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August 27, 2018

The Honorable Cheryl Selby, Mayor Olympia City Council PO Box 1967 Olympia, Washington 98507-1967

Dear Mayor Selby and Council Members Bateman, Jones, Gilman, Parshley, Rollins, and Cooper:

Subject: Comments on the Missing Middle Housing policies and development regulation amendments.

Sent via email to: citycouncil@ci.olympia.wa.us; lbauer@ci.olympia.wa.us; kstahley@ci.olympia.wa.us; iphillip@ci.olympia.wa.us; iphillip; iphillip; <a href="mail

Thank you for the opportunity to comment on the Missing Middle Housing policies and development regulation amendments. Futurewise strongly supports the staff recommended policies and amendments.

Futurewise works throughout Washington State to support land-use policies that encourage healthy, equitable, and opportunity-rich communities, that protect our most valuable farmlands, forests, and water resources, and encourage growth in urban growth areas to prevent poorly planned sprawl. Futurewise has recognized the efforts of Olympia to further these goals by giving our Livable Communities awards to Walker John and Ron Thomas for their work to add density in your Downtown, the city's adoption of the Downtown Strategy, and the successful passage of the Home Fund. We have also recognized the efforts of all the jurisdictions in Thurston County to adopt an overarching growth management policy, Sustainable Thurston. Adopting the Missing Middle Housing policies and regulations will further implement the goals of the city's comprehensive plan, Sustainable Thurston, and the Growth Management Act.

We appreciate and support the hard work of the City of Olympia staff and Planning Commission. The Planning staff and Planning Commission spend hours studying the problem, holding community meetings and public hearings, considering public comments, and preparing thoughtful recommendations. We thank staff and the Planning Commission for their hard work. We also appreciate the time and effort the City Council has devoted to this important topic.

According to CoreLogic, Washington State leads all U.S. states in home-price increases, as the state has since the middle of 2016. Housing prices were up 10.2 percent in Thurston County in the second quarter of 2018 compared to the second quarter of 2017.

¹ Mike Rosenberg, Seattle-area home market was nation's hottest for 2017 — and cheaper areas from Bellingham to Spokane weren't far behind Seattle Times (Updated Feb. 28, 2018) accessed on Aug. 24, 2018 at: https://www.seattletimes.com/business/real-estate/seattle-area-home-market-was-nations-hottest-for-2017/

² Washington Center For Real Estate Research, Runstad Center For Real Estate Studies, College of Built Environments, Washington State's Housing Market 2nd Quarter 2018 p. 15 accessed on Aug. 24, 2018 at: http://realestate.washington.edu/wp-content/uploads/2018/08/2018Q2WSHMR.pdf

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Housing prices are particularly a problem for first-time buyers. According to the Washington Center for Real Estate Research, the first-time buyer index for Thurston County is 61.1, which means starter homes, houses priced at 85 percent of the county median house price, are unaffordable for many first-time buyers.³ The index indicates that starter homes are affordable when it is above 100.⁴ Housing has been becoming increasingly less affordable for first-time buyers in Thurston County and Washington State for years.⁵

Washington's increases in housing costs have many causes but providing more opportunities to build smaller homes on smaller lots can make housing more affordable. We support the staff recommendation for the Missing Middle Housing policies and regulations. These policies and regulations will provide more opportunities for housing that is more affordable to community members. The proposed housing types, cottages, townhouses, courtyard apartments, and triplexes and fourplexes, are limited in size and scale to fit into Olympia's existing neighborhoods. Requiring courtyard apartments and triplexes and fourplexes to be close commercial areas and transit will encourage walking, bicycling, and transit use.⁶ This will reduce greenhouse gas pollution and provide opportunities for healthier lifestyles.⁷

Thank you for considering our comments. If you require additional information, please contact me at telephone 206-343-0681 Ext. 102 or email tim@futurewise.org

Very Truly Yours,



Tim Trohimovich, AICP

Director of Planning & Law

³ *Id.* p. 2 & p. 17.

⁴ *Id.* at p. 2.

⁵ *Id.* at 19.

⁶ Susan Handy, Xinyu Cao, & Patricia L. Mokhtarian, *Self-Selection in the Relationship between the Built Environment and Walking:* Empirical Evidence from Northern California 72 JOURNAL OF THE AMERICAN PLANNING ASSOCIATION 55 pp. 70–73 (2006). The Journal of the American Planning Association is a peer-reviewed technical journal.

⁷ *Id.*