

# Tumwater City Plan 2036 Housing Element





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**TABLE OF CONTENTS**

1.	INTRODUCTION .....	1
1.1	Introduction .....	1
1.2	Growth Management Act Goals Compliance .....	2
1.3	County-Wide Planning Policy Compliance.....	3
1.4	Sustainable Thurston Goals .....	5
1.4.1	Priority Goals.....	5
1.4.2	Community Goals .....	5
1.4.3	Housing Goals.....	6
1.5	Affordable Housing Definition.....	6
1.6	Ongoing Review Program .....	7
1.7	Amendments.....	7
2.	EXISTING HOUSING DISTRIBUTION .....	8
2.1	Introduction .....	8
2.2	Housing Pattern .....	8
2.3	Housing Trends and Projections.....	8
3.	EXISTING HOUSING INVESTMENT PROFILE .....	11
3.1	Introduction .....	11
3.2	Federal and State Housing Financing Programs .....	11
3.3	Local Financing .....	12
3.4	Conclusion .....	13
4.	AFFORDABLE HOUSING NEEDS.....	14
4.1	Introduction .....	14
4.2	Emergency Shelters and Transitional Housing.....	14
4.3	Private Subsidized Housing.....	17
4.4	Publicly Subsidized Housing .....	17
4.5	Low and Moderate Income Definitions .....	17
4.6	Housing Needs Gaps and Coordination Points.....	18
4.7	Homelessness .....	19
4.8	Conclusion .....	19
5.	HOUSING GOALS, POLICIES, AND ACTIONS.....	21
5.1	Housing Goals, Policies, and Actions .....	21

**HOUSING ELEMENT  
TABLE OF CONTENTS**

---

6.	REGULATORY BARRIER ASSESSMENT .....	29
6.1	Introduction .....	29
6.2	Community Perceptions .....	29
6.3.	Growth Management .....	30
6.4	Permitting.....	30
6.5	Infrastructure .....	30
6.6	Zoning Code .....	30
6.7	Building Code .....	31
6.8	Conclusion .....	32
7.	CITYWIDE HOUSING NEEDS .....	33
7.1	Introduction .....	33
7.2	Housing Needs.....	33
7.3	Conclusion .....	34
8.	SUFFICIENT LAND FOR HOUSING .....	35
8.1	Introduction .....	35
8.2	Identification of Expected Population .....	35
8.3	Identification of Sufficient Land for Housing .....	35
8.4	Sufficient Land for Specific Housing Needs.....	38
8.4.1	Government Assisted Housing.....	38
8.4.2.	Housing for Low Income People.....	38
8.4.3.	Manufactured Housing.....	38
8.4.4.	Multi-Family Housing .....	39
8.4.5.	Group and Foster Care Homes .....	39
8.5	Vacancy Rates .....	39
8.6	Conclusion .....	39
9.	EXISTING AND FUTURE HOUSING PROVISIONS.....	40
9.1	Introduction .....	40
9.2	Protection of Existing Housing Stock.....	40
9.3	Low and Moderate Income Provisions.....	40
9.4	Regulatory Barriers to Affordable Housing .....	40
9.5	Sufficient Land for 20 Years of Housing .....	41
9.6	Employment .....	41
9.6.1	Thurston County Employment Base .....	41
9.7	Unemployment .....	43
9.8	Conclusion .....	43

**HOUSING ELEMENT  
TABLE OF CONTENTS**

---

**LIST OF TABLES**

Table 1. Foundational Plans and Data ..... 1  
Table 2. Existing Housing Stock in Tumwater ..... 9  
Table 3. Shelter and Transitional Capacity in Tumwater Area ..... 15  
Table 4. 2015 Tumwater School District - Poverty and Homelessness ..... 19  
Table 5. Housing Units Needed for 20-Year Planning Period ..... 37

**TABLE OF FIGURES**

Figure 1. Existing Housing Stock in Tumwater ..... 10  
Figure 2. Tumwater 2015 Employment Base ..... 42

# 1. INTRODUCTION

## 1.1 Introduction

Table 1 identifies documents that address each of the listed facilities in detail. These documents are incorporated by reference into the Housing Element.

Table 1. Foundational Plans and Data

Topic Index	Supporting Plan and Materials
General Policy	<ul style="list-style-type: none"> <li>• See Land Use Element</li> <li>• County-Wide Planning Policies, Thurston County (2015)</li> <li>• Sustainable Thurston, Thurston Regional Planning Council (2013)</li> </ul>
Homelessness	<ul style="list-style-type: none"> <li>• Accountability Audit Report, Housing Authority of Thurston County (2014)</li> <li>• Thurston County Homeless Census Report (2016)</li> </ul>
Housing Trends and Projections	<ul style="list-style-type: none"> <li>• See Land Use Element</li> <li>• 2015 Profile, Thurston Regional Planning Council</li> <li>• Buildable Lands Report for Thurston County, Thurston Regional Planning Council (2014)</li> <li>• US Census Data</li> <li>• Washington State Housing Needs Assessment, Affordable Housing Advisory Board (2015)</li> </ul>

The Housing Element, a portion of Tumwater's overall Comprehensive Plan has been prepared in response to the Growth Management Act (Chapter 36.70A RCW). The Act requires:

*"...housing element recognizing the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs; (b) includes a statement of goals, policies, and objectives for the preservation, improvement, and development of housing, including single family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community."*

The Housing Element has been prepared in accordance with the requirements of Chapter 36.70A RCW and WAC 365-196.

## 1.2 Growth Management Act Goals Compliance

Chapter 36.70A RCW requires that Tumwater show how the Housing Element meets the relevant planning goals contained within the Act. The following is a listing of the applicable goals of housing and an analysis of how the Housing Element helps meet the goals:

1. *Urban growth. Encourage development in urban growth areas where adequate public facilities and services exist or can be provided in an efficient manner.*

The Housing Element contains policies encouraging development in the urban growth area (Goal #11, Policies 11.1 and 11.2).

2. *Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low density development.*

The Tumwater Housing Element contains goals and policies encouraging urban growth to be phased outward from the urban core and encourages development of housing on vacant and underdeveloped properties in order to reduce urban sprawl. In conjunction with the Land Use Element, the Housing Element establishes policies requiring minimum lot sizes in order to reduce overall residential lot sizes and thereby reduce sprawl.

4. *Housing. Encourage the availability of affordable housing to all economic segments of the population; promote a variety of residential densities and housing types; and encourage preservation of existing housing stock.*

The Housing Element includes a variety of policies expressly designed to encourage housing affordability, including a multitude of regulatory changes dispersed throughout the document.

7. *Permits. Application for both state and local government permits should be processed in a timely and fair manner to ensure predictability.*

This document has a chapter on barrier assessment. Tumwater tracks permit processing times and it has historically achieved relatively short

turnaround times for permits. There is no indication that Tumwater permit process times affect housing affordability.

11. *Citizen participation and coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.*

The Tumwater Housing Element was originally prepared through open public meetings in the early 1990s by the Land Use and Housing Committee, a subcommittee of the Tumwater Planning Commission. During the update to the Tumwater Comprehensive Plan in 2015-2016, Tumwater conducted a survey utilizing a professional phone survey service, postal mailings, and Tumwater’s website. General announcements appeared on Tumwater’s website, Tumwater’s Constant Contact email list was used to send announcements, and articles appeared in the Tumwater On Tap e-newsletter. Tumwater staff also attended meetings with homeowner associations, civic and business groups. The Mayor also included the update in his “State of the City” presentations. This approach ensured public participation.

### **1.3 County-Wide Planning Policy Compliance**

The Growth Management Act requires that comprehensive plans be consistent with Thurston County’s County-Wide Planning Policies, as amended in 2015. The following is a list of the relevant sections of the County-Wide Planning Policies that apply to the Housing Element. All County-Wide Planning Policies are adopted as Appendix B to the Land Use Element of the Comprehensive Plan.

The Housing Element of the Comprehensive Plan is the principal policy document concerning affordable housing. The Land Use Element works with the Housing Element to provide adequate suitably zoned vacant land to further the policies of the Housing Element. Each residential designation in the Land Use Element, including the Mixed Use designation, provides a variety of housing types to ensure that affordable housing is provided for all economic segments of the Tumwater population. The Land Use Element, in conjunction with the Housing Element, includes policies and land use designations designed to ensure the provision of affordable housing.

The Housing Element includes a variety of policies expressly designed to encourage housing affordability, including but not limited to, suggested regulatory changes dispersed throughout the document.

*VIII. Affordable Housing*

*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.*

The Housing Element addresses how best to provide affordable housing for all economic segments of Tumwater's population by examining current housing conditions, regulatory barriers, and projected housing needs. The Element contains a variety of policies encouraging a wide range of housing choices, such as providing sufficient, suitably zoned land for housing; encouraging development of innovative plans, codes, and standards for affordable housing; and implementation of a mixed-use zone to provide a mix of housing types.

*8.2 Accommodate low and moderate income housing throughout each jurisdiction rather than isolated in certain areas.*

The Housing Element discourages the concentration of low and moderate income housing, favoring dispersal of such housing.

*8.3 Exploring ways to reduce the costs of housing.*

The Housing Element's purpose is to explore ways to reduce the cost of housing.

*8.4 Establish and maintain a process to accomplish a fair share distribution of affordable housing among the jurisdictions.*

The Housing Element recommends that the fair share distribution of affordable housing among the jurisdictions be decided on a regional basis.

*8.5 Working 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.*

Throughout the Housing Element, there are numerous policies encouraging the development of attractive low and moderate income housing to serve the needs of Tumwater. The City will comply with these goals by increasing density in specified areas, increasing the range of housing types, considering accessory dwelling units, and building partnerships with other agencies and organizations including homeowners associations to reduce restrictions and increase affordable housing stock

*8.6 Regularly examine and modify policies that pose barriers to affordable housing.*

The chapter on barrier assessment in the Housing Element provides specific recommendations on regulatory amendments to encourage 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.*

The Housing Element contains language that encourages the City Council to consider funding requests favorably for low income housing providers, such as the Thurston County Housing Authority.

## **1.4 Sustainable Thurston Goals**

Tumwater adopts as part of the Housing Element the following Sustainable Thurston Goals:

### 1.4.1 Priority Goals

Priority Goal 1: Create vibrant centers, corridors, and neighborhoods while accommodating growth.

### 1.4.2 Community Goals

C-1: North County – Urban Corridors & Centers: Create vibrant city centers and activity nodes along transit corridors that support active transportation and housing, jobs, and services.

### 1.4.3 Housing Goals

- H-1: Improve regulatory clarity and predictability to encourage urban infill and redevelopment.
- H-2: Increase housing amid urban corridors and centers to meet the needs of a changing population.
- H-3: Provide sufficient housing for low and moderate income households within each jurisdiction.
- H-4: Maximize opportunity to redevelop land in priority areas by investing in infrastructure and environmental remediation.
- H-5: Provide sufficient service enriched housing for homeless and high-risk populations
- H-6: Encourage housing density and diversity in neighborhoods to add vibrancy and increase equitable access to opportunity.
- H-7: Encourage the construction, weatherization, and operation of homes to boost energy efficiency.

### **1.5 Affordable Housing Definition**

WAC 365-196-410 requires that the Comprehensive Plan include a definition of "affordable housing." This is a difficult definition to arrive at, because obviously what is affordable for one family can be drastically different from what is affordable for another family. A higher income family may be looking to purchase a larger home, while a lower income family may be struggling to pay the rent on an apartment that is too small for their needs.

Because of this possible disparity, the U.S. Department of Housing and Urban Development uses a definition of affordability that is based on a percentage of gross income. U.S. Department of Housing and Urban Development allows up to 30% of a family's gross income to be available for gross housing costs, including mortgage payments or rent, and utility payments. The Housing Element will use the same definition of "affordable housing."

In practice, the median family income for a family in Tumwater was \$62,366 in 2013. For the median family, affordable housing would be any housing that cost \$1,559 per month or less, including utilities. Similarly, a family that earned 80% of the median

income could afford \$1,247 a month in mortgage/rent and utilities. Currently, Tumwater's average rent is \$1,056 per month, and \$1,233 with utilities.

### **1.6 Ongoing Review Program**

Tumwater will review and update the Housing Element as necessary to address community needs or to comply with State law. In order to monitor the performance of the housing strategy, Tumwater will continue to work with the Thurston Regional Planning Council to track land use, population, and housing, and provide periodic reports.

### **1.7 Amendments**

The Housing Element is subject to amendment in order to ensure internal and interjurisdictional consistency of the Comprehensive Plan and with the development regulations implementing the Comprehensive Plan. This evaluation will be an integral part of the amendment process.

State law does not allow more amendments than once annually, except in cases of emergency. The amendment process will consider concurrently all proposed changes to the document accumulated over time since the last amendment, in order to ascertain the cumulative impact of the proposed changes.

## **2. EXISTING HOUSING DISTRIBUTION**

### **2.1 Introduction**

In order to effectively plan for the housing needs of Tumwater residents, present and future, it is necessary to understand the existing housing distribution in Tumwater. This chapter of the Housing Element serves as an analysis of the existing housing profile in Tumwater. It will include information on the number and housing stock type.

To aid the housing study, Tumwater has been divided into several neighborhood planning areas, which are roughly defined by the predominant land uses or significant characteristics of each area.

### **2.2 Housing Pattern**

Table 2 and Figure 1 show the total number of dwelling units for Tumwater as a whole. A dwelling unit is defined as a structure or portion of a structure that one family lives in. As an example, a single-family dwelling would have one dwelling unit, a duplex – two dwelling units, and an apartment building might have eight or more dwelling units.

Tumwater has 8,680 total dwelling units. The totals of each type of housing unit are also shown for the entire city. It is interesting to note that 55% of the units are single family; 37% are multi-family; and 8% are manufactured units.

### **2.3 Housing Trends and Projections**

It is difficult to estimate housing trends and projections because the provision of housing is still primarily a function of the marketplace. Additionally, annexations can skew these estimates and projections significantly. However, one way to ensure accurate projections of housing need and housing stock is to review the historical growth in housing stock and apply that growth level to the future.

From 1991 to January 1, 2016, the total housing units in Tumwater increased from 4,691 to 8,680, and 11,390 including the Urban Growth Area. This amounts to a 100% increase over the 25-year period between 1991 and 2016. Although this increase sounds significant, annexations account for a sizeable amount of this increase. Between 2000 and 2016, 32 annexations were completed which brought more than 2,000 additional housing units into Tumwater accounting for over half the increase. Over the next 20-year planning period, Tumwater expects to require an additional 8,000 housing units to accommodate population growth with a

different mix of housing than has been needed in the past. The impact of annexations on total housing units will be much smaller over the next 20 years than in the past because Tumwater has annexed the majority of the Urban Growth Area. Most of the new housing units will be built within the existing city limits of Tumwater.

The State Office of Financial Management and Thurston Regional Planning Council have estimated that 370,600 people will live in Thurston County by the year 2035.<sup>1</sup> This is a 39% increase over the 2015 population of 267,400.

The ratio of owner-occupied and non-owner occupied housing is another aspect of housing that gives some insight into the community’s makeup. In 1990, 53% of the housing units in Tumwater were owner occupied. In 2000, that number dropped to 48% and increased again to 54% in 2015. Just under half of all homes in Tumwater are rented, higher than the state average of 38% rental to owner occupied.

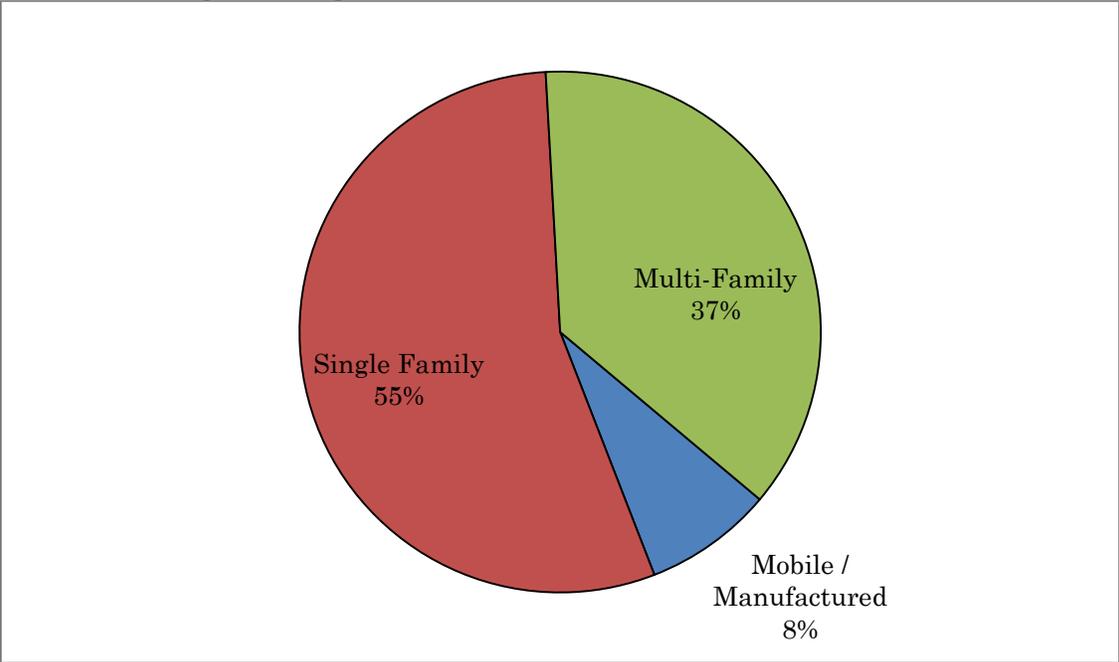
Table 2. Existing Housing Stock in Tumwater

City Wide	Totals
Single Family	4,770
Multi-Family	3,190
Mobile / Manufactured	720
<b>Total</b>	<b>8,680</b>

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<sup>1</sup> The City of Tumwater started the update process in 2015 using data from 2015 and did not receive 2016 data until it was too late to incorporate in the update process.

Figure 1. Existing Housing Stock in Tumwater



### **3. EXISTING HOUSING INVESTMENT PROFILE**

#### **3.1 Introduction**

The provision of affordable housing for all economic segments of the Tumwater population is largely a function of private enterprise. An important part of the private sector's role in providing housing occurs through construction financing and home mortgage financing. Sufficient rental housing is partially dependent on the developer's ability to obtain construction financing. Similarly, the ability to purchase housing is dependent upon the ability to obtain financing through a lending institution. This chapter of the Comprehensive Plan provides an analysis of the existing financing profile in Tumwater and the wider Thurston County area.

There are two primary ways loans are made available to potential home buyers. The first is conventional loans through banks and other lending institutions. Money is loaned to the potential homeowner based upon that person's credit rating and ability to fund a down payment.

The second is federally insured loans. The federal government, through the FHA, VA, or other programs, guarantees the loan that a lending institution might make. Should the borrower forfeit the loan, the federal government would repay it.

#### **3.2 Federal and State Housing Financing Programs**

There are a number of federal and state programs designed to assist home buyers and renters. This web of programs and regulations is very complex and is beyond the scope of the Housing Element to analyze each of these programs fully.

Because these programs can change significantly over a short period and interest rates change daily, it is most effective to contact local authorities with expertise in these programs to obtain assistance. The following organizations can provide further information:

- Housing Authority of Thurston County
- Washington State Information Network (Dial 211)
- Crisis Clinic of Thurston County ([www.crisis-clinic.org](http://www.crisis-clinic.org))
- Thurston County Veterans Outreach Center, 4232 Sixth Avenue SE, Suite 202, Lacey

- Washington State Department of Commerce Housing and Homeless Program

### 3.3 Local Financing

Local funding from cities and Thurston County mostly takes the form of local matching funds to federal or state funding programs. In addition to this, however, local governments do have some limited local options for financing public housing and related social service programs. These include:

- Use of general funds to provide grants and loans to service organizations through regional partnerships. For example, the City of Tumwater has committed 1/2% of its sales tax receipts to match funds from other jurisdictions and United Way as part of a Community Investment Partnership agreement that funds local housing and social service programs. This partnership also distributes Federal HOME and State housing grant funds.
- Use of general funds for direct funding of housing and social service programs through contract with the City. For example, the City of Tumwater has traditionally budgeted about \$10,000 annually to directly fund social service programs.
- Under RCW 84.54.105, the City Tumwater also has the option of asking voters to support an excess property tax levy of up to 50 cents per \$1,000 valuation to support affordable housing and related programs. Local affordable housing advocates have requested City exercise this option.
- The City of Tumwater recently signed an agreement with Thurston County and the City of Lacey that makes the three jurisdictions entitled to receive Federal Community Development Block Grants. Under this agreement, the City of Tumwater gets to decide how to allocate these funds once every three years. In the first cycle of this agreement, the City allocated a majority of this funding for affordable housing programs. Discussions are currently underway to explore if all three jurisdictions would be willing to do this to provide another reliable funding source for these programs.

See Sections 4.3 and 4.4 of the Housing Element for additional discussion of subsidized housing.

### 3.4 Conclusion

As stated in the introduction to this chapter, the provision of rental and owner occupied housing is primarily accomplished by the private sector. Policies at the federal level about taxes and financial regulations on private lenders greatly influence the availability of funding for the construction of rental and owner-occupied housing construction and purchase. There are, however, some limited programs available to federal, state, and local governments for funding housing and related social programs.

## **4. AFFORDABLE HOUSING NEEDS**

### **4.1 Introduction**

Despite the efforts of non-profit and other public and private housing service agencies and organizations, there is increasing demand for affordable housing. Funding for these types of housing and related services is limited.

This chapter of the Housing Element will identify some of the services that are provided to people in Tumwater and Thurston County. In addition, an analysis of the need vs. demand will be made and conclusions will be drawn from the information provided. This portion of the Housing Element is very important because affordable housing needs are increasing.

### **4.2 Emergency Shelters and Transitional Housing**

In Thurston County, outside of the Thurston County Jail, there are currently 252 beds in shelters and transitional (subsidized) housing. Sixty-six additional beds are available in cold weather during snow or other anticipated cold weather events and accommodating approximately 82% of the homeless during cold weather and 68% at other times. None of the emergency shelters are located in the City of Tumwater. However, in the past, City of Tumwater has authorized use of City buildings for cold weather shelters. In addition, the Tumwater Municipal Code allows for the establishment of temporary homeless encampments by sponsoring religious organizations.

While no emergency shelters currently exist in the City of Tumwater, there are a number of transitional and permanent publically subsidized housing units. These include units managed by the Community Action Council, the Thurston County Housing Authority, Homes First!, and Habitat for Humanity. The City of Tumwater has also established a specific zoning category for mobile/manufactured housing to ensure properties containing these affordable housing units are not converted to other more expensive forms of housing or commercial land uses. This ordinance has been successfully defended in both state and federal court. In addition, Behavioral Health Resources operates several subsidized permanent housing facilities in the City of Tumwater for individuals with mental health issues.

See Table 3 for additional information on available emergency shelters and transitional housing units.

Table 3. Shelter and Transitional Capacity in Tumwater Area

<b>Service Agency</b>	<b>Facility</b>	<b>Total Beds / Living Units</b>
Cold Weather Shelter - St. Michael's	1208 11 <sup>th</sup> Avenue SE Olympia, WA 98501	12
Salvation Army	824 5 <sup>th</sup> Avenue SE Olympia, WA 98501	58
Pear Blossom Place	837 7 <sup>th</sup> Avenue SE Olympia, WA 98501	31
Out of the Woods - Unitarian Church	2315 Division Street NW Olympia, WA 98502	12
Drexel House	604 Devoe Street SE Olympia, WA 98501	16
Low Income Housing Institute Arbor Manor (Women)	1322 Skyridge Street SE Lacey, WA 98503	5
Low Income Housing Institute Billie Frank Jr. Place (April 2017)	318 State NE Olympia, WA 98501	Not Known
Low Income Housing Institute Fleetwood Apartments	119 7 <sup>th</sup> Avenue SE Olympia, WA 98501	Not Known
Low Income Housing Institute Magnolia Villa	1410 Magnolia Street SE Lacey, WA 98503	Not Known
Young Adult Shelter (18-24)	711 State Avenue NE Olympia, WA 98506	10
Interfaith Works	110 11 <sup>th</sup> Avenue SE Olympia, WA 98501	37
SafePlace (Domestic Violence Victims)	521 Legion Way SE Olympia, WA 98501	28
Olympia Union Gospel Mission	413 Franklin Street NE Olympia, WA 98501	23
Rosie's Place (Children)	520 Pear Street SE Olympia, WA 98506	Not Known

<b>Service Agency</b>	<b>Facility</b>	<b>Total Beds / Living Units</b>
Haven House (Young Adult Shelter (18-24))	711 State Avenue NE Olympia, WA 98506	10
Thurston County Jail	3490 Ferguson St SW Tumwater, WA 98512	352
Transitional and Affordable Public Housing Units Available in Tumwater		
Community Action Council	Henderson Blvd	Not Known
Housing Authority of Thurston County	Falls Pointe 411 West Lee Street	Not Known
Housing Authority of Thurston County	Spring Court 5735 Linderson Way SW	Not Known
Housing Authority of Thurston County	Lake Park 1233 Lake Park Drive SW	Not Known
Housing Authority of Thurston County	Trails End Duplexes 7440 – 7446 Trails End Dr. SE	Not Known
Housing Authority of Thurston County	Sequoia Landing 7136 Littlerock Rd. SW	Not Known
Housing Authority of Thurston County	McKena Lane 206 – 208 McKena Lane SW	Not Known
Housing Authority of Thurston County	East Dennis Street (under construction)	Not Known
Habitat for Humanity	Shepard's Grove Henderson Blvd	5 Single Family Houses
Homes First!	East Z Street	1 Single Family House
Homes First!	Susitna Lane	1 Single Family House
Behavioral Health Resources – Recovery Services	6128 Capitol Blvd	Not Known
BHR Housing Properties	1275 South 2nd Avenue	34 apartments

### **4.3 Private Subsidized Housing**

Subsidized housing is made available by private building owners and through public vouchers. With private subsidized housing, an owner of housing units receives low interest loan or grants for construction or rehabilitation of housing units. In exchange, the owner agrees to make available a certain number of units at a price affordable to low income families. These agreements are made by contract for a set period. Tumwater currently has 94 subsidized housing units of this type with 50 units reserved for the disabled or elderly. Waiting lists for access to these units are kept by the individual property owners and averaging two years.

### **4.4 Publicly Subsidized Housing**

In contrast to private subsidized housing, assistance is also available from Section 8 Federal Funds directed through the Housing Authority of Thurston County. Section 8 works like rental assistance where you generally find a private owner and then the voucher pays part of the rent, usually 70% if income qualified.

Additional funding for housing is available through Federal and State sources, including revenues from recording fees that are authorized by the State of Washington. Those funds are scheduled to sunset in 2019 unless reauthorized by the Legislature.

### **4.5 Low and Moderate Income Definitions**

The State of Washington, as part of its Comprehensive Housing Affordability Study, defines various low and moderate-income levels in order to determine eligibility for federal and state housing assistance programs and benchmarking. The following are general state definitions for various low and moderate income groups:

- Poverty or Extremely Low Income Families are defined as a family of four, earning \$23,050 per year or less. This is about 30% of Washington's median family income. Currently, approximately 11% of Tumwater families meet the poverty criteria.
- Very Low Income Families earn less than 50% of median income. This income group has the greatest difficulty in locating and staying in affordable housing. There are very few areas of the state that have fair market rents low enough for people in this bracket to afford without assistance.
- Low Income Families earn approximately \$31,000 annually, which is

between 51% and 80% of median income. Families in this income category are not as likely to find rental housing at rates they can afford. Searches for affordable housing will be difficult because of low vacancy rates. Families in this income range will not be able to afford single-family housing without some form of assistance.

- Moderate Income Families earn approximately between 81% and 95% of median income. These families are able to afford rental housing, although vacancy rates are a concern for this group as well. Families in this income bracket have historically been able to become homeowners. Buying a home for this group is becoming much more difficult in the Puget Sound region where housing price increases and real income level decreases have taken a toll. Because of this difficulty in purchasing housing, many families in this group continue to rent when they would prefer to buy. The presence of families in this income category in the rental market tends to focus property owners and developers toward higher end rental units, driving prices up and lower income families out of the rental market.
- Middle Income Families earn between 96% and 120% of median income. Families in this income category are able to find rental housing in every market in Washington State. Purchasing a home can still be difficult in the Puget Sound region, especially in King and Pierce Counties, but also Thurston County and Tumwater. In most other areas of Washington outside Puget Sound, families in this group can afford the mortgage payments on a house, but may find accumulating a down payment while renting difficult.

Median Family Income is determined periodically by Department of Housing and Urban Development based on state and local employment and earnings data and is the official yardstick for calculating income levels, which qualify for particular federal programs. The figures are adjusted according to family size, so that median income level would be less for a family of two than for a family of four. See Section 1.4 for a more detail discussion.

#### **4.6 Housing Needs Gaps and Coordination Points**

It is very difficult to fill gaps in the web of service provision to low and moderate income groups at the local level through public action. Funding for low and moderate income families in Tumwater must compete with all services provided by a municipality, such as streets, police, and fire.

Based on the data available, it is clear that the need for affordable housing and human services far exceeds the available supply. In addition, the process of drafting a Housing Element requires that the various jurisdictions meet and discuss the salient issues involved with affordable housing provision. This also raises the level of awareness of the decision-makers in Thurston County.

In summary, while direct public action can fill some of the gaps in affordable housing this are broader societal issues that cannot be solved by Tumwater alone. Additional efforts will be needed at regional, state, and federal levels to make progress in the underlying causes of lack of affordable housing.

#### 4.7 Homelessness

While overall homelessness in Thurston County is down from the peak of the recession in 2010-2012, to 476 living outdoors, in shelters or in transitional housing, data that is more recent shows that the trend is increasing again in our community. The increase in homelessness among children, disabled populations, and the aging is the greatest concern.

Table 4. 2015 Tumwater School District - Poverty and Homelessness

<b>Student Poverty and Homelessness</b>	<b>Number of Students</b>	<b>Percentage of Students</b>
Free and Reduced Lunches	2,019	32%
Students Experiencing Homelessness	246	4%
<b>Total Student Population</b>	<b>6,335</b>	<b>100%</b>

Note: Current Total School District Student Population is 6,335

Recent state studies show that Office of Superintendent of Public Instruction captures only 58% of homeless children in their surveys. This means that Tumwater’s total number of homeless children is more likely in the range of 420 to 430.

#### 4.8 Conclusion

In conclusion, it appears that the emergency shelter needs in Thurston County are beyond capacity at this time and homelessness among the young, disabled and aging is of particular concern. Additional emergency shelters of all types will likely be needed over the 20-year period of the Housing Element. Tumwater should consider targeted planning efforts to evaluate gaps and funding options to serve these critical

needs in the community. The City should work with Tumwater School District and other regional partners to conduct a needs assessment evaluating gaps and funding options to improve the safety net for families with children, aging, and disabled populations living within the community.

Human service agencies throughout Thurston County emphasize housing as a top priority to meet the goals of stabilizing families. Until families find safe, affordable, permanent housing, it is very difficult to work on other crisis issues, which affect the family. Thurston County shelter and housing providers have continually emphasized the need for transitional and permanent housing. Transitional housing, usually apartments, are provided free or on a sliding scale basis in order to allow their occupants to save enough money to make the jump to market-rate, rental housing.

While several organizations provide transitional and permanent subsidized housing in Tumwater, there are currently not enough of these units available. With market rents being relatively high and the average monthly rent with utilities in Tumwater is \$1,233.00, there is a tremendous gap between transitional and subsidized housing and market rents. This gap is only partially filled by public and private subsidized housing and transitional housing.

## 5. HOUSING GOALS, POLICIES, AND ACTIONS

### 5.1 Housing Goals, Policies, and Actions

**GOAL H-1: To conserve and improve the existing city housing stock and neighborhoods.**

<u>Policy</u>	<u>Action</u>
H-1.1	Assist city neighborhoods in maintaining and rehabilitating the existing housing stock as decent, safe, sanitary, and affordable housing.
H-1.2	Encourage a range of housing, economic development, and community revitalization in the city.
H-1.3	Promote the conservation of existing communities and community housing goals through the preparation of comprehensive plans and the development review process.
H-1.4	Provide assistance to improve community surroundings and infrastructure in residential areas.
H-1.5	Encourage and facilitate economic development as an important part of provision of housing by providing jobs.
	H-1.5.1 Continue implementation of economic development efforts to provide jobs in Tumwater.

**GOAL H-2: To provide a sufficient number of single family dwelling units, multi-family dwelling units, manufactured homes, and group housing to provide an affordable selection of housing to each economic segment of the Tumwater population.**

<u>Policy</u>	<u>Action</u>
H-2.1	Provide sufficient, suitably zoned land for development of all housing types to accommodate the future needs for each type of housing, including single family, multi-family, and manufactured homes in manufactured home parks and on single lots.
H-2.2	Provide opportunities for a range of housing types to provide for all economic segments of Tumwater's population.

- H-2.2.1 Monitor the Land Use Element and Zoning Code to ensure an adequate supply of suitably zoned land.

**GOAL H-3: To provide adequate, affordable housing for residents of all income groups, including sufficient housing affordable to low and moderate-income groups.**

**Policy      Action**

H-3.1 Encourage the development of innovative plans, codes, standards, and procedures in order to take advantage of new private and public sector approaches to housing provision.

- H-3.1.1 The Zoning Code allows manufactured homes on single-family lots in all residential zones. It is the intent of the Housing Element to promote the designation of a sufficient supply of land for traditional mobile/manufactured home parks—and to recognize that modular/manufactured housing on single family lots and in manufactured home parks is a viable form of housing construction.

- H-3.1.2 Increase code enforcement efforts and build public private partnerships to encourage renovations of unfit structures for use as transitional or affordable housing.

H-3.2 Encourage provision of adequate building sites through appropriate land use planning and zoning codes, infrastructure supply, and overall regulatory climate.

H-3.3 Tumwater should assume its "fair share" of housing for low and moderate income groups, in cooperation with other jurisdictions in Thurston County.

- H-3.3.1 Monitor land supply, census data, and housing policies to ensure Tumwater accommodates its fair share of housing for low and moderate income groups.

- H-3.3.2 Work with Tumwater School District, Housing Authority, and other agencies and organizations to pursue grant funding and implement transitional housing strategies for families with children.

- H-3.3.3 Establish a multi-family tax exemption program that gives financial incentive for developers to create multi-family structures in target areas and to set aside a percentage of units as low-income housing.

**GOAL H-4: To provide adequate opportunities for housing for all persons regardless of age, race, color, national origin, ancestry, sex, sexual orientation, familial status, marital status, ethnic background, source of income use of federal housing assistance, or other arbitrary factors.**

**Policy      Action**

H-4.1 Support the inclusion of living opportunities for families with children throughout the city.

H-4.2 Support and encourage a variety of housing types and price ranges through appropriate policies and regulations.

- H-4.2.2 Continue the requirement for reasonable maximum lot sizes in order to create smaller lots that are more affordable and that allow a more efficient use of City services.

- H-4.2.3 Encourage homeowner associations to adopt Covenants, Conditions, and Restrictions (CCRs) consistent with this policy.

**GOAL H-5: To supply sufficient, safe, suitable housing sites and housing supply to meet projected future housing needs for Tumwater over the next 20 years.**

**Policy      Action**

H-5.1 Ensure appropriate land use designations and Zoning Code designations to provide sufficient land for housing construction.

- H-5.1.1 Monitor the Land Use Element and Zoning Code to ensure an adequate supply of suitably zoned vacant land. (2.1.1)

- H-5.1.2 Continue joint planning with Thurston County to plan for

future growth in Tumwater.

H-5.2 Lands not suitable for development due to site constraints such as wetlands, steep slopes, geologically hazardous areas, etc., should be identified and considered when determining sufficient land for new housing in accordance with Tumwater's Conservation Plan.

H-5.3 Encourage construction practices, which exceed minimum standards. Tumwater will support the use of alternative building designs and methods that exceed the minimum standards set by Tumwater.

**GOAL H-6: To promote a selection of housing that is decent, safe, and sound, in close proximity to jobs and daily activities, and varies by location, type, design, and price.**

**Policy      Action**

H-6.1 Protect residential areas from undesirable activities and uses through aggressive enforcement of adopted City codes.

H-6.2 Provide for a dynamic mix of residential land uses and zones in order to create a diverse mix of sites available for different housing types.

H-6.2.1 Continue to monitor the available land supply, census data, and City policies to ensure a diverse mix of land for residential housing stock.

H-6.2.2 Continue to implement innovative design techniques, such as zero lot line developments, architectural design standards, alley houses, and attached single-family housing. Zero lot line developments are residential real estate in which the structure comes up to or very near to the edge of the property. Zero-lot-line houses are built very close to the property line in order to create more usable space.

H-6.3 Support increasing housing opportunities along urban corridors and centers.

H-6.4 Encourage provision of affordable housing near public transit routes to promote efficient transportation networks.

- H-6.4.1 Continue to involve Intercity Transit in Tumwater's development review process.
- H-6.5 Tumwater will maintain current Building Code standards and will use the most up to date future Code editions.
  - H-6.5.1 Host training with developers and staff on implementation of Low Impact Development.

**GOAL H-7: To ensure that housing is compatible in quality, design, and density with surrounding land uses, traffic patterns, public facilities, and environmentally sensitive areas.**

**Policy      Action**

- H-7.1 Support the stability of established residential neighborhoods through appropriate plans and codes.
  - H-7.1.1 Continue to implement design standards for multi-family and attached single-family dwellings in order to ensure compatibility with existing neighborhoods.
- H-7.2 Assure housing will be well maintained and safe.
- H-7.3 Enhance the appearance of and maintain public spaces in residential areas.
- H-7.4 Promote community involvement to achieve neighborhood improvement.

**GOAL H-8: To support healthy residential neighborhoods which continue to reflect a high degree of pride in ownership or residency.**

**Policy      Action**

- H-8.1 Support the stability of established residential neighborhoods.
- H-8.2 Assure housing will be well maintained and safe.
  - H-8.2.1 Protect residential areas from undesirable activities and uses through aggressive enforcement of adopted City codes.
- H-8.3 Enhance the appearance of and maintain public spaces in residential

areas.

H-8.4 Promote community involvement to achieve neighborhood improvement.

H-8.4.1 Encourage neighborhood meetings to discuss community issues as situations and concerns arise.

H-8.5 Encourage home ownership for Tumwater residents.

**GOAL H-9: To encourage a variety of housing opportunities for those with special needs, particularly those with problems relating to age or disability.**

**Policy      Action**

H-9.1 Require housing to meet the needs of those with special housing requirements without creating a concentration of such housing in any one area.

H-9.2 Assist social service organizations in their efforts to seek funds for construction and operation of emergency, transitional, and permanent housing.

H-9.3 Support and plan for assisted housing opportunities using federal, state, or local aid.

H-9.4 Encourage and support social and health service organizations, which offer support programs for those with special needs, particularly those programs that help people remain in the community.

H-9.5 Encourage alternative housing strategies for homeless youth, which may include Host Homes.

**GOAL H-10: To provide housing that is compatible and harmonious with existing neighborhood character through use of innovative designs that enhance the appearance and quality of Tumwater's neighborhoods.**

**Policy      Action**

H-10.1 Encourage innovation and variety in housing design and development. Tumwater will support efforts to build housing with unique individual

character, which avoids monotonous neighborhood appearance.

H-10.2 Multi-family residential housing should be subject to design criteria that relate to density, structure bulk, size and design, landscaping, and neighborhood compatibility.

H-10.2.1 Continue to implement multi-family housing design standards.

**GOAL H-11: To provide housing to accommodate Tumwater's housing needs in the urban growth area and make the most efficient use of infrastructure and services.**

**Policy      Action**

H-11.1 Reference the Transportation Element and anticipated transportation impacts when making housing decisions affecting the location and density of housing.

H-11.2 Reference utility plans and the impact of housing decisions on capital improvements planning.

H-11.3 Encourage the construction of affordable housing, including cottage housing and accessory dwelling units, within a half mile or twenty minute walk of an urban center, corridor or neighborhood center with access to goods and services to provide access to daily household needs.

**GOAL H-12: To encourage urban growth within the city limits with gradual phasing outward from the urban core.**

**Policy      Action**

H-12.1 Encourage the construction of housing on vacant property within the city and the redevelopment of underdeveloped property within residential areas to minimize urban sprawl and associated public service costs.

H-12.1.1 Continue to review and revise, as necessary, City Development Standards deemed unnecessary and make development more expensive and/or difficult.

H-12.1.2 Continue to support high-density zoning within specific areas of the city that have the infrastructure and services

to support high-density housing.

H-12.1.3 Continue to implement minimum density levels for all residential zoning districts to ensure efficient use of the urban growth area.

H-12.1.4 Work cooperatively with Thurston County to provide for more efficient and orderly annexations to facilitate urban service delivery.

**GOAL H-13: Ensure consistency with RCW 36.70A.070(2)(c) which requires sufficient land be available for all types of housing including manufactured housing.**

**Policy**

**Action**

H-13.1 Maintain the manufactured home park district zoning in appropriate areas in order to prevent conversion of affordable housing to other uses without replacement.

H-13.1.1 Encourage manufactured housing park district zoning to locate near transit services.

H-13.2 When locating zones and designations for manufactured home parks, carefully consider the risks from natural hazards, such as flooding and liquefaction, and the impacts of those hazards on the future residents of those manufactured home parks, Tumwater's emergency responders, and the city as a whole.

## **6. REGULATORY BARRIER ASSESSMENT**

### **6.1 Introduction**

A number of local, state, and federal regulations make housing more expensive. These regulations are designed to make housing more safe. However, there are instances where the benefit received from a particular regulation may not be worth the corresponding cost. This chapter of the Housing Element will focus on those regulations under Tumwater's control, and will recommend changes to certain regulations in order to promote affordable housing. There are also state and federal regulations that may increase the cost of housing.

### **6.2 Community Perceptions**

For a variety of reasons, the public remains concerned about the fast rate of growth in the Puget Sound region. The public, for many understandable reasons, has the perception that growth is not being controlled properly. Because of this and other reasons, citizens have organized and suggested changes.

However, oftentimes citizens oppose projects during the permitting process that would increase the supply of housing, thus tending to drive housing costs higher. While these housing applications are often ultimately approved, they are often approved with additional conditions and time delays. For example, in 2011 the Habitat for Humanity development on Henderson Boulevard (Shepherds Grove) was appealed by some residents of adjacent subdivisions. The appeal resulted in a several week delay and the need for Habitat for Humanity to spend about \$40,000 on a "Transfer of Development Right" in order to proceed with the project. The appeal added significant cost and delay for this affordable housing project. In some instances, these delays and conditions can make it unfeasible to proceed with the project or at least drive up project costs and subsequent rents or housing costs. Depending upon your point of view, these conditions could be perceived as a vital step in the process, or of little or no value.

Tumwater has taken major steps to streamline the development process while taking the views of citizens into consideration. Probably the most significant single action taken in this regard was implementation of a hearing examiner system. Tumwater has employed a hearing examiner to conduct hearings and make decisions on all discretionary land use permits, such as rezones, conditional use permits, preliminary plats, etc. The hearing examiner considers the staff report, public hearing testimony, environmental information, and the site itself to issue a decision based on applicable policies and codes. This process allows a more objective approach to site specific land use decisions, which reduces time delays and costs.

### **6.3. Growth Management**

The Growth Management Act (RCW 36.70) seeks to control growth by channeling it into urban growth areas in order to provide more orderly and efficient service provision and to reduce sprawl. The Act also specifically authorizes charging impact fees in order to offset the costs of new development. It also directs jurisdictions to “encourage the availability of affordable housing.”

### **6.4 Permitting**

The Community Development Department is a full service, one stop department, composed of planners, engineers, and building/fire inspectors, that is especially suited to guiding applicants through the approval process and responding quickly to development requests. While a slow permitting process can add to housing costs, research of permit application history in Tumwater has shown that the average permit processing time is very good. Those that require public hearings are inherently more time consuming than those that do not. Similarly, a more straightforward application, such as a single-family house on a lot of record, is much simpler and less involved than a 50-house subdivision and associated construction permits.

### **6.5 Infrastructure**

City Development Standards, adopted through the *Tumwater Development Guide Manual*, sets standards for various road, water, and sewer projects. For example, a residential subdivision is required to install water and sewer lines of a certain type and dimension. Likewise, roads and sidewalks are required to be a certain width, and so forth.

Alternate street designs are allowed under the *Tumwater Development Guide Manual*, which is based on guidance provided in the National Association of City Transportation Officials, *Urban Streets Design Guide*, and by other organizations. These optional design methods for Neighborhood Collector and Local Residential Streets allow reduced right-of-way widths, which should reduce development costs while improving the human scale of neighborhoods.

### **6.6 Zoning Code**

Zoning ordinances regulate the use of land through controls on density, lot sizes, setbacks, storm water management, and the placement and mix of residential, commercial, and industrial uses. Zoning codes have been used since the late 1800s to protect property values and ensure an orderly arrangement of land uses within a

jurisdiction.

Tumwater Zoning Code provides for increased density (number of units per acre) in target areas to support a greater range of housing options. Minimum lot sizes are supportive of diversity in housing stock. Similarly, zero lot line developments, where the structure is located directly on the lot line on one side of the lot in order to provide more usable side yard space on a smaller lot, are currently allowed in all residential zones.

## 6.7 Building Code

The International Residential Code beginning July 1, 2004 regulates the construction of all structures in Tumwater by setting minimum standards for building construction to ensure safety. The International Residential Code is adopted by all jurisdictions in Washington State, with no or minor changes. For residential construction, Tumwater does have the option of increasing or decreasing the regulations by ordinance for residential structures of more than three dwelling units. Any change to the regulations for single-family and duplex units does require approval by the State Building Code Council, which amounts to significant disincentive to following this route.

As mentioned previously, however, the International Residential Code is designed to be a minimum standard. As such, any minimization of those standards would have a corresponding impact on life safety.

There are possible cost saving measures that meet the International Residential Code standards. For example, use of pre-engineered building components can significantly cut labor costs. While many of these components are as much as 10% more expensive to purchase, they can save 25% of labor costs in installation. Engineered roof trusses are a good example of this type of component. Designing houses to take maximum advantage of lumber and truss span capabilities, such as 24-inch on-center rather than 16-inch on-center framing, and two instead of three stud corners. These and other simple measures can result in substantial cost savings to the builder and subsequent buyer of housing.

There are many options for housing construction available in the International Residential Code that are rarely used. This may be because builders are unaware of these possibilities or are simply accustomed to building in a certain way. Another possible reason may be that the perception is that the housing market will not bear such design innovations. There is an opportunity for the builders and City building officials to innovate to help contain or reduce housing prices. This could be facilitated through meetings or exchanges.

## 6.8 Conclusion

This chapter has attempted to identify barriers to affordable housing that are internal to City processes and that affect housing affordability, as well as regulations that can be changed to heighten housing affordability. It also examined the various roles and responsibilities of adjacent jurisdictions, the Housing Authority of Thurston County, and builders/developers in providing affordable housing. This chapter also examined existing provisions in Tumwater Codes that promote affordability, but are rarely used in Tumwater. It is hoped that their identification here and the suggested subsequent meetings between Tumwater and builders will stimulate their use.

## 7. CITYWIDE HOUSING NEEDS

### 7.1 Introduction

Chapter 4 of the Housing Element examined the housing needs of low and moderate income people in Tumwater. This chapter will focus on the housing needs of the remainder of the Tumwater population.

### 7.2 Housing Needs

Housing needs for middle-income groups tend to be associated primarily with housing, as opposed to low-income groups, which may have a number of additional needs because of their very low incomes. The State of Washington and the federal Department of Housing and Urban Development, for purposes of determining eligibility for assistance, define any household paying more than 30% of household income on housing expenses as “cost-burdened.” For example, a household earning \$100,000 per year but spending more than \$30,000 for housing is cost burdened.

In 2015, the Multiple Listing Service reported that the average price of a single-family house in Tumwater is \$289,970; Census figures for median house value show a value of \$72,000 in 1990, \$141,000 in 2000, and \$274,000 in 2015.

This means families that would normally purchase a home may be unable to because of rising housing costs. The 1990 census showed that 14% of single-family homeowners in Tumwater paid 30% or more of their income for housing costs. In 2000, 20% of single-family households paid 30% or more of their gross income for housing costs. In 2015, 36% of single-family households paid 30% or more of their income for housing. Thirty percent of a family's gross income is a common indicator of housing affordability, including mortgage/rent and utilities. Many people that purchased a house years ago could not purchase the house they live in now at today's market rate.

The situation for renters of housing is worse. The 1990 census data shows that the median rent in Tumwater in 1990 was \$442. In 2000, the median rent was \$609, and in 2015, median rent was \$1,056.00 excluding utilities. The 1990 census showed that 36% of the renters in Tumwater paid 30% or more of their gross income in rent. Of this group, nearly 28% of the renters in Tumwater paid 35% or more of their gross income for rent. In 2000, 36% of the renters in Tumwater paid 30% or more of their gross income for rent, and in 2015, 49% of renters pay more than 30% for housing. Paying this amount of salary for housing costs means that money that would normally be used for other household expenses, such as cars, insurance, day care, even clothing and food, are instead used for shelter.

For this income group, any measures that can lower housing costs would be helpful. The cost saving building practices identified in Chapter 6 would make incremental improvement in housing costs by encouraging a more diverse housing stock.

There are income groups in Tumwater of which housing costs are not a daily concern. The concerns for these people revolve around neighborhood stability and vitality and the protection of housing investments rather than day-to-day housing affordability. While this group could benefit from regulatory and private industry changes to improve housing affordability, these changes are not necessary in order to provide adequate housing for this income group.

### **7.3 Conclusion**

This Chapter describes the housing needs of Tumwater today and over the next 20 years. Current and projected data indicates that a high percentage of the people in Tumwater are paying more per month for housing than they should, based on state and federal criteria. This trend is increasing and it indicates a need for a broader range of housing options and more diverse housing stock.

## **8. SUFFICIENT LAND FOR HOUSING**

### **8.1 Introduction**

The Growth Management Act requires Tumwater to identify sufficient land to provide for a variety of housing types for the next 20 years. Providing an adequate number of suitably zoned lots for different types of housing will help curb prices for land, which is a significant factor in housing costs.

This chapter will also analyze current vacancy rates for housing in Tumwater, which shows housing units available for occupancy. A very competitive housing market tends to drive up the costs of housing for purchase and rent.

### **8.2 Identification of Expected Population**

Population growth is driven by two factors: net migration, people moving in minus people moving out, and natural increases, births minus deaths. Since 1960, most growth in Thurston County has been due to immigration. Little change in birth rates occurred between 2000 and 2015. Between 2000 and 2010, an average of 3,500 people moved to Thurston County per year, which is 77% of total growth. While much of this immigration was likely due to the relatively stable economy in Thurston County, it is likely that the increasing cost of living in the Seattle metropolitan area played a role as well, as individuals from the metropolitan area looked for ways to reduce escalating costs of living, particularly in housing. Immigration since 2010 has slowed to 1,900 new residents per year. It also accounts for a smaller proportion of total growth (63%).

Tumwater's population in 2002 of 12,730 increased to today's 21,939, an increase of 58%. Population is expected to see similar growth over the next 20 years reaching approximately 35,000 people in the incorporated area and 42,000 people within the Urban Growth Area. These population figures will be the basis on which all of Tumwater's Growth Management Act planning documents will be based.

### **8.3 Identification of Sufficient Land for Housing**

The Growth Management Act requires Tumwater to identify and plan for 20 years of population growth. An important part of this equation is providing sufficient land area to accommodate sufficient housing units to house adequately the people expected to live in Tumwater in the next 20 years. To accomplish this goal, the Housing Element will work in concert with the Land Use Element. The Housing Element will identify how many housing units of each type; single family, multi-family, or manufactured, will be needed. This estimation of housing units will then be coordinated with the Land Use Element in order to provide sufficient land for housing

within the existing city limits and the urban growth area.

The following projection of housing units shown in Table 5 is anticipated to meet the needs of 12,741 additional people.

Table 5. Housing Units Needed for 20-Year Planning Period

Planning District	2015 Total Dwellings	2015 Single Family Units	2015 Multi-Family Units	2015 Manufactured Units	2035 Total Dwellings	2035 Single Family Units	2035 Multi-Family Units	2035 Manufactured Units	Total Capacity	Total Single Family Capacity	Total Multi-Family Capacity	Total Manufactured Capacity
Airport	244	201	33	10	894	717	168	10	1,053	827	215	10
Brewery	80	48	32	-	217	48	169	-	230	58	172	-
Deschutes	941	719	218	4	1,055	800	251	4	1,105	830	271	4
Littlerock	1,566	1,112	243	211	3,644	2,587	847	211	4,327	3,109	1,006	211
Mottman-Black Lake	48	44	-	4	180	159	17	4	233	203	26	4
Southeast Capitol Blvd.	1,599	735	739	125	2,026	985	916	125	2,095	1,022	948	125
Trosper	1,087	308	433	345	1,986	942	700	345	2,226	1,109	772	345
Tumwater Hill	3,143	1,752	1,311	80	3,692	2,133	1,479	80	3,851	2,244	1,527	80
New Market	406	59	345	2	461	72	387	2	485	80	402	2
Bush Prairie	1,299	1,045	212	42	1,911	1,554	315	42	2,074	1,662	370	42
Southside UGA	627	284	80	263	1,814	1,207	344	263	2,101	1,375	463	263
Westside UGA	582	338	38	206	1,287	986	95	206	1,538	1,189	144	206

Source: Thurston Regional Planning Council, Profile 2015

Note: The City of Tumwater started the update process in 2015 using data from 2015 and did not receive 2016 data until it was too late to incorporate in the update process.

## 8.4 Sufficient Land for Specific Housing Needs

The Growth Management Act also requires that Tumwater provide sufficient land for government assisted housing, housing for low-income people, group homes, and foster care homes.

### 8.4.1 Government Assisted Housing

Government assisted housing means federal, state, local, or some combination of funding that makes the housing possible. This usually takes the form of Section 8 housing through the federal government or federal low interest construction loans for low-income people. The GMA requires that sufficient land for such housing be made available. Because this is a residential use, sufficient land for residential housing will insure that sufficient land is available for government-assisted housing. When possible, this type of housing should be located on or near public transit routes, because very often low income groups will be dependent on public transportation. In addition, Chapter 6 has identified specific measures to reduce housing costs, in particular smaller required lot sizes, use of low impact stormwater management, and improved provisions for accessory housing will have beneficial impacts on government assisted housing.

### 8.4.2. Housing for Low Income People

Low income people typically rent housing that is priced so that lower income groups are able to afford it. Very often, this housing falls into the government assisted category explained above. As such, sufficient land area for this type of housing is provided in much the same way as government assisted housing, by providing sufficient residentially zoned vacant land, especially for multi-family housing, and adequate single family zoning in conjunction with small lot sizes and smaller dwellings, in the 1,000 sq. ft. to 1,500 sq. ft. range. Again, whenever possible, this housing should be located on or near public transit routes.

### 8.4.3. Manufactured Housing

Manufactured housing refers to housing that is mobile in nature and permitted under federal Housing and Urban Development standards, which are less restrictive than the Uniform Building Code standards. These houses can be less expensive than conventional "stick-built" homes, making them attractive for people wishing to move out of rental housing into single-family housing. Historically, these housing units looked more like trailers than houses, but this has changed dramatically. Because of the styling changes and relatively recent housing cost increases, the Housing Element recommends the continuation of allowing manufactured housing on single-family lots.

This will appreciably open up the supply of vacant land for this use, which will help control prices.

#### 8.4.4. Multi-Family Housing

The issue of Multi-family housing has been addressed elsewhere in this chapter of the Housing Element. The key to providing adequate multi-family housing from Tumwater's perspective is to make certain that adequate suitably zoned acreage is available. The Housing Element identifies the number of the various housing units needed to serve 20 years of population growth, including multi-family. The Land Use Element will then designate adequate acreage on which to build the various housing units. Historically, multi-family units are sometimes perceived as a detriment to the community. This problem can largely be overcome by implementing reasonable design standards for apartments that enable this type of housing to blend better and be more compatible with surrounding neighborhoods.

#### 8.4.5. Group and Foster Care Homes

Group homes are facilities that care for people with a variety of disabilities, including adult family homes, which make it possible for them to live with assistance. Foster care homes provide homes for children that for some reason are unable to live with their biological parents. In 1990, Tumwater amended the Zoning Code to allow group and foster care homes as a permitted use in all zoning classifications, as required by the State of Washington. Because of these amendments, group and foster care facilities are adequately provided for currently.

### **8.5 Vacancy Rates**

According to 2014-15 Census information, 6% of all housing units in Tumwater are vacant, up from 5% reported in the 2000 census. Any vacancy rate of less than 5% is considered a tight rental market.

### **8.6 Conclusion**

This chapter has projected the number of housing units necessary to house the Tumwater population over the next 20 years. Projections were made for 12,741 additional people to live in Tumwater in 2035,<sup>2</sup> and 8,000 new housing units of various types. It also identifies the Land Use Element as the operative document in ensuring adequate vacant land to provide housing for the next 20 years.

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<sup>2</sup> The City of Tumwater started the update process in 2015 using data from 2015 and did not receive 2016 data until it was too late to incorporate in the update process.

## **9. EXISTING AND FUTURE HOUSING PROVISIONS**

### **9.1 Introduction**

The Growth Management Act requires that provisions be identified for existing and future housing needs. In fact, for the most part this has been done in various sections of the preceding six chapters of the Housing Element. This chapter will recap the various housing needs and provisions identified for addressing those needs, expanding where necessary.

### **9.2 Protection of Existing Housing Stock**

One of the most important methods to maintain and generate an adequate supply of housing is to retain existing housing. The existing housing stock in Tumwater is quite good. Policies to protect the quality of existing neighborhoods and encourage maintenance and improvement of the housing stock are addressed in the goals, policies, and actions portion of the Housing Element, Chapter 5.

### **9.3 Low and Moderate Income Provisions**

Low and moderate income people have a variety of needs in addition to the provision of adequate shelter. Of course, lack of adequate shelter is usually foremost among a multitude of needs. Having this exceedingly small income makes obtaining shelter very difficult. In addition, there are many reasons for this low income status, such as mental and physical challenges that require assistance. This assistance is typically provided through public and private human service agencies. The most effective way for Tumwater to assist the needs of low income people in the Tumwater community is through funding assistance to established human resource agencies.

### **9.4 Regulatory Barriers to Affordable Housing**

There are a number of federal, State, and local regulations that tend to make housing more expensive. These regulations are designed to protect the environment and make housing safer. However, these regulations also can cause a corresponding increase in housing costs. Federal and State regulations are of course outside Tumwater's control. Chapter 6, however, makes a detailed assessment of our own regulatory structure and makes specific recommendations regarding changes to ease the burden of housing affordability. Please refer to Chapter 6 for specific suggested code amendments. Chapter 6 also delineates a number of existing provisions, currently allowed under the Tumwater Municipal Code, that help make housing more affordable. These provisions are highlighted to encourage their use in the future.

## 9.5 Sufficient Land for 20 Years of Housing

An important component of affordable housing is providing sufficient vacant land for a variety of housing types. Chapter 8 examines this issue in detail. Providing sufficient land for housing can only be accomplished in conjunction with the 20-year population projection. With an accurate population projection, the Housing Element can estimate the number of each type of housing unit necessary to house the Tumwater population. The Land Use Element can then ensure a sufficient supply of suitable vacant lots that will help curb land prices, which are a major determining factor in housing costs.

Another land related housing cost is lot size. Large lot sizes are of course more expensive, and result in higher housing prices, costlier infrastructure improvements because of increased sprawl, increased environmental degradation, and an accelerated use of the land use base.

## 9.6 Employment

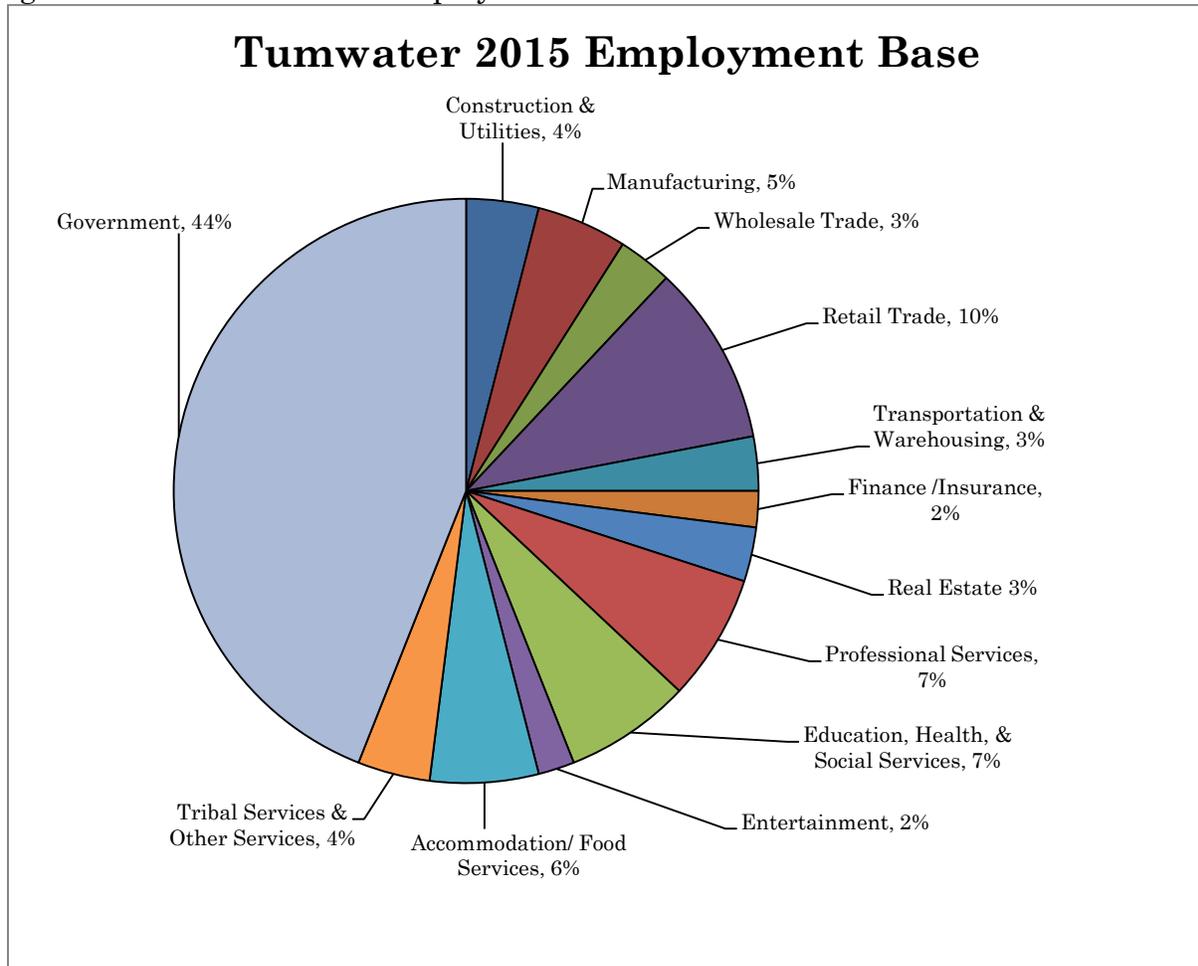
Employment quantity and quality is an important consideration when considering housing affordability. The availability of jobs that pay a wage adequate to enable people to afford housing is of paramount importance. Much of the information included in this section is compiled from The Profile, assembled by the Thurston Regional Planning Council.

### 9.6.1 Thurston County Employment Base

Industries and businesses that produce goods that are exported to surrounding areas, such as foreign countries, other states, and other communities, are referred to as "basic" industries. These firms form the backbone of the local economy by exporting goods out of the area and importing dollars into the area. An excellent example of a basic industry is Cardinal CG Glass. A "non-basic" industry is in a support role to the basic industries in a community. An example of a non-basic industry is a shopping center that provides goods to basic industries and their employees.

In Thurston County, State government is the largest basic industry, comprising 25% of the jobs. The proportion of people employed in government jobs in Thurston County is more than double the percentage of the entire State, with local, State, and federal employment together. This is common in counties that have the seat of state government.

Figure 2. Tumwater 2015 Employment Base



Unemployment rates continue to fall in Thurston County and payrolls expand. Compared to 2010, overall employment has increased by 2% and unemployment has declined 35%. Non-farm employment has increased by 9%. Government employment expanded slightly (0.5%) since 2010.

Increasing taxable sales since 2010 were especially notable in e-commerce (up 107%), transportation and warehousing (up 93%), specialty food and beverage stores (up 107%) and professional, scientific, and technical services (up 57%). Sales for all industries were up 2%.

Personal income in Thurston County has increased 15% since 2010 while the population has increased 5%.

## **9.7 Unemployment**

The unemployment rate is important for the obvious reason that unemployed people have a difficult time obtaining and retaining housing. Unemployment trends in Thurston County have closely mirrored national unemployment figures. Thurston County's unemployment rate was 8.2% in 1980, 4.8% in 1990, and 5.0% in 2000. Currently it is at 4.1%. The national unemployment rate is 4.9%.

## **9.8 Conclusion**

This chapter has augmented other chapters of the Comprehensive Plan in order to identify provisions for existing and projected housing needs. Most indications show that Tumwater is meeting the housing needs of the existing population. The Housing Element has identified two emphasis areas: homelessness and housing mix that warrant additional review and planning. Of special concern are the increasing homelessness trends among children, disabled, and the aging populations in the community.