



EXHIBIT "C"

2014 ANNUAL AMENDMENT

Amendments to the Comprehensive Plan

These amendments show all of the changes to the *existing* text of the Comprehensive Plan. The sections included are only those portions of the Plan that are associated with these amendments. New text is underlined and text that is deleted is shown in ~~strikethrough~~.

Housing Element

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Section III –
Goal and Policies

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Housing Choice (HC)

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H-HC-7 Land Use Incentives

Provide ~~Consider~~ land use incentives (e.g. density or development bonuses, lot size reductions, transfer of development rights, height or bulk bonuses increases, fee waivers, accelerated permitting, parking requirement reductions, and tax incentives) to facilitate the development of housing in designated areas, particularly within mixed-use centers.

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Housing Affordability (HA)

Intent

The policy intent is to increase the amount of housing that is affordable, especially for lower income families and special needs households. The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual gross income on housing. Families that pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. The challenge for Tacoma is that there is a mismatch between the cost of housing in the City and the incomes of Tacoma's populations. Large portions of Tacoma's population do not have sufficient income to afford the housing available in Tacoma's private market at a cost of no more than 30 percent, or even 50 percent or more, of their income. Due to an aging population and other factors, this mismatch is likely to increase in the future, resulting in a significant increase in the need for additional affordable housing.

The City, through its policies and programs, is supportive of increasing the supply of housing that is affordable to its citizens. While the City recognizes the ongoing need by government and nonprofit corporations to provide housing and community support services, especially for households who pay more than 30% of their income for housing, it also recognizes the need to enlist the engine of private market rate developments to include a measure of affordable units.

As a general rule, the need for affordable housing extends along a housing continuum that extends from basic emergency shelter for the homeless to temporary transitional housing to permanent rental housing and for some households to home ownership. Each segment of this continuum requires ongoing financial support for both public agencies and individuals. In addition, there are individuals and families with special needs (e.g. disabled, frail elderly, large families, female heads-of-household) that often require additional assistance.

It is the intent of the City to: (1) recognize the housing needs of, and provide housing programs for, low income and special needs households and (2) promote housing opportunities and the reduction of isolation of these groups by improving housing and community services delivery.

Further, it is the intent of the City to apply the following principles and acknowledgments to the formulation of policies and support of programs that will increase the amount of affordable housing available to the community.

Principles and Acknowledgements

1. Affordable Housing is Vital to Important Civic Interests

The City's welfare requires an adequate supply of well built and well managed affordable housing serving the full range of incomes appearing among its residents. An adequate supply of this housing is vital to the following important civic needs or values:

- The City's prosperity, economic development and growth of employment opportunities;

- The appropriate management of the City's projected population growth and transportation needs;
- The City's fulfillment of its legal obligations under the Growth Management Act to make "adequate provisions for existing and projected [housing] needs of all economic segments of the community" and to comply with the related directives of the Pierce County Countywide Planning Policies.
- The survival of green spaces throughout the City and Pierce County;
- The success of the City's schools;
- The effectiveness of the City's emergency services;
- The City's ability to continue its accommodation of a population that is increasingly diverse by income, race, ethnicity, ability, disability and age;
- The City's ability to accommodate a population that, in the aggregate, is getting older; and
- The City's values of social justice.

2. Affordable Housing is Attractive, Innovative and Well Managed

Affordable housing developments by nonprofit developers, public and private, in the City, region and nation have been among the most attractively designed, most environmentally innovative and best managed in the market place.

3. The City Needs to Enlist the Engine of Private Development

Nonprofit developments of affordable housing will never likely be adequate to meet the City's need. The City also needs a companion strategy to enlist the engine of private market rate developments to include a measure of affordable units. These strategies also provide the added benefit of economic and demographic integration.

4. Affordable Housing Developments Spur Other Investments

Affordable housing developments have spurred the revitalization of neighborhoods, encouraging both public and private investment, helping the City attain its

desired density, and furthering a neighborhood's economic development.

5. The City Should Welcome Affordable Housing Developments

Affordable housing is an asset to be encouraged and not a detriment to be tolerated and controlled.

6. Every City Neighborhood Needs Affordable Housing Developments

The City should promote the development of affordable housing in every City neighborhood.

7. Affordable Housing as Innovative Design

In seeking the appropriate balance, the City should not have to compromise important neighborhood design standards in order to promote affordable housing. Instead proper design should allow affordable housing to show the way for all developments serving all incomes toward a greener, more sustainable urban future that accommodates the appropriate density that the City's planning documents anticipate to be necessary for the City's projected population allocations.

8. Affordable Housing as a High City Priority amid Competing Interests

In a complex community like Tacoma, interests and policies often clash. Good governance is the effort to balance them appropriately. In doing so, the City should give a very high priority to the promotion of affordable housing development.

Policies

H-HA-1 Affordable Housing Supply

Support both public and private sector development and preservation of affordable housing (e.g. Section 8, LIHTC) especially for lower income and special need households.

H-HA-2 Home Ownership

Facilitate home ownership (both single-family homes and condominiums) for all segments of the community, including lower income households.

H-HA-3 Public-Private Partnership

Work in partnership with for-profit and non-profit housing developers to facilitate the provision of new permanent affordable rental and owner housing.

H-HA-4 Special Needs Housing/ Support Services

Encourage and support emergency and transitional housing as well as needed support services for persons with special needs (e.g. frailty, family size and disability).

H-HA-5 Develop Housing Strategies

Housing issues including affordability, mix, variety and condition are central to achieving the City's and region's housing goals for providing a mix of housing affordability throughout the city, including housing affordable to households earning 80 percent or less of Area Median Income, and particularly within higher density areas where a significant portion of future growth is expected to occur. Due consideration should be given to these issues as part of new, major land use and growth strategy policy initiatives, such as developing subarea plans and designating Mixed-Use Centers. Where gaps or inequities are identified, the City should develop and implement strategies to address them, potentially including the establishment of specific affordable housing targets and new or expanded incentives and standards.

H-HA-6 Affordable Housing Incentive Program

Offer incentives to for-profit and non-profit developers of new construction and rehabilitation of pre-existing housing so they include units affordable to a range of incomes. The incentives could include, but would not be limited to, the following:

- density bonuses;
- lot size reductions;
- height or bulk bonuses;
- fee waivers;
- accelerated permitting; and
- parking requirement reductions.

H-HA-7 Regulatory Assistance to Developers of Affordable Housing

Develop City capacity to support affordable housing development, through such measures as developing permit-ready residential plan sets, fee waivers, and designating staff to manage permit review process.

H-HA-8 Inclusionary Requirements for Voluntary Residential Upzones

Develop code provisions to condition rezoning proposals that would permit a higher residential density to include at least 10% affordable units in the market rate mix.

H-HA-9 Inclusionary Requirements for City initiated Residential Upzones

Consider an approach that would condition City-initiated residential upzones that would permit a higher residential density to include at least 10% affordable units in the market rate mix.

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Section IV – Recommended Actions to Implement Housing Policies

The overall housing goal and policies will be implemented by a combination of financial resources and local regulations which must be carefully coordinated with the Generalized Land Use Element to ensure that sufficient land is provided for all community uses. City staff along with the Planning Commission work closely to address the land use requirements. Likewise, three key organizations involved in providing affordable housing include the City of Tacoma, Tacoma Housing Authority (THA) and Tacoma Community Redevelopment Authority (TCRA). These three organizations work closely with the other groups to coordinate available public (e.g. federal Housing and Urban Development) and private financial resources.

The City’s housing goal and policies will be implemented through a combination of the following actions classified as legislative or regulatory, financial, administrative, and planning.

This set of actions involves support or initiating enactment of and/or changes to state and federal laws and regulations as well as local ordinances, codes and standards to accomplish desired housing objectives.

1. ADU Amendments – Revise existing ADU standards to: (1) allow such units in detached buildings, (2) increase the ADU size; (3) reduce parking in unique situations, and (4) establish design requirements.
2. Minimum Lot Size – Reduce minimum lot standards in single family residential districts to support new infill housing subject to consistency with the comprehensive plan including the Neighborhood Element. Allow further reduction of the requirements subject to design and development standards.
3. Section 8 Authorization – Provide political support to continue funding the federal Section 8 rental subsidy program.
4. Manufactured Housing – Revise land use and building code regulations to permit new manufactured housing in all residential zones so long as the housing is in compliance with all applicable codes.
5. Residential Zoning Code Update – Update the residential section of the Land Use Regulatory Code to reflect housing and residential needs and conditions.
6. Affordable Housing Incentive Program – Develop an affordable housing incentive program and supporting code provisions.
7. Inclusionary rezones – develop code provisions to include 10% affordable housing as part of residential upzones, and consider similar provisions for City initiated rezones.
8. Area-wide Environmental Review – Pursue SEPA programmatic EISs for specific areas of the City that need housing investment and revitalization to eliminate the need for projects in those areas that conform to the area wide EIS and associated regulations to conduct their own environmental review.

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Legislative/Regulatory