### Housing Element





# We Need More Housing in Lacey

# Housing Element 2016 Values and Objectives

Safe, affordable, and welllocated housing is essential to Lacey's quality of life, reflecting residents' priorities for comfort and convenience

Residents value
neighborhoods that are
functional and visually
appealing, meeting their
daily needs

Thoughtful planning and engagement foster community acceptance of housing changes, strengthening neighborhood and community connections



### **Finding Balance**

How can we strike the right balance between preserving our community's vision and values while meeting new state housing mandates that will reshape *some* neighborhoods over time, like Middle housing and ADUs?



### Where are we now?

2023-2024 Housing Actions

(emerging & implemented)

# Franz Anderson Permanent Supportive Housing

HB 1220 AHS | Action 8

- Supported by the Regional Housing Council (RHC)
- 200 PSH units
- Supporting housing for low-income households
- Completion 2026
- Lacey commitment, \$3,000,000



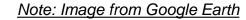


### Mullen Road Property Affordable Housing

HB 1220, HB 1110 HAP | 1.p., 3.f., 5.c.

- Memorandum of Understanding (MOU) to purchase land, 2024
- The City and LOTT Alliance
- 5.3 acre parcel
- For affordable senior housing development in partnership with the *Housing Authority* of Thurston County







## Manufactured Home Park (MHP) Preservation

HB 1220 HAP | 1.n.

- Internal staff analysis of all MHPs
- in City and UGA, 2023
- Recommended courses of action, 2023
- MHP resident survey, 2023
- Focus groups (residents) participated in displacement risk analysis process, 2024



Note: Lacey Mobile Home Park - Apartments in Lacey, WA | Apartments.com



# Multi-family Tax Exemption (MFTE)

HB 1220 HB 1042 HAP | 3.c.

- MJR Development | DM Ventures 629 LLC
- 8-Year FMTE
- Serving market rate housing
- Completion spring 2025







### **MFTE | Expansion**

HB 1220 HAP | 3.c. AHS | Action 2

North Lacey NC Zones



South Lacey NC Zones



- City Council approved MFTE expansion to include a new target area –
   Neighborhood Commercial
- Ordinance to be update Q1 of 2025



HB 1220

To create opportunity for **1,500 new low- and moderate-income Black households** to own a home in
South Seattle, South King County, and North Pierce
County within the **next five years**.

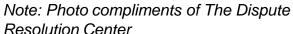
 Lacey Commission on Equity, recommend moving forward with supporting the BHI network for Black homeownership in Thurston County



### **Dispute Resolution Center (DRC)**

- Partnership with the Thurston County DRC
- Serving tenants and landlords
- Contract extended through 2025
- Empowers people to resolve their disputes by providing conflict resolution services and training community members in those skills



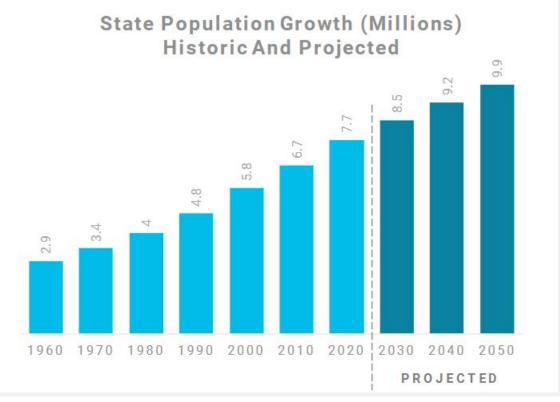




# Housing | Data Review

# Population Projections Washington State

- Growing population has increased housing demand
- Expected population increase of
   1.5 million people statewide
- 1.1 million additional housing units are needed



Note: Department of Commerce



### **Population Projections | Lacey**

	2010	2015	2019	2025	2030	2035	2040	2045
City of Lacey	42,393	46,020	51,270	53,950	55,060	56,130	57,020	57,790
UGA	33,170	34,190	36,700	44,100	47,270	49,840	52,660	55,590
Total	75,560	80,210	87,970	98,050	102,330	105,970	109,960	113,380

Note: Population Growth - City Of Lacey

Note: Lacey is growing faster than the above projections indicate, BERK is working to provide updated projections

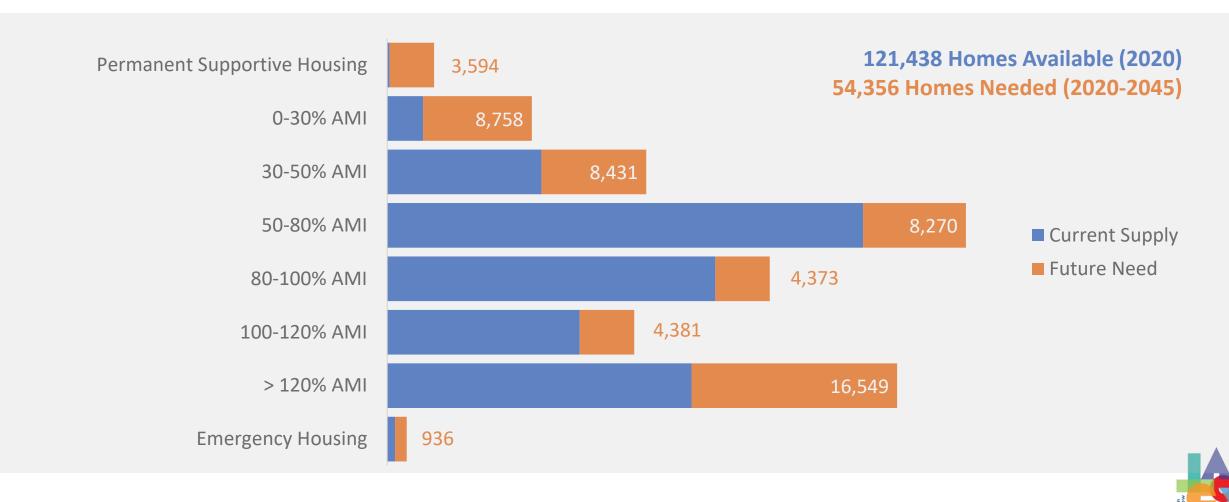


### Who are we Planning for?

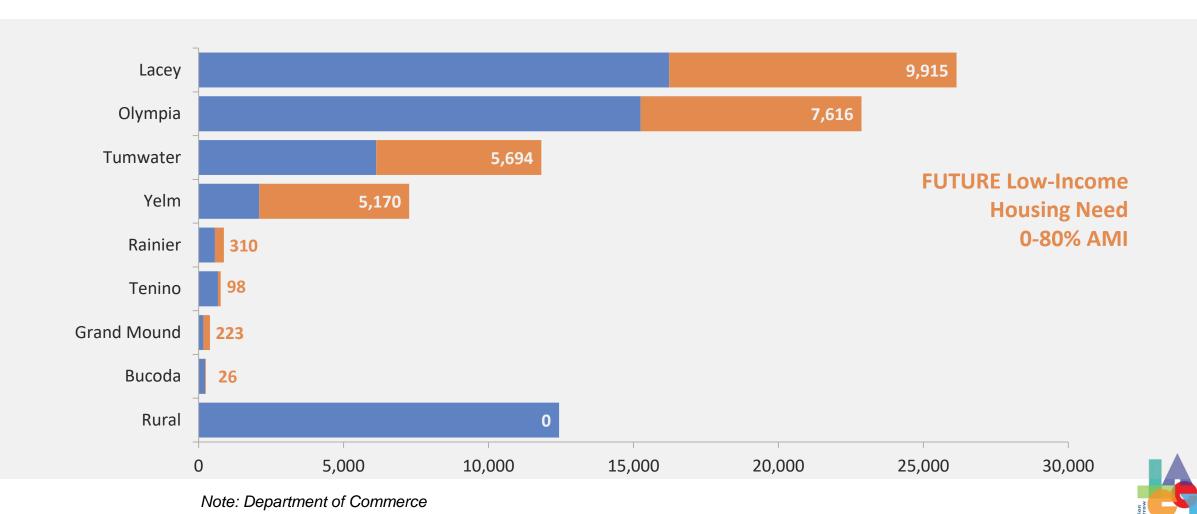
Income Category	Percent of Area Median Income*	Equivalent Household Income*		
Emergency Shelter	_	_		
Emergency Housing		_		
Permanent Supportive Housing	0-30% AMI	Loop than \$20.750		
Extremely Low-Income	U-3U% AIVII	Less than \$30,750		
Very Low-Income	30-50% AMI	\$30,750 to \$51,250		
Low-Income	50-80% AMI	\$51,250 to \$82,000		
Moderate-Income	80-100% AMI	\$82,000 to \$102,500		
Moderate-income	100-120% AMI	\$102,500 to \$123,000		



#### **Countywide Housing Need**



#### **Low-Income Housing Need**



### Housing Unit Need | Lacey (to 2045)

Income Level (Percent of Area Median Income)										
	Total	0-3	0%	30-50%	50-80%	80-100%	100-120%	120%+	Seasonal/	Emergency
		PSH	Non-PSH	30-30 /6	30-80 /6	80-10076	100-12070	120 /0+	Migrant	Housing
Housing Units							Beds			
Lacey City	5,154	335	849	1,053	210	0	466	2,241	0	89
UGA	8,970	650	1,599	1,552	1,395	0	750	3,024	0	154

Note: TRPC 202-2045 housing unit need by income level



### Housing Legislation

Where are we going?

### **Key Housing Legislation**

House Bill	ouse Bill Key Housing Legislation			
HB 1220	Amends GMA, requires planning for housing by income bands, addressed racially disparate impacts, displacement and exclusion (through local policy analysis)			
HB 1110 HB 2321	Middle Housing - Adoption of ordinance that incorporates development, zoning and other regulations to include middle housing types			
HB 1337	Requires cities to allow two ADUs per lot in urban growth areas			

Note: Washington State Legislature



### HB 1220 New Requirements Housing Elements

- Jurisdictions must "plan for and accommodate housing affordable to all economic segments of the population"
- Identify sufficient capacity of land for housing all economic segments









Note: Photo Courtesy of Thurston County

#### HB 1220 | Process

Thurston County and the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm contracted with TRPC for facilitation and data analysis

Step 1

#### Identify housing need for each jurisdiction

How many low-income units should each jurisdiction plan for?

Step 2

#### **Conduct land capacity analysis**

Is there sufficient land to accommodate the low-income housing need?



# **HB 1220 | Land Capacity Analysis Findings**

Income Level		Zone Categories Serving These Needs	Housing Need	Aggrega te Need	Total Capacity	Surplus
Fytromoly Love	0-30% PSH		1,108			
Extremely Low- Income	0-30% Other	<ul><li>Low-rise</li><li>Multifamily</li><li>Mid-rise</li><li>Multifamily</li><li>ADUs</li></ul>	2,784	9,915	10,091	176
Very Low- Income	30-50%		2,667			
Low-Income	50-80%		3,357			
Moderate Income	80-100%		0	1,261	8,256	6,995
	100-120%	•Moderate Density	1,261			

No Deficits Found in Lacey

Note: Findings; land capacity analysis for Lacey; 2020-2045



# HB 1220 | Racially Disparate Impacts RCW 36.70A.070(2)

### Address Racial Disparities

- Identify policies & zoning causing exclusion or displacement
- Address patterns of disinvestment & discriminatory impacts

### Prevent Displacement

- Identify areas at high risk of displacement from zoning changes or investments
- Create policies to reduce displacement & preserve cultural and historical communities

### **Support Equity in Housing**

- Invest in low to moderateincome housing
- Implement tenant protections, inclusionary zoning & equitable land use policies



# HB 1110 | HB 2321 Middle Housing



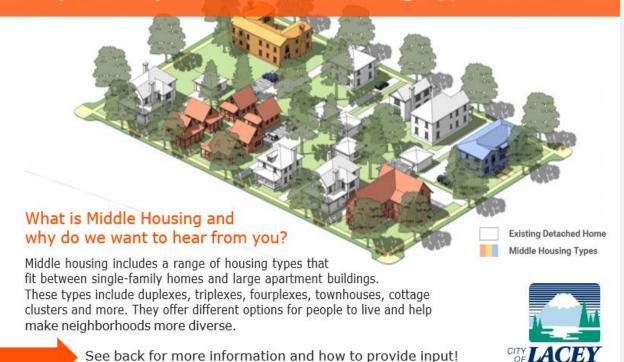
Minimum Number of Middle Housing Units Allowed per Lot in Predominantly Residential Zones	PREDOMINANTLY RESIDENTIAL ZONES	NEAR A TRANSIT STOP (within ¼ mile walking distance of major transit stop)	WITH AFFORDABLE HOUSING: (where density in applicable zone does not otherwise allow this number)
<b>TIER ONE:</b> Cities with population of at least 75,000	<b>4 du/lot</b> , unless zoning permits higher densities	6 du/ lot, unless zoning permits higher densities	<b>6 du/lot</b> if at least 2 units are affordable, unless zoning permits higher densities
<b>TIER TWO:</b> Cities with population of at least 25,000 but less than 75,000	<b>2 du/lot</b> unless zoning permits higher densities	<b>4 du/lot</b> , unless zoning permits higher densities	<b>4 du/lot</b> if at least 1 unit is affordable, unless zoning permits higher densities
TIER THREE: Cities with population under 25,000 that are contiguous with a UGA that includes the largest city in a county with a population over 275,000	<b>2 du/lot</b> , unless zoning permits higher densities	N/A	N/A



#### **Survey | Middle Housing**

Responses to Date: 329

Help the City Decide What Housing Types to Allow



- Survey mailer to 3,000+ Lacey
  Households, likely to have suitable
  lots for the inclusion of middle
  housing
- Seeking input to help identity which middle housing types the City should adopt
- Seeking input regarding density and height limitations
- Additional public outreach through social media platforms



#### **HB 1337 | ADUs**

- Allow two ADUs per lot in urban growth areas
- Permit detached ADUs
- Allow an ADU on any lot meeting minimum lot requirements
- Allow ADUs to be converted from existing structures
- Development standards must not exceed those of the principle unit





# With continued collaboration Lacey can achieve housing for

### "Envisioning Tomorrow"

