CHAPTER 4
HOUSING

I. INTRODUCTION

The Housing Chapter of the Comprehensive Plan provides a framework for promoting a diverse housing supply, protecting and improving the health and livability of Thurston County neighborhoods, and making adequate provisions for the current and projected housing needs of all economic segments of the community. Safe and affordable housing is essential to realizing Thurston County’s vision as a vibrant community.

Thurston County is experiencing tremendous growth. Most of this population growth is from people moving into Thurston County from elsewhere. This growth is due to a strong Puget Sound economy coupled with a high quality of life. The tremendous population growth has increased the competition for housing, which results in higher prices. To address the changing needs of the community, the County is working to foster housing that is affordable to those at all income levels – from those who are homeless, to workforce families, and to those earning higher wages.

Housing is connected to many other planning elements. Directly, the economy affects how much houses cost and whether people can afford those costs. As such, building a strong economy with good paying jobs is one piece of tackling housing challenges. Inexpensive and reliable transit systems can decrease the cost of transportation and free up family funds to purchase housing. Clean and safe housing is vital to personal and community health. As with all elements in the comprehensive plan, the chapters build upon each other.

Key challenges related to planning for current and future housing need in Thurston County include:

- An aging housing stock, with aging infrastructure and higher maintenance costs;
- Rising cost of rents, with low vacancy rates causing more demand than supply;
- Median home sale prices continue to rise, making it difficult for a first-time homebuyer to purchase a home under $300,000;
- Growing cost-burden among both renter and homeowner households. Cost burden is when a household earns less than 80 percent of the county median income and pays 30 percent or more of their income for housing;
- Increasing number of homeless families and households;
- Median home sale prices continue to rise, making it difficult for a first-time homebuyer to purchase a home under $300,000;
- Growing cost-burden among both renter and homeowner households. Cost burden is when a household earns less than 80 percent of the county median income and pays 30 percent or more of their income for housing;
- Increasing number of homeless families and households.

GROWTH MANAGEMENT REQUIREMENTS

The Growth Management Act (GMA) requires Comprehensive Plans to include a Housing Element, and sets the following housing planning goals:

- Encourage affordable housing for all economic segments of the population;
- Promote a variety of residential densities and housing types;
- Encourage preservation of existing housing stock.

RCW 36.70A.020 (4)
The need to balance providing housing for current and future populations, with protecting rural character and quality of life; and an aging housing stock, with aging infrastructure and higher maintenance costs.

GROWTH EXPECTATIONS

Along with a growing population, Thurston County has experienced an increase in housing demand, and this trend is likely to continue due to the number of new residents moving to Thurston County. Unincorporated Thurston County, including rural and urban growth areas (or UGAs), needs to accommodate a projected 55,190 new people by 2040. The rural county alone is projected to add an additional 16,710 new people, and need an additional 7,020 new housing units by 2040.

Because of this growth, there is a need for a diverse variety of housing types to provide for the changing family sizes, age groups, and income levels of the county. To address the changing needs of the community, the county is working to foster housing that is affordable to those at all income levels—from those who are homeless, to low-income and workforce families, and those earning higher wages.

2018 UPDATE: CRITICAL ISSUES

Key challenges related to planning for current and future housing need in Thurston County include:

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- Rising cost of rents, with low vacancy rates causing more demand than supply;
- Median home sale prices continue to rise, making it difficult for a first-time homebuyer to purchase a home under $300,000;
- Growing cost burden among both renter and homeowner households; cost burden is when a household earns less than 80 percent of the county median income and pays 30 percent or more of their income for housing;
- Increasing number of homeless families and households; and...
II. PLANNING CONTEXT FOR HOUSING

Over the next few decades, the demand for housing needs to be balanced with other Growth Management Act and County requirements to reduce urban sprawl, use land more efficiently, concentrate growth within UGAs, protect critical areas and preserve rural character. More information on these subjects can be found in the other chapters of the Comprehensive Plan.

A. DEMOGRAPHIC SHIFTS

Housing demand is largely driven by economic conditions and demographics. Demographic characteristics influence housing market demand, including:

- with regard to the number of households;
- household size;
- take-up and tenure (owner v. renter); and
- preference for styles and amenities.

Some factors contributing to the demographic shifts in Thurston county are:

- More jobs are in the service sector, with lower salaries;
- More people are living longer, with changing housing needs;
- Less people are pursuing live in alternatives to the traditional single-family house size;
- There are more single parents with children;
- More people live alone; and
- Vulnerable populations, such as disabled or homeless individuals, require affordable alternatives to traditional homes with more affordable housing options.

1 TRCP: The Profile: Average Household Size
A large factor of the changing demographics is the shrinking household size, which has a considerable effect on the housing market. According to the Thurston Regional Planning Council (TRPC) Thurston County Profile, the average household size in Thurston County decreased from 3.1 people per household in 1960, but by 2010 had decreased to 2.46 people per household. TRPC forecasts that the household size in Thurston County will continue to decline over the next 20 years, as seen in Figure 1. By 2040, household size is projected to be 2.38 people per household.

Figure 4A.1. Unemployment Rate-Thurston County Persons per Household: 2000-2016 Forecast.0-2016


Smaller households mean an increased demand for smaller homes, apartments, and condominiums.

Another factor of the changing demographic is the increase in senior households which will also impact the region’s housing needs. Between 2015 and 2040, the Thurston Region’s population of residents 65 and older is projected to more than double, going from 30,754 to 81,686. This is an increase from 2 TRPC Fair Housing Equity Assessment, 2013

CHAPTER 1 - INTRODUCTION

DESCRIBES OVERALL POPULATION AND DEMOGRAPHIC TRENDS
Existing neighborhoods should begin planning for a variety of housing choices now, so that housing options will be available as the baby boomer generation enters retirement age. The AARP reports that 80% of older adults want to remain in their homes and communities rather than move to retirement communities or supportive housing. Seniors generally prefer to age in place, which means either within their existing home or current neighborhood. Seniors also prefer smaller households that are easier to maintain. As the baby boom generation begins to hit retirement age, existing neighborhoods, especially in the rural communities, would benefit from diversifying their housing choices to meet a range of housing needs. This is especially important in rural communities with a need for smaller, diverse housing options. Housing for seniors must also consider access to transit and walkability as residents decrease their driving. While some transportation options exist, such as Dial-A-Lift, more will be needed as rural communities age (these challenges are discussed more in Chapter 5, Transportation). Offering a variety of appropriate housing options that meet the needs of aging baby boomers is one of the biggest challenges facing Thurston County.

Vulnerable populations such as low-income seniors and disabled individuals are particularly susceptible to changes in the housing market. A person with a disability is defined as “a person who has a physical or mental impairment that substantially limits one or more major life activities.” In Thurston County, approximately 33,500 people have a disability. Of these individuals, U.S. Census Data shows that in 2016, 35 percent were 65 years of age or older and 16 percent had incomes that were below the poverty level. The poverty level of Thurston County as a whole is 12 percent.

Many low income and disabled individuals rely heavily on Supplemental Security Income (SSI). This is a United States government program that provides stipends to low-income people who are either 65 or older, blind, or disabled. The monthly income for an individual on SSI is $750 a month. Overall, an estimated 38 percent of current and future households will be low income and require more affordable housing options, as discussed later in this chapter. One strategy to help efficiently house an aging population is infill redevelopment which provides relatively dense, affordable housing in urban areas with access to transit and support services.

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1. AARP Aging in Place A Toolkit for Local Governments, 2012
3. TRPC Current Affordable Housing Need and Fair Share Housing Distributions for Thurston County, 2013
4. TRPC Current Affordable Housing Need and Fair Share Housing Distributions for Thurston County, 2013

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Thurston Rural Transit provides access options for residents in the rural county. It is essential to provide reliable transit access for affordable housing to keep total household costs low, especially for lower income seniors.7

B. PLANNING CONTEXT

This chapter has been developed in accordance with the State Growth Management (GMA) Goals and County Wide Planning Policies and is coordinated with other chapters of the Comprehensive Plan. This chapter addresses the goals relating to Affordable Housing. The goals are accomplished by making adequate provisions for existing and projected housing need, preserving and improving the current inventory of affordable housing, and identifying sufficient land for housing.

County-Wide Planning Policies

GMA further requires interjurisdictional coordination and development of county-wide policies for affordable housing and its regional distribution. The amended 2015 County-Wide Affordable Housing Planning Policies (CWPPs) were first adopted in 1993 and were amended in 2015. CWPPs related to affordable housing include are below:

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.

7 AARP Aging in Place: A State Survey of Livability Policies and Practices, 11
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.

Regional Approach

The actions of each each jurisdiction in the county affect the others. What’s more, people move from jurisdiction to jurisdiction. As such, no one jurisdiction is independent of the others when it comes to housing and providing adequate housing to a growing population. Cooperation reduces costs and creates a partnership approach to an issue that connects the county.
For example, infill development inside municipalities and urban growth areas will relieve housing pressure and help preserve rural character in the county.

Thurston County has multiple partnerships in place to explore a regional approach to affordable housing issues. These include, but are not limited to:

- The Regional Consolidated Plan;
- The Regional Homeless Housing Five-Year Plan;
- The Thurston Thrives Housing Action Team Strategy Map; and
- TRPC Sustainable Thurston

Thurston Thrives is an initiative launched by the Thurston County Board of Health-launched initiative. The purpose of the initiative is to bring together thinking of businesses, governments, foundations, non-profits and neighborhoods, to impact the root causes undermining community health. The Housing Action Team (HAT) is the lead for housing issues in Thurston Thrives. The Thurston Thrives Housing Goals are influential in the Goals, Objectives and Policies of the Comprehensive Plan. The two main goals of the HAT are to:

1. Increase high-density, well-designed, mixed income housing; and
2. Increase stability for struggling homeowners, renters, and homeless people.

The Thurston Regional Planning Council (TRPC). Sustainable Thurston is a community conversation. Sustainable Thurston that identifies a vision for a vibrant, healthy, and resilient future, as well as the actions and responsibilities to achieve it. The 2013 Sustainable Thurston Regional Housing Plan outlines several housing goals, including the two below:

1. Provide sufficient housing for low- and moderate-income households within each jurisdiction; and
2. Encourage housing density and diversity in neighborhoods to add vibrancy and increase equitable access to opportunity.

The Growth Management Act (GMA) requires that a Housing Element be included in Comprehensive Plans. This chapter is composed of language extracted from the Housing and Residential Development goals and policies section of the 1988 Comprehensive Plan, which was updated in 1995 to meet the requirements of the GMA, and further updated to meet the requirements of the GMA 2004 Update.

Growth Management Act: The Growth Management Act established the following housing planning goals:

- Encourage affordable housing for all economic segments of the population;
- Promote a variety of residential densities and housing types; and
- Encourage preservation of existing housing stock.

The Act further requires inter-jurisdictional coordination and development of county-wide policies for affordable housing and its distribution regionally.
These goals are accomplished by determining and making adequate provisions for existing and projected housing need, by preserving and improving the current inventory of affordable housing, and by identifying sufficient land for housing.

County-Wide Planning Policies: The County-Wide Planning Policies, adopted by the Board of County Commissioners in August 1993, state that all jurisdictions within the County shall institute measures to encourage the availability of affordable housing for all incomes and needs and ensure that each community includes a fair share of housing for all economic segments of the population by:

- Establishing a process for fair share distribution of affordable housing.
- Working through public/private partnerships and with affected citizens, facilitate the development of low- and moderate-income housing appropriate for existing neighborhoods and accessible to transportation, commerce, and services.
- Exploring ways to reduce costs and modifying current policies that provide barriers to affordable housing.
- Accommodating affordable housing throughout jurisdictions, rather than in isolated areas.
- Encouraging diversity in housing types and costs.
- Providing assistance in obtaining funding and/or technical assistance, where possible, to establish affordable housing for low- and moderate-income households.

The goals and policies set out in this chapter incorporate the State GMA Goals and County-Wide Planning Policies.

Growth Expectations: Thurston County is expected to grow by 119,460 people (55.6 percent) to 334,260 by the year 2025. Most of this growth will be absorbed by the county's cities and towns and their surrounding Urban Growth Areas. However, the rural county will be accommodating some of this population growth.

Therefore, a continuing demand is expected for new housing units in rural areas. The anticipated growth translates into the need to provide for approximately 14,046 new households in unincorporated areas by the year 2025. Of these, a certain proportion can be expected to be low- and moderate-income households and special needs households, as discussed later in this chapter.

This demand for housing will, in turn, result in increased demands for public services (e.g., social, housing assistance, and health services; police and fire protection, schools, roads, utilities, and parks) and increased pressure on aquifers, wetlands, and other natural systems. This demand for new housing will have to be balanced with other GMA and County requirements to reduce urban sprawl, use land more efficiently than in the past, concentrate growth within Urban Growth Areas, and preserve rural areas for the full range of rural land uses. The following table illustrates Thurston County's estimated population increase until the year 2025.

Joint Plans: Joint Plans, developed cooperatively by Thurston County and its cities and towns, except the Grand Mound Urban Growth Area, provide the goals and policies for meeting housing needs for the unincorporated county within Urban Growth Areas.

NEW HOUSING DEVELOPMENT SHOULD BE DIRECTED INTO THE MOST SUITABLE AREAS. THE MOST INTENSIVE, FOR EXAMPLE, SHOULD BE LOCATED WHERE PUBLIC FACILITIES AND SERVICES CAN BE PROVIDED MOST ECONOMICALLY AND WHERE RURAL AND SENSITIVE AREAS WILL BE LEAST IMPACTED. THERE IS ALSO A NEED FOR A VARIETY OF HOUSING TYPES TO MEET THE REQUIREMENTS OF SPECIAL NEEDS POPULATIONS WHILE GENERALLY PROVIDING A BROAD RANGE OF UNITS FOR FAMILY SIZES, AGE GROUPS, AND INCOME LEVELS CHARACTERISTIC OF THE COUNTY.

EXAMPLES OF THE TOPICS ADDRESSED IN THIS 2004 UPDATE ARE:
- POPULATION AND HOUSING NEEDS PROJECTIONS;
- FAIR SHARE HOUSING TARGETS; AND
- SPECIAL NEEDS HOUSING.

III. MEETING HOUSING NEEDS

The goal of adequate housing for all income groups is not easy to achieve, especially in areas designated, appropriately, for rural land uses and densities. As a result, a higher percentage of future populations and housing units will be focused into urban areas, as they have:

- More social, health, and housing services;
- More transportation services and alternatives;
- Closer proximity to jobs, shopping, and businesses; and
- A greater variety of housing options than in more isolated rural areas.

Housing needed projected in urban areas by 2035:

- Expected New Housing Units: 46,000
- Expected Total Housing Units: 129,000

Housing needed projected for rural areas by 2035:

- Expected New Housing Units: 7,000
- Expected Total Housing Units: 42,000

Commented [AD23]: UGA vs city breakout – let’s discuss these numbers.

Commented [IL24R23]: Updated per the “Master Comp Plan Analysis” sheet.

Rural = Rural category from that sheet.
Urban = Total – Rural category from that sheet.
Do we want to emphasize rural or unincorporated (rural + UGAs)?
46,000 of the 53,000 new housing units will be built in urban areas. Population and housing projections suggest that 7,000 new housing units will be developed in rural Thurston County between 2017 and 2040 — about 13 percent of all units needed countywide. In unincorporated Thurston County, an additional 24,000 units of housing will be needed to accommodate the projected population growth between 2017 and 2040 — about 45 percent of all units needed countywide.9

The goal of adequate housing for all income groups is not easy to achieve, especially in areas designated, appropriately, for rural land uses and densities. As a result, a higher percentage of future populations and housing units will be focused into urban areas, as they have. It is in the county’s urban areas that one finds more social, health, and housing services; more transportation services and alternatives; closer proximity to jobs, shopping, and businesses; and a greater variety of housing options than would be available in more isolated rural areas.

The construction of housing units requires land. A key issue for housing in Thurston County is the amount of developable property left to accommodate an increasing population. Potential capacity is the number of residential units (single-family homes, apartments, manufactured homes, etc.) that could potentially be developed on any given piece of land in Thurston County under current adopted land use regulations.

Thurston Regional Planning Council has examined the amount of buildable land supply in the GMA-mandated Buildable Lands Report. The 2014 report found that there is sufficient land supply to accommodate projected population growth (to the year 2035) in Thurston County’s urban areas (cities, plus unincorporated urban growth areas) and in unincorporated rural areas. The majority of these new housing units will be single-family homes.

The past two decades have seen a steady decrease in the percent of new housing units built in the rural parts of the county. This trend has come in response to changes in zoning and development regulations related to GMA, as well as changing lifestyle preferences. Compared with UGAs, there is more vacant land available for development in the rural area (23 percent of all residential capacity), with 9 percent of that capacity on individual, undeveloped lots (see Figures 2 & 3). However, rural lots tend to be larger in size (greater than 5 acres), while there are relatively few remaining undeveloped small lots, such as those subdivided prior to GMA or in designated “Limited Areas of More Intense Rural Development” (LAMIRDS), which tend to be more affordable.


The greatest proportions of housing capacity for urban areas are partially-used subdividable lands (11 percent) and vacant subdividable lands (11 percent). While the majority of new housing will be located in urban areas, at the current rate of development, 13 percent of new housing units countywide would be located in the rural areas of the county, accounting for an estimated 7,000 units.

Figure 4-2. TRPC Buildable Lands, Estimates of Capacity for Dwellings by Type, Urban Areas. Source: Thurston County Regional Planning Council, Buildable Lands Report, 2014.

The greatest proportion of housing capacity for unincorporated rural areas is vacant subdividable lands (14 percent).
Housing Need: Thurston County (unincorporated areas) needs to accommodate nearly 35,100 new people in the next 22 years. As noted in the previous table, that amounts to approximately 14,050 new households. Based on current levels, we can expect that 47.1 percent, or 6,616 of these households will fall into the low- and moderate-income categories.

One issue relating to the need for future housing in Thurston County is the amount of developable property left to accommodate an increasing population.

In the 2014 Buildable Lands Report, TRPC forecasts that 13% of future dwelling units will be located in rural areas between 2010 and 2035. Figure 2, taken from the Buildable Lands Report.
indicates that there is sufficient land within the rural county to accommodate the expected population increases through 2035.

Thurston Regional Planning Council has examined the amount of buildable land supply in the GMA mandated Buildable Lands Report. The 2014 report found that there is sufficient land supply to accommodate projected population growth (to the year 2025) in Thurston County’s urban areas (cities, plus unincorporated urban growth areas).

Within the urban growth areas, TRPC estimates an additional capacity for more than 20,000 new residential units, with the majority of those units being single-family homes. The greatest proportion of this capacity is on partially-used, but subdividable land. Only about 7 percent of residential capacity in the UGAs is on vacant land with no existing development with less than a percent on vacant single lots (not within a subdivision). Land supply versus demand for a 25-year planning horizon for Thurston County, shows that sufficient land supply exists for residential development if development occurs at rates equal or less than those forecast by the State Office of Financial Management and the Population and Employment Forecast of Thurston County provided by the Thurston Regional Planning Council. This analysis takes into account not only current zoning regulations, but also forecast changes in zoning as annexation occurs and urban services are extended to the urban growth areas of Tenino, Rainier, and Yelm, as agreed upon in inter-jurisdictional agreements between the cities and towns of south Thurston County and Thurston County. The forecast also examines changes in housing needs related to demographic trends, and rates of infill development in urban cores.

The past two decades have seen a steady decrease in the percent of new housing units built in the rural parts of the county. This trend has come in response to changes in zoning and development regulations related to GMA, as well as changing lifestyle preferences. Compared with UGAs, there is more vacant land available for development in the rural area (23 percent of all residential capacity) with 9 percent of that capacity on individual undeveloped lots (see Figure 2). However, rural lots tend to be larger in size (greater than 5 acres), while there are relatively few remaining undeveloped small lots, such as those subdivided prior to GMA or in designated “Limited Areas of More Intense Rural Development” (LAMIRDs), which tend to be more affordable. The following table illustrates the amount of residential land and supply until the year 2025:

**TABLE 4-2.4 RESIDENTIAL LAND SUPPLY AND DEMAND, THURSTON COUNTY**
### THURSTON COUNTY COMPREHENSIVE PLAN

#### November 2018 Internal Draft

#### 2020 Residential Land Supply and Demand Forecast

<table>
<thead>
<tr>
<th>JURISDICTION</th>
<th>2000 Residential Land Supply (ACRES)</th>
<th>2020 Residential Land Demand (ACRES)</th>
<th>Percent Remaining in 2020</th>
<th>2025 Residential Land Demand (ACRES)</th>
<th>Percent Remaining in 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUCODA</td>
<td>81</td>
<td>26</td>
<td>67%</td>
<td>30</td>
<td>63%</td>
</tr>
<tr>
<td>LACEY &amp; LACEY UGA</td>
<td>5,697</td>
<td>3,583</td>
<td>37%</td>
<td>4,106</td>
<td>28%</td>
</tr>
<tr>
<td>OLYMPIA &amp; OLYMPIA UGA</td>
<td>4,192</td>
<td>2,395</td>
<td>45%</td>
<td>2,713</td>
<td>35%</td>
</tr>
<tr>
<td>RAINIER &amp; RAINIER UGA</td>
<td>554</td>
<td>322</td>
<td>42%</td>
<td>360</td>
<td>35%</td>
</tr>
<tr>
<td>TENINO &amp; TENINO UGA</td>
<td>505</td>
<td>319</td>
<td>37%</td>
<td>353</td>
<td>30%</td>
</tr>
<tr>
<td>TUMWATER &amp; TUMWATER UGA</td>
<td>4,459</td>
<td>1,788</td>
<td>60%</td>
<td>2,340</td>
<td>48%</td>
</tr>
<tr>
<td>YELM &amp; YELM UGA</td>
<td>3,144</td>
<td>1,365</td>
<td>57%</td>
<td>1,594</td>
<td>49%</td>
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<tr>
<td>GRAND MOUND UGA</td>
<td>168</td>
<td>76</td>
<td>52%</td>
<td>87</td>
<td>45%</td>
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<tr>
<td><strong>TOTAL URBAN AREAS</strong></td>
<td><strong>18,789</strong></td>
<td><strong>9,785</strong></td>
<td><strong>48%</strong></td>
<td><strong>11,582</strong></td>
<td><strong>38%</strong></td>
</tr>
</tbody>
</table>
### THURSTON COUNTY COMPREHENSIVE PLAN


<table>
<thead>
<tr>
<th>JURISDICTION</th>
<th>2000 RESIDENTIAL LAND SUPPLY (ACRES)</th>
<th>2020 RESIDENTIAL LAND DEMAND (ACRES)</th>
<th>PERCENT REMAINING IN 2020</th>
<th>2025 RESIDENTIAL LAND DEMAND (ACRES)</th>
<th>PERCENT REMAINING IN 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>RURAL UNINCORPORATED COUNTY</td>
<td>145,553</td>
<td>66,900</td>
<td>61%</td>
<td>67,733</td>
<td>63%</td>
</tr>
<tr>
<td>THURSTON COUNTY TOTAL</td>
<td>164,343</td>
<td>66,685</td>
<td>59%</td>
<td>79,314</td>
<td>52%</td>
</tr>
</tbody>
</table>

*Source: Buildable Lands Work Program, TRPC; Forecast of Land Demand—Population and Employment Forecast for Thurston County, 1999, TRPC*

The following table outlines the overall achieved densities in each of the county’s residential zoning districts:

#### TABLE 4-3

<table>
<thead>
<tr>
<th>DENSITY CATEGORY</th>
<th>NET ACHIEVED DENSITY (DU/ACRE)</th>
<th>PERMITTED DWELLINGS 1996-2000</th>
<th>ACRES DEVELOPED</th>
<th>TOTAL ZONED RESIDENTIAL ACRES</th>
<th>BUILDABLE ACRES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.HIGH MULTIFAMILY</td>
<td>71.76</td>
<td>353</td>
<td>4.9</td>
<td>686</td>
<td>223</td>
</tr>
</tbody>
</table>

In accommodating an increasing population, the county needs to ensure that its projected residential densities are being met. The following table outlines the overall achieved densities in each of the county’s residential zoning districts.
<table>
<thead>
<tr>
<th>DENSITY CATEGORY</th>
<th>NET ACHIEVED DENSITY (DU/ACRE)</th>
<th>PERMITTED DWELLINGS 1996-2000</th>
<th>ACRES DEVELOPED</th>
<th>TOTAL ZONED RESIDENTIAL ACRES</th>
<th>BUILDABLE ACRES</th>
</tr>
</thead>
<tbody>
<tr>
<td>(15-30+ DU/ACRE)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MODERATE MULTIFAMILY (8-20 DU/ACRE)</td>
<td>11.06</td>
<td>855</td>
<td>77.3</td>
<td>2,989</td>
<td>1,745</td>
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<tr>
<td>MIXED RESIDENTIAL (6-12 DU/ACRE)</td>
<td>6.76</td>
<td>1,242</td>
<td>163.7</td>
<td>6,735</td>
<td>4,295</td>
</tr>
<tr>
<td>MEDIUM (3-8 DU/ACRE)</td>
<td>2.88</td>
<td>2,351</td>
<td>815.0</td>
<td>18,133</td>
<td>8,417</td>
</tr>
<tr>
<td>LOW (1-4 DU/ACRE)</td>
<td>3.32</td>
<td>1,598</td>
<td>480.7</td>
<td>14,322</td>
<td>4,730</td>
</tr>
<tr>
<td>VERY LOW (0-4 DU/ACRE)</td>
<td>1.04</td>
<td>876</td>
<td>343.2</td>
<td>9,487</td>
<td>3,683</td>
</tr>
<tr>
<td>RURAL 1DU/2ACRES</td>
<td>0.47</td>
<td>348</td>
<td>737.2</td>
<td>12,236</td>
<td>5,027</td>
</tr>
<tr>
<td>RURAL 1DU/5ACRES</td>
<td>0.23</td>
<td>2,260</td>
<td>8,922.4</td>
<td>206,538</td>
<td>131,419</td>
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<tr>
<td>RURAL 1DU/20ACRES</td>
<td>0.04</td>
<td>18</td>
<td>476.0</td>
<td>11,729</td>
<td>7,101</td>
</tr>
</tbody>
</table>

IV. HOUSING AFFORDABILITY
Affordability: According to federal guidelines, “affordable housing” traditionally means that the total affordable cost of housing, including utilities, is no more than 30 percent of gross household income, including the cost of utilities. However, households are often faced with a tradeoff between housing and transportation costs—housing is often cheaper in rural areas with higher transportation costs, as discussed in the following sections.

Many communities are now beginning to describe “affordable housing” as the combined housing plus transportation costs. The Sustainable Thurston Regional Housing Plan states that together, housing and transportation costs should be less than 45 percent of total income.

Finding affordable housing is not a problem when income levels are substantially higher than average. However, low- and moderate-income households are increasingly challenged to find housing within their budgets.

A. HOME OWNERS AND RENTERS

Homeownership is considered the best way to help build wealth and pass that wealth on to future generations, as children of homeowners are:

- More likely to finish high school;
- Twice as likely to graduate from college;
- 59 percent more likely to become homeowners themselves, starting an upward spiral; and
- Additionally, there are many more tax incentives for homeowners than renter households.

In Thurston County, the 2015 American Community Survey shows that 63.8 percent of countywide residents are homeowners, and 36.2 percent are renters. This is a slight decrease in homeownership rates from 2010, when 66.6 percent of county residents were homeowners.

Homeownership: Housing Affordability Index

How much it costs to purchase a house ultimately effects the rate of homeownership in Thurston County. The Housing Affordability Index, calculated by the Runstad Center for Real Estate Studies, tracks the ability of a middle-income family to carry the mortgage payments on a median-price home. An index of 100 reflects a balance between the family’s ability to pay and the mortgage payment. Higher indices indicate that housing is more affordable.

For example, an index of 126 means that a median-income family has 26 percent more income than the bare minimum required to qualify for a mortgage on a median-price home. An index of 80 means that a median-income family has less income than the minimum required.

The median home sale price in Thurston County for 2017 was $283,700. The 2017 sale price is 8.7 percent higher than the 2016 sale price over the past year. At the same time, the Thurston County housing affordability index was 154.9 for the first quarter of 2017. However, the housing affordability index for first-time homebuyers was 77.5. This means that the typical first-time homebuyer has 22.5 percent less income than needed to qualify for a median-priced home.

11 Thurston Regional Planning Council, The Profile: Housing Affordability
12 Zillow market overview, 7/18/18
Figure 4 shows the Housing Affordability Index trend of Thurston County over the past 20 years. Although prices have not reached the high costs of pre-recession home prices, the first-time homebuyer index is nearly at the same level it was in 2007. This means it is getting increasingly difficult for a first-time homebuyer to find affordable housing in Thurston County.

**Source:** THURSTON COUNTY REGIONAL PLANNING COUNCIL, UW RUNSTAD CENTER FOR REAL ESTATE STUDIES, HOUSING AFFORDABILITY INDEX, 2014.
Renters also felt the impact of high housing costs. For those households looking to rent instead of buy, the median rental price in Thurston County in 2017 was $1,650, according to the Zillow market overview. Although the average apartment rental price was slightly less at $1,036.13

The TRPC Thurston County Profile shows that rental prices are at historically high levels in our community. This can be attributed in part to the low vacancy rate countywide, at 2.7 percent for a 2-bedroom apartment in 2017 according to TRPC data. Vacancy rates below 5% percent can lead to housing price inflation as the demand outstrips the supply13.

The increasing demand for housing, coupled with the decreasing inventory, can make it hard for low-income renter households to find affordable rental housing. While Washington State’s 2017 minimum wage was one of the highest in the Country at $11 per hour, a person earning minimum wage in Thurston County would have to work 75 hours per week for a 2-bedroom rent in Thurston County; this is equivalent to an hourly wage of $20.60 to afford a rent of $1,071.14

Furthermore, lower income households are also faced with the impacts of the “buy down” effect. Just because a person or household with a higher income can afford more for housing, doesn’t mean they are paying up to what they can afford. This further reduces the number of low cost units available to those most needing them. Rural senior renters are especially vulnerable to rising rents and may have few choices but to put up with old, poorly maintained dwellings.

Low-Income Households
People most likely to have difficulty finding housing are within the following income ranges, as defined by the U.S. Department of Housing and Urban Development (HUD) established national guidelines (see Table 4-1). definitions of low- and moderate-income levels. These income ranges

13 Association of Washington Cities. Open Data: Challenges on our streets.
14 National Low Income Housing Coalition, Out of Reach 2017.
are based on percentages of county median incomes. The 2017 Thurston County Area Median Family Income (AMI) is $76,300. A person earning $38,150 a year in Thurston County is considered very low income, and would make the equivalent of nearly $20 an hour.

Table 4-1: HUD 2017 Median Income for Thurston County

<table>
<thead>
<tr>
<th>Income Ranges</th>
<th>Gross Annual Income</th>
<th>Gross Monthly Income</th>
<th>30% of Gross for Housing &amp; Utilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Low Income</td>
<td>30% median</td>
<td>$22,890</td>
<td>$1,907</td>
</tr>
<tr>
<td>Very Low Income</td>
<td>50% median</td>
<td>$38,150</td>
<td>$3,179</td>
</tr>
<tr>
<td>Low to Moderate Income</td>
<td>80% median</td>
<td>$61,040</td>
<td>$5,087</td>
</tr>
</tbody>
</table>

People most likely to have difficulty finding housing are within the following income ranges:

- Extremely Low: 0 percent to 30 percent of median income
- Very Low: 31 percent to 50 percent of median income
- Low to Moderate: 51 percent to 80 percent of median income
- Moderate: Does not exceed 81 percent of median income

The median Thurston County income determined by the 2000 census was $46,975. An extremely low-income household (at 30 percent of Thurston County median income) would earn at most $1,174 per month and would have only $352 to spend for housing and utilities. The following table outlines the percentage spent on housing within Thurston County in order to make housing affordable based on median household income in 2000.
### Thurston County Median Household Income in 1999 was $46,975

<table>
<thead>
<tr>
<th>Income Ranges</th>
<th>Gross Annual Income</th>
<th>Gross Monthly Income</th>
<th>30% of Gross for Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median</td>
<td>$14,093</td>
<td>$1,174</td>
<td>$352</td>
</tr>
<tr>
<td>Median</td>
<td>$23,488</td>
<td>$1,957</td>
<td>$587</td>
</tr>
<tr>
<td>Median</td>
<td>$37,580</td>
<td>$3,132</td>
<td>$939</td>
</tr>
<tr>
<td>Median</td>
<td>$44,626</td>
<td>$3,719</td>
<td>$1,116</td>
</tr>
<tr>
<td>Median</td>
<td>$56,370</td>
<td>$4,698</td>
<td>$1,409</td>
</tr>
<tr>
<td>Median</td>
<td>$70,463</td>
<td>$5,872</td>
<td>$1,762</td>
</tr>
<tr>
<td>Median</td>
<td>$93,950</td>
<td>$7,829</td>
<td>$2,349</td>
</tr>
<tr>
<td>Median</td>
<td>$140,925</td>
<td>$11,744</td>
<td>$3,523</td>
</tr>
</tbody>
</table>

Source: Thurston Regional Planning Council

The following table illustrates the income thresholds in Thurston County between 1990 and 2000 for housing to be affordable. For instance, if a household in Thurston County was to make $1,957 in a month in 2000, in order for their housing to be affordable they cannot spend more than $587 on housing in the month. The home ownership tables show how much the house would be worth if that same household owned their house and were not renting.

**Table 4-5**

**Income Thresholds Used in Affordable Housing Needs Assessment, Thurston County, 2000 and 1990**

<table>
<thead>
<tr>
<th>2000 HUD Income Ranges</th>
<th>Household Income</th>
<th>Gross Monthly Income</th>
<th>30% of Gross for Housing</th>
<th>Cash on Hand</th>
<th>House Value</th>
</tr>
</thead>
</table>
Housing

THURSTON COUNTY COMPREHENSIVE PLAN


<table>
<thead>
<tr>
<th>Income Level</th>
<th>Median Household Income</th>
<th>Gross Monthly Income</th>
<th>30% of Gross for Housing</th>
<th>Cash on Hand</th>
<th>House Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of median</td>
<td>$14,093</td>
<td>$1,174</td>
<td>$252</td>
<td>$4,000</td>
<td>$39,081</td>
</tr>
<tr>
<td>50% of median</td>
<td>$23,488</td>
<td>$1,957</td>
<td>$587</td>
<td>$6,000</td>
<td>$61,723</td>
</tr>
<tr>
<td>80% of median</td>
<td>$37,580</td>
<td>$2,313</td>
<td>$940</td>
<td>$10,000</td>
<td>$99,484</td>
</tr>
<tr>
<td>95% of median</td>
<td>$44,626</td>
<td>$2,719</td>
<td>$1,116</td>
<td>$10,000</td>
<td>$116,709</td>
</tr>
</tbody>
</table>

Thurston County Median Household Income in 1989 was $30,976

<table>
<thead>
<tr>
<th>Household Income Ranges</th>
<th>HUD Income</th>
<th>Gross Household Income</th>
<th>30% of Gross for Housing</th>
<th>Cash on Hand</th>
<th>House Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20% of median</td>
<td>$9,293</td>
<td>$774</td>
<td>$232</td>
<td>$2,500</td>
<td>$24,125</td>
</tr>
<tr>
<td>50% of median</td>
<td>$15,488</td>
<td>$1,291</td>
<td>$287</td>
<td>$4,000</td>
<td>$40,511</td>
</tr>
<tr>
<td>80% of median</td>
<td>$24,781</td>
<td>$2,065</td>
<td>$620</td>
<td>$6,000</td>
<td>$64,885</td>
</tr>
<tr>
<td>95% of median</td>
<td>$29,427</td>
<td>$2,452</td>
<td>$736</td>
<td>$8,000</td>
<td>$77,898</td>
</tr>
</tbody>
</table>

1 Source: 1990 and 2000 Census Buildable Lands Work Program, TRPC.

Transportation

A challenge lies in adequately providing for the low- and moderate-income households in our county. For low- and moderate-income households, transportation, location, and access to services become integral to determining housing affordability.

Studies show that people who live or work in more accessible areas with transportation options:

- Have better access to goods, services, and activities;
- Tend to own fewer vehicles;
- Drive less; and
- Rely more on alternative modes such as public transit.

The AAA 2017 estimate of car ownership for a mid-sized vehicle is about $8,460 per car, per year, or $706 per month. The Sustainable Thurston Regional Housing Plan estimates that a rural household will spend $2,400 more per year on gas alone than an urban household. If a household is very low income, with a gross annual income of $38,510, this cost for transportation becomes a barrier. As a result, rural low-income households are disproportionately impacted by the added 15 Sustainable Thurston: Housing Plan

15 Sustainable Thurston: Housing Plan
cost of transportation. Strategies which develop dense housing close to big employers, such as infill redevelopment, can help alleviate these transportation burdens.

**Buy Down Effect**

The “Buy Down” effect is when a person or household with an income that can afford more expensive housing chooses to live in less expensive housing. This further reduces the number of low cost units available to those who need them most. Rural senior renters are especially vulnerable to rising rents and may have few choices but to put up with old, poorly maintained dwellings.

**Housing Gap**

While 36\% of the total Thurston County population are renters, the Washington State 2015 Housing Needs Assessment estimates that approximately 22\% or 19,270 of county renters are considered low-income.

Figure 5, the Affordable Housing Gap, estimates how many units of housing are available for the low-income households in Thurston County. For every 100 extremely low-income families, only 15 units are available and affordable in Thurston County.

Affordable housing, especially housing affordable to the lowest income households, may not meet the household’s needs. It may be too small or too far away from jobs. At the bottom end of the market we start having problems with substandard housing (explored in the next section).

Furthermore, lower income households are also faced with the impacts of the “buy down” effect. Just because a person or household with a higher income can afford more for housing doesn’t mean they are paying up to what they can afford. Understandably, they will often move down the ladder of available units to rent something cheaper, further reducing the number of low cost units available to those most needing them. Overall, there is insufficient affordable housing stock in Thurston County to meet the needs of low-income households (households earning 50\% or less of the median income). The following table illustrates housing cost comparison between 1970 and 2000 and has been adjusted for inflation.

**Table 4-6**

<table>
<thead>
<tr>
<th>Thurston County Housing Cost Comparison, 1970 – 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Value</td>
</tr>
</tbody>
</table>

16 TRPC Current Affordable Housing Need and Fair Share Housing Distributions for Thurston County, 2013
Housing

THURSTON COUNTY COMPREHENSIVE PLAN

NovemberAugust 2018 Internal Draft
2019 PC Recommendation Draft
September 2018 Public Draft

<table>
<thead>
<tr>
<th></th>
<th>Average Value</th>
<th>Adjusted for Inflation</th>
<th>Average Rent</th>
<th>Adjusted for Inflation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>$16,153</td>
<td>$73,277</td>
<td>$84</td>
<td>$222</td>
</tr>
<tr>
<td>1980</td>
<td>$58,700</td>
<td>$134,239</td>
<td>$216</td>
<td>$494</td>
</tr>
<tr>
<td>1990</td>
<td>$81,388</td>
<td>$109,003</td>
<td>$448</td>
<td>$600</td>
</tr>
<tr>
<td>2000</td>
<td>$145,200</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

1 Source: Housing Data Document For Affordable Housing Planning and Growth Management, Thurston Regional Planning Council, May 1993. The Profile, TRPC.
2 House value is determined by the homeowner in U.S. Census data.
3 Adjusted for inflation, converted to constant 2000 dollars. The pre-1975 data are the Consumer Price Index statistics from Historical Statistics of the United States (USGPO, 1975). All data since then are from the annual Statistical Abstracts of the United States.

Substandard Housing

Safe, quality, and decent housing contributes to a higher quality of life. Building and property maintenance codes can be used to promote safe and decent housing. Examples include the International Property Maintenance Code and the National Healthy Housing Standards. However, not all housing is maintained at a high level. As such, substandard housing is a large consideration when discussing affordable housing.

Typically, as housing costs go down, so do amenities and basic features. When housing options are few and far between, the property managers have less incentive to maintain their units because it’s easy to find renters who are desperate have few alternative options. This contributes to poor housing conditions. Substandard housing poses a risk to the physical well-being of its occupants, neighbors and visitors (discussed more in Chapter 11 Health).

Poor housing conditions disproportionately affect low income families. According to Thurston Thrives, substandard housing usually means: housing which is:

- Dilapidated;
- Without operable indoor plumbing or a usable flush toilet or bathtub inside the unit;
- Without electricity or with inadequate or unsafe electrical service;
- Without a safe or adequate source of heat; or
- Should but does not have a kitchen.

Housing may be affordable to someone but may be lacking basic features (electricity, heat source, complete kitchen or plumbing) or may be overcrowded, dilapidated, or unfit for habitation. The following table shows those housing units that are lacking basic features or are of substandard condition:

1 Thurston Thrives Housing Action Team: Data Snapshot, 2013
Table 4-22: 2015 Thurston County Housing Units by Indicators of Substandard Conditions.

**Source:** THURSTON THRIVES HOUSING ACTION TEAM, DATA SNAPSHOT, 2013 HUD USER MEDIAN FAMILY INCOME DOCUMENTATION SYSTEM, 2017.

**Table 4-2:** 2015 Thurston County Housing Units by Indicators of Substandard Conditions

<table>
<thead>
<tr>
<th>Total # of Units</th>
<th>Lack Complete Plumbing</th>
<th>Lack Complete Kitchen Facilities</th>
<th>Overcrowded (&gt;1.5 Persons/Room)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>% of Total</td>
<td>Number</td>
</tr>
<tr>
<td>86,652</td>
<td>362,691</td>
<td>0.4%</td>
<td>4081,098</td>
</tr>
<tr>
<td>102,631</td>
<td></td>
<td></td>
<td>921,485</td>
</tr>
</tbody>
</table>


Cost Burden

Households who pay more than they can afford for housing costs are at a greater risk of falling into poverty. Additionally, when households spend the majority of income on housing costs, they may not be able to afford other basic necessities. 18. "Cost burden" is when a household earns less than 80 percent of the county median income and pays 30 percent or more of their income for housing.

Being severely cost burdened, paying 50 percent or more of income for housing, contributes to a risk of homelessness. While not all cost burdened households are low income, low-income households are less likely to find affordable housing. According to the Employment Security Department19:

- In 2015, 49% percent of all renter households in the County were cost burdened.
- Approximately 24% percent of all renters in Thurston County were severely cost burdened.
- In the rural South County, approximately 53 percent of all renters are cost burdened.
- Additionally, 17 percent of all homeowners countywide are cost burdened.

19 Employment Security Department, Thurston County Profile 2017.
Figure 6 estimates the number of cost burdened renter households and homeowner households in Thurston County. This chart bases the Median Family Income on $75,000 per year, and estimates that in Thurston County in 2015 there were approximately 5,185 renter households who made $22,500 or less per year (0-30\% Median Family Income), and were disproportionately severely cost burdened.
Figure 4.777. Housing Gap: Cost Burden by Household Type.
B.

HOMELESSNESS AND SPECIAL NEEDS HOUSING

Homelessness

Being severely cost burdened dramatically increases the risk of experiencing homelessness. Without the ability to alleviate cost burden with adequate affordable housing inventory, reducing the number of households in need of homeless services becomes increasingly difficult.

While Thurston County has made great strides in building new housing for people experiencing homelessness and funding comprehensive supportive service systems, new people continue to fall into homelessness.

In 2017, 579 people were identified as homeless, according to the annual Thurston County Homeless Census Point in Time (PIT) count. The 2017 PIT found that:

- 2 in 3 people experiencing homelessness in Thurston County are actively trying to find housing;
- 60% percent have been looking for more than 6 months;
- Of those looking for housing, 1 in 5 have monthly income over $1,000; and
- The largest barrier to housing identified was income, at 59% percent.

By 2018, the number of people experiencing homelessness increased to 835. Thurston County has currently working on developing a regional Homeless Housing Five-Year Plan, which identifies specific goals, objectives and strategies to address homelessness in the county.

20 Thurston County 2017 Homeless Point in Time County Process and Survey Results
These strategies and tasks will be subject to annual review as coordinated by the Thurston Thrives Housing Action Team, and proposed amendments will be subject to review and approval by the County Commissioners. The three overarching goals of the Five-Year Plan are to increase housing inventory; standardize best practices; and regionalize public homeless policy.

There are several key drivers of homelessness. The most direct driver is an increase in rents. Unfortunately, rents in Thurston County are increasing much faster than worker incomes are increasing (see Chapter 8, Economic Development). Employment, substance abuse, medical challenges, and lack of new housing units also contribute to homelessness.

Special Needs Housing

Special needs populations, as identified in the Thurston County Consolidated Plan and as defined by HUD, have particular difficulty securing housing due to unusual circumstances. Special needs households include, but are not limited to:

- Elderly;
- At-risk youth;
- People with Developmental Disabilities;
- People experiencing homelessness;
- Extremely low-income households and families;
- People with Mental Illness; and
- Victims of Domestic Violence.

Substance abuse and criminal history are additional circumstances that cause challenges. Rising costs and limited housing choices are especially hard on low-income households and other people with special needs. Waiting lists for housing assistance are already long and growing longer, and in some cases completely closed. It is vital for special needs housing to be located in areas that are adjacent to the services that residents need.

21 Washington Department of Commerce, Drivers of Homelessness, 2018
Housing for special needs citizens may or may not incorporate supportive services, and may be permanent or transitional housing. Housing should be sited close to support services in the cases where special needs citizens require them. An opportunity to solve this challenge is through infill redevelopment. Types of best-practice housing services for special needs citizens provided by housing and homeless organizations in our community include:

- **Rapid Rehousing** quickly moves homeless people into permanent housing by providing temporary rent subsidies and housing-focused case management. The household does not have to leave when services end.

- **Emergency housing** provides temporary shelter for people experiencing homelessness.

- **Transitional housing** provides temporary rental assistance (up to 2 years) while families that have become homeless seek permanent housing. Participants pay 30 percent of their income for rent.

- **Permanent housing** provides housing assistance programs, such as housing choice

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22 Washington Department of Commerce. Overview of the Homeless Housing System and Funding, 2017
vouchers or project-based voucher units, for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.

- **Permanent supportive housing** is subsidized, non-time-limited housing with support services for homeless households that include, with a household member with a permanent disability.

Special needs housing is often located in more urban areas with better access to social and support services, transportation, shopping, jobs, and other essential services. Lacey, Tumwater, and Olympia are the primary locations for this type of housing and their related support services. Not surprisingly, the need far exceeds the County's ability to provide services or assistance, and the challenges are worsening.

Those in the rural areas with special needs migrate to the urban areas where the resources are centrally located. It would be unrealistic to think that the bulk of these resources and facilities could be located in more isolated rural areas. This further reinforces the need for a regional approach to strategies and funding.

Not surprisingly, the need far exceeds the County's ability to provide services or assistance and the challenges are worsening.

**EC. FAIR SHARE HOUSING TARGETS**

The regionally developed Fair Share Affordable Housing targets are required by the County Wide Planning Policies. They were adopted January 31, 1994. The Urban Growth Management Committee of the Thurston Regional Planning Council established these regional numbers prescribing the amount of low-income housing the County and its jurisdictions would need to provide through the year 2015. They are projected by TRPC by giving equal shares of affordable housing to each jurisdiction based on projected growth, assuming 38 percent of future households will be low income. The categories are based on the HUD income levels discussed above.

The following table estimates the needs for affordable housing which have been unmet by the current housing stock. As shown, there is still a lack of affordable housing units for Thurston County residents who make below 50 percent of the median household income.

Based on 2010 numbers, by 2035 Rural Thurston County is projected to need an additional 6,954 dwelling units, including 1,863 affordable units by 2035, as seen in the table below. This is on par with the updated forecast of needing a total of 7,020 new rural units by 2040.

Table 4.3: Current and Future Fair Share Housing Distributions

Source: **Thurston County Regional Planning Council, Thurston County Regional Planning Council, Current Affordable Housing Need and Fair Share Housing Distributions for Thurston County, 2013**.
Housing

THURSTON COUNTY COMPREHENSIVE PLAN


4-33

---|---|---|---|---|---|
Thurston County | 108,096 | 100,650 | 24,263 | 51,765 | 19,695 |
Bucoda & UGA | 243 | 242 | 24 | 242 | 97 |
Lacey & UGA | 41,738 | 35,479 | 8,517 | 17,825 | 5,956 |
Olympia & UGA | 26,964 | 23,356 | 6,784 | 13,180 | 5,169 |
Rainier & UGA | 767 | 763 | 100 | 512 | 150 |
Tumwater & UGA | 745 | 696 | 111 | 327 |
Yelm & UGA | 10,568 | 9,992 | 1,540 | 3,600 | 2,660 |
Grand Mound UGA | 376 | 338 | 84 | 155 |
Chehalis Indian Reservation* | 22 | 20 | 5 | 22 |
Nisqually Indian Reservation* | 199 | 186 | 23 | 35 |
Rural Remainder | 33,524 | 30,854 | 5,972 | 6,954 | 1,863 |

1 Based on cost-burdened households (households earning less than 80 percent of the County’s median household income and spending more than 30 percent of their income housing), adjusted for transportation costs, accessibility to low-wage jobs and current affordable housing stock.

2 30% of total growth based on expected household income levels, adjusted for transportation costs and accessibility to low-wage jobs. 38 percent of Thurston County’s households earn less than 80 percent of the County’s median income.

* Excludes those portions in Grays Harbor County.

Source: Thurston Regional Planning Council

Although County land use designations and zoning regulations provide for a diversity of housing types, the county’s rural areas do have limitations when it comes to providing affordable housing, especially to lower income households. These limitations, which are recognized in the GMA, include:

- Lower levels of public services and facilities than in urban growth areas;
- The need to maintain a balance between human uses and the natural environment to preserve environmental quality; and
- The need to keep residential densities low in order to maximize opportunities for continued farming, forestry and other natural resource-based activities.

This being the case, it is very likely that the county will not be able to accommodate its full share of the Fair Share Affordable Housing targets within the rural area. Therefore, the county will need to identify any potential shortfalls and work with the cities and towns to explore ways to accommodate a portion of the county’s targeted share within urban growth areas. The Goals, Objectives, and Policies section below outlines ways to accomplish this. The following table estimates the needs for affordable housing which have been unmet by the current housing stock. As shown, there is still a lack of affordable housing units for Thurston County residents who make below 50% of the median household income.

TABLE 4-8
ESTIMATE OF AFFORDABLE HOUSING NEEDS, 2000†
Although county land use designations and zoning regulations provide for a diversity of housing types, the county's rural areas do have limitations when it comes to providing affordable housing, especially to lower-income households. These limitations, which are recognized in the GMA, include lower levels of public services and facilities than in urban growth areas; the need to maintain a balance between human uses and the natural environment to preserve environmental quality; and the need to keep residential densities low in order to maximize opportunities for continued farming, forestry, and other natural resource-based activities.

This being the case, it is very likely that the county will not be able to accommodate its full share of the fair share affordable housing targets within the rural area. Therefore, the county will need to identify any potential shortfalls and work with the cities and towns to explore ways to accommodate a portion of the county's targeted share within urban growth areas. The goals, objectives, and policies section below outlines ways to accomplish this.

A monitoring system will need to be instituted to determine the success of efforts to provide housing for people in the low- and moderate-income brackets. Since all cities and towns will need to

<table>
<thead>
<tr>
<th>THURSTON COUNTY TOTAL</th>
<th>MINIMUM UNMET NEED FOR AFFORDABLE HOUSING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DWELLINGS</td>
</tr>
<tr>
<td>30% OR LESS OF MEDIAN</td>
<td>4,131</td>
</tr>
<tr>
<td>50% OR LESS OF MEDIAN</td>
<td>2,036</td>
</tr>
<tr>
<td>95% OR LESS OF MEDIAN</td>
<td>0</td>
</tr>
</tbody>
</table>
DO THE SAME, A REGIONAL APPROACH TO MONITORING THE PROVISION OF FAIR SHARE HOUSING IS RECOMMENDED.

REGIONAL APPROACH: IT IS IMPORTANT TO TAKE A COORDINATED REGIONAL APPROACH USING CONSISTENT MODELING, ASSUMPTIONS, AND TECHNIQUES. COOPERATION REDUCES COSTS AND CREATES A PARTNERSHIP APPROACH TO AN ISSUE THAT CONNECTS THE DIFFERENT JURISDICTIONS—NO ONE JURISDICTION IS INDEPENDENT OF THE OTHERS WHEN IT COMES TO HOUSING AND THE PROBLEMS RELATED TO PROVIDING ADEQUATE HOUSING TO A GROWING POPULATION. AS MENTIONED EARLIER, HOUSING ISSUES CUT ACROSS ALL JURISDICTIONS. ALTHOUGH EACH JURISDICTION IS TAKING STEPS TO PROVIDE HOUSING FOR FUTURE GROWTH, REGIONAL COORDINATION IS NEEDED. THE ACTIONS OF EACH JURISDICTION IN THE COUNTY AFFECT THE OTHERS. WHAT'S MORE, PEOPLE MOVE FROM JURISDICTION TO JURISDICTION. PEOPLE SEEKING LOWER RENTS MOVE TO THE SOUTH COUNTY TOWNS, THEIR HOUSING COST SAVINGS OFTEN OFFSET BY INCREASED TRANSPORTATION COSTS. THE REGIONALLY DEVELOPED FAIR SHARE HOUSING TARGETS ARE THE FIRST STEP TOWARDS A MORE COORDINATED REGIONAL APPROACH TO HOUSING ISSUES. ADDITIONAL INTERJURISDICTIONAL COORDINATION OPPORTUNITIES ABOUND: REGIONAL HOUSING STRATEGIES, REGIONAL FUNDING FOR LOW- AND MODERATE-INCOME HOUSING, ETC.

III. HOUSING ALTERNATIVES

HOUSING DIVERSITY

Although some limitations exist in the types and number of new housing units that can be provided in the rural areas, housing diversity can still be achieved in a variety of ways. Diversity: Variation in the type, location, and cost of housing increases housing choices for citizens. Access to transportation, jobs, and services is critical, particularly for low-income persons or households. Therefore, some limitations exist in the types of housing that can be provided in rural areas. However, housing diversity is still achieved in the rural areas (e.g., manufactured housing, rental units, clustered housing, farm housing). This diversity, especially in combination with the even greater housing diversity in urban areas, will address the changing housing requirements associated with changing demographics.

For example, households are getting smaller; more people live alone. More and more jobs are in the service sector, with lower salaries. Lifestyles are fluctuating and with them, the expectations for what constitutes desirable housing. More frequently now, people are pursuing alternatives to the traditional single-family detached house. The size of the average household has been shrinking in recent years and the trend promises to continue. There are more single parents with children, people are also living longer and experience changing housing needs with age.

As discussed previously, sufficient land has been allocated throughout Thurston County to accommodate the anticipated population growth. The County (including the urban growth areas) allows a wide range of housing types including:
Housing

THURSTON COUNTY COMPREHENSIVE PLAN


- Single family
- Manufactured housing
- Duplex
- Mixed residential/commercial
- Special needs housing
- Family member units (FMUs)
- Homeless Encampments
- Farm housing
- Group homes
- Subsidized housing
- Foster care facilities
- Transitional housing
- Accessory dwelling units (ADUs)
- ...
Housing

Additional types of housing, such as accessory dwelling units, are also allowed within urban growth areas around cities and towns. Co-housing, community land trusts, and other housing alternatives are not precluded in the rural area. At the same time, the Joint Plans provide more housing diversity near services in the urban growth areas.

The following land use designations, as depicted on the Future Land Use Map [M-15L-1], allow one or more of the housing types listed above:

- All five Rural Residential categories;
- McAllister Geologically Sensitive Area;
- Neighborhood Convenience Commercial; and
- Mixed Use - Rochester-Grand Mound Area.

This housing diversity, especially in combination with the even greater housing dissimilarity diversity in urban areas, will address the changing housing requirements associated with our fluid changing demographics.

Sustainable Thurston: Regional Housing Plan, 2013. A thriving community requires a rich diversity of housing choices. Everything from low-density rural to high-density multifamily is valuable for building an inclusive community.

Housing Stock and Preservation
Between 2011 and 2015, there were 110,904 units of housing countywide, according to the 2015 American Community Survey.

In 2015, 68% percent of the housing stock was in single family and 22 percent percent was in multifamily units. By 2040, TRPC estimates that around 40 percent percent of the demand for new homes will be multifamily units, making the total housing stock around 73 percent percent multifamily units countywide by 2040²³.

Population growth necessitates new housing units be built to keep up with the demand. Yet, preserving the existing housing stock is integral to providing decent and affordable housing for current and future county residents. Aging housing stock also means aging infrastructure, and the potential for increased costs of repair and upkeep. Of the 110,904 housing units built prior to 2016:

- A total of 23,994 units were constructed prior to 1970;
- Of those, 9,534 units were built prior to 1950; and
- Nearly 6 percent of all housing stock was built prior to 1940.

Overall, more than 20 percent of the housing stock in 2015 was almost 50 years old, as shown in Figure 3.
In today’s market, the demand for affordable housing, especially for low- and moderate-income households, inevitably outstrips the supply, as discussed later in this chapter. Keeping and maintaining this existing affordable housing is often generally a more effective strategy than trying to create an equivalent quantity of comparably priced new housing. Especially when trying to simultaneously expand the inventory of affordable units. It is, therefore, all the more important to maintain and preserve the housing stock resources we already have. The Goals, Objectives, and Policies section in this chapter outlines ways to accomplish this.

MANUFACTURED HOUSING: MANUFACTURED HOUSING, CONSTRUCTED IN A FACTORY WITH CONSTRUCTION STANDARDS SET AND ENFORCED BY HUD, CONTRIBUTES TO THE DIVERSITY OF HOUSING OPPORTUNITIES AND CAN BE MORE AFFORDABLE THAN SITE BUILT HOMES SINCE IT TAKES ADVANTAGE OF MASS-PRODUCTION ECONOMIES. THE COUNTY PERMITS MANUFACTURED HOUSING ON INDIVIDUAL RESIDENTIAL LOTS WHERE SITE-BUILT HOUSES ARE PERMITTED. GENERALLY SPEAKING, AND FOR THE PURPOSES OF THIS COMPREHENSIVE PLAN, THE TERM MANUFACTURED HOUSING WILL BE USED AS DEFINED IN THE FOLLOWING TABLE. THIS TABLE ILLUSTRATES THE DISTINCTION BETWEEN THE VARIETY OF SINGLE-FAMILY HOUSING TYPES THAT ARE OFTEN CONFUSED.

TABLE 4-9

<table>
<thead>
<tr>
<th>HOUSING TYPE</th>
<th>Definition</th>
<th>Construction Code</th>
<th>ILLUSTRATION</th>
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<tr>
<td>MANUFACTURED HOUSING</td>
<td></td>
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</tr>
<tr>
<td>MOBILE HOME</td>
<td>BUILT ON PERMANENT, INTERNAL CHASSIS IN ONE OR MORE PIECES AND MOVED TO DWELLING SITE</td>
<td></td>
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Commented [KC59]: Section cut to allow future flexibility in the definition of ‘housing diversity’ and not restrict it to imply manufactured housing etc.
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<th>HOUSING TYPE</th>
<th>Definition</th>
<th>Construction Code</th>
<th>ILLUSTRATION</th>
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</thead>
<tbody>
<tr>
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<td>#BUILT ON PERMANENT, INTERNAL CHASSIS IN ONE OR MORE PIECES AND MOVED TO DWELLING SITE</td>
<td>HUD</td>
<td>SAME AS MOBILE HOME</td>
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<tr>
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<td>#BUILT FOR USE WITH OR WITHOUT A PERMANENT FOUNDATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>#TOWED TO BUILDING SITE ON ITS INTERNAL CHASSIS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>#CONSTRUCTED AFTER 1974 MHC&amp;SSA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DESIGNATED MANUFACTURED HOME</td>
<td>#DEFINED IN STATE RCW 35.63.160</td>
<td>HUD</td>
<td>SAME AS MOBILE HOME</td>
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</tr>
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<td>HOUSING TYPE</td>
<td>Definition</td>
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<td>ILLUSTRATION</td>
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<tr>
<td>--------------</td>
<td>------------</td>
<td>-------------------</td>
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<td></td>
<td>CONSTRUCTED AFTER JUNE 15, 1976</td>
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<tr>
<td></td>
<td>AT LEAST 2 FULLY ENCLOSED PARALLEL SECTIONS, EACH AT LEAST 12' WIDE X 36' LONG</td>
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<tr>
<td></td>
<td>NOT LESS THAN 3:12 ROOF PITCH OF COMPOSITION, WOOD SHAKE, COATED METAL, OR SIMILAR ROOF MATERIAL</td>
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<td>EXTERIOR SIDING SIMILAR IN APPEARANCE TO CONVENTIONAL SITE-BUILT HOUSES</td>
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</tr>
<tr>
<td></td>
<td>ALSO BUILT ON PERMANENT, INTERNAL CHASSIS AND MOVED TO DWELLING SITE</td>
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<td></td>
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<td>FACTORY-BUILT HOUSING</td>
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<td>MODULAR HOME</td>
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<td>MUST BE MOUNTED ON PERMANENT FOUNDATION PRIOR TO OCCUPANCY</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>ENTIRELY OR SUBSTANTIALLY PREFABRICATED OR ASSEMBLED IN MODULES</td>
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</tr>
<tr>
<td>STATE BUILDING CODE</td>
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</table>

redline version
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<th>HOUSING TYPE</th>
<th>Definition</th>
<th>Construction Code</th>
<th>ILLUSTRATION</th>
</tr>
</thead>
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<tr>
<td>AWAY FROM BUILDING SITE</td>
<td>MODULES ARE COMMONLY TRANSPORTED TO FINAL BUILDING ASSEMBLY SITE BY SEPARATE VEHICLE (I.E., FLAT BED TRUCK)</td>
<td>TYPICALLY INDISTINGUISHABLE FROM SITE-BUILT HOUSES ONCE INSTALLED</td>
<td></td>
</tr>
<tr>
<td>PANELIZED, LOG, PREFAB, OR KIT HOME</td>
<td>NO CHASSIS MUST BE MOUNTED ON PERMANENT FOUNDATION PRIOR TO OCCUPANCY</td>
<td>ENTIRELY OR SUBSTANTIALLY PREFABRICATED OR ASSEMBLED AWAY FROM BUILDING SITE</td>
<td>SECTIONS COMMONLY TRANSPORTED TO FINAL BUILDING ASSEMBLY SITE BY SEPARATE VEHICLE (I.E., FLAT BED TRUCK)</td>
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</table>
### HOUSING TYPE

<table>
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<tr>
<th>Definition</th>
<th>Construction Code</th>
<th>Illustration</th>
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<td><strong>SITE-BUILT HOUSING</strong></td>
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</tr>
<tr>
<td><strong>STICK-OR SITE-BUILT HOME</strong></td>
<td><strong>NO CHASSIS</strong></td>
<td><strong>STATE BUILDING CODE</strong></td>
</tr>
<tr>
<td></td>
<td><strong>ASSEMBLED AT THE PERMANENT DWELLING SITE ON A PERMANENT FOUNDATION</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>MATERIALS BROUGHT TO PERMANENT BUILDING SITE IN SUBSTANTIALLY UNASSEMBLED FORM, TYPICALLY RAW MATERIALS</strong></td>
<td></td>
</tr>
</tbody>
</table>

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2 FEDERAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS ACT OF 1974; PASSED IN 1974; ENACTED IN 1976. IT WAS THIS LAW THAT CHANGED THE NAME OF MOBILE HOMES TO MANUFACTURED HOMES, EVEN THOUGH THE TERMS ARE OFTEN CASUALLY USED INTERCHANGEABLY TO THIS DAY.

ACCESSORY DWELLING UNITS: RCW 43.63A.215 REQUIRES ACCESSORY DWELLING UNITS TO BE ALLOWED IN COUNTIES THAT ARE PLANNING UNDER THE GMA. AN ACCESSORY DWELLING UNIT, OR ADU, IS A PERMANENT DWELLING UNIT, SUBORDINATE IN SIZE AND INTENSITY OF USE TO THE PRIMARY DWELLING ON A PROPERTY. IT MAY INCLUDE THE CONVERSION OF AN APPROPRIATELY SIZED EXISTING ACCESSORY STRUCTURE ON THE LOT, AN ADDITION TO THE EXISTING HOUSE, OR A CONVERSION OF PART OF THE EXISTING HOUSE. IT DOES NOT, HOWEVER, INCLUDE RECREATION VEHICLES.
**THESE DO NOT HAVE PERMANENT WATER, SEWERAGE, AND UTILITY SERVICES NOR DOES HUD CERTIFY THEM FOR PERMANENT RESIDENTIAL USE.**

Two forms of accessory dwelling units are already allowed in rural parts of the county: farm housing associated with agricultural uses and temporary family member units within most rural residential zoning districts. Permanent accessory dwelling units are permitted in urban growth areas surrounding the cities and towns where urban level public services and facilities are available to serve them.

### IV. SPECIAL NEEDS

Special needs populations, as identified in the Consolidated Plan Thurston County, have particular difficulty securing housing due to unusual circumstances. Rising costs and limited housing choices are especially hard on low-income households and other people with special needs.

The Housing Authority of Thurston County, and other public and private social service groups, have long served special needs households. A 1992 survey indicated that for the year 1991, 11,935 special needs clients were provided a variety of services. These services included transportation, housing (subsidized, transitional, etc.), vocational training, substance abuse treatment, counseling, medical services, and more. But federal and state housing assistance funds are diminishing. At the same time, more people, including families with children, are homeless. Waiting lists for housing assistance are already long and growing longer.

Surprisingly, the need far exceeds the county’s ability to provide services or assistance and the challenges are worsening. The same survey indicated that 8,884 special needs clients, some needing multiple services, were turned away because the resources available were insufficient. The following table outlines the number of subsidized housing units managed by the Housing Authority of Thurston as of June 2004:

<table>
<thead>
<tr>
<th>TABLE 4-101</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUBSIDIZED HOUSING UNITS IN THE THURSTON COUNTY REGION AS OF 2004</td>
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Commented [KC60]: Moved to different section and updated to reflect current information.
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<th>COMPLEX</th>
<th>LOCATION</th>
<th>TOTAL NUMBER OF UNITS</th>
<th>NATURE OF SUBSIDY</th>
<th>LIMITATIONS</th>
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<tbody>
<tr>
<td>CASA MADRONA</td>
<td>OLYMPIA</td>
<td>70 ONE BEDROOM</td>
<td>PUBLIC HOUSING-KING COUNTY HOUSING AUTHORITY</td>
<td>ELDERLY OR DISABLED</td>
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<tr>
<td>DESCHUTES COVE</td>
<td>TUMWATER</td>
<td>44 TWO AND THREE BEDROOM UNITS</td>
<td>FMHA</td>
<td>PRIMARILY FAMILIES</td>
</tr>
<tr>
<td>EVERGREEN VILLAGES</td>
<td>OLYMPIA</td>
<td>180 ONE, TWO, THREE AND FOUR BEDROOM</td>
<td>S8 PROJECT BASED SUBSIDY</td>
<td>FAMILIES, ELDERLY OR DISABLED</td>
</tr>
<tr>
<td>FLEETWOOD APPTS</td>
<td>OLYMPIA</td>
<td>43 STUDIO APTS</td>
<td>SRO SUBSIDY ADMINISTERED BY HATC</td>
<td>SINGLE HOMELESS INDIVIDUALS</td>
</tr>
<tr>
<td>KILLION COURT</td>
<td>YELM</td>
<td>20 - PRIMARILY ONE BEDROOM</td>
<td>FMHA</td>
<td>ELDERLY</td>
</tr>
<tr>
<td>MAGNOLIA VILLA</td>
<td>LACEY</td>
<td>21 TWO, THREE AND FOUR BEDROOM</td>
<td>S8 PROJECT BASED SUBSIDY</td>
<td>PRIMARILY FAMILIES</td>
</tr>
<tr>
<td>MARTIN TERRACE</td>
<td>COUNTY</td>
<td>43 ONE AND TWO BEDROOM</td>
<td>S8 MOD REHAB SUBSIDY ADMINISTERED BY HATC</td>
<td>ELDERLY, DISABLED AND SMALL FAMILIES</td>
</tr>
<tr>
<td>OLYMPIA VILLAGES</td>
<td>OLYMPIA</td>
<td>48 ONE BEDROOM</td>
<td>S8 PROJECT BASED SUBSIDY</td>
<td>ELDERLY AND DISABLED NEEDING ACCESSIBLE UNITS</td>
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<tr>
<td>THE OLYMPIAN</td>
<td>OLYMPIA</td>
<td>60 STUDIO AND ONE BEDROOM UNITS</td>
<td>S8 PROJECT BASED SUBSIDY</td>
<td>ELDERLY OR DISABLED</td>
</tr>
<tr>
<td>COMPLEX</td>
<td>LOCATION</td>
<td>TOTAL NUMBER OF UNITS</td>
<td>NATURE OF SUBSIDY</td>
<td>LIMITATIONS</td>
</tr>
<tr>
<td>------------------</td>
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<td>-------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>PROVIDENCE</td>
<td>OLYMPIA</td>
<td>60 ONE BEDROOM</td>
<td>HUD 202 PROJECT</td>
<td>ELDERLY</td>
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<tr>
<td>ST FRANCIS HOUSE</td>
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<td></td>
</tr>
<tr>
<td>RAINIER APARTMENTS</td>
<td>YELM</td>
<td>22 ONE AND TWO BEDROOM</td>
<td>FMHA</td>
<td>ELDERLY OR DISABLED</td>
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<tr>
<td>SANDSTONE ARTS</td>
<td>TENINO</td>
<td>30 ONE AND TWO BEDROOM</td>
<td>FMHA</td>
<td>ELDERLY OR DISABLED</td>
</tr>
<tr>
<td>SOUTH SOUND VILLA</td>
<td>LACEY</td>
<td>70 ONE BEDROOM</td>
<td>S8 PROJECT-BASED SUBSIDY</td>
<td>ELDERLY OR DISABLED</td>
</tr>
<tr>
<td>TOLMIE COVE COUNTY</td>
<td>TOLMIE COVE COUNTY</td>
<td>44 TWO AND THREE BEDROOM UNITS</td>
<td>FMHA</td>
<td>PRIMARILY FAMILIES</td>
</tr>
<tr>
<td>TUMWATER ARTS</td>
<td>TUMWATER</td>
<td>50 STUDIO AND ONE BEDROOM UNITS</td>
<td>HUD 202 PROJECT</td>
<td>ELDERLY</td>
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<tr>
<td>UHLER</td>
<td>OLYMPIA</td>
<td>40 ONE BEDROOM</td>
<td>S8 MOD-REHAB. SUBSIDY ADMINISTERED BY HATC</td>
<td>ELDERLY, DISABLED AND SMALL FAMILIES</td>
</tr>
<tr>
<td>YELM COVE</td>
<td>YELM</td>
<td>32 TWO AND THREE BEDROOM UNITS</td>
<td>FMHA</td>
<td>PRIMARILY FAMILIES</td>
</tr>
<tr>
<td>FENANT BASED VOUCHER PROGRAM</td>
<td>YELM COVE COUNTY- WIDE</td>
<td>1,894 VOUCHERS—ALL UNIT-SIZES</td>
<td>HUD SUBSIDY ADMINISTERED BY HATC</td>
<td>NEAR-ELDERLY, ELDERLY, DISABLED AND FAMILIES</td>
</tr>
</tbody>
</table>

1 SOURCE: HOUSING AUTHORITY OF THURSTON COUNTY
SPECIAL NEEDS HOUSING IS OFTEN LOCATED IN MORE URBAN AREAS WITH BETTER ACCESS TO SOCIAL AND SUPPORT SERVICES, TRANSPORTATION, SHOPPING, JOBS, AND OTHER ESSENTIAL SERVICES. LACEY, TUMWATER, AND OLYMPIA ARE THE PRIMARY LOCATIONS FOR THIS TYPE OF HOUSING AND THEIR RELATED SUPPORT SERVICES. THOSE IN THE RURAL AREAS WITH SPECIAL NEEDS MIGRATE TO THE URBAN AREAS WHERE THE RESOURCES ARE CENTRALLY LOCATED. IT WOULD BE UNREALISTIC TO THINK THAT THE BULK OF THESE RESOURCES AND FACILITIES COULD BE LOCATED IN MORE ISOLATED RURAL AREAS. THIS FURTHER REINFORCES THE NEED FOR A REGIONAL APPROACH TO STRATEGIES AND FUNDING.

ONE FUNDING CONCEPT THAT TAKES THIS REGIONAL APPROACH IS MULTI-JURISDICTIONAL BACKING OF HOUSING AUTHORITY OF THURSTON COUNTY (HATC) BOND SALES. HATC IS A SEPARATE MUNICIPAL CORPORATION. THEREFORE, THE COUNTY’S BONDING CAPACITY IS NOT AFFECTED BY THIS TECHNIQUE. HATC BONDS ARE TAX-EXEMPT REVENUE BONDS. THE HATC HOLDS IN RESERVE ONE FULL YEAR OF REVENUES AS A BUFFER AGAINST DEFAULT. RENT REVENUES PAY OFF THE BONDS, AND HATC PROPERTIES WOULD HAVE TO BE VIRTUALLY VACANT TO CAUSE THE RESERVES TO BE TAPPED. HOUSING AUTHORITIES STATEWIDE HAVE BEEN SELLING BONDS WITH JURISDICTIONAL BACKING FOR 8-10 YEARS. NONE HAVE DEFAULTED. THE BENEFIT OF LOCAL JURISDICTIONAL BACKING OF HATC BONDS IS THAT THE AUTHORITY CAN USE THE COUNTY’S BOND RATING WHICH REDUCES THE INTEREST RATE PAID BY 1-1.5 PERCENT.

V. PRESERVATION

THE DEMAND FOR AFFORDABLE HOUSING, ESPECIALLY FOR LOW- AND MODERATE-INCOME HOUSEHOLDS, INEVITABLY OUTSTRIPS THE SUPPLY. FURTHER EXACERBATING THE PROBLEM IS THE FACT THAT MUCH OF THE COUNTY’S HOUSING STOCK IS OLD. FOR EXAMPLE, 10,144 UNITS WERE BUILT PRIOR TO 1950 AND OF THOSE, 6,386 UNITS WERE CONSTRUCTED PRIOR TO 1940. IT IS, THEREFORE, ALL THE MORE IMPORTANT TO MAINTAIN AND PRESERVE THE HOUSING STOCK RESOURCES WE ALREADY HAVE. KEEPING AND MAINTAINING THIS EXISTING AFFORDABLE HOUSING IS GENERALLY A MORE EFFECTIVE STRATEGY THAN TRYING TO CREATE AN EQUIVALENT QUANTITY OF COMPARABLY PRICED NEW HOUSING WHILE TRYING TO SIMULTANEOUSLY EXPAND THE INVENTORY. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS ARE USED TO REHABILITATE DETERIORATING HOUSING UNITS IN THE
RURAL COUNTY AND SOUTH COUNTY TOWNS... THE NEED EXCEEDS THE AVAILABLE FEDERAL FUNDING.

TABLE 4-11
HOUSING UNIT AGE IN THURSTON COUNTY

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<tr>
<th></th>
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<tbody>
<tr>
<td>2,052</td>
<td>20,257</td>
<td>16,369</td>
<td>20,249</td>
<td>8,758</td>
<td>4,906</td>
<td>3,171</td>
<td>5,863</td>
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</tbody>
</table>


HERE IS ANOTHER OPPORTUNITY WHERE A REGIONAL APPROACH TO HOUSING STRATEGIES MAY BE FRUITFUL. PERHAPS CERTAIN GEOGRAPHICAL AREAS CAN BE IDENTIFIED AS TARGETS OR PRIORITIES FOR HOUSING-RELATED FUNDING, ACTIVITIES, AND PROGRAM ALLOCATIONS. IN FACT, TARGETING SUBSIDIZED BUILDINGS WHICH ARE AT RISK OF CONVERSION TO MARKET RATE STATUS DUE TO OWNER PRE-PAYMENT OF HUD MORTGAGES COULD BE CONSIDERED. THE HOUSING AUTHORITY OF THURSTON COUNTY OR OTHER NON-PROFITS HAVE THE FIRST RIGHT OF REFUSAL TO BUY THESE PROPERTIES BEFORE THEY ARE MOVED ONTO THE OPEN MARKET. THIS REQUIRES SOME SORT OF PURCHASING CAPACITY BUT DOES NOT COMMIT THE COUNTY TO FUNDING. APPROXIMATELY 737 UNITS ARE ANTICIPATED TO BE AT RISK FOR CONVERSION IN THE NEXT SEVERAL YEARS.

VI. GOALS, OBJECTIVES AND POLICIES

GOAL 1: ENOUGH HOUSING SHOULD BE AVAILABLE TO MEET THE HOUSING NEEDS OF THE EXISTING AND PROJECTED POPULATION OF THE COUNTY INCLUDING RENTAL AND PURCHASE OPPORTUNITIES FOR ALL INCOME LEVELS.

OBJECTIVE A: Adequate residential land is needed available to meet existing and projected housing needs for all income levels.
POLICIES:

1. The county should identify sufficient land for existing and projected residential needs including, but not limited to, government-assisted housing, housing for low-income families, single family housing, manufactured housing, and residential care facilities.

2. The county should develop an inventory of publicly held land within the urban growth areas that could be used for developments that provide affordable housing, and develop a process for disposing of county surplus properties for affordable housing purposes (sale, lease, donation).

3. The county should promote the use of surplus public facilities within the urban growth areas (buildings, land, fixtures) for developments that provide affordable housing, including special needs housing, permanent supportive housing, service centers, or transitional housing, where appropriate.

4. The county should encourage housing opportunities for all citizens regardless of race, color, religion, sex, national origin, handicap disability, economic status, familial status, age, sexual orientation, and income, or other arbitrary factors.

5. The county should support the cities with infill development within the urban growth areas, where transportation, public facilities and utilities already exist.

OBJECTIVE B: The adopted Fair Share Affordable Housing targets need to be implemented to ensure adequate housing opportunities for the county's low- and moderate-income households.

POLICIES:

1. The county should coordinate with the cities, towns and the Housing Authority of Thurston County to develop and implement a regional process to monitor achieving the Fair Share Affordable Housing targets throughout the county. Regional modeling and assumptions should be used to ensure consistent analysis and record keeping. The county should work with the cities and towns to accommodate part of the county's Fair Share Affordable Housing target within the Urban Growth Areas. The county should develop incentives (such as acquiring land for affordable housing, land trades, supporting grants, or paying for density transfers) for the cities and towns, recognizing that affordable housing is best located within urban areas due to the greater accessibility to transportation systems, jobs, support services, shopping, and businesses.

2. The county should work with the cities and towns to accommodate part of the county's Fair Share Affordable Housing target within the Urban Growth Areas. The county should develop incentives (such as acquiring land for affordable housing, land trades, supporting grants, or paying for density transfers) for the cities and towns, recognizing that affordable housing is best located within urban areas due to the greater accessibility to transportation systems, jobs, support services, shopping, and businesses.
3. As stated in the County Wide Planning Policies, when possible, the county should 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.

4. The county should participate in a multi-jurisdictional public/private task force to develop proposals for expanded low- and moderate-income housing funding and services. Techniques for consideration include, but are not limited to:
   a. A regional affordable housing trust fund, and
   b. A regional affordable housing strategy.

OBJECTIVE C: The County should work to provide incentives and reduce barriers to affordable housing for low- and moderate-income households.

POLICIES:

1. The county should reduce, where appropriate, regulatory barriers and other requirements which add unnecessary costs and thereby discourage affordable housing construction. The following are strategies for consideration:
   a. Review regulations to find those that cause much higher costs than originally expected and determine if they can be revised, replaced, or eliminated.
   b. Make regulations and permit processing more predictable, to remove some uncertainty for both builders and lenders.

2. The county should consider affordable housing incentives, such as those suggested in RCW 36.70A.540, including but not limited to:
   - Bonus density within urban growth areas.
   - Height and bulk bonuses.
   - Fee waivers or exemptions.
   - Parking requirement reductions.
   - Expedited permitting conditioned on provision of low- to-moderate-income housing.
   - Mixed use projects.
   - Lower utility hookup fees and rates.
   - Tax exemptions in target areas.
   - Housing levies.

OBJECTIVE D: The county should encourage home ownership opportunities for county residents.
POLICIES:

1. The county should consider ways to promote the benefits of homeownership, including can involve, but is not limited to:
   a. Coordinating with and referring to Washington State Housing Finance Commission home ownership programs; and
   b. Identifying, developing, and initiating educational programs, such as, forums, classes, public presentations, TCTV slide shows or videos, tying in with SPSCC or other home ownership/housing classes.

2. The county should encourage self-help housing efforts and promote programs in which people gain home equity in exchange for work performed in renovation or construction.

3. The county should encourage other home ownership approaches, which promote low- and moderate-income and special needs housing. This could be in the form of education, technical support, and working with financial institutions to determine how to make these options financially viable. The county should work with the private sector, Housing Authority of Thurston County, 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 with easy access to public transportation, commercial areas, and employment centers.

4. The county should encourage applications (for example, with letters of support) from eligible non-profits to Federal and State funding sources to build new or rehabilitate existing housing to meet low-income housing needs.

5. The county should evaluate the viability of integrating low- and moderate-income housing efforts with public purpose lands planning. Especially within Urban Growth Areas, there may be opportunities for providing land for housing as an incentive to cities and towns in Thurston County for accommodating portions of the County Fair Share Affordable Housing Target.

6. The county should develop a table that compares the various residential densities and their definitions for the county and all cities and towns to help clarify the differences and similarities for the public.

OBJECTIVE E: The county should support regional cooperation and participation in affordable housing issues, including exploring public and private partnerships to incentivize housing development.

POLICIES:

1. The county should continue participating in a multi-jurisdictional public/private task force to develop proposals for expanded low- and moderate-income housing funding and services, including exploring the possibility of a regional affordable housing strategy.
2. The county should work with the private sector, nonprofits, 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 with easy access to public transportation, commercial areas, and employment centers.
   a. Ensure adequate infrastructure is available to support population growth and provide access to education, work, and community life.
   b. Facilitate the development of high-density, well-designed, mixed-income housing.

3. The county should consider participating in a regional housing trust fund or other county-wide funding source, such as a regional housing levy. The fund may be used for several purposes including, but not limited to:
   a. Providing “gap” financing to promote home ownership for low-income households. (“Gap” is the difference between what the purchaser can afford and what the market can produce.)
   b. Establishing a revolving loan fund for property purchase or renovation.
   c. As a leverage for obtaining additional public funds.

4. The county should continue participating in multi-jurisdictional backing for Housing Authority of Thurston County bond sales.

GOAL 2: TO PROMOTE SAFE AND DECENT HOUSING ALTERNATIVES DIVERSITY THAT MEETS THE CHANGING POPULATION NEEDS AND ARE IN CLOSE PROXIMITY TO JOBS, TRANSPORTATION, AND DAILY ACTIVITIES.

OBJECTIVE A: A variety of housing types should be available to address the changing needs and demographics of our community. Neighborhood settings, price ranges, amenities, natural settings, and proximity to transportation, employment, shopping, and other daily activities, should be available within the framework of established urban-rural land use policies.

POLICIES:

1. The county should encourage that within rural areas, a variety of diverse residential development types and housing mixtures should be available, such as detached single family, single-family housing, cluster housing, duplexes, and a residence in conjunction with commercial uses in neighborhood convenience centers.

2. The county should permit accessory dwelling units (ADUs) in all residential zones within Urban Growth Areas around cities and towns provided that development standards and design criteria are satisfied. Accessory units do not include recreational vehicles of any kind because they are not served by private utilities nor are they certified for full-time residency by HUD. Joint plans for the urban growth areas around cities and towns further address this accessory dwelling unit policy.
The county should permit manufactured housing in the same locations and at the same
density as other housing, not just in mobile home parks. Development and design standards
in each residential zoning district apply equally to manufactured homes and other
residences.

4. The county should permit in agricultural areas and on working farms (as defined in RCW
84.34.020) in rural residential/resource-1 unit/5 acre areas, farm housing units for farm
employees and their families over and above the maximum number of units permitted on a
lot by zoning.

5. The county should encourage rural housing affordable to low- and moderate-income
citizens to be located near public transit routes to provide alternative transportation
opportunities to those with more limited incomes.

6. The county should 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.

5. The county should allow one additional temporary dwelling unit, over and above the
maximum number of units permitted on a lot by zoning, for family members within the
lower density rural areas (i.e., outside UGA’s) of the county. Family member units should be
removed after they are no longer used by family members.

GOAL 3: TO MEET THE HOUSING REQUIREMENTS OF SPECIAL NEEDS POPULATIONS IN THE
COUNTY.

OBJECTIVE BA: The county should support housing options for special needs populations in the
county. Ensure sufficient land area is available for special needs housing.

POLICIES:

1. The county should allow residential care facilities (such as group homes) in residential
areas through the special permit process, with public review that considers the adequacy of
public services, parking, and impacts on adjacent properties. Occupancy and staffing levels
should be compatible with zoned densities and the availability of transportation and
services.

2. The county should encourage social, housing, and health service organizations which offer
support programs for those with special needs, particularly those programs that help
people remain in the community, by providing technical assistance, when possible, and
assisting in efforts to seek funds or coordinate between agencies and groups for areas
including but not limited to, the construction and operation of emergency housing.
3. The county should encourage applications (for example, with letters of support) from eligible non-profits to Federal and State funding sources to build new or rehabilitate existing housing to meet low-income housing needs. The county should encourage social, housing, and health service providers by providing technical assistance, when possible, and assisting in efforts to seek funds for construction and operation of emergency housing.

5. The county should promote regionally coordinated provision of low-income housing by working closely with the Housing Authority of Thurston County.

6. The county should encourage low-income and special needs housing, by considering techniques such as:
   a. Developing an inventory of publicly held land within urban growth areas and make suitable parcels available (sale, lease, donation) for low-income housing and housing for special needs populations, where appropriate.
   b. Promote the use of surplus public facilities within urban growth areas (buildings, land, and fixtures) for special needs housing or transitional housing, where appropriate.

7. The county should encourage self-help housing efforts and promote programs (i.e., Habitat for Humanity) in which people gain home equity in exchange for work performed in renovation or construction. The County should consider participating in efforts to revise legislation that discourages use of "sweat equity," volunteer, and self-help programs.

8. The county should consider participating in a regional housing trust fund or other county-wide funding source. The trust fund, which could be administered by the Housing Authority of Thurston County or other non-profit agency, may be used for several purposes including, but not limited to:
   a. Providing "gap" financing to promote home ownership for low-income households. ("Gap" is the difference between what the purchaser can afford and what the market can produce.)
   b. Establishing a revolving loan fund for property purchase or renovation.
   c. As a leverage for obtaining additional public funds.

9. The county should encourage other home ownership approaches, which promote low- and moderate-income and special needs housing. This could be in the form of education, technical support, and working with financial institutions to determine how to make these options financially viable.

10. The county should consider participating in partnerships between public, and private and nonprofit organizations to create increased housing and home ownership opportunities for households with special needs and for low- and moderate-income households.
12. The county should develop an inventory of surplus public land and facilities, which may be used for low- and moderate-income housing within urban growth areas. Determine if this can be integrated with public purpose lands planning activities.

13. The county should work with cities, towns, and the Housing Authority of Thurston County to establish a regional funding program for low-income, moderate-income, and special needs housing. This may include, but is not limited to:
   a. A regional housing trust fund,
   b. Multi-jurisdictional backing for Housing Authority of Thurston County bond sales,
   c. Public/private partnerships.

**OBJECTIVE CB:** Ensure that adequate provisions are in place so that special needs populations are not discriminated against in choice of housing.

1. The county should direct treatment of a residential structure occupied by persons with disabilities the same as a similar residential structure occupied by a family or other unrelated individuals.

2. The county should direct treatment of a residential structure occupied by group care for children that meets the definition of “familial status” (as defined in the Washington Laws Against Discrimination, RCW 49.60.222-225) the same as a similar residential structure occupied by a family or other unrelated individuals.

3. The county should encourage housing opportunities for all citizens regardless of race, color, religion, sex, national origin, disability, economic status, familial status, age, sexual orientation, and income, or other arbitrary factors.

4. The county should support the implementation of renter and landlord education and awareness programs, to empower landlords and tenants with information, education and best practices for better housing choices. This could include, but is not limited to:
   a. Maintain a singular web-based “Fair housing information” site, with an accessible link from all local jurisdictions websites, List resources for landlord education, tenants’ rights, and fair housing laws locally and statewide.
   b. Support exploring the feasibility of providing landlords insurance for high risk renters.

**GOAL 34:** TO PRESERVE AND MAINTAIN EXISTING AFFORDABLE HOUSING, ENHANCE THE QUALITY OF SUBSTANDARD HOUSING, AND TO PROVIDE DECENT AND AFFORDABLE HOUSING IN THURSTON COUNTY.

**OBJECTIVE A:** The County finds it desirable to support efforts to preserve, maintain, rehabilitate, and/or expand the supply of affordable housing in the county.
POLICIES:

1. The county should work with all jurisdictions to create an inventory of existing subsidized and low-cost non-subsidized housing and identify housing that may be lost due to redevelopment, deteriorating housing conditions, or public policies and actions.

2. The county should encourage the rehabilitation of substandard housing and maintenance of older housing. Consider identifying geographic target areas or a series of priority areas for focused attention and resources.

3. The County should consider participating in efforts to retain existing subsidized housing, such as:
   a. Encouraging the extension of existing contracts to avoid conversion of subsidized housing to market-rate units (for example, letters of support to landlords).
   b. When appropriate, the County should work with partners the Housing Authority of Thurston County and non-profits to develop sources of funding and strategies to enable the Housing Authority or nonprofit housing groups to buy projects.

4. The county should seek opportunities to identify, protect, and rehabilitate historic properties to meet housing goals.

   a. The county should maintain quality of construction and ongoing compliance with standards for habitation, and should increase housing enforcement, specifically to run-down housing.

   b. The county should support programs to improve energy efficiency, health conditions and public recognition of improvements in low-income rental housing.