

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITIES OF OLYMPIA, LACEY, TUMWATER, AND YELM
REGARDING A HOUSING DISPLACEMENT AND RACIALLY DISPARATE IMPACTS ANALYSIS**

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made and entered into between and among the City of Olympia (“Olympia”), the City of Lacey (“Lacey”), the City of Tumwater (“Tumwater”), and the City of Yelm (“Yelm”), municipalities organized under the laws of the State of Washington, and collectively hereafter referred to as “Parties” or “the Parties,” or individually as “Party” or “the Party.”

RECITALS

WHEREAS, Washington’s Growth Management Act requires jurisdictions to conduct a displacement and racially disparate impacts analysis to inform the development of the housing element of their Comprehensive Plan; and

WHEREAS, none of the Parties alone have sufficient resources to contract with a consultant to provide the services requested; and

WHEREAS, jurisdictions in Thurston County have implemented regional approaches to addressing housing challenges; and

WHEREAS, the Parties wish to contract with one consultant to complete a Housing Displacement and Racially Disparate Impacts Analysis that provides recommendations for development of each Party’s Comprehensive Plan; and

WHEREAS, a contract with one consultant will help each Party comply with the requirements of the Growth Management Act, as well as inform regional policies and approaches to address displacement;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. Purpose/Objective

The purpose of this MOU is for Olympia to contract with one consultant and share the costs associated with a Housing Displacement and Racially Disparate Impacts Analysis (“Contract”) for their respective jurisdictions, and that Olympia shall be the lead agency for contract purposes with the Consultant and shall invoice each Party for its respective percentage portion of the contracted services.

2. Scope of Agreement/Work

The responsibilities of the Parties are as follows:

- A. Olympia agrees to take the lead on entering into and managing a Contract with the selected consultant, BDS Planning & Urban Design, a Washington limited liability company (“Consultant”), to perform respective Housing Displacement and Racially Disparate Impacts Analysis for each Party’s jurisdiction as described in the Scope of Work attached hereto as Exhibit A.
- B. All expenses of the Contract will be shared among all the Parties as described in Section 3 of this MOU.
- C. The full amount of the contracted services will not exceed Ninety-Nine Thousand and 00/100 Dollars (\$99,000).
- D. Each City will provide one or more staff representatives who will participate in regular meetings with the Consultant, provide data to the Consultant (such as policy documents, guidance materials, or Housing Action Plans), and schedule presentations to their City Council, Council Committees, or Planning Commissions, as appropriate.
- E. Each City’s representative will be responsible for the deliverables related to their jurisdiction and for communication with the Consultant.
- F. Each City’s staff representative will collaborate with the Consultant on proposed policy solutions, as needed, and will provide contacts for potential community engagement.
- G. Each City’s staff representative will participate in community engagement in their jurisdiction.

3. Method of Payment

- A. Olympia will be reimbursed from the other Parties for payment of contracted services by the Consultant at the conclusion of the Contract in the percentages set forth below. Each city agrees to pay its share of the cost of the contracted services within thirty (30) days to Olympia after being invoiced by Olympia:
 - a. City of Lacey: 32%
 - b. City of Tumwater: 22%
 - c. City of Olympia: 33%
 - d. City of Yelm: 13%

4. Duration of Agreement

The contracted services will be completed no later than February 28, 2025, or in the manner described under the termination section of any Professional Services Agreement with the Consultant.

5. Posting or Recording

Prior to its entry into force, this Agreement shall be posted upon the websites of the Parties or other electronically retrievable public source or filed with the Thurston County Auditor's Office or as required by RCW 39.34.040.

6. Modification

This Memorandum of Understanding may only be changed, amended, or modified, if in writing, and executed by each of the Parties hereto.

Steven J. Burney, City Manager
City of Olympia
Date: _____

Approved as to Form:

Mark Barber

City Attorney

Debbie Sullivan, Mayor
City of Tumwater
Date: _____

Approved as to Form:

City Attorney

Rick Walk, City Manager
City of Lacey
Date: _____

Approved as to Form:

City Attorney

Joe DePinto, Mayor
City of Yelm
Date: _____

Approved as to Form:

City Attorney

**EXHIBIT “A”
SCOPE OF WORK
HOUSING DISPLACEMENT ANALYSIS AND COMPREHENSIVE PLAN RECOMMENDATIONS FOR
THE CITIES OF LACEY, OLYMPIA, TUMWATER AND YELM**

(“Consultant”) will conduct a displacement analysis and provide separate recommendations to the Cities of Lacey, Olympia, Tumwater, and Yelm (“Cities”) to inform amendments to their respective housing elements as part of the Cities’ Comprehensive Plan updates. The Washington State Legislature recently adopted changes to the housing-related provisions of the Growth Management Act (GMA) as part of HB 1220 (2021).

The Consultant will develop a racial equity and displacement report in line with state guidance that identifies local policies and regulations that result in racially disparate impacts, displacement risks, and areas where people may be at higher risk of displacement. The Consultant will develop proposed strategies and policies to support anti-displacement measures and begin to undo the impacts of local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing as defined in RCW 36.70A.070(2)(e)-(h).

HB 1220 (2021) significantly amended the requirements for the housing element of 20-year comprehensive plans developed under the Growth Management Act. The bill requires local governments to adopt comprehensive plans that contain a housing element that, among other things:

[...]

(e) Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:

- (i) Zoning that may have a discriminatory effect;*
- (ii) Disinvestment; and*
- (iii) Infrastructure availability;*

(f) Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;

(g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and

(h) Establishes anti-displacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

[...]

Consultant Responsibilities:

TASK 1 – Kickoff Meeting, Coordination and Administration (May-November 2024)

Task 1.1: Project Kick-Off

A project kick-off meeting will include key members of the consulting team and be an opportunity to get acquainted with Cities' staff, review the scope of work, identify critical issues, and establish priorities for the project's timeline and budget. This kick-off meeting will ensure that Cities' staff are aligned in expectations of the Consultant's work. Key elements of this kick-off meeting will be refining the approach, scope timeline and anticipated outcomes/deliverables. Consultant and the Cities will also discuss the designation of key staff to support the process, schedule regular meetings, and review City Council, Council Committees, or Planning Commission dates.

Task 1.2: Regular Project Planning Check-in

Following the kickoff meeting, the Consultant's Project Manager will schedule regular in-person/virtual project management check-ins with the Cities' Project Managers to review project progress, schedules, outstanding tasks, and related issues. Each City will provide a staff representative for regular check-in meetings with the Consultant.

Task 1.3: Planning & Coordination Meetings

Consultant will remain in close working contact with the Cities through phone calls, e-mail communication, virtual and in-person meetings. Consultant will track time daily, and will deliver detailed monthly invoices including descriptions of work accomplished and staff time to complete work.

Consultant deliverables: Kickoff agenda; meeting notes and documents; meeting schedule; monthly progress reports (to include information reviewed, summary of initial findings, any challenges encountered, key questions for further research, and next steps); monthly invoices.

TASK 2 – Background Research and Development of Methodology (May-July 2024)

Task 2.1: Lines of Questioning

The Consultant will work with key project stakeholders from each of the Cities to finalize research objectives, confirm the boundaries of the research, and establish data collection goals. The Consultant will explore three key questions for research:

- What past housing policies resulted in resident displacement and racially disparate impacts?
- What types of current housing policies create the risk of resident displacement and racially disparate impacts?
- What groups and communities are at the greatest risk of housing displacement and racially disparate impacts?

Task 2.2: Knowledge Debriefing

The Consultant will meet with the Cities and key stakeholders in housing development to gather critical context, debrief their unique perspective and to discuss assumptions about lines of questioning, potential outcomes, and the best way forward.

Task 2.3: Literature Review

The Consultant will complete a literature review of existing guidance, data, policy reports, and promising activities around displacement risk analysis and racially disparate impacts. This literature review will include, but is not limited to:

- A review of existing plans, studies, and documentation about housing policies within Lacey, Olympia, Tumwater, and Yelm.
- Guidance from Department of Commerce and reference materials; Displacement risk analysis models from other jurisdictions (Bellingham, Seattle, Portland, & Puget Sound Regional Council)
- Academic Field Scan: A review of the latest peer reviewed journals about systemic injustice within housing policy and best practices for anti-displacement strategies.
- Geospatial Field Scan: A review of relevant mapping zoning and land use layers related to housing policies
- Socio-Economic Demography Analysis: A review of census data and other sources of information about people in the study area, with a focus on Historical and cultural communities, Manufactured home communities, Low, very low, extremely low, and moderate-income households
- Power Mapping Analysis: Review of who drives the discussion, resourcing, and policy making around housing in the study area
- Bibliography development: Formatted list of sources cited during literature

Task 2.4: Defining Terms

The Consultant will define key terms by assessing literature review results to identify topical themes about anti-displacement, to compare the differing meanings of anti-displacement terminology, and to select and build consensus around the terminology to be used for housing anti-displacement housing policies in driving Lacey, Olympia, Tumwater, and Yelm.

Task 2.5: Evaluation Model – Selecting Indicators

An evaluation model allows for actively applying lessons learned during the literature review to the project area in question. Indicators bridge the gap between a literature review and lived experience by helping to measure and convey complex phenomena. To capture the status-quo of housing displacement in the four Cities, and to measure success of future housing policies, the Consultant will help the Cities evaluate questions such as:

- What is an acceptable rate of housing displacement?
- What elements about a housing policy suggest it contributes to housing displacement?
- What elements about a group or community make it a candidate for restorative housing justice for past displacement?

- What elements about a group or community make it at risk for housing displacement in the short, medium, and long term?

An indicators field scan supplements the literature review, allowing the Consultant to understand how other communities have measured past housing displacement, and future risk of the same. The Consultant will work with the Cities and key stakeholders to build consensus and select indicators that reflect the unique character and legacy of the four Cities.

Consultant deliverables: Summary document of methodology, references reviewed and incorporated, data and mapping elements to be analyzed.

TASK 3 – Outreach, Engagement & Analysis (July-September 2024)

Task 3.1: Outreach and Engagement

Consultant’s approach is to ensure that planning processes do not further oppress the communities they intend to serve. Consultant focuses on continuous learning and growth in this area to be sure that they do not exacerbate institutional racism. Consultant regularly examines their implicit biases in community engagement, including who they unconsciously exclude and why. Consultant holds themselves accountable to engaging and empowering participation and leadership among these groups, especially those that have been historically excluded and undermined in the planning process.

The Consultant will complete two phases of community engagement: pre-engagement and engagement.

Pre-Engagement Phase: The Consultant will establish expectations for community engagement, review community demographics, and work with the client to develop a list of leaders and/or groups that represent traditionally underrepresented communities and then interview those leaders/groups one-on-one. This early engagement informs the development of a *Community Engagement Plan*, where the Consultant will describe tailored engagement strategies that will engage specific communities.

Engagement Phase: The Consultant will offer a menu of options that maximize engagement and build lasting relationships and leadership between communities and Cities. Engagement options include key stakeholder engagement, topical focus groups, advisory boards, surveys, community forums, and other interpersonal strategies to reach consensus toward collaborative action. Following the development of an outreach and engagement framework that can align guiding principles and goals, the Consultant will prepare a project specific engagement and communications plan. This plan will outline intended public engagement activities, timelines, and specific strategies for reaching target audiences as well as all marketing materials. The Consultant will regularly evaluate the menu of engagement options.

A. Affinity Groups & Individual Interviews

The Consultant’s approach to Affinity Groups and Individual Interviews depends on the scale and complexity of the study and the Cities’ capacity for data gathering and analysis. Reasonable measures are developed closely with the Cities’ staff, who will gather the data and report in collaboration with the communities the programs serve. Consultant’s approach allows the Cities to choose an approach to measurement best suited to their expected outcomes. The Consultant will facilitate 4 – 6 affinity group

meetings with targeted stakeholder communities, with support of subcontracted Community Based Organizations. Consultant will work with the Cities to identify potential affinity groups.

B. Identifying & Contracting with Community Based Organizations

The Consultant will convene staff from the Cities to align expectations for the engagement and community partnerships. The Consultant will work with the Cities to ensure that the recommendations out of any initiative have meaningful contribution and buy-in from targeted populations, but it will be of ultimate benefit for the Cities to establish the trust, accountability, and transparency needed to develop a leadership pipeline in community for ongoing collaboration.

The Consultant will identify, with the assistance of the Cities, Community Based Organizations who are trusted advocates in the community and recognized as respected leaders. The Consultant will subcontract with Community Based Organizations that are identified by the Consultant and the City. Recruitment strategies should bear in mind current gaps in engagement, community demographics, and language needs. Community Based Organizations will provide meeting space, facilitation, translation, interpretation, outreach, and/or engagement to support the Consultant's community engagement efforts.

Task 3.2 Data Collection

The Consultant will collect, evaluate, and analyze relevant data to determine which housing policies are producing injustice and which groups need the most support to reduce displacement risk. The Consultant will collect data to:

1. Identify areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments
2. Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:
 - a. Zoning that may have a discriminatory effect;
 - b. Disinvestment; and
 - c. Infrastructure availability.

The Consultant will pair the analysis of readily available datasets with the more active affinity group engagement method.

Task 3.3 Conclusions

Results and findings will be assembled into a report to support the development of anti-displacement housing policies.

Consultant deliverables: Community Engagement Plan, affinity group and stakeholder meeting notes, summary document identifying areas and community groups at risk of displacement and causes of displacement; summary of policies resulting in racially disparate impacts, displacement and exclusion in housing.

TASK 4 – Develop Recommendations (September-November 2024)

Task 4.1 Policy & Regulation Development

Following Consultant's data collection and analysis, the Consultant will synthesize the feedback received from community engagement to develop the final policy and regulation as follows:

1. Debrief with staff about the results of the data collection and housing displacement analysis
 - a. The Consultant will share feedback from community engagement with Cities.
 - b. Initial policy discussions may start to take shape during this phase.
 - c. Additional research may be required to best address community concerns. This could include additional targeted outreach to the community to clarify certain points, or researching similar situations in other cities or contexts.
2. Rebalancing
 - a. The Consultant will assess with the Cities whether other community voices may need to be prioritized when selecting issues and feedback for policy influence.
3. Collective Review
 - a. The Consultant will provide opportunities for stakeholders to review early drafts to provide feedback. The Consultant will report on suggested changes and additional input to the Cities and incorporate changes, as agreed upon by the Cities.

Consultant deliverables: Summary document and/or tables listing potential policy or strategic interventions, and evaluation of options for use by each jurisdiction.

TASK 5 – Final Report & Presentations (November 2024-February 2025)

Task 5.1 Final reports

The Consultant will provide a draft report to staff and a final report that incorporates staff comments. The Consultant will produce a draft and final report with a focus on the challenges that community is facing with the existing system, including current knowledge of the system and recommendations for improvement. The report will identify areas and communities at risk of displacement and racially disparate impacts, including racial, ethnic and religious communities which have been subject to discriminatory housing policies in the past and displacement risk of very low-, low-, and moderate-income households. The report will also summarize community input and key themes that will help the Cities prioritize future investments in zoning, racial equity, and on capital improvements, as well as recommendations for policy changes.

Anti-displacement policies and investments may include, but are not limited to:

- Preservation of historical and cultural communities;
- Investments in low, very low, extremely low, and moderate income housing;
- Equitable development initiatives;
- Inclusionary zoning;
- Community planning requirements;
- Tenant protections;

- Land disposition policies; and
- Consideration of land that may be used for affordable housing.

Consultant will provide an evaluation of interventions with regard to cost, difficulty, and impact of potential interventions. Policy recommendations or other anti-displacement strategies should include regional impact, as well as specific actions that could be undertaken by each City, based on displacement risk and current policies.

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Task 5.2 Documentation of The Full Record of All Public Comments and Input

The Consultant will coordinate with City staff to maintain documentation of the full record of all public comments and input received in all outreach efforts as well as documentation community participants and their contact information for future engagement.

Task 5.3 Public Information Materials

The Consultant will create print and digital information materials such as posters, brochures, Power-Point presentations based on City guidance.

Consultant deliverables: Draft and finalize the Housing Displacement Analysis Report; two presentations per City to each Cities’ City Council, Council Committees, or Planning Commission.

Timeline

The timeline may be adjusted to accommodate other Cities’ priorities or needs.

TASK	SCHEDULE
TASK 1 – Kickoff, Coordination and Administration	May – November 2024
TASK 2 – Background Research & Development of Methodology	May – July 2024
TASK 3 – Outreach, Engagement, & Analysis	July - September 2024
TASK 4 – Develop Recommendations	September - October 2024
TASK 5 – Final Report & Presentations	November 2024 – February 2025

Cities’ Responsibilities:

Research Support: Each City will be responsible for the outcomes of the report related to their jurisdiction, each City will provide data to the Consultant (such as policy documents, guidance materials, or Housing Action Plans), and each City will attend regular check-in meetings with the Consultant. Cities will collaborate with Consultant on proposed policy solutions, as needed, and will provide contacts for potential community engagement.

Facilities Support: Reserving meeting space in facilities or in online settings like Zoom (if needed).