

Regional Housing Council

Agenda: Wednesday November 8th, 2023 (4:00 p.m. – 6:00 p.m.) (via Zoom)

Carolyn Cox: Chair, Carolina Mejia: Vice-Chair

#	TIME	AGENDA ITEM	LEAD	ACTION
1	4:00 – 4:05	Welcome and Introductions <ul style="list-style-type: none">• Check-in• Review Agenda/Meeting Purpose	Carolyn Cox	
2	4:05 – 4:07	Approval of October 25th minutes	Carolyn Cox	Action
3	4:07-4:15	Public Comment	Carolyn Cox	
4	4:15-4:30	Legislative Agenda	Tom Webster	Decision
5	4:30 – 5:00	Housing Action Plan Crosswalk	Jennifer Adams	Information & Action
6	5:00 – 5:45	Request for Funding – Claudia’s Mobile Home Park	Tom Webster & Jacinda Steltjes	Discussion & Action
7	5:45 – 5:50	Communications Update	Elisa Sparkman	Updates
8	5:50 – 6:00	Good of the Order	Carolyn Cox	Information
9	6:00	Upcoming Meetings <ul style="list-style-type: none">• Next RHC Meeting Wednesday December 13th, 2023, 4pm Location: Zoom meeting		

REGIONAL HOUSING COUNCIL

Wednesday October 25th Meeting Minutes

ATTENDEES:

Lacey: Carolyn Cox, Ryan Andrews, Jennifer Adams

Tumwater: Michael Althaus, Joan Cathey, Brad Medrud

Olympia: Dani Madrone, Clark Gilman, Rich Hoey, Darian Lightfoot, Jacinda Steltjes

Yelm: Gary Cooper

Thurston County: Carolina Mejia, Tom Webster, Keylee Marineau, Elisa Sparkman, Cody Anderson

Affordable Housing Advisory Board: Talauna Reed

Homeless Services Advisory Board: Tammie Smith, KayVin Hill

Meeting began at 4:00 pm.

Agenda Item 1: Agenda approved, motion, and second.

Agenda Item 2: Minutes from the September 27th meeting, motion and second, approved.

Agenda Item 3: Public Comment

Victoria O'Banion joined from ROC Northwest who works with residents in manufactured home communities to form limited equity housing cooperatives and to purchase the communities they live in. She came to advocate for Claudia's Mobile Home Park which has 107 units within the community. The property has come up for sale and the residents have been given an opportunity to submit a purchase and sale agreement. Moving forward with their current lender would require a 124% lot rent increase. Victoria is here to request the RHC consider helping fund this purchase and sale to assist in lowering their interest rate to 2% which would bring their lot rent increase down to 38%.

Victoria stated residents have 70 days to get funding together and submit an offer. Claudia's 70 days started on September 12th, giving them until November 21st to secure additional funding sources. She also states the seller of Claudia's currently has an offer around \$10million.

Dani asked if Victoria is hoping to secure the full cost. Victoria clarified no, the residents have access to capital to purchase the park but it's currently at a 6% interest rate. She is hoping to be able to blend capital and lower that rate down to 2%. If they were able to secure \$3 million at a 2% interest rate, that would significantly lower the lot increase burden on Claudia's residents. She also wanted to bring this topic to the RHC as a broader conversation for future projects like this.

This conversation continues during Good of the Order

Agenda Item 4: CHG Inflationary Funds Distribution

Tammie presented the Homeless Services Advisory Board's recommendations for the CHG Inflationary Funds. There is \$749,702 available and the HSAB recommends funding 11 agencies at \$3,796.73 per FTE. These funds are intended to be used for salary increases or retention stipends for their homeless services workforce as well as to help offset any other inflationary costs. Keylee shared a PowerPoint

reviewing the survey results that went to providers about these funds and their workers. The survey was intended to gain information on how many frontline staff agencies have as well as how many full-time equivalent staff they have. 11 agencies responded and, in total, had 197.46 eligible FTEs. Dani moved to approve the HSAB's recommendations, Carolina seconded, approved.

Agenda Item 5: Rent Assistance Survey Presentation

Elisa gave a presentation on a survey that was distributed to Thurston County residents who received COVID-19 rent assistance through the Emergency Rent Assistance Program (ERAP) and Treasury Rent Assistance (T-RAP) between 2020-2023. Roughly \$53.5 million was distributed in rent and utility assistance over that 3-year period. Funds were distributed to families and individuals at or below 80% Area Medium Income (AMI) who were directly or indirectly impacted by the COVID-19 pandemic. The survey's purpose was to see how this assistance helped Thurston County residents, and what current needs are in the community now that those programs have ended. The survey was sent to residents on August 10th 2023 and was open for 22 days, closing on August 31st. It was sent to 1,982 e-mail addresses in both English and Spanish and the goal response rate was 30%. They were able to meet that goal with 541 eligible surveys.

The Eviction Prevention Rent Assistance Program (EPRA) was awarded \$2 million for temporary assistance in 2023, which is significantly less than what has been made available the last several years. Currently there is no long-term rent assistance program in Thurston County, though the results of this survey establish there is significant need.

Based off these survey results the recommendation for the RHC is to support legislation and policy that would increase rent assistance funding and support rent stabilization within Thurston County.

Agenda Item 6: Legislative Agenda

Tom presented potential legislative priorities put forth by the RHC Tech Team for the RHC and individual jurisdictions.

The Housing Action Team had recommended 8 items including rent stabilization, more permanent funding for rent assistance, permanent operational funds for the Right of Way Initiative, funding for the Housing and Essential Needs Bridge program, eliminating junk fees in leases, and supporting the Washington Low Income Housing Institute's priorities around permanent sources of funding for homelessness.

The Association of County Human Services would like priority around continued funding for local shelters and increased capital funding for affordable housing projects.

In addition to these recommendations, the Tech Team suggested increased staff capacity to assist in implementing Housing Action Plans the jurisdictions have developed. As well as capital funding under Maple Court to continue to fund that project as it moves to permanent supportive housing.

Dani moved to approve this initial list but requested that the Tech Team bring back their top two priorities from this list for jurisdictions to discuss with their individual councils. Carolyn seconded this motion, approved.

Agenda Item 7: Good of the Order

Victoria joined the group to continue discussion about Claudia's Mobile Home Park. She asked if there is currently a source of funding that these residents can access at a 2% interest rate? If not, are there steps that can be taken so there are funds like this available in the future? Victoria shared one option being discussed in other counties would be to create a loan agreement.

Tech Team was asked to review this request to see what options are available to assist in this project and have Victoria return at the November 8th meeting to further discuss.

Meeting Adjourned: 6:02 pm

Next Meeting: November 8th, 2023 at 4:00 pm

November 8, 2023

Thurston Regional Housing Council Legislative Priorities – 2024

Top Three Legislative Priorities

1. Increase funding to meet the continued need for rent assistance for low-income renters in Thurston County.
2. Provide long-term operational funds for programs established and paid for by the Governor's Rights of Way Initiative.
3. Increase capital funding through the Housing Trust Fund for the development and preservation of affordable housing.

Complete List of Legislative Priorities

I. Support for Renters

1. **Increase funding to meet the continued need for rent assistance for low-income renters in Thurston County. Ranked #1 priority.**

Thurston County awarded approximately \$53.5 million in rent assistance from late 2020 through mid-2023 primarily with COVID-related funding under the CARES and American Rescue Plan Acts. These programs have exhausted the funding and permanently closed. Just over 70% of 541 respondents to a survey of Thurston County households who received rent assistance from this program indicated that they are currently in need of additional rent assistance. The Eviction Prevent Rent Assistance program currently funded by document recording fees at less than \$1.5 million for Thurston County in 2023-2024 is woefully inadequate to meet the current demand. Thurston Regional Housing Council recommends that the Legislature provide increased funding for rent assistance programs.

2. **Pass legislation to prevent unfair and extreme rent increases.**

According to a 2020 report by the U.S. Government Accountability Office, every \$100 increase in median rent is associated with a 9% increase in the estimated homelessness rate. About 55% of all Thurston County renters spend over 30% of their income on housing costs and 75% of extremely low-income renter households spend over half of their income on housing costs. Working at minimum wage of \$15.74/hour, you would have to work 77 hours each week to afford a modest 1-bedroom rental home at Fair Market Rent in Thurston County. Thurston Regional Housing Council recommends that the Legislature enact reasonable rent stabilization measures to address rising housing costs.

Regional Housing Council Members

Carolyn Cox, Chair
City of Lacey
Councilmember

Carolina Mejia, Vice-Chair
Thurston County
Commissioner

Dani Madrone
City of Olympia
Councilmember

Michael Althaus
City of Tumwater
Councilmember

Brian Hess
City of Yelm
Councilmember

3. Pass legislation to eliminate unreasonable or “junk” fees in leases.

While tenant payments must be applied first towards rent, additional fees can add up on a tenant’s ledger preventing them from catching up on the balance owed. Some fees are incurred not just once but accrue daily. These can include late fees, legal fees, renewal fees, notice posting fees, annual administrative fees, lease violation fees, garbage valet services, and more. These fees can later end up on a judgment, reported to credit agencies, and reflected on a tenant’s rental history, which can impact their ability to access housing in the future. In Oregon, fees are clearly defined and limited under state law [ORS 90.140](#), preventing landlords from creating new fees. Thurston Regional Housing Council recommends that the Legislature take similar action to protect tenants from these types of fees.

II. Funding for Operations

4. Provide long-term operational funds for programs established and paid for by the Governor’s Rights of Way Initiative. Ranked #2 priority.

In Thurston County, Rights of Way Initiative funds have supported operations at an existing continuous stay shelter, a new enhanced shelter, a tiny home village, and hoteling and rent assistance for those fleeing domestic violence and for families. Current funding is only secured through June 30, 2025. Securing operational funding after this date is critical to ensure that residents of temporary housing are not displaced when funding ends. Thurston Regional Housing Council recommends that the Legislature identify long-term funding to continue Rights of Way-supported projects.

5. Fully fund the Housing and Essential Needs (HEN) Pilot Bridge funding program for Supplemental Security Income (SSI) recipients.

The Housing and Essential Needs program provides basic needs and rental assistance for low-income individuals who are unable to work for at least 90 days due to a physical and/or mental incapacity. Because it was created as bridge to federal support, when people qualify for Supplemental Security Income/Social Security Disability Income (SSI/SSDI) benefits, HEN benefits end, and people abruptly lose their rental assistance. A pilot program has been in place for several years to allow some HEN recipients to continue receiving rental assistance when they qualify for SSI or SSDI. This Pilot Program is at risk of ending. Thurston Regional Housing Council supports the Legislature extending and expanding the pilot program to allow HEN recipients to continue receiving rental assistance after they qualify for SSI/SSDI to prevent homelessness.

III. Funding for Affordable Housing Capital Projects

6. Increase capital funding through the Housing Trust Fund for the development and preservation of affordable housing. Ranked #3 priority.

There is a substantial need and demand for affordable housing in Thurston County. Under the analysis of affordable housing needs developed under HB 1220-Housing Amendments to the Growth Management Act, Thurston County needs to develop over 51,000 units of net new housing between 2020-2045. This affordable housing will not be created by the private sector on its own. Thurston Regional Housing Council recommends that the Legislature identify substantial and sustainable state resources to develop significant number of new affordable housing units.

7. Provide capital funding for the following specific projects located in Thurston County.

- a. Provide funding to convert the Maple Court enhanced shelter into Permanent Supportive Housing.

Maple Court enhanced shelter is funded under the Rights of Way Initiative (ROW Initiative). To create permanent housing for the shelter residents, it is necessary and intended to convert the property into Permanent Supportive Housing (PSH). To do so, substantial renovations of the property are needed to add kitchens to the current rooms and other appropriate renovations. Funding from the State earmarked for this project will speed the conversion of this property to PSH and reduce the amount of operational funding needed under the ROW Initiative for the enhanced shelter. Thurston Regional Housing Council recommends the Legislature earmark in Housing Trust Fund resources for this project.

- b. Provide gap funding for the 228 Olympia program, if funding is not provided under the Rights of Way Initiative.

Together We Grow (TWG) Development and Interfaith Works are partnering to construct the project known as 228 Olympia at 228 Olympia Ave and 303 Franklin Street in downtown Olympia. The project will construct 83 units of studio and 1-bedroom housing. TWG will be seeking both Housing Trust Fund (HTF) and Low-Income Housing Tax Credit funding. Although the HTF per project cap is \$5 million, TWG received a waiver from the Washington State Department of Commerce and a support letter from the City of Olympia to submit a request exceeding that amount. The HTF request is for roughly \$9.8 million. Thurston Regional Housing Council recommends the Legislature earmark \$9.8 million in Housing Trust Fund resources for this project.

8. Create a permanent fund source for the Housing Trust Fund.

During the 2023 Legislative Session, HB 1628 was introduced to enact a new state level Real Estate Excise Tax (REET) on very high value properties and also authorizes a new REET for affordable housing and operations. Thurston Regional Housing Council supports this type of legislation to create new permanent funding sources for affordable housing development.

IV. Support to Implement Housing Action Plans

9. Provide resources to increase capacity of local jurisdictions to implement Housing Action Plans.

In 2019, the Washington State Legislature passed HB 1923, aimed at encouraging cities planning under the state Growth Management Act to take actions to increase residential building capacity and has subsequently passed a number of bills supporting more affordable housing. In 2022 and 2023, the Cities of Lacey, Olympia, Tumwater and Yelm adopted Housing Action Plans in response to this legislation. Under the Regional Housing Council, jurisdictions are identifying cross-cutting actions that can be taken or supported on a regional basis to expedite efforts and ensure greater consistency between jurisdictional policies. However, implementation of much of the Housing Action Plans is limited by jurisdictional staff capacity. Thurston Regional Housing Council recommends that the Legislature provide resources directed at creating greater staff capacity to implement Housing Action Plans to support more effective and timely progress in achieving these Plans.

Housing Action Plan



Jurisdictional Crosswalk

Identifying Common Actions to Further Common Goals

To: Regional Housing Council

From: Regional Housing Council - Technical Team

Background

The Regional Housing Council requested the Technical Team review the Housing Action Plans prepared by the Cities of Lacey, Olympia, Tumwater, and Yelm to identify a recommendation of the actions that can be undertaken collectively by the Regional Housing Council.

Recommended Actions

1. Conduct a technical team (tech team) work session(s) to identify recommendations for common Housing Action Plan actions to be undertaken by the Regional Housing Council.
2. Approve a prioritized list of common Housing Action Plan *actions* the Regional Housing Council will undertake.

“Cross-jurisdictional planning and problem-solving places new demands on local governments to develop the capacities necessary for successful collaborative governance.”

HUD - Office of Policy Development and Research

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INTRODUCTION

Regional Approach

The Regional Housing Council was created in January 2021 with the primary purpose of leveraging resources and partnerships through policies and projects to promote equitable access to safe and affordable housing. The Cities of Lacey, Olympia, and Tumwater worked together in 2020 – 21 to develop Housing Action Plans to guide and support the development of more affordable housing. The City of Yelm developed a similar Housing Action Plan in 2022-23.

At the request of the Regional Housing Council to perform a crosswalk of respect jurisdictional Housing Action Plans - the tech team held two in-person meetings in September and October 2023 to review the Housing Action Plans prepared by the Cities of Lacey, Olympia, Tumwater, and Yelm. These meetings aimed to identify a recommendation of the *actions* that can be undertaken collectively by the Regional Housing Council and with jurisdictional support. Thurston County has not developed and adopted a Housing Action Plan, though the County equally participated in the Housing Action Plan Crosswalk *exercise* to assist in remaining consistent with the approach to the *work process* and provide assistance in identifying regional goals that would most benefit from a collaborative approach and gain momentum with the support of the Regional Housing Council.

On September 13, 2023, the tech team reviewed each cities’ Housing Action Plans to identify common actions that align with the six shared Housing Action Plan goals. The tech team selected an initial list of common actions that would benefit most from a regional implementation approach. These common actions are highlighted in the tables found in each Housing Action Plan *GOAL* section of this document.

On October 18, 2023, the tech team refined the list of common actions and prioritized five actions recommended for the Regional Housing Council to begin working on in 2024.

The Process

The tech team primarily engaged in a discussion-based collaborative process. Staff members from each jurisdiction attended both meetings and spoke directly about the action items outlined in their respective Housing Action Plans. This was essential for understanding how each jurisdiction is deliberately addressing the actions identified within their unique territories. While not all action items are currently in progress, its crucial to emphasize that every action item holds significance, and all jurisdictions intend to continue pursuing actions that were not initially prioritized for the support of the Regional Housing Council.

The key factors considered when prioritizing actions included identifying actions present in at least three jurisdictions, assessing the financial resources required for implementation, evaluating the staff time and capacity of each jurisdiction needed to carry out the *actions*, and determining whether a regional approach would maximize efficiency in terms of time, resources and positive results.

Though many actions were found to have commonality across jurisdictions, *five actions* were prioritized for regional support. Jurisdictions acknowledge that further discussions are necessary to distribute the work required for action implementation, even when approached at a regional level. The tech team has established effective communication and is confident in working collaboratively as the next steps become further identified.

Five Actions Prioritized for Regional Support

The tech team’s final recommendation of five prioritized action items for the Regional Housing Council to undertake along with jurisdictional support are as follows:

FUNDING
1. Fund development projects that increase the supply of affordable housing through grants or loans.
2. Provide funding for low-income and special needs residents to purchase housing through community land trusts.
3. Develop a comprehensive funding strategy for affordable housing that addresses both sources of funding and how the funds should be spent.
EDUCATION AND OUTREACH
1. Conduct education and outreach around city programs that support affordable housing.
POLICY
1. Establish a program to preserve and maintain healthy and viable manufactured home parks.

HOUSING ACTION PLANS

In 2019, the Washington State Legislature passed HB 1923, which encouraged cities planning under the Growth Management Act to identify actions to take to increase residential capacity. These actions collectively took the form of housing action plans which were intended...

“...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-jurisdictional need for affordable housing, the cities of Lacey, Olympia, and Tumwater worked together with the Thurston Regional Planning Council to develop the following:

- A regional housing needs assessment.
- A household income forecast to identify future housing needs.

- A survey of landlords and rental property owners to better understand housing costs.
- A draft Housing Action Plan to be modified and adopted by the cities that identified actions for the cities to undertake to encourage development of housing affordable to current and future residents.

In 2021, the Cities of Lacey, Olympia, and Tumwater approved Housing Action Plans specific to their jurisdictions. The City of Yelm, working independently, approved its Housing Action Plan in 2023. In developing its Housing Action Plan, Yelm utilized the core components of this work.

HOUSING ACTION PLAN GOALS

The following are the common goals found across the Housing Action Plans of the cities of Lacey, Olympia, Tumwater, and Yelm.

Note. While the goals of the City of Yelm's Housing Action Plan are stated differently than the Cities of Lacey, Olympia, and Tumwater Housing Action Plans, the following six goals collectively represent the overarching objectives of each City.

- Goal 1. Actions that increase the supply of permanently affordable housing for households that make 80% or less of the area median income.
- Goal 2. Make it easier for households to access housing and stay housed.
- Goal 3. Expand the overall housing supply by making it easier to build all types of housing projects.
- Goal 4. Increase the variety of housing choices.
- Goal 5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
- Goal 6. Establish a permanent source of funding for low-income housing.

Goals 1, 2, 5, and 6 included actions suited for jurisdictional implementation and Goals 3 and 4 did not include common actions suited for jurisdictional implementation.

HOUSING ACTION PLAN CROSSWALK

The Housing Action Plan crosswalk work of the Technical Team continues the regional cooperation and collaboration started with the process of developing the Housing Action Plans. Because the Plans are based on the same template, there is substantial overlap in the actions that the Cities have identified in their Housing Action Plans. The crosswalk effort identified those actions that were being pursued by at least two jurisdictions. The Technical Team then identified actions that would benefit from regional collaboration and recommended prioritization of tasks to the Regional Housing Council.

The benefits of regional collaboration in addressing overlapping actions include:

- **Regional consistency.** The community, including affordable housing developers and residents, benefit from consistent rules and information from neighboring jurisdictions. It saves time, money and reduces frustration to follow similar or consistent requirements.
- **Saves staff time.** Jurisdictions save staff time and are able to allocate staff time more efficiently if similar actions are shared amongst jurisdictions.
- **Greater productivity.** By saving staff time, jurisdictions will be able to address more actions in their Housing Action Plans, resulting in completion of more actions, more quickly.

The crosswalk allows the Regional Housing Council to demonstrate to the community the policies and benefits of regional collaboration.

RECOMMENDED COMMON HOUSING ACTION PLAN GOALS

The following sections review the six common goals across jurisdictions and identify the importance of each goal. The tables that follow each respective goal reflect common actions found in the Housing Action Plans that the tech team identified as most appropriate for support from the Regional Housing Council.

These actions may change over time as changes to the housing landscape occur in the region. It is recommended that a similar crosswalk should occur on an annual or as needed basis to evaluate how well the common actions address regional opportunities.

The sections below discuss each goal and then a table of common actions that are most appropriate for Regional Housing Council collaboration.

GOAL 1. Actions that Increase the Supply of Permanently Affordable Housing for Households that Make 80% or Less of the Area Median Income.

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

Why is this important?

Demand for housing is not meeting the limited supply of affordable options. For households with the lowest incomes 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.

While the Housing Action Plans did not address emergency homeless response actions, it does recognize that housing is the solution to homelessness. Thus, creating permanent housing options for these members of our communities is also a priority.

How do these actions reduce housing costs?

These actions increase the supply of housing where costs are kept permanently affordable to those earning the lowest incomes in our community. According to the Housing Needs Assessment, about 20,200 households in Lacey, Olympia, and Tumwater have an income of 80 percent or less of the median family income. Another 13,800 households in the same category are anticipated over the next 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 can benefit from the stabilization in housing costs.

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 will experience homelessness again.

How do these actions address equity?

People of color disproportionately head the lowest income households in Thurston County. They are also more likely to experience homelessness than people who are white and non-Hispanic. Permanent, income restricted housing directly benefits both 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 restrictive zoning.

These actions align with Assessment of Fair Housing regional goals to provide funding for development or acquisition of housing units affordable to low-income households (below 80% AMI) and explore non-traditional and affordable homeownership options. Local jurisdictions or the Regional Housing Council could offer deeper subsidies or higher scoring on Request for Proposals (RFPs) for developers who include more set-aside units that are accessible to people with disabilities, affordable to lower income households, and/or affirmatively market units to community organizations service protected class groups.

Goal 1 – Common Actions Across Jurisdictions

HAP ACTION	JURISDICTION
1. Fund development projects that increase the supply of affordable housing through grants or loans.	L, O, T
1. Work with the Thurston County Regional Housing Council to consider sources for a regional response to homelessness and affordable housing, and coordinate with existing funding programs.	Y
2. Provide funding for low-income and special needs residents to purchase housing through community land trusts.	L, O, T

HAP ACTION	JURISDICTION
3. Adopt a "Notice of Intent to Sell" ordinance for multi-family developments.	L, O, T
4. Partner with low-income developers (such as Habitat for Humanity) to expand homeownership opportunities.	L, O, T, Y
5. Establish a program to preserve and maintain healthy and viable manufactured home parks.	L, O, T

L=Lacey, O=Olympia, T=Tumwater, Y=Yelm

GOAL 2. Make it Easier for Households to Access Housing and Stay Housed

Goal 2 actions address housing stability by preventing evictions and displacement and create 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 already 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. For renters, the cost of finding new housing can also include application fees, deposits, and other charges that create additional financial hurdles.

How do these actions address equity?

People of color are more likely to rent and more likely to have a lower income than their white, non-Hispanic counterparts. This makes them particularly 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.

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 particularly important.

The Assessment of Fair Housing highlights the importance of homeownership and supports and recommends providing funding for homeownership activities (such as down-payment assistance and financial counseling) to reduce disparities in homeownership.

Jurisdictions can provide information to the public about programs that help low to moderate income households access homeownership offered by local or state programs and financial institutions. Jurisdictions can affirmatively market these resources and information to community groups, such as organizations that serve people with disabilities, people of color, people who speak languages other than English, people who are transgender or nonbinary, tribal members, etc.

In 2023, the Washington State Legislature passes the Covenant Homeownership Act (HB 1474), Which creates a covenant homeownership account (funded through a \$100 document recording fee) and program to address the history of housing discrimination due to racially restrictive real estate covenants in Washington State. The Washington State Housing Finance Commission (WSHFC) will provide a special purpose credit program(s) to disburse the funds as down payment and closing cost assistance to one or more economically disadvantaged populations. WSHFC also administers a special down payment assistance program for home buyers with a disability or disabled family member living with them. The Regional Housing Council and jurisdictions could provide a local match to one or both of these DPA programs to provide greater access to homeownership for members of protected classes.

Goal 2 - Common Actions Across Jurisdictions

HAP ACTION	JURISDICTION
1. Establish a down payment assistance program.	L, O
1. Support down payment assistance programs for homeownership and programs that assist people entering the rental market.	T

L=Lacey, O=Olympia, T=Tumwater

Note. In the above table, the overarching goal is similar though worded differently in the Tumwater HAP.

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

No common actions identified to pursue in collaboration with the Regional Housing Council.

GOAL 4. Increase the Variety of Housing Choices

No common actions identified to pursue in collaboration with the Regional Housing Council.

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

Goal 5 actions recognize the need for each City to engage with the community and establish strong partnerships with affordable housing providers to address housing affordability.

Why is this important?

While the cities do not build or manage low-income housing, the policies the cities 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 cities 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 time seeking to prevent actions needed to increase affordable options. By engaging with the community, the cities can also 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 people of color as well as organizations that work with or represent communities of color and disadvantaged groups can help the cities to 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 on strategies to advance racial equity.

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

Inviting and bringing in people of all classes into community conversations provide the most direct way to get feedback. Collaborating with community leaders and trusted representatives among disadvantaged populations can help make this happen and ensure government action does not increase inequities faced by people of color.

The Regional Housing Council and jurisdictions could utilize education opportunities to inform community members of their rights and responsibilities under fair housing and landlord-tenant laws. Jurisdictions

could also consider creating a web-based resource page or developer toolkit to inform developers of affordable housing incentives.

Goal 5 - Common Actions Across Jurisdictions

HAP ACTION	JURISDICTION
1. Conduct education and outreach around city programs that support affordable housing.	L, O, T, Y
2. Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.	L, O, T
3. 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.	L, O, T, Y

L = Lacey, O = Olympia, T = Tumwater, Yelm

GOAL 6. Establish a Permanent Source of Funding for Low-Income Housing

Goal 6 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, 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.

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 also recognize 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.

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.

These actions align with overall Assessment of Fair Housing goals to fund affordable housing for low-income households, who are disproportionately members of protected classes. In addition to

development of affordable housing, funding for rental assistance to low-income households is needed to address housing stability, prevent evictions, and decrease risk of homelessness.

Goal 6 - Common Actions Across Jurisdictions

HAP ACTION	JURISDICTION
1. Develop a comprehensive funding strategy for affordable housing that addresses both sources of funding and how the funds should be spent.	L, O
2. Establish a regional housing trust fund to provide dedicated funding for low-income housing.	L, O, T

L = Lacey, O = Olympia, T = Tumwater

APPENDIX A

County-Wide Planning Policies (2015)

The Growth Management Act requires interjurisdictional coordination and development of county-wide policies for affordable housing and its regional distribution. The County-Wide Planning Policies were first adopted in 1993 and were amended in 2015. County-Wide Planning Policies related to affordable housing include the following.

- 8.1 *Increase housing choices to support all ranges of lifestyles, household incomes, abilities, and ages. Encourage a range of housing types and costs that are commensurate with the employment base and income levels of jurisdictions' populations, particularly for low, moderate and fixed-income families.*
- 8.2 *Accommodate low and moderate-income housing throughout each jurisdiction rather than isolated in certain areas.*
- 8.3 *Explore ways to reduce the costs of housing.*
- 8.4 *Establish and maintain a process to accomplish a fair share distribution of affordable housing among the jurisdictions.*
- 8.5 *Work with the private sector, Housing Authority, neighborhood groups, and other affected citizens, to facilitate the development of attractive, quality, low and moderate-income housing that is compatible with the surrounding neighborhood and located within easy access to public transportation, commercial areas and employment centers.*
- 8.6 *Regularly examine and modify policies that pose barriers to affordable housing.*
- 8.7 *When possible, provide assistance in obtaining funding and/or technical assistance for the expansion or establishment of low cost affordable housing for low, moderate and fixed-income individuals and families.*



Staff Report

Topic: Claudia's Mobile Park – acquisition

Date	November 8, 2023
Request	Determine whether to provide financial support to the Northwest Cooperative Development Center (NWCDC) to facilitate the acquisition of the Claudia Mobile Home Park by current residents.
Background	<p>Claudia's Mobile Park Estates is located at 10900 Kuhlman Rd, which is in unincorporated Thurston County, in the Nisqually area. The Park has 100 units for both manufactured homes and recreational vehicles.</p> <p>The owner is seeking to sell the property at a price that would require roughly \$11 million of financing. Under Washington law, the residents have 70 days to come up with the financing to purchase the park. NWCDC is working with residents to secure affordable financing to facilitate the purchase. One proposed funding strategy includes funding from Washington Community Reinvestment Association (WCRA), Washington State Housing Finance Commission (WSHFC) and Department of Commerce. This strategy would result in a 53% increase in what each household would pay in their mortgage/lot rent to \$1,010.</p> <p>An RHC contribution of \$2 million in grant funding would reduce the household monthly share to \$860, which represents a 30% payment increase. NWCDC has indicated that while this is still a substantial increase, it is generally manageable for residents.</p> <p>Any contribution provided by the RHC will reduce the monthly payment of resident households as will reduce the amount of higher interest financing that resident payments must cover.</p>
Proposed Solution	<p>If the Regional Housing Council would like to support this request, there is no 2023 funding source that is available from which to allocate funds.</p> <p>The only immediate option that the RHC could consider is to forward commit 2024 local Home Fund toward this project. RHC funds are typically provided as 0% interest forgivable loan.</p>
Financial Implications	If this RHC decides to commit 2024 local Home funds to this project, the impact is that the amount of funds for capital projects during the 2024 Request for Proposal process would be reduced. Likely from an estimated \$5 million to \$3 million

Recommendation	<p>The RHC Technical Team does not have a recommendation to make to the RHC on this request. It is presenting the option that is available to the RHC, if it wants to support this project.</p> <p>The Thurston Affordable Housing Advisory Board has not reviewed this request.</p>
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