercial areas.	
Included (1.h)	Provide funding for low-income and special needs residents to purchase housing through community land trusts.	
Excluded	Fund programs that prevent homelessness for persons returning to the community from institutional or other sheltered settings (including foster care).	Action better suited to the Thurston County Homeless Response Plan.
Excluded	Fund self-sufficiency and transitional housing programs that help break the cycle of homelessness.	Deals with a temporary/emergency housing situation better addressed through the Regional Housing Council and other, more targeted efforts to address homelessness.
Excluded	Provide funding to the Regional Housing Council for temporary emergency housing programs.	Deals with a temporary/emergency housing situation better addressed through the Regional Housing Council and other, more targeted efforts to address homelessness.
Implemented	Adopt design standards that assist new forms or high-density housing and promote infill.	
Included (4.d)	Allow single-room occupancy (SRO) housing in all multifamily zones.	
Included (4.e)	Strategically allow live/work units in nonresidential zones.	
Excluded	Promote PUD/PRD and cluster subdivisions.	See Action 5.a.
Implemented	Establish a multifamily tax exemption.	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (6.a)	Develop a comprehensive funding strategy for affordable housing that addresses both sources of funding and how the funds should be spent.	
Excluded	On a regular basis, evaluate the effectiveness of how the multifamily tax exemption is being used to further affordable housing goals.	
Included (6.b)	Establish an affordable housing property tax levy to finance affordable housing for very low-income households.	
Included (6.c)	Establish an affordable housing sales tax.	
Included (3.j)	Expand the multifamily tax exemption to make it available in all transit corridors.	
Included (1.i)	Offer density bonuses for low-income housing.	
Excluded	Require developers to provide incomerestricted units as part of low-density developments.	The Thurston Region does not have the market to implement this action. Requires a market evaluation before implementing.
Excluded	Require property owners to provide an affordable housing fee when building homes over a certain size.	The Thurston Region does not have the market to implement this action. Requires a market evaluation before implementing.
Excluded	Establish alternative development standards for affordable housing. (standards in the zoning code to support affordable housing)	Action not specific enough. See Action 1.j.
Included (1.j)	Define income-restricted housing as a different use from other forms of housing in the zoning code.	
Included (1.k)	Offer and/or expand fee waivers for low-income housing developments.	
Excluded	Expand fee waivers for affordable housing developments.	Combined w/ Action 1.k.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (3.k)	Allow deferral of impact fee payments for desired unit types.	·
Included (1.I)	Require low-income housing units as part of new developments.	
Included (1.m)	Fund development projects that increase low-income housing through grants or loans.	
Included (6.d)	Establish a regional housing trust fund to provide dedicated funding for affordable housing.	
Excluded	Establish a local housing trust fund to provide dedicated funding for low-income housing.	Coordination at the regional scale will have more of an impact than developing individual plans.
Excluded	Create partnerships with local housing groups to increase affordable housing options for seniors and other populations with unique needs.	Combined w/ Action 5.c.
Implemented	Make strategic investments in infrastructure expansion to reduce development costs.	
Included (3.l)	Simplify land use designation maps in the comprehensive plan to help streamline the permitting process.	
Excluded	Inventory housing units dedicated for seniors, low-income households, and ADA-accessible units.	Data should support the actions that result in change.
Excluded	Inventory substandard housing units (units with poor energy efficiency, indoor air quality/mold issues, etc.).	Data should support the actions that result in change.
Included (5.d)	Establish a rental registration program to improve access to data and share information with landlords.	
Excluded	Require the owners of rental properties to obtain a business license.	Data should support the actions that result in change.
Excluded	On a regular basis, inventory rental housing.	Data should support the actions that result in change.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (3.m)	Integrate or adjust floor area ratio standards.	
Implemented	Relax ground floor retail requirements to allow residential units.	
Implemented	Reduce setbacks and increase lot coverage/impervious area standards.	
Excluded	Maximize SEPA threshold exemptions for single-family and multifamily development proposals.	See Action 3.n.
Included (3.n)	Maximize use of SEPA threshold exemptions for residential and infill development.	
Excluded	Utilize SEPA exemptions to encourage infill development in urban growth areas	See Action 3.n.
Excluded	Create subarea plans with non-project environmental impact statements.	See Action 3.n.
Excluded	Develop SEPA-authorized "planned actions" to streamline permitting process in designated areas.	See Action 3.n.
Included (3.o)	Consult with Washington State Department of Transportation as part of the SEPA review process to reduce appeals based on impacts to the transportation element for residential, multifamily, or mixed-use projects.	
Implemented	Process short plat applications administratively.	
Excluded	Process preliminary long plat applications that meet specific requirements administratively.	Can implement this but if even one person requests a public hearing, a public hearing must be held. May not be worth implementing if a public hearing is always anticipated and it has different noticing requirements from the norm (administrative headaches).
Excluded	Market available housing incentives.	See Action 5.a.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Establish a foreclosure intervention counseling program.	Already existing programs that fill this need.
Included (1.n)	Establish a program to preserve and maintain healthy and viable manufactured home parks.	
Excluded	Require developers to provide relocation assistance when a manufactured home park cannot be preserved.	
Excluded	Help residents convert manufactured home parks into cooperatives.	See Action #63
Excluded	Adopt a just cause eviction ordinance.	See Action 2.g.
Included (2.d)	Adopt a "right to return" policy.	
Included (2.e)	Adopt short-term rental regulations to minimize impacts on long-term housing availability.	
Included (2.f)	Establish a down payment assistance program.	
Excluded	Establish a property tax assistance program for low-income homeowners.	This may not be in the cities' purview.
Excluded	Establish a property tax assistance program for homeowners with disabilities.	This may not be in the cities' purview.
Excluded	Require an impact analysis for new housing and land use proposals.	This action will lead to an increase in housing costs. Transportation impact analyses are already required where needed.
Excluded	Require subsidized housing be integrated with unsubsidized housing.	See Action 1.I.
Excluded	Develop and implement an education and outreach plan for affordable housing options	See Action 5.a.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (5.a)	Conduct education and outreach around city programs that support affordable housing.	
Included (5.b)	Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.	
Excluded	Review and, if necessary, update property maintenance codes (including standards for mold/moisture) to keep housing in good repair.	Enforcement of property maintenance codes is really the issue. See Action #76a.
Included (1.o.)	Enhance enforcement of property maintenance codes to keep housing in good repair.	
Excluded	Co-locate emergency, transitional, and permanent affordable housing.	This is an action taken by the developer; may not be appropriate for the city to require.
Excluded	Working through the Regional Housing Council, identify appropriate locations for emergency housing within each jurisdiction.	This action deals with a temporary/emergency housing situation better addressed through the Regional Housing Council and other, more targeted efforts to address homelessness.
Included (5.c)	Identify and develop partnerships with organizations that provide or support for low-income, workforce, and senior housing as well as other populations with unique housing needs.	
Excluded	Look at options for creating workforce housing.	Action is not specific enough. Need to define what exactly should the cities be doing.
Excluded	Explore creating dormitory-style housing, similar to what colleges have, with common bathrooms and communal kitchens for transitional housing.	See Action 4.d.
Excluded	Identify underutilized properties ripe for redevelopment.	See Action 3.f.
Excluded	Review the recommendations in the Urban Corridors Task Force Report (TRPC, 2012).	Data should support the actions that result in change.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Adopt a preservation ordinance.	Combined with Action 2.g.
Included (1.p)	Partner with low-income housing developers (such as Habitat for Humanity) to expand homeownership opportunities.	
Excluded	Identify and remove code and fee impediments/disincentives to affordable housing.	Like equity, need to review all actions through an affordable housing lens. See Action 1.e.
Included (6.e)	Use value capture to generate and reinvest in neighborhoods experiencing increased private investment (with a focus on areas with planned or existing transit).	
Excluded	Limit or regulate fees associated with rental housing applications.	See Action 2.g.
Excluded	Require landlords to establish payment plans for tenants that get behind on rent.	See Action 2.g.
Excluded	Eviction mitigation to find mutual termination of rental agreement instead of evicting tenants.	See Action 2.g.
Excluded	Improve access to enforcement landlord/tenant laws (court enforcement is a barrier).	See Action 2.g.
Excluded	Increase access to legal assistance for landlord/tenant issues (free or sliding scale).	See Action 2.g.
Excluded	Program to incentivize LLs to accept tenants with poor credit or criminal history.	See Action 2.g.
Included (2.g)	Identify and implement appropriate tenant protections that improve household stability.	

# Appendix C. Policy Evaluation Summary

#### Evaluation of the Policies in the City's Comprehensive Plan Housing Element

This appendix evaluates the City's current Comprehensive Plan housing policies for connections to the gaps identified in the housing needs assessment and the status of policy implementation.

All the Housing Element goals, policies, and actions were reviewed and updated as part of 8-year GMA Comprehensive Plan Update in 2016 in Ordinance No. O2016-012 and there have been amendments to the Housing Element through the annual Comprehensive Plan amendment process since then.

As noted in Chapter 3 *Local actions*, some minor adjustments to the Housing Element goals, policies, and actions may be appropriate for consideration in a future Comprehensive Plan amendment docket to support the six strategies for addressing housing needs in the City.

#### Criteria

#### **Connections to Housing Needs Assessment and HAP Objectives**

V Valid, continuing need for goal/policy to meet identified gap in Housing Needs Assessment (HNA) and/or Housing Action Plan (HAP) objectives.

### A Amend to address:

1) One of the seven gaps identified in the Housing Needs Assessment:



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

- 2) One of the six Housing Action Plan strategies:
  - 1 Increase the supply of permanent, income-restricted affordable housing.
  - 2 Make it easier for households to access housing and stay housed.
  - 3 Expand the overall housing supply by making it easier to build all types of housing projects.
  - 4 Increase the variety of housing choices.
  - **5** Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
  - **6** Establish a permanent source of funding for low-income housing.

Not directly related to housing needs or objectives.

#### Achievement of goals and policies

1) Goals and policies, progress in implementation:

E Early/initiated

Moderate progress/maturing implementation through funding/code/program development

C Completed

2) Compatibility with Growth Management Act and County-Wide Planning Policies since Adoption:

R Retain, still compatible and valid

 $\boldsymbol{U}$  Update to recognize recent city initiatives, clarity, or ease of implementation

#### **Housing Element**

Table 15. Housing Element policy and action evaluation – Goal H-1.

Goal, Policy, or Action Number GOAL H-1	Adopted Housing Element Goals, Policies, and Actions To conserve and improve the e	Status xisting city housing stock and quality of life of	odhgien to HNA or HAP	Achievement of spoods.	Recommendation
Policy H-1.1	Assist city neighborhoods in maintaining and rehabilitating the existing housing stock as decent, safe, sanitary, and affordable housing.	Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 8) Encourage abandoned houses moving back into the active housing inventory under B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.	V	E R	The City could consider a formal maintenance and rehabilitation program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  See Action H-3.1.2 and Policy 7.2.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-1.2	Encourage a range of housing, economic development, and community revitalization in the city.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability –         Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> <li>Ordinance No. O2019-004 updated the Economic Development Plan.</li> <li>Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.  See Policies H-4.1 and H-6.2.
Policy H-1.3	Promote the quality of life of existing communities and implementation of community housing goals through the preparation of comprehensive plans and the development review process.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.	V	M R	Continue implementation of the policy.  The eight-year GMA update is on proposed 2022 Long Range Planning work program.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-1.4	Provide assistance to improve community surroundings and infrastructure in residential areas.	The 2019 Housing Affordability Work Plans identified Development Fee Amendment Action #6 Make infrastructure investments for infill areas needing upgrades with follow-up by City staff to develop potential scenarios with emphasis on areas where affordable housing is most likely to occur to address this policy.	V	E R	Continue implementation of the policy.  Development Fee Amendment Action #6 is on proposed 2022 Long Range Planning work program.
Policy H-1.5	Encourage and facilitate economic development as an important part of provision of housing by providing jobs.	Policy not directly related to housing needs or objectives.  Ordinance No. O2019-004 updated the Economic Development Plan.	N	M R	Continue implementation of the policy.  While the Economic Development Plan is not directly tied to housing, but it plays an important role in raising wages, which have not kept pace with housing costs.
Action H-1.5.1	Continue implementation of economic development efforts to provide jobs in Tumwater.	Policy not directly related to housing needs or objectives.  Ordinance No. O2019-004 updated the Economic Development Plan.	N	M R	Continue implementation of the action.  While the Economic Development Plan is not directly tied to housing, but it plays an important role in raising wages, which have not kept pace with housing costs.

Table 16. Housing Element policy and action evaluation – Goal H-2.

Goal, Policy, or Action Number GOAL H-2:	I -	Status  of single family dwelling units, multi-family dwelling to each economic segments.	_		
Policy H-2.1	Provide sufficient, suitably zoned land for development of all housing types to accommodate the future needs for each type of housing, including single family, multi-family, and manufactured homes in manufactured home parks and on single lots.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.  Draft 2021 Buildable Lands Report indicates that there is sufficient, suitably zoned land for development of all housing types.	V	M U	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy. Consider expanding the types of housing listed in the policy.  Eight-year GMA update of the Comprehensive Plan is on proposed 2022 Long Range Planning work program.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-2.2	Provide opportunities for a range of housing types to provide for all economic segments of Tumwater's population.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability –         Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.
		policy.  3. Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City			

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-2.2.1	Monitor the Land Use Element and Zoning Code to ensure an adequate supply of suitably zoned land.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.  The draft 2021 Buildable Lands Report indicates that there is sufficient, suitably zoned land for development of all housing types.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the action. Eight-year GMA update is on proposed 2022 Long Range Planning work program.  See Action H-5.1 and H-6.2.1.

Table 17. Housing Element policy and action evaluation – Goal H-3.

Goal, Policy, or Action Number GOAL H-3	Adopted Housing Element Goals, Policies, and Actions To provide adequate, affordat moderate-income groups.	Status ple housing for residents of all income groups	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation cient housing affordable to low and
Policy H-3.1	Encourage the development of innovative plans, codes, standards, and procedures in order to take advantage of new private and public sector approaches to housing provision.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability –         Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> <li>Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-3.1.1	The Zoning Code allows manufactured homes on single-family lots in all residential zones. It is the intent of the Housing Element to promote the designation of a sufficient supply of land for traditional mobile/manufactured home parks and to recognize that modular/manufactured housing on single family lots and in manufactured home parks is a viable form of housing construction.	Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 6) Assess actions for assuring mobile home parks continue to provide affordable housing toward a goal of property ownership by residents under B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the action.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-3.1.2	Increase code enforcement efforts and build pubic private partnerships to encourage renovations of unfit structures for use as transitional or affordable housing.	Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 8) Encourage abandoned houses moving back into the active housing inventory under B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.	V	E U	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  The City could consider a formal maintenance and rehabilitation
		dudicus tills policy.			program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  See Policies H-1.1 and H-7.2.
Policy H-3.2	Encourage provision of adequate building sites through appropriate land use planning and zoning codes, infrastructure supply, and overall regulatory climate.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations.  The draft 2021 Buildable Lands Report indicates that there is sufficient, suitably zoned land for development of all housing types.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-3.3	Tumwater should assume its "fair share" of housing for low and moderate income groups, in cooperation with other jurisdictions in Thurston County.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action C) Ongoing Regional Actions – Continue work with other jurisdictions and agencies to explore regional solutions to homelessness and affordable housing.</li> <li>The City began formally working with the cities of Lacey, Olympia, and Yelm and Thurston County as part of the Regional Housing Council to address such issues in 2019.</li> </ol>	V	E R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue work with the Regional Housing Council and on implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-3.3.1	Monitor land supply, census data, and housing policies to ensure Tumwater accommodates its fair share of housing for low and moderate income groups.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action C) Ongoing Regional Actions – Continue work with other jurisdictions and agencies to explore regional solutions to homelessness and affordable housing.</li> <li>The City began formally working with the cities of Lacey, Olympia, and Yelm and Thurston County as part of the Regional Housing Council to address such issues in 2019, including data collection.</li> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action 10) Inventory and track affordable housing units in Tumwater under B) Boost Housing Affordable housing.</li> </ol>	V	E R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue work with the Regional Housing Council on implementation of the action.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-3.3.2	Work with Tumwater School District, Housing Authority, and other agencies and organizations to pursue grant funding and implement transitional housing strategies for families with children.	Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 2) Develop strategies with the Tumwater School District and nonprofit partners to house homeless students/families under A) Reduce Homelessness – Increase resources/actions to combat/decrease regional homelessness to address this action.  The City has been working with Together! in the Tumwater School District to address these issues.	V	E R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the action.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-3.3.3	Establish a multi-family tax exemption program that gives financial incentive for developers to create multi-family structures in target areas and to set aside a percentage of units as low-income housing.	<ol> <li>Ordinance No. O2017-004 established the multi-family tax exemption program at the City.</li> <li>Resolution No. R2017-002 established the Brewery District and the Capitol Boulevard Corridor as the initial target areas.</li> <li>The 2019 Housing Affordability Work Plan Development Fee Amendment 3) noted Expand the multifamily tax exemption program to other areas of the City, such as the Town Center, and the Littlerock Road Subarea, and look at expanding the percentage of permanently affordable units that would need to be provided.</li> <li>Resolution No. R2019-022 expanded the target areas to include the Littlerock Subarea and the Town Center.</li> </ol>	V	C U	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  No further action needed on the action, beyond monitoring implementation of the programs.

Table 18. Housing Element policy and action evaluation – Goal H-4.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status nities for housing for all persons regardless o	Connection to	Achievement of Goals & Policies	Recommendation
		itus, marital status, ethnic background, sourc			- · · · · · · · · · · · · · · · · · · ·
Policy H-4.1	Support the inclusion of living opportunities for families with children throughout the city.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> </ol>	V	E R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.
		3. Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City.			

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-4.2	Support and encourage a variety of housing types and price ranges through appropriate policies and regulations.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability –         Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> <li>Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.  See Policies H-1.2 and H-6.2.
Action H-4.2.1	Continue the requirement for reasonable maximum lot sizes in order to create smaller lots that are more affordable and that allow a more efficient use of City services.	The draft 2021 Buildable Lands Report indicates that the new development is occurring on smaller lot sizes than the previous report.	V	M R	Continue implementation of the action.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-4.2.2	Encourage homeowner associations to adopt Covenants, Conditions, and Restrictions (CCRs) consistent with this policy.	Part of the final project review and approval process.	٧	E U	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the action.

Table 19. Housing Element policy and action evaluation – Goal H-5.

Goal, Policy, or Action Number GOAL H-5	Adopted Housing Element Goals, Policies, and Actions To supply sufficient, safe, suita over the next 20 years.	Status able housing sites and housing supply to mee	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation are housing needs for Tumwater
Policy H-5.1	Ensure appropriate land use designations and Zoning Code designations to provide sufficient land for housing construction.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.  The draft 2021 Buildable Lands Report indicates that there is sufficient, suitably zoned land for development of all housing types	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-5.1.1	Monitor the Land Use Element and Zoning Code to ensure an adequate supply of suitably zoned vacant land. (2.1.1)	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.  The draft 2021 Buildable Lands Report indicates that there is sufficient, suitably zoned land for development of all housing types.	V	M R	Continue implementation of the action.  See Actions H-2.2.1 and H-6.2.1.
Action H-5.1.2	Continue joint planning with Thurston County to plan for future growth in Tumwater.	The City is currently working with Thurston County on an update to the Tumwater / Thurston County Joint Plan.	v	E R	Continue implementation of the action.
Policy H-5.2	Lands not suitable for development due to site constraints such as wetlands, steep slopes, geologically hazardous areas, etc., should be identified and considered when determining sufficient land for new housing in accordance with Tumwater's Conservation Plan.	Policy not directly related to housing needs or objectives.  Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.	N	M R	Continue implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-5.3	Encourage construction practices, which exceed minimum standards. Tumwater will support the use of alternative building designs and methods that exceed the minimum standards set by Tumwater.	Ongoing evaluation process through amendments to the Development Guide and Building Codes.  2018 Building Codes adopted by Ordinance O2021-005.	V	E R	As noted in the City's 2019 policy analysis, this policy directly supports the City's work to expand the range of housing options.  Continue implementation of the policy.

Table 20. Housing Element policy and action evaluation – Goal H-6.

Goal, Policy, or Action Number GOAL H-6	Adopted Housing Element Goals, Policies, and Actions To promote a selection of hou location, type, design, and price	Status sing that is decent, safe, and sound, in close ce.	Connection to HNA or HAP	of Achievement of Goals & Policies	Recommendation os and daily activities, and varies by
Policy H-6.1	Protect residential areas from undesirable activities and uses through aggressive enforcement of adopted City codes.	Ongoing code enforcement of the City's nuisance code (TMC 8.04) and the International Property Maintenance Code (TMC 15.18) by the City Police Department in cooperation with the Community Development Department.  Same as Action H-8.2.1.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued expansion of the City's design guidelines to balance increase in densities.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-6.2	Provide for a dynamic mix of residential land uses and zones in order to create a diverse mix of sites available for different housing types.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability –         Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> <li>Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the policy.  See Policies H-1.2 and H 4.2.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-6.2.1	Continue to monitor the available land supply, census data, and City policies to ensure a diverse mix of land for residential housing stock.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.  The draft 2021 Buildable Lands Report indicates that there is sufficient, suitably zoned land for development of all housing types	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the action.  See Actions H-2.2.1 and H-5.1.1.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-6.2.2	Continue to implement innovative design techniques, such as zero lot line developments, architectural design standards, alley houses, and attached single-family housing. Zero lot line developments are residential real estate in which the structure comes up to or very near to the edge of the property. Zero-lot-line houses are built very close to the property line in order to create more usable space.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability –         Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> <li>Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City.</li> </ol>	V	M U	As noted in the City's 2019 policy analysis, this policy directly supports continued expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the action.  Update language to reflect current design techniques.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-6.3	Support increasing housing opportunities along urban corridors and centers.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action 2) Strengthen incentives for affordable housing within the Capital Corridor and Brewery District and explore extending these incentives to the entire InterCity Transit #13 bus corridor under Action B) Boost Housing Affordability – Actions to increase affordable housing.</li> <li>Ordinance No. O2017-004 established the multi-family tax exemption program at the City.</li> <li>Resolution No. R2017-002 established the Brewery District and the Capitol Boulevard Corridor as the initial target areas.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued expansion of the City's design guidelines to balance increase in densities and continued implementation of land use and transportation connections.  Continue implementation of the policy.
		4. Resolution No. R2019-022 expanded the target areas to include the Littlerock Subarea and the Town Center.			

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-6.4	Encourage provision of affordable housing near public transit routes to promote efficient transportation networks.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action 2) Strengthen incentives for affordable housing within the Capital Corridor and Brewery District and explore extending these incentives to the entire InterCity Transit #13 bus corridor under Action B) Boost Housing Affordability – Actions to increase affordable housing.</li> <li>Ordinance No. O2017-004 established the multi-family tax exemption program at the City.</li> <li>Resolution No. R2017-002 established the Brewery District and the Capitol Boulevard Corridor as the initial target areas.</li> <li>Resolution No. R2019-022 expanded the target areas to include the Littlerock Subarea and the Town</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of land use and transportation connections.  Continue implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-6.4.1	Continue to involve Intercity Transit in Tumwater's development review process.	Action not directly related to housing needs or objectives.	N	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of land use and transportation connections.  Continue implementation of the action.
Policy H-6.5	Tumwater will maintain current Building Code standards and will use the most up to date future Code editions.	Ongoing evaluation process through amendments to the Development Guide and Building Codes.  2018 Building Codes adopted by Ordinance O2021-005.	V	M R	Continue implementation of the policy.
Action H-6.5.1	Host training with developers and staff on implementation of Low Impact Development.	Completed in 2017.	V	C U	Completed action. Propose removing action.

Table 21. Housing Element policy and action evaluation – Goal H-7.

Goal, Policy, or Action Number GOAL H-7	Adopted Housing Element Goals, Policies, and Actions To ensure that housing is comfacilities, and environmentally	Status  patible in quality, design, and density with so	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation uses, traffic patterns, public
Policy H-7.1	Support the stability of established residential neighborhoods through appropriate plans and codes.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.  Similar to Policy H-8.1 below.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the policy.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-7.1.1	Continue to implement design standards for multi-family and attached single-family dwellings in order to ensure compatibility with existing neighborhoods.	Citywide Design Guidelines implemented by Ordinance O2016-013.  Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the action.
Policy H-7.2	Assure housing will be well maintained and safe.	Ongoing code enforcement of the City's nuisance code (TMC 8.04) and the International Property Maintenance Code (TMC 15.18) by the City Police Department in cooperation with the Community Development Department.  Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 8) Encourage abandoned houses moving back into the active housing inventory under B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.  Same as Policy H-8.2 below.	V	M R	Continue implementation of the policy.  The City could consider a formal maintenance and rehabilitation program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  See Policy 1.1 and Action 3.1.2.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-7.3	Enhance the appearance of and maintain public spaces in residential areas.	Ongoing code enforcement of the City's nuisance code (TMC 8.04) and the International Property Maintenance Code (TMC 15.18) by the City Police Department in cooperation with the Community Development Department.  Same as Policy H-8.3 below.	V	E	Continue implementation of the policy.  The City could consider a formal maintenance and rehabilitation program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-7.4	Promote community involvement to achieve neighborhood improvement.	Ongoing program. Same as Policy H-8.4 below.	V	E R	Continue implementation of the policy.  The City could consider a formal maintenance and rehabilitation program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Table 22. Housing Element policy and action evaluation – Goal H-8.

Goal, Policy, or Action Number GOAL H-8	Adopted Housing Element Goals, Policies, and Actions To support healthy residential	Status neighborhoods which continue to reflect a h	Connection to HNA or HAP	a Achievement of Goals & Policies	Recommendation ride in ownership or residency.
Policy H-8.1	Support the stability of established residential neighborhoods.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.  Similar to Policy H-7.1 above.	V	M R	Consider update of the policy to support Goal H-8.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-8.2	Assure housing will be well maintained and safe.	Resolution No. R2018-016 Homelessness and Affordable Housing identified Action	V	M R	Update of the policy to support Goal H-8.
11-0.2		8) Encourage abandoned houses moving back into the active housing inventory under B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.  Ongoing code enforcement of the City's nuisance code (TMC 8.04) and the International Property Maintenance Code (TMC 15.18) by the City Police Department in cooperation with the Community Development Department.  Same as Policy H-7.2 above.		, and the second	The City could consider a formal maintenance and rehabilitation program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  See Policy 1.1 and Action 3.1.2.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-8.2.1	Protect residential areas from undesirable activities and uses through aggressive enforcement of adopted City codes.	Ongoing code enforcement of the City's nuisance code (TMC 8.04) and the International Property Maintenance Code (TMC 15.18) by the City Police Department in cooperation with the Community Development Department.  Same as Policy H-6.1 above.	<b>V</b>	M R	Update of the policy to support Goal H-8.  The City could consider a formal maintenance and rehabilitation program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-8.3	Enhance the appearance of and maintain public spaces in residential areas.	Ongoing code enforcement of the City's nuisance code (TMC 8.04) and the International Property Maintenance Code (TMC 15.18) by the City Police Department in cooperation with the Community Development Department.  Same as Policy H-7.3 above.	V	M R	Update of the policy to support Goal H-8.  The City could consider a formal maintenance and rehabilitation program beyond the current code enforcement procedures. This would be in coordination with its actions with the Regional Housing Council.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.
Policy H-8.4	Promote community involvement to achieve neighborhood improvement.	Ongoing program.  Same as Policy H-7.4	V	E U	Update of the policy to support Goal H-8.  During the next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022, eliminate duplication in policies and actions.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-8.4.1	Encourage neighborhood meetings to discuss community issues as situations and concerns arise.	Ongoing program.	V	E U	Continue implementation of the action.
Policy H-8.5	Encourage home ownership for Tumwater residents.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability – Actions to increase affordable housing to address this policy.     </li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this</li> </ol>	V	E U	Continue implementation of the policy.

Table 23. Housing Element policy and action evaluation – Goal H-9.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions To encourage a variety of hous	Status sing opportunities for those with special nee	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation those with problems relating to age
	or disability.				
Policy H-9.1	Require housing to meet the needs of those with special housing requirements without creating a concentration of such housing in any one area.	City is addressing this policy subject to the state requirements for location of special housing.	V	E U	As noted in the City's 2019 policy analysis, this policy directly supports continued efforts to address a range of special housing needs, including homelessness.  Continue implementation of the policy.
Policy H-9.2	Assist social service organizations in their efforts to seek funds for construction and operation of emergency, transitional, and permanent housing.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action C) Ongoing Regional Actions – Continue work with other jurisdictions and agencies to explore regional solutions to homelessness and affordable housing.     </li> <li>The City began formally working with the cities of Lacey, Olympia, and Yelm and Thurston County as part of the Regional Housing Council to address such issues in 2019.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued efforts to address a range of special housing needs, including homelessness.  Continue implementation of the policy through Council action and the Regional Housing Council.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-9.3	Support and plan for assisted housing opportunities using federal, state, or local aid.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action C) Ongoing Regional Actions – Continue work with other jurisdictions and agencies to explore regional solutions to homelessness and affordable housing.</li> <li>The City began formally working with the cities of Lacey, Olympia, and Yelm and Thurston County as part of the Regional Housing Council to address such issues in 2019.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued efforts to address a range of special housing needs, including homelessness.  Continue implementation of the policy through Council action and the Regional Housing Council.
Policy H-9.4	Encourage and support social and health service organizations, which offer support programs for those with special needs, particularly those programs that help people remain in the community.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified Action C) Ongoing Regional Actions – Continue work with other jurisdictions and agencies to explore regional solutions to homelessness and affordable housing.</li> <li>The City began formally working with the cities of Lacey, Olympia, and Yelm and Thurston County as part of the Regional Housing Council to address such issues in 2019.</li> </ol>	V	E R	As noted in the City's 2019 policy analysis, this policy directly supports continued efforts to address a range of special housing needs, including homelessness.  Continue implementation of the policy through Council action and the Regional Housing Council.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-9.5	Encourage alternative housing strategies for homeless youth,	Resolution No. R2018-016     Homelessness and Affordable Housing	V	E R	As noted in the City's 2019 policy analysis, this policy directly
П-9.3	which may include Host Homes.	identified Action C) Ongoing Regional Actions – Continue work with other jurisdictions and agencies to explore regional solutions to homelessness and affordable housing.		K	supports continued efforts to address a range of special housing
					needs, including homelessness.  Continue implementation of the policy through Council action and
		2. The City began formally working with the cities of Lacey, Olympia, and Yelm and Thurston County as part of the Regional Housing Council to address such issues in 2019.			the Regional Housing Council.
		City funding work with school aged children by Together! in the Tumwater School District			

Table 24. Housing Element policy and action evaluation – Goal H-10.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
GOAL H- 10	· · · · · · · · · · · · · · · · · · ·	npatible and harmonious with existing neight earance and quality of Tumwater's neighborh		l charact	ter through use of innovative
Policy H-10.1	Encourage innovation and variety in housing design and development. Tumwater will support efforts to build housing with unique individual character, which avoids monotonous neighborhood appearance.	Citywide Design Guidelines implemented by Ordinance O2016-013.  Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of the expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the policy.
Policy H-10.2	Multi-family residential housing should be subject to design criteria that relate to density, structure bulk, size and design, landscaping, and neighborhood compatibility.	Citywide Design Guidelines implemented by Ordinance O2016-013.  Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of the expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-10.2.1	Continue to implement multi- family housing design standards.	Citywide Design Guidelines implemented by Ordinance O2016-013.  Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of the expansion of the City's design guidelines to balance increase in densities.  Continue implementation of the action.

Table 25. Housing Element policy and action evaluation – Goal H-11

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation		
GOAL H- 11	To provide housing to accommodate Tumwater's housing needs in the urban growth area and make the most efficient use of infrastructure and services.						
Policy H-11.1	Reference the Transportation Element and anticipated transportation impacts when making housing decisions affecting the location and density of housing.	Policy not directly related to housing needs or objectives.	N	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of the policy supporting the land use and transportation connection.  Continue implementation of the policy.		
Policy H-11.2	Reference utility plans and the impact of housing decisions on capital improvements planning.	Policy not directly related to housing needs or objectives.	N	E R	Continue implementation of the policy.		

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-11.3	Encourage the construction of affordable housing, including cottage housing and accessory dwelling units, within a half mile or twenty minute walk of an urban center, corridor or neighborhood center with access to goods and services to provide access to daily household needs.	<ol> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> <li>Ordinance No. O2017-002 allowed cottage housing uses in the City.</li> <li>Ordinance No. O2020-005 expanded where cottage housing uses could be located and reduced size and parking requirements for ADUs.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of efforts to connect new housing types and increased density to transit corridors would support many different goals.  Continue implementation of the policy.

Table 26. Housing Element policy and action evaluation – Goal H-12.

Goal, Policy, or Action Number GOAL H- 12	Adopted Housing Element Goals, Policies, and Actions To encourage urban growth w	Status within the city limits with gradual phasing out	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation urban core.
Policy H-12.1	Encourage the construction of housing on vacant property within the city and the redevelopment of underdeveloped property within residential areas to minimize urban sprawl and associated public service costs.	<ol> <li>Resolution No. R2018-016         Homelessness and Affordable Housing identified a number of actions under         B) Boost Housing Affordability –         Actions to increase affordable housing to address this policy.</li> <li>The 2019 Housing Affordability Work Plans identified a number of text and fee amendments to support this policy.</li> <li>Ordinance No. O2020-005 addressed a number of housing text amendments to increase the range of housing in the City.</li> </ol>	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of using an expanded range of housing types to support development of the core of the City outwards.  Continue implementation of the policy.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-12.1.1	Continue to review and revise, as necessary, City Development Standards deemed unnecessary and make development more expensive and/or difficult.	Ongoing evaluation process through amendments to the development regulations, Development Guide, and Building Codes.  2018 Building Codes adopted by Ordinance O2021-005.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of using an expanded range of housing types to support development of the core of the City outwards.  Continue implementation of the action.
Action H-12.1.2	Continue to support high- density zoning within specific areas of the city that have the infrastructure and services to support high-density housing.	City has enacted high-density zoning for the Brewery District, Capitol Boulevard Corridor, and Town Center, and allows multifamily development in its commercial and mixed-use zone districts.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of using an expanded range of housing types to support development of the core of the City outwards.  Continue implementation of the action.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Action H-12.1.3	Continue to implement minimum density levels for all residential zoning districts to ensure efficient use of the urban growth area.	Ongoing evaluation process through amendments to the Comprehensive Plan and development regulations. The next required eight-year GMA update of the Comprehensive Plan is expected to start in 2022.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports continued implementation of using an expanded range of housing types to support development of the core of the City outwards.  Continue implementation of the action.
Action H-12.1.4	Work cooperatively with Thurston County to provide for more efficient and orderly annexations to facilitate urban service delivery.	Currently working with Thurston County on an update to the Tumwater / Thurston County Joint Plan as well as an annexation agreement to address "island" annexations.	V	E R	Continue implementation of the action.

Table 27. Housing Element policy and action evaluation – Goal H-13.

Goal, Policy, or Action Number GOAL H- 13	Adopted Housing Element Goals, Policies, and Actions Ensure consistency with RCW manufactured housing.	Status 36.70A.070(2)(c) which requires sufficient lan	Connection to HNA or HAP	lipade Achievement of Goals & Policies	Recommendation For all types of housing including
Policy H-13.1	Maintain the manufactured home park district zoning in appropriate areas in order to prevent conversion of affordable housing to other uses without replacement.	Continuing implementation of the Ordinance O2008-009, which established the Manufactured Home Park (MHP) zone district in the City as the means to address this policy.	V	M R	As noted in the City's 2019 policy analysis, this policy directly supports manufactured housing options.  Continue implementation of the policy.
Action H-13.1.1	Encourage manufactured housing park district zoning to locate near transit services.	Continuing implementation of the Ordinance O2008-009, which established the Manufactured Home Park (MHP) zone district in the City as the means to address this policy.	V	E R	As noted in the City's 2019 policy analysis, this policy directly supports manufactured housing options.  Continue implementation of the action.

Goal, Policy, or Action Number	Adopted Housing Element Goals, Policies, and Actions	Status	Connection to HNA or HAP	Achievement of Goals & Policies	Recommendation
Policy H-13.2	When locating zones and designations for manufactured home parks, carefully consider the risks from natural hazards, such as flooding and liquefaction, and the impacts of those hazards on the future residents of those manufactured home parks, Tumwater's emergency responders, and the city as a whole.	Part of Resolution No. R2017-013, which was an update to the Hazards Mitigation Plan for the Thurston Region.	V	M R	As noted in the City's 2019 policy analysis, this policy was a major focus of the City's recently adopted Hazard Mitigation Plan.  Continue implementation of the policy.

# Appendix D. Regulations Evaluation Summary

#### Evaluation of the Regulations in the City's Municipal Code

This appendix evaluates the City's current development regulations for connections to the seven gaps identified in the housing needs assessment as well as acknowledging the work the City has completed to date to address these gaps.

After the City Council adopted Resolution No. R2018-016 in the summer of 2018 and approved the 2019 Housing Affordability Work Plan, the City worked 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.

The evaluation of the regulations starts first summaries of the housing types allowed in the zone districts in the City and the density and bulk and dimensional regulations for those zone districts. Then there is a review of the regulations using the Puget Sound Regional Council's Housing Innovation Program and finally there is a development code barrier summary.

As noted in Chapter 3 *Local actions*, some minor adjustments to the development code may be appropriate for consideration in a future development code amendment docket to support the six strategies for addressing housing needs in the City.

#### Regulations Evaluation #1 – Housing Types

Tables 28 - 30 *Development code housing type summary* list all the housing types that are allowed in the City by zone district.

Table 28. Development code housing type summary (1 of 3).

Housing Types	City Definition (TMC 18.04)	RSR Residential/Sensitive Resource Zone District (2-4 DU/Acre) <sup>1</sup>	SFL Single-Family Low Density Residential Zone District (4-7 DU/Acre)	SFM Single-Family Medium Density Residential Zone District (6-9 DU/Acre)
Single-family detached dwellings	A building that is not attached in any way to another dwelling unit or structure providing complete, independent living facilities for a family.	Allowed	Allowed	Allowed
Manufactured Homes	A single-family dwelling built according to the Department of Housing and Urban Development Manufactured Home Construction and Safety Standards Act, which is a national, preemptive building code. A manufactured home does not meet the criteria to be classified as a "designated manufactured home	Allowed	Allowed	Allowed

<sup>&</sup>lt;sup>1</sup> DU/Acre = Dwelling units per acre. For example, 2-4 DU/Acre means that the minimum allowed density in the RSR zone district is two dwelling units per acre and the maximum allowed density is four dwelling units per acre. In many zone districts, achieving the maximum listed DU/acre is dependent on the purchase of transfer of development rights in accordance with TMC Chapter 18.57. The calculation of the density requirements is based on the portion of the site devoted to residential and associated uses (e.g., dwelling units; private community clubs; open space; stormwater detention, treatment and infiltration). The following land is excluded from density calculations:

<sup>1.</sup> Land that is required to be dedicated for public use as open space, right-of-way, or land on which development is prohibited by TMC Title 16, Environment, and land that is to be used for private roads. Provided, that portion of open space/park areas that consists of stormwater facilities and that is designed for active and/or passive recreational purposes in accordance with the drainage design and erosion control manual for Tumwater shall not be excluded from density calculations;

<sup>2.</sup> Land that is intended for future phases of development created in accordance with TMC 18.14.060;

<sup>3.</sup> Land that consists of lots devoted to uses other than residential and associated uses, including but not limited to churches, schools, and support facilities (except for stormwater detention, treatment, and infiltration facilities).

Housing Types	City Definition (TMC 18.04)	RSR Residential/Sensitive Resource Zone District (2-4 DU/Acre) <sup>1</sup>	SFL Single-Family Low Density Residential Zone District (4-7 DU/Acre)	SFM Single-Family Medium Density Residential Zone District (6-9 DU/Acre)
Accessory Dwelling Units (ADUs)	A dwelling unit that is an accessory use or structure subordinate to a single-family detached dwelling subject to the general land use regulations found in TMC 18.42.010.	Allowed	Allowed	Allowed
Manufactured Home Parks	Any real property lot which is rented or held out for rent to others for the placement of three or more manufactured homes, designated manufactured homes, or new manufactured homes for the primary purpose of production of income, except where such real property lot is rented or held out for rent for seasonal recreational purposes only and is not intended for year-round occupancy			
Cottage Housing	A grouping of smaller than average detached single-family dwellings clustered around a common area and developed with a coherent plan for the entire site	Allowed	Allowed	Allowed

Housing Types	City Definition (TMC 18.04)	RSR Residential/Sensitive Resource Zone District (2-4 DU/Acre) <sup>1</sup>	SFL Single-Family Low Density Residential Zone District (4-7 DU/Acre)	SFM Single-Family Medium Density Residential Zone District (6-9 DU/Acre)
Duplexes	A building designed for and used exclusively for occupancy by two families independent of each other where both dwelling units are located on the same lot and are completely separated from each other by an unpierced wall extending from ground to roof or an unpierced ceiling and floor extending from exterior wall to exterior wall, except for common stairwell or garage exterior to both dwelling units.	Allowed <sup>2</sup>	Allowed <sup>3</sup>	Allowed <sup>4</sup>
Townhomes or Rowhouses	One of a line or row of dwelling units attached one to the other, having common walls between individual units, generally two stories in height (and sometimes three). Each unit occupies the space between common walls from the lowest level to the roof.			Allowed <sup>5</sup> Only within a residential planned unit development

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<sup>&</sup>lt;sup>2</sup> Duplexes are allowed in the Residential/Sensitive Resource (RSR) and Single Family Low Density Residential (SFL) zone districts. Such uses shall not occupy more than twenty percent of the total lots in a new short plat or subdivision, which was legally established after April 15, 2021. In such cases, the Community Development Director shall have the discretion to alter the percentage in order to allow the new short plat or subdivision to meet minimum required densities due to topography or other special conditions related to the site, such as critical areas.

<sup>&</sup>lt;sup>3</sup> Duplexes are allowed in the Residential/Sensitive Resource (RSR) and Single Family Low Density Residential (SFL) zone districts. Such uses shall not occupy more than twenty percent of the total lots in a new short plat or subdivision, which was legally established after April 15, 2021. In such cases, the Community Development Director shall have the discretion to alter the percentage in order to allow the new short plat or subdivision to meet minimum required densities due to topography or other special conditions related to the site, such as critical areas.

<sup>&</sup>lt;sup>4</sup> Duplexes are allowed in the Single Family Medium Density Residential (SFM) zone district. Such uses shall not occupy more than thirty percent of the total lots in a new short plat or subdivision, which was legally established after April 15, 2021. In such cases, the Community Development Director shall have the discretion to alter the percentage in order to allow the new short plat or subdivision to meet minimum required densities due to topography or other special conditions related to the site, such as critical areas.

<sup>&</sup>lt;sup>5</sup> Townhouses and rowhouses are allowed within a residential planned unit development in the Single Family Medium Density Residential (SFM) zone district.

Housing Types	City Definition (TMC 18.04)	RSR Residential/Sensitive Resource Zone District (2-4 DU/Acre) <sup>1</sup>	SFL Single-Family Low Density Residential Zone District (4-7 DU/Acre)	SFM Single-Family Medium Density Residential Zone District (6-9 DU/Acre)
Triplexes	A building designed for and used exclusively for occupancy by three families independent of each other where all three dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.			
Fourplexes	A building designed for and used exclusively for occupancy by four families independent of each other where all four dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.			
Multifamily Dwellings	A building designed and used for occupancy by five or more families all living independent of each other and where all dwelling units are located on the same lot.			
Boardinghouses and roominghouses	A dwelling unit having only one kitchen and used for the lodging (with or without meals) for compensation of persons other than the related family members or operator of such dwelling unit. A roominghouse that is rented for less than thirty consecutive days at a time requires a business license per TMC Chapter 5.04. A roominghouse may allow for an unlimited stay, unlike a bed and breakfast which is limited to two weeks.			

Housing Types	City Definition (TMC 18.04)	RSR Residential/Sensitive Resource Zone District (2-4 DU/Acre) <sup>1</sup>	SFL Single-Family Low Density Residential Zone District (4-7 DU/Acre)	SFM Single-Family Medium Density Residential Zone District (6-9 DU/Acre)
Independent Senior Housing Facility	An independent living facility consisting of dwellings designed for and occupied by persons fifty-five years of age or older in accordance with 42 U.S.C. 3607. These facilities may consist of individual dwelling units of a barrier-free design, with separate bathroom facilities and a full kitchen. These facilities may have a communal dining area, recreation facilities (such as a library, lounge, or game room), laundry facilities, and open space. No nursing staff or assisted living staff is provided in an independent living facility.			
Assisted Senior Housing Facility	An assisted living facility, which is an establishment which provides living quarters and a variety of limited personal care and supportive health care to persons fifty-five years of age or older in accordance with 42 U.S.C. 3607 who are unable to live independently, but who do not need the skilled nursing care of a rest home, nursing home, or convalescent center. These facilities may consist of individual dwelling units of a barrier-free design, with separate bathroom facilities and a full kitchen. The facility may provide a minimal amount of supportive health care monitoring, such as assistance with medication, but is limited to health care services that do not require state or federal licensing. These facilities may have a communal dining area, recreation facilities (such as a library, lounge, or game room), laundry facilities, and open space.			

Table 29. Development code housing type summary (2 of 3).

Housing Types	City Definition (TMC 18.04)	MFM Multifamily Medium Density Residential Zone District (9-15 DU/Acre)	MFH Multifamily High Density Residential Zone District (14-29 DU/Acre)	MU Mixed Use Zone District (14 DU/Acre and greater)
Special Zone District Notes				All residential uses are allowed, provided that minimum density standards are met
Single-family detached dwellings	A building that is not attached in any way to another dwelling unit or structure providing complete, independent living facilities for a family.	Allowed <sup>6</sup>	Allowed <sup>7</sup>	See above
Manufactured Homes	A single-family dwelling built according to the Department of Housing and Urban Development Manufactured Home Construction and Safety Standards Act, which is a national, preemptive building code. A manufactured home does not meet the criteria to be classified as a "designated manufactured home	Allowed		See above

<sup>&</sup>lt;sup>6</sup> Single-family detached dwellings constructed after April 15, 2021 are not allowed in the Multifamily Medium Density Residential (MFM) zone district, except as part of a PUD planned unit development overlay as regulated by TMC 18.36 if the site to be developed has more than one zone district.

<sup>&</sup>lt;sup>7</sup> Single-family detached dwellings and duplexes are not allowed in the Multifamily High Density Residential (MFH) zone district, except as part of a PUD planned unit development overlay as regulated by TMC 18.36 if the site to be developed has more than one zone district.

Housing Types	City Definition (TMC 18.04)	MFM Multifamily Medium Density Residential Zone District (9-15 DU/Acre)	MFH Multifamily High Density Residential Zone District (14-29 DU/Acre)	MU Mixed Use Zone District (14 DU/Acre and greater)
Accessory Dwelling Units (ADUs)	A dwelling unit that is an accessory use or structure subordinate to a single-family detached dwelling subject to the general land use regulations found in TMC 18.42.010.	Allowed	Allowed	See above
Manufactured Home Parks	Any real property lot which is rented or held out for rent to others for the placement of three or more manufactured homes, designated manufactured homes, or new manufactured homes for the primary purpose of production of income, except where such real property lot is rented or held out for rent for seasonal recreational purposes only and is not intended for year-round occupancy	Allowed		See above
Cottage Housing	A grouping of smaller than average detached single-family dwellings clustered around a common area and developed with a coherent plan for the entire site	Allowed		Allowed
Duplexes	A building designed for and used exclusively for occupancy by two families independent of each other where both dwelling units are located on the same lot and are completely separated from each other by an unpierced wall extending from ground to roof or an unpierced ceiling and floor extending from exterior wall to exterior wall, except for common stairwell or garage exterior to both dwelling units.	Allowed		See above

Housing Types	City Definition (TMC 18.04)	MFM Multifamily Medium Density Residential Zone District (9-15 DU/Acre)	MFH Multifamily High Density Residential Zone District (14-29 DU/Acre)	MU Mixed Use Zone District (14 DU/Acre and greater)
Townhomes or Rowhouses	One of a line or row of dwelling units attached one to the other, having common walls between individual units, generally two stories in height (and sometimes three). Each unit occupies the space between common walls from the lowest level to the roof.	Allowed	Allowed	See above
Triplexes	A building designed for and used exclusively for occupancy by three families independent of each other where all three dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.	Allowed	Allowed	See above
Fourplexes	A building designed for and used exclusively for occupancy by four families independent of each other where all four dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.	Allowed	Allowed	See above
Multifamily Dwellings	A building designed and used for occupancy by five or more families all living independent of each other and where all dwelling units are located on the same lot.	Allowed	Allowed	Allowed

Housing Types	City Definition (TMC 18.04)	MFM Multifamily Medium Density Residential Zone District (9-15 DU/Acre)	MFH Multifamily High Density Residential Zone District (14-29 DU/Acre)	MU Mixed Use Zone District (14 DU/Acre and greater)
Boardinghouses and roominghouses	A dwelling unit having only one kitchen and used for the lodging (with or without meals) for compensation of persons other than the related family members or operator of such dwelling unit. A roominghouse that is rented for less than thirty consecutive days at a time requires a business license per TMC Chapter 5.04. A roominghouse may allow for an unlimited stay, unlike a bed and breakfast which is limited to two weeks.	Allowed, as an accessory use	Allowed, as an accessory use	See above
Independent Senior Housing Facility	An independent living facility consisting of dwellings designed for and occupied by persons fifty-five years of age or older in accordance with 42 U.S.C. 3607. These facilities may consist of individual dwelling units of a barrier-free design, with separate bathroom facilities and a full kitchen. These facilities may have a communal dining area, recreation facilities (such as a library, lounge, or game room), laundry facilities, and open space. No nursing staff or assisted living staff is provided in an independent living facility.	Allowed	Allowed	Allowed

Housing Types	City Definition (TMC 18.04)	MFM Multifamily Medium Density Residential Zone District (9-15 DU/Acre)	MFH Multifamily High Density Residential Zone District (14-29 DU/Acre)	MU Mixed Use Zone District (14 DU/Acre and greater)
Assisted Senior Housing Facility	An assisted living facility, which is an establishment which provides living quarters and a variety of limited personal care and supportive health care to persons fifty-five years of age or older in accordance with 42 U.S.C. 3607 who are unable to live independently, but who do not need the skilled nursing care of a rest home, nursing home, or convalescent center. These facilities may consist of individual dwelling units of a barrier-free design, with separate bathroom facilities and a full kitchen. The facility may provide a minimal amount of supportive health care monitoring, such as assistance with medication, but is limited to health care services that do not require state or federal licensing. These facilities may have a communal dining area, recreation facilities (such as a library, lounge, or game room), laundry facilities, and open space.	Allowed, as a conditional use	Allowed, as a conditional use	Allowed

Table 30. Development code housing type summary (3 of 3).

Housing Types	City Definition (TMC 18.04)	CBC Capitol Boulevard Community Zone District (30 DU/Acre and greater)	TC Town Center Mixed Use and/or Town Center Residential Subdistrict (30 DU/Acre and greater)	BD Brewery District Zone (10 DU/Acre and greater)	MHP Manufactured Home Park Zone District (6-9 DU/Acre)
Special Zone District Notes		All residential uses are allowed, provided that minimum density standards are met	Residential uses approved after June 9, 2002, provided the minimum density standards in TMC 18.23.030(B)(2) and Residential uses which were legally established prior to June 9, 2002 are met, rooming houses, and senior housing facilities are allowed	"Residential" uses are permitted in the zone district	
Single-family detached dwellings	A building that is not attached in any way to another dwelling unit or structure providing complete, independent living facilities for a family.	See above	See above	See above	Allowed

Housing Types	City Definition (TMC 18.04)	CBC Capitol Boulevard Community Zone District (30 DU/Acre and greater)	TC Town Center Mixed Use and/or Town Center Residential Subdistrict (30 DU/Acre and greater)	BD Brewery District Zone (10 DU/Acre and greater)	MHP Manufactured Home Park Zone District (6-9 DU/Acre)
Manufactured Homes	A single-family dwelling built according to the Department of Housing and Urban Development Manufactured Home Construction and Safety Standards Act, which is a national, preemptive building code. A manufactured home does not meet the criteria to be classified as a "designated manufactured home	See above	See above	See above	Allowed
Accessory Dwelling Units (ADUs)	A dwelling unit that is an accessory use or structure subordinate to a single-family detached dwelling subject to the general land use regulations found in TMC 18.42.010.	See above	See above	Allowed	
Manufactured Home Parks	Any real property lot which is rented or held out for rent to others for the placement of three or more manufactured homes, designated manufactured homes, or new manufactured homes for the primary purpose of production of income, except where such real property lot is rented or held out for rent for seasonal recreational purposes only and is not intended for year-round occupancy	See above	See above	See above	Allowed

Housing Types	City Definition (TMC 18.04)	CBC Capitol Boulevard Community Zone District (30 DU/Acre and greater)	TC Town Center Mixed Use and/or Town Center Residential Subdistrict (30 DU/Acre and greater)	BD Brewery District Zone (10 DU/Acre and greater)	MHP Manufactured Home Park Zone District (6-9 DU/Acre)
Cottage Housing	A grouping of smaller than average detached single-family dwellings clustered around a common area and developed with a coherent plan for the entire site			Allowed only in the Triangle, Bates South, Bluff, and Deschutes Subdistricts	
Duplexes	A building designed for and used exclusively for occupancy by two families independent of each other where both dwelling units are located on the same lot and are completely separated from each other by an unpierced wall extending from ground to roof or an unpierced ceiling and floor extending from exterior wall to exterior wall, except for common stairwell or garage exterior to both dwelling units.	See above	See above	See above	
Townhomes or Rowhouses	One of a line or row of dwelling units attached one to the other, having common walls between individual units, generally two stories in height (and sometimes three). Each unit occupies the space between common walls from the lowest level to the roof.	See above	See above	See above	

Housing Types	City Definition (TMC 18.04)	CBC Capitol Boulevard Community Zone District (30 DU/Acre and greater)	TC Town Center Mixed Use and/or Town Center Residential Subdistrict (30 DU/Acre and greater)	BD Brewery District Zone (10 DU/Acre and greater)	MHP Manufactured Home Park Zone District (6-9 DU/Acre)
Triplexes	A building designed for and used exclusively for occupancy by three families independent of each other where all three dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.	See above	See above	See above	
Fourplexes	A building designed for and used exclusively for occupancy by four families independent of each other where all four dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.	See above	See above	See above	
Multifamily Dwellings	A building designed and used for occupancy by five or more families all living independent of each other and where all dwelling units are located on the same lot.	See above	See above	See above	

Housing Types	City Definition (TMC 18.04)	CBC Capitol Boulevard Community Zone District (30 DU/Acre and greater)	TC Town Center Mixed Use and/or Town Center Residential Subdistrict (30 DU/Acre and greater)	BD Brewery District Zone (10 DU/Acre and greater)	MHP Manufactured Home Park Zone District (6-9 DU/Acre)
Boardinghouses and roominghouses	A dwelling unit having only one kitchen and used for the lodging (with or without meals) for compensation of persons other than the related family members or operator of such dwelling unit. A roominghouse that is rented for less than thirty consecutive days at a time requires a business license per TMC Chapter 5.04. A roominghouse may allow for an unlimited stay, unlike a bed and breakfast which is limited to two weeks.	See above	See above	See above	
Independent Senior Housing Facility	An independent living facility consisting of dwellings designed for and occupied by persons fifty-five years of age or older in accordance with 42 U.S.C. 3607. These facilities may consist of individual dwelling units of a barrier-free design, with separate bathroom facilities and a full kitchen. These facilities may have a communal dining area, recreation facilities (such as a library, lounge, or game room), laundry facilities, and open space. No nursing staff or assisted living staff is provided in an independent living facility.	Allowed	Allowed	Allowed	

Housing Types	City Definition (TMC 18.04)	CBC Capitol Boulevard Community Zone District (30 DU/Acre and greater)	TC Town Center Mixed Use and/or Town Center Residential Subdistrict (30 DU/Acre and greater)	BD Brewery District Zone (10 DU/Acre and greater)	MHP Manufactured Home Park Zone District (6-9 DU/Acre)
Assisted Senior Housing Facility	An assisted living facility, which is an establishment which provides living quarters and a variety of limited personal care and supportive health care to persons fifty-five years of age or older in accordance with 42 U.S.C. 3607 who are unable to live independently, but who do not need the skilled nursing care of a rest home, nursing home, or convalescent center. These facilities may consist of individual dwelling units of a barrier-free design, with separate bathroom facilities and a full kitchen. The facility may provide a minimal amount of supportive health care monitoring, such as assistance with medication, but is limited to health care services that do not require state or federal licensing. These facilities may have a communal dining area, recreation facilities (such as a library, lounge, or game room), laundry facilities, and open space.	Allowed	Allowed	Allowed	Allowed

#### <u>Notes</u>

• Courtyard apartments are not addressed specifically by the zoning code, but would be allowed as a triplex, fourplex, or multifamily dwelling, depending on the number of units.

- Tiny houses as defined by state law would be allowed as detached single-family dwellings or as accessory dwelling units.
- Adult family homes and residential care facilities are allowed in all residential zone districts, except for the MHP Manufactured Home Park zone district and in all commercial zone districts.
- Group foster homes are allowed in all residential zone districts and in the Neighborhood Commercial (NC) zone district as a conditional use and are allowed in all other commercial zone districts except the Historic Commercial (HC) zone district.
- Convalescent centers, rest homes, and nursing homes are allowed in the Mixed Use (MU), Capitol Boulevard Community (CBC), and General Commercial (GC) zone districts.
- High-rise residential (five stories or more) uses are permitted in the some subdistricts of the Capitol Boulevard Community (CBC), Brewery District (BD), and Town Center (TC) zone districts and it is a conditional use in the GC General Commercial zone district.
- Mid-rise multifamily residential (three or four stories) uses are permitted in the GC General Commercial zone district.
- Multifamily dwellings, adult family homes, and residential care facilities are a permitted use in the HC Historic Commercial zone district.
- Independent Senior Housing Facilities are allowed in the Neighborhood Commercial (NC) zone district and Assisted Senior Housing Facilities are allowed in the Neighborhood Commercial (NC) zone district as a conditional use.
- Dwelling or dwelling unit is defined in the TMC as a building or a portion thereof designed for occupancy by one family for residential purposes, having kitchen and bathroom facilities, and on a permanent foundation. A dwelling used as a rental unit shall not be rented for less than thirty consecutive days at a time.
- Family is defined in the TMC as an individual or two or more persons, related by blood, marriage or adoption, or two or more persons with functional disabilities as defined in TMC Chapter 18.53, or a group of not more than six unrelated persons, living together to share a single dwelling unit.

#### Regulations Evaluation #2 – Density, and Bulk and Dimensional Regulations

Tables 31-33 *Development code density, and bulk and dimensional regulation summary* lists the density, and bulk and dimensional regulations for each of the zone districts that allow housing in the City.

Table 31. Development code density, and bulk and dimensional regulation summary (1 of 3).

Density and Bulk and Dimensional Regulations <sup>8</sup>	RSR Residential /Sensitive Resource Zone District	SFL Single-Family Low Density Residential Zone District	SFM Single-Family Medium Density Residential Zone District
Density (low to high number of dwelling units per acre)	2 to 4 <sup>9</sup>	4 to 7 <sup>8</sup>	6 to 9 <sup>8</sup>
Lot Size (Minimum)	9,000 SF	3,200 SF	3,200 SF
Lot Size (Maximum)	None	None	None
Clustered Subdivision	Yes	Yes	Yes
Impervious Lot Coverage	Depends on lot size	60%	70%
Structure Height	35 feet	35 feet	35 feet
Front Yard	20 – 25 feet	10 feet	10 feet

<sup>&</sup>lt;sup>8</sup> Table 31 is intended to be a summary for general comparison only. Refer to the Tumwater Municipal Code for additional requirements and exceptions.

<sup>&</sup>lt;sup>9</sup> DU/Acre = Dwelling units per acre. For example, 2-4 DU/Acre means that the minimum allowed density in the RSR zone district is two dwelling units per acre and the maximum allowed density is four dwelling units per acre. In many zone districts, achieving the maximum listed DU/acre is dependent on the purchase of transfer of development rights in accordance with TMC Chapter 18.57. The calculation of the density requirements is based on the portion of the site devoted to residential and associated uses (e.g., dwelling units; private community clubs; open space; stormwater detention, treatment and infiltration). The following land is excluded from density calculations:

<sup>1.</sup> Land that is required to be dedicated for public use as open space, right-of-way, or land on which development is prohibited by TMC Title 16, Environment, and land that is to be used for private roads. Provided, that portion of open space/park areas that consists of stormwater facilities and that is designed for active and/or passive recreational purposes in accordance with the drainage design and erosion control manual for Tumwater shall not be excluded from density calculations;

<sup>2.</sup> Land that is intended for future phases of development created in accordance with TMC 18.14.060;

<sup>3.</sup> Land that consists of lots devoted to uses other than residential and associated uses, including but not limited to churches, schools, and support facilities (except for stormwater detention, treatment, and infiltration facilities).

Density and Bulk and Dimensional Regulations <sup>8</sup>	RSR Residential /Sensitive Resource Zone District	SFL Single-Family Low Density Residential Zone District	SFM Single-Family Medium Density Residential Zone District
Side Yard	7.5 feet	5 feet	5 feet
Rear Yard	20 – 25 feet	20 feet <sup>10</sup>	20 feet <sup>11</sup>
Planned Unit Development	Not Allowed	Allowed	Allowed

 $<sup>^{10}</sup>$  Accessory dwelling units may be located a minimum of five feet from property line.

<sup>&</sup>lt;sup>11</sup> Accessory dwelling units may be located a minimum of five feet from property line.

Table 32. Development code density, and bulk and dimensional regulation summary (2 of 3).

Density and Bulk and Dimensional Regulations <sup>12</sup>	MFM Multifamily Medium Density Residential Zone District	MFH Multifamily High Density Residential Zone District	MU Mixed Use Zone District
Density (low to high number of dwelling units per acre)	9 to 15 <sup>813</sup>	14 to 29 <sup>814</sup>	14 and greater
Lot Size (Minimum)	N/A	N/A	None
Lot Size (Maximum)	None	N/A	None
Clustered Subdivision	N/A	N/A	N/A
Impervious Lot Coverage	70%	70%	85%
Structure Height	40 feet	Lesser of 50 feet or five stories <sup>15</sup>	Lesser of 50 feet or five stories
Front Yard	10 feet	10 feet	No minimum
Side Yard	5 feet	5 feet	No minimum
Rear Yard	5 feet	5 feet	No minimum
Planned Unit Development	Allowed	Allowed	Allowed

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<sup>&</sup>lt;sup>12</sup> Table 32 is intended to be a summary for general comparison only. Refer to the Tumwater Municipal Code for additional requirements and exceptions.

<sup>&</sup>lt;sup>13</sup> Note that maximum density in the Multifamily Medium Density Residential (MFM) zone district can be increased to 20 dwelling units per acre if permanently affordable housing units are provided in a new multifamily housing project ten or more dwelling units in size and meet the requirements of TMC 18.42.140.

<sup>&</sup>lt;sup>14</sup> Note that maximum density in the Multifamily High Density Residential (MFH) zone district can be increased to 39 dwelling units per acre if permanently affordable housing units are provided in a new multifamily housing project ten or more dwelling units in size and meet the requirements of TMC 18.42.140.

<sup>&</sup>lt;sup>15</sup> Note that maximum height in the Mixed Use (MU) zone district can be increased to the lesser of 60 feet or six stories if permanently affordable housing units are provided in a new multifamily housing project 30 or more dwelling units in size and meet the requirements of TMC 18.42.140.

Table 33. Development code density, and bulk and dimensional regulation summary (3 of 3).

Density and Bulk and Dimensional Regulations <sup>16</sup>	CBC Capitol Boulevard Community Zone District	TC Town Center Mixed Use and/or Town Center Residential Subdistrict	BD Brewery District Zone	MHP Manufactured Home Park Zone District
Density (low to high number of dwelling units per acre)	30 and greater	30 and greater	10 and greater	6 to 9 <sup>8</sup>
Lot Size (Minimum)	None	None	None	N/A
Lot Size (Maximum)	None	None	None	N/A
Clustered Subdivision	N/A	N/A	N/A	N/A
Impervious Lot Coverage	None	None	75% - 100%	85%
Structure Height	50 to 65 feet <sup>17</sup>	55 to 85 feet <sup>18</sup>	35 to 55 feet <sup>19</sup>	40 feet
Front Yard	12 feet from curb line	0 feet	0 to 10 feet	10 feet
Side Yard	No minimum	0 feet	0 to 10 feet	5 feet
Rear Yard	No minimum	feet	0 to 10 feet	5 feet

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<sup>&</sup>lt;sup>16</sup> Table 33 is intended to be a summary for general comparison only. Refer to the Tumwater Municipal Code for additional requirements and exceptions.

<sup>&</sup>lt;sup>17</sup> Note that maximum height in portions of the Capitol Boulevard Community (CBC) zone district can be increased to 75 feet or 50 feet if permanently affordable housing units are provided in a new multifamily housing project 30 or more dwelling units in size and meet the requirements of TMC 18.42.140.

<sup>&</sup>lt;sup>18</sup> Note that maximum height in portions of the Town Center (TC) zone district can be increased to 65 feet if permanently affordable housing units are provided in a new multifamily housing project 30 or more dwelling units in size and meet the requirements of TMC 18.42.140.

<sup>&</sup>lt;sup>19</sup> Note that maximum height in portions of the Brewery District (BD) zone district can be increased by 10 feet if permanently affordable housing units are provided in a new multifamily housing project 30 or more dwelling units in size and meet the requirements of TMC 18.42.140.

Density and Bulk and Dimensional Regulations <sup>16</sup>	CBC Capitol Boulevard Community Zone District	TC Town Center Mixed Use and/or Town Center Residential Subdistrict	BD Brewery District Zone	MHP Manufactured Home Park Zone District
Planned Unit Development	Allowed	Allowed	Allowed	Not Allowed

#### Notes

• The General Commercial (GC) zone district, new multifamily or mixed use projects with a total of thirty or more dwelling units that provide thirty percent of those units as permanently affordable housing units would be allowed a maximum building height increase of ten feet, subject to imaginary airspace surface limitations. This would create a new maximum height limit of 75 feet. Projects providing permanently affordable housing units by this method would have to meet the requirements of TMC 18.42.140.

#### Regulations Evaluation #3 – Housing Innovation Program

Table 34 Housing innovation program review assesses the number of housing tools that are currently used the City by comparing them to those recommended in the Puget Sound Regional Council's Housing Innovation Program. The Housing Innovation Program was created to promote housing options and affordability in local communities. This assessment of housing tools will assist in the development of Housing Action Plan strategies to increase housing options in the city.

This evaluation shows that the City utilizes 32 of the 49 Housing Innovation Program Housing Tools and the City would be willing to consider using more of the tools.

Table 34. Housing innovation program review.

HIP Housing Tools	Housing Tools Currently Available in in the City	Comments
Development Types		
Accessory dwelling units (ADU)	Yes	Accessory dwelling units have been allowed in the City with minimal restrictions. The City Council updated the codes further in 2021 by Ordinance No. O2020-005 on March 16, 2021. In addition, the City is providing free accessory dwelling unit house plans for residents wanting to build units.
Cluster development	Yes	Allowed through the transfer of development rights program.
Cottage housing	Yes	Cottage housing allowed as a use in 2017. The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to allow cottage housing in all single-family zone districts.
Infill development	Yes	Encouraged and allowed.
Master planned communities	No	The City has limited areas that would be appropriate for a master planned community, but the City does use the Planned Unit Development (PUD) process, as well as development agreements to meet the intent of a master planned community.

HIP Housing Tools	Housing Tools Currently Available in in the City	Comments
Mixed use development	Yes	Brewery District (BD), Capitol Boulevard Community (CBC), Town Center (TC), and Neighborhood Commercial (NC) and Mixed Use (MU) zone districts encourage these types of development as well as the General Commercial (GC) zone district.
Mobile/manufactured homes	Yes	Allowed in all residential zone districts.
Multifamily development	Yes	Allowed in multifamily zone districts as well as Brewery District (BD), Capitol Boulevard Community (CBC), Town Center (TC), and Neighborhood Commercial (NC) and Mixed Use (MU) zone districts encourage these types of development as well as the General Commercial (GC) zone district.
Planned unit development (PUD)	Yes	Encouraged and allowed.
Preservation & rehabilitation	Yes	Encouraged and allowed.
Small lot single family development	Yes	The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to allow 3,200 SF lots in the Single Family Low Density Residential (SFL) and Single Family Medium Density Residential (SFM) zone districts.
Townhomes	Yes	The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to expand where such uses are allowed.
Zero lot line development	Yes	Part of townhouse and rowhouse developments. The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to expand where such uses are allowed.

HIP Housing Tools	Housing Tools Currently Available in in the City	Comments
Other Regulatory Tools		
Design guidelines	Yes	Design guidelines adopted in 2016.
Flexible single family development regulations	No	The City would be willing to consider this tool in certain areas of the City.
Form based zoning	No	The City would be willing to consider this tool in certain areas of the City.
Inclusionary zoning	Yes	The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to allow in multifamily zone districts as well as Brewery District (BD), Capitol Boulevard Community (CBC), Town Center (TC), and Neighborhood Commercial (NC) and Mixed Use (MU) zone districts encourage these types of development.
Lot size averaging	No	The City would be willing to consider this tool in certain areas of the City.
Minimum densities	Yes	In all zone districts that allow residential uses.
No maximum densities	Yes	In the Brewery District (BD), Capitol Boulevard Community (CBC), Town Center (TC), Neighborhood Commercial (NC), Mixed Use (MU), and General Commercial (GC) zone districts.
Performance zoning	No	The City would be willing to consider this tool in certain areas of the City.
Regulatory streamlining	Yes	Ongoing process of identifying and improving regulatory processes.
SEPA categorical exemptions	Yes	In November 2019, the City Council approved Ordinance No. O2019-022, which raised the SEPA categorical exemption threshold for multifamily projects to the maximum under State law.

HIP Housing Tools	Housing Tools Currently Available in in the City	Comments
Short plats	Yes	Short plats are defined as nine or fewer lots to match the maximum allowed by state law.
Transit oriented development (TOD) overlays	Yes	The Brewery District (BD), Capitol Boulevard Community (CBC), Town Center (TC) and zone districts are effectively this kind of overlay. Could be expanded to include the Littlerock Subarea.
Transfer of development rights (TDR) for affordable housing	No	The City would be willing to consider this tool. There would need to be work with Thurston County to do this.
Up-zones & rezones	Yes	The City has been exploring more options for this tool, most recently in 2020 in various locations in the City.
Incentives		
Density bonuses	Yes	The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to allow for density bonuses as an incentive for permanently affordable multifamily housing as well as the already existing bonuses for transfer of development rights for rural development.
Fee waivers or reductions	Yes	The fee reductions were identified in a strategy to pursue in the 2019 City Council Affordable Housing Work Program. City is currently developing a fee resolution for review and approval by the City Council in 2021.
Incentive zoning	Yes	The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to allow for permanently affordable housing to be built in exchange for density or building height increases depending on the zone district.

HIP Housing Tools	Housing Tools Currently Available in in the City	Comments
Multifamily tax exemption (MFTE)	Yes	The City Council established the Multifamily tax exemption program on April 4, 2017 by Ordinance No. O2017-004 for 8-years and the 12-year Multifamily Tax Exemption developments in the Brewery District (BD) and Capitol Boulevard Community (CBC) plan areas.
		On January 21, 2020, the City Council approved Ordinance No. O2019-023, which expanded the 12-year Multifamily Tax Exemption program to the Tumwater Town Center (TC) and Littlerock Road Subarea.
Parking reductions	Yes	The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to reduce parking requirements for certain residential use.
Permitting priority	No	The City has considered a permitting priority system for affordable housing, but has not seen the need given the current permit approval timelines.
Planned action EIS	No	The City would be willing to consider this tool in certain areas of the City, such as the Brewery District or the Capitol Boulevard Community Plan Areas.
Other Financial Tools		
Commercial linkage fees	No	Economic conditions at not right for the City to use this tool.
Credit enhancement	No	Economic conditions at not right for the City to use this tool.
Local housing fund	Yes	The City is working with the regional Housing Council in allocating regional housing funds as well as allocating CDGB funds for housing assistance.

HIP Housing Tools	Housing Tools Currently Available in in the City	Comments
Public land for affordable housing	No	The City has considered this tool, but it did not identify any surplus public land that could be used for this purpose.
Project-Level Tools	,	
Affordability covenants	Yes	The City Council updated the codes in 2021 by Ordinance No. O2020-005 on March 16, 2021 to allow for permanently affordable housing to be built in exchange for density or building height increases depending on the zone district to be managed by permanent covenants and restrictions.
Development agreements	Yes	The City uses development agreements for new development now and it can be used for affordable housing projects.
Renter/Homeowner Assistance		
Displacement resources	No	The City has considered this tool, but has decided it does not have the financial or staff resources to fund and manage its use. If it is considered, it may be part of the actions of the Regional Housing Council.
Direct Household Assistance	Yes	The City has considered this tool, and has funded local non-profits to run programs for rental assistance.
Foreclosure resources	No	The City has considered this tool, but has decided it does not have the financial or staff resources to fund and manage its use. If it is considered, it may be part of the actions of the Regional Housing Council.
Partnerships		
Nonprofit partnerships	Yes	The City has a number of local non-profits it work with directly as well as regional non-profits through the Regional Housing Council.

HIP Housing Tools	Housing Tools Currently Available in in the City	Comments
Interjurisdictional cooperation	Yes	The City has worked with other jurisdictions in a number of ways, such as the development of the regional Thurston Climate Mitigation Plan and the Housing Action Plan development process, as well as formally on homelessness and affordable housing through the Regional Housing Council.
Education & Outreach		
Community outreach plans	No	The City would be willing to consider developing this tool.
Educating permitting officials	No	The City would be willing to consider developing this tool.
NIMBY, strategies to address	No	The City would be willing to consider developing this tool.
Strategic marketing	No	The City would be willing to consider developing this tool.

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#### Regulations Evaluation #4 – Development Code and Other Barrier Summary

Table 35 *Development code barrier summary* identifies potential barriers to building housing within the City's current development codes and practices.

Table 36 Other potential barriers summary identifies potential barriers to building housing within the City's current development codes and practices.

The identification of these potential barriers will assist in the development of Housing Action Plan strategies to increase housing in the City.

Table 35. Development code barrier summary.

	Potential Development Code Barriers
Housing Types	
HIGH DENSITY	
Multifamily	Pedestrian & Vehicle Access and Circulation
	Explore reciprocal access easements for adjacent developments
	Parking
	Consider reducing minimum stall size for some portion of parking requirements
	Re-examine required minimum parking requirements
	Re-examine drive aisle minimum width
	Consider shared parking provisions as a means of reducing parking requirements
	Landscaping
	Explore options for alternative landscape buffer widths
	Consider changes to parking lot landscaping requirements
	Consider granting more flexibility in landscape chapter
	Incentives
	Explore expanding incentives, including by encouraging three bedroom units

	Potential Development Code Barriers
MEDIUM DENSITY	
Triplex and Fourplex	Allowed Uses
	<ul> <li>Expand as a permitted use to the Single-Family Medium Density Residential (SFM) zone district</li> </ul>
	Parking
	Re-examine required minimum parking requirements
	<ul> <li>Consider shared parking provisions as a means of reducing parking requirements</li> </ul>
Townhouse	Allowed Uses
	<ul> <li>Expand as a permitted use to the Single-Family Medium Density Residential (SFM) zone district without a Planned Unit Development</li> </ul>
	<ul> <li>Expand as a permitted use to the Single-Family Low Density Residential (SFL) zone district with a Planned Unit Development</li> </ul>
	Parking
	Re-examine required minimum parking requirements
	<ul> <li>Consider shared parking provisions as a means of reducing parking requirements</li> </ul>
Duplex	Allowed Uses
	<ul> <li>Expand as a permitted use without restrictions in the Single-Family Low Density Residential (SFL) and Single-Family Medium Density Residential (SFM) zone districts</li> </ul>
	Parking
	Re-examine required minimum parking requirements
	Consider shared parking provisions as a means of reducing parking requirements

	Potential Development Code Barriers		
LOW DENSITY			
Small Lot Single Family	Parking		
	Re-examine required minimum parking requirements		
	Review parking requirements to allow tandem garages or clustered parking		
	Other		
	Consider adding a provision regarding zero-lot line development		
Accessory Dwelling Units	Parking		
	Re-examine required minimum parking requirements		
	Other		
	<ul> <li>Consider increasing accessory dwelling unit size to 1,000 square feet</li> </ul>		
	Simplify water and sewer connection requirements		
	Work on promotion of accessory dwelling unit options		
Detached Single family	Parking		
	Re-examine required minimum parking requirements		
	<ul> <li>Review parking requirements to allow tandem garages or clustered parking</li> </ul>		
	Other		
	Review lot coverage and setback requirements		
Manufactured Homes	Parking		
	Re-examine required minimum parking requirements		
Code Requirements			
GENERAL STANDARDS			
Density	Potential Density Increases		
	Explore increasing minimum densities for multifamily zone districts		
	Consider allowing up zones within the large lot residential low zones once utility infrastructure, such as sewers, is available		

	Potential Development Code Barriers
Landscaping Standards	<ul> <li>Consider changes to the landscaping code that would be more supportive of and complimentary to higher density and mixed use residential development types</li> <li>Consider options for alternative landscape buffer widths</li> <li>Consider changes to surface parking landscaping</li> <li>Consider removing/reducing the non-compatible buffer requirement between residential developments of different densities, and certain commercial uses</li> </ul>
Parking	Reduce required off-street parking ratios in residential areas near transit service and where there is sufficient on street parking to increase the buildable land available for housing
Incentives	Development Incentives     Add a development incentive chapter to Title 18 Zoning to explore methods to incentivize methods to incentivize a variety of different housing types
OTHER	
Design Guidelines	Review design guidelines to determine if amendments are needed to allow for the development of more affordable housing
Parking Lots, Driveways	Consider reducing the amount of pavement required in parking lots and driveways for multifamily developments
Planned Unit Development	Review the Planned Unit Development requirements and consider amendments to TMC 18.36 Planned Unit Development (PUD)  Overlay
Height Limits	Explore increasing height limits
Neighborhood Compatibility	<ul> <li>Consider reducing requirements for multifamily developments near higher intensity uses</li> <li>Examine setbacks and screening and consider basing it on structure height or mass as opposed to zone district</li> </ul>

	Potential Development Code Barriers
Unit Lot Subdivision	<ul> <li>Explore options for subdivision of attached units (unit lot subdivision) to allow for fee-simple ownership instead of condominium ownership. This would be specifically for detached and attached housing units in multifamily residential and mixed- use zone districts</li> </ul>
General Development Standards	<ul> <li>Vary development standards, such as parking, open space, and setbacks, by certain housing types to provide permanently affordable housing</li> </ul>

*Table 36. Other potential barriers summary.* 

	Other Potential Barriers	
OTHER BARRIERS		
Road Standards	Explore innovative road designs that reduce right-of-way width	
Infrastructure Investments	Make infrastructure investments for infill areas needing upgrades with follow-up by City staff to develop potential scenarios with emphasis on areas where affordable housing is most likely to occur	
Development Standards	Review the City's Engineering Development Standards to identify potential barriers	
Comprehensive Plan Map Amendments and Rezones	Review the City's Comprehensive Plan and the Citywide zoning map designations and determine if there are areas in the City that could support a higher range of residential densities	

## Appendix E. Previous Work

#### **Background**

After the City Council adopted Resolution No. R2018-016 in July 2018, the City 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.

The Planning Commission and the City Council undertook a significant effort from September 2018 to May 2019 to develop the Affordable Housing Work Plan for the City Council to use in make informed decisions when prioritizing the next steps to implement Resolution No. R2018-016. Since 2019, the City had spent a substantial amount of time implementing the 2019 Affordable Housing Work Plan through ordinances and process changes.

While the City was implementing the 2019 Affordable Housing Work Plan, the state legislature passed E2SHB 1923 in 2019, which created state grants through the Department of Commerce to address the need to create more affordable housing through the creation of local housing action plans. Seeing an opportunity to pool resources and work regionally to create materials to support the development of a City's Housing Action Plan, the City joined with the Cities of Lacey and Olympia in applying for the state grant.

By January 2020, the three cities were awarded the grant, agreed to an interlocal agreement to work together on the initial work products, and contracted with the Thurston Regional Planning Council (TRPC) to do the work. With the help of TRPC staff, a stakeholder group made up of developers, real estate professionals, and housing activists, as well as staff from the three jurisdictions, over the course of 2020 and into January 2021, a Regional Needs Housing Assessment, a Landlord Survey, and a draft Housing Action Plan template were completed.

#### 2016 Comprehensive Plan Update

In 2016 to ensure the plan complied with the requirements of the GMA, Chapter 36.70A RCW as part of the Growth Management Plan requirement to update the City's Comprehensive Plan every eight years in accordance with RCW 36.70A.130(1) under Ordinance No. O2016-012, the City reviewed and revised the Housing Element of the Comprehensive Plan.

#### 2018 Resolution No. R2018-016 Homelessness and Affordable Housing

In the first half of 2018, the City Council devoted considerable time to discussions of the causes of and resources available to address homelessness and the lack of affordable housing in the City. In July 2018, the City Council adopted Resolution No. R2018-016 Homelessness and Affordable Housing, which included a number of actions to start to reduce homelessness, increase affordable housing, and continue to work with other jurisdictions and agencies to explore regional solutions to these issues.

### A. <u>Reduce Homelessness</u> – Increase resources/actions to combat/decrease regional homelessness.

Take the following actions now:

- 1. Review, and clarify as necessary, policies related to homelessness for first responders.
- 2. Develop strategies with the Tumwater School District and nonprofit partners to house homeless students/families.
- 3. Better understand and describe the extent and general location of Tumwater poverty and low-income areas.
- 4. Commit more current City resources to targeted regional homelessness actions.
- 5. Act to better connect people to services.
- 6. Continue to participate in homeless count each year.
- 7. Meet with Tumwater faith leaders to explore faith community's potential role addressing homelessness.
- 8. Assess and track homeless/low-income services in Tumwater.

Review and evaluate the following actions once the actions above are complete and their outcomes evaluated:

- 1. Further explore community support for a new tax/fee source for targeted homeless housing and services.
- 2. Evaluate Tumwater's future role in providing managed encampments, safe overnight parking areas, and shelters. May include code amendments addressing these land uses.

#### B. <u>Boost Housing Affordability</u> – Actions to increase affordable housing.

Take the following actions now:

- 1. Pursue grants for affordable housing.
- Strengthen incentives for affordable housing within the Capital Corridor and Brewery
  District and explore extending these incentives to the entire InterCity Transit #13 bus
  corridor.
- Evaluate and, if necessary, propose amendments to City code and zoning to support smaller scale affordable housing in neighborhoods to offer a greater variety of housing options.
- 4. Promote actions property owners can take to increase affordable housing such as accessory dwelling units.
- 5. Participate in regional discussions to understand factors affecting housing affordability and what steps can be taken to mitigate new housing costs.
- 6. Assess actions for assuring mobile home parks continue to provide affordable housing toward a goal of property ownership by residents.
- 7. Encourage more housing development overall.
- 8. Encourage abandoned houses moving back into the active housing inventory.

- 9. Enact policies to protect tenants experiencing housing instability, which may include:
  - a. Review current eviction/renter protection policies, laws, and legal services and assess possible actions.
  - b. Assess need for/knowledge of landlord-tenant conflict resolution services.
  - c. Support renter resources (mediation, etc.).
- 10. Inventory and track affordable housing units in Tumwater.

Review and evaluate the following actions once the actions above are complete and their outcomes evaluated:

- 1. Further explore community support for a new tax/fee source to support affordable housing and low-income services.
- 2. Consider options for reducing fees and service charges for certified affordable housing units.
- 3. Focus on creating one significant affordable housing project with partners in the next five years.
- C. <u>Ongoing Regional Actions</u> Continue work with other jurisdictions and agencies to explore regional solutions to homelessness and affordable housing.

#### 2019 Housing Affordability Work Plans

After the City Council adopted Resolution No. R2018-016 in the summer of 2018, the City worked on a number of actions to reduce homelessness, increase affordable housing, and continue to collaborate with other jurisdictions and agencies to explore regional solutions to these issues.

One of those tasks was the City Council's 2019 Housing Affordability Work Plan, which is intended to increase the amount of privately and publicly funded residential development in the City to bring the supply and demand of housing in the City more into balance.

#### **Objective**

The City Council's development text and fee work plans addressed the following actions from Resolution No. R2018-016, which support the goal of increasing housing affordability:

#### **GOAL: Boost Housing Affordability**

**Action #2** – Strengthen incentives for affordable housing within the Capitol Corridor and Brewery District and explore extending these incentives to the entire InterCity Transit #13 bus corridor

**Action #3** – Evaluate and, if necessary, propose amendments to City code and zoning to support smaller scale affordable housing in neighborhoods to offer a greater variety of housing options

**Action #4** – Promote actions property owners can take to increase affordable housing such as accessory dwelling units

Action #7 – Encourage more housing development overall

#### **Background**

After the City Council adopted Resolution No. R2018-016, the Planning Commission studied material on homelessness and the lack of affordable housing in the City in the fall of 2018. In the winter of 2019, the Planning Commission reviewed potential implementation actions the City could take to increase its affordable housing supply by reviewing the City's land use regulations and development fee structures for barriers to affordable housing.

Staff prepared draft tables of potential implementation actions for the Planning Commission to consider, which included background information as well as a rough estimate of the complexity of enacting the change, its relative effect in increasing the affordable housing stock in the City, and potential costs to the City. The Planning Commission completed its recommended development text and fee work plans on March 12, 2019.

The City Council reviewed the Planning Commission's proposed development text and fee amendment work plans at worksessions on March 26, 2019, April 23, 2019, and May 28, 2019. At their May 28, 2019 worksession, the City Council decided to focus on specific items in the Planning Commission's proposals in the final development text and fee amendment work plans.

#### **Development Code Text Amendments**

The intent of the development code text amendments is to increase the amount of privately and publicly funded residential development in the City, which would increase the overall supply of housing. Some of the development code text amendments would focus on increasing the amount of permanently affordable housing in the City.

The City Council's final work plan for development code text amendments to provide more housing, affordable and otherwise, in the City included the following actions:

- 1. Review the City's Comprehensive Plan and the Citywide zoning map designations and determine if there are areas in the City that could support a higher range of residential densities.
- Provide an affordable housing density bonus in addition to the maximum density permitted in residential zone districts in limited areas of the City, if the proposed project provides permanently affordable housing units. In addition, consider a density bonus to incentivize developers to provide specific housing types in limited areas of the City that provide permanently affordable housing units.
- 3. Expand the locations where special residential development types such as accessory dwelling units and cottage housing and smaller types of housing such as micro-housing, tiny homes, and smaller lot single-family development are permitted. In addition, consider incentives for including accessory dwelling units with new single-family home developments.
- 4. Streamline accessory dwelling unit permitting by researching what other jurisdictions such as the City of Lacey and the cities in east King County are doing and look at ways to incorporate that work into the City's processes.
- 5. Add duplexes or other smaller types of housing units as a permitted uses to single family residential zone districts, such as the Residential/Sensitive Resource (RSR), Single-Family Low Density Residential (SFL), and Single-Family Medium Density Residential (SFM) zone districts.

- 6. Increase height limits in the Knoll subdistrict of the Brewery District zone district for permanently affordable housing projects.
- Reduce required off-street parking ratios in residential areas near transit service and where
  there is sufficient on street parking to increase the buildable land available for housing. In
  addition, consider eliminating the 1.0 parking space per dwelling unit requirement for accessory
  dwellings.
- 8. Vary development standards, such as parking, open space, and setbacks, by certain housing types to provide permanently affordable housing. Note: Council asked that a more detailed proposal be prepared for this item before it gives its approval to include in the work plan.
- 9. Require new housing created specifically to be affordable to remain affordable in perpetuity with protective covenants and deed restrictions.
- 10. Raise the SEPA categorical exemption thresholds for multifamily residential development from 25 to 60 multifamily residential units.
- 11. Explore options for subdivision of attached units (unit lot subdivision) to allow for fee-simple ownership instead of condominium ownership. This would be specifically for detached and attached housing units in multifamily residential and mixed-use zone districts.

#### **Development Fee Amendments**

Based on the implementation actions identified in the Brewery District and Capitol Corridor Subarea Plans, the City Council's development fee amendment work plan included actions to reduce development fees to encourage the building of more housing, which could include permanently affordable housing. The actions in the development fee amendment work plan are focused in the Brewery District and the Capitol Boulevard Corridor subareas, the Town Center, and the Littlerock Road Subarea.

The intent would be to improve the financial viability of new development by allowing private and public developers to spread out or reduce the costs of infrastructure and capital improvements over the course of the development process and in turn allow more dwelling units of all types to be built.

The City Council's final work plan for development code fee amendments to provide more housing in the Brewery District, the Capitol Boulevard Corridor, the Town Center, and the Littlerock Road Subarea of the City included the following actions:

- 1. Lower, delay, or adjust the timing of development fees, such as impact fees and connection charges, such as:
  - a. Transportation impact fees where there is a nexus between the location of affordable housing and access to transit and after working with the Public Works Department to assess transportation demand in these neighborhoods;
  - Park impact fees after reviewing the assumptions the City considered as part of the Metropolitan Park District ballot measure and working with the Parks and Recreation Department;
  - c. Water and sewer connection fees after working with the Public Works Department; and
  - d. Sewer capacity development charges for permanently affordable housing after working with the Public Works Department.

- 2. Exempt emergency housing from impact fees (SHB 2538).
- 3. Expand the multifamily tax exemption program to other areas of the City, such as the Town Center, and the Littlerock Road Subarea, and look at expanding the percentage of permanently affordable units that would need to be provided.
- 4. Cut, reduce, or cap fees for nonprofits building permanently affordable housing.
- 5. Reduce fees for private-sector development of permanently affordable homes and units.
- Make infrastructure investments for infill areas needing upgrades with follow-up by City staff to develop potential scenarios with emphasis on areas where affordable housing is most likely to occur.
- 7. Reduce fees for affordable, single-family homes (under 1,500 sq. ft.) and manufactured homes.