

# City of Tacoma Affordable Housing Action Strategy Update



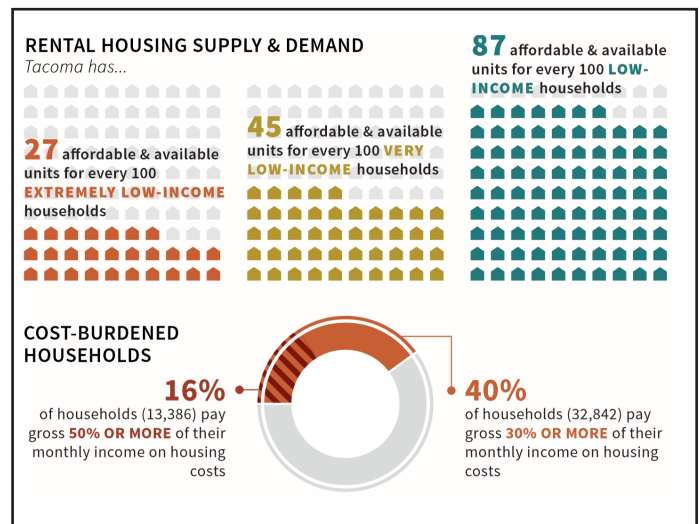
## Initiative Highlights: June 2020

Prior to COVID-19, nearly 33,000 households (40% of households) in Tacoma were housing cost burdened (pay at least 30 percent of their income on housing costs each month), reducing their ability to pay for other necessities. We know that the economic crisis caused by COVID-19 has only made the housing crisis worse.

To address affordable housing, the AHAS charts out four objectives:

1. Create more units of affordable housing;
2. Preserve more units of affordable housing;
3. Help more households be able to afford their housing; and
4. Reduce barriers for households who often experience them.

This document provides an update on how we are addressing this crisis through the Affordable Housing Action Strategy.



## UPDATE ON OBJECTIVE 1: CREATING MORE UNITS OF AFFORDABLE HOUSING

### UPDATE THE MULTIFAMILY TAX EXEMPTION PROGRAM TO INCREASE ITS IMPACT. (ACTION 1.3)

- AHAS summary: Encourage construction, rehabilitation, or conversion of existing structures, the City of Tacoma offers a property tax exemption to developers who build multifamily housing within the city.
- Status: Potential code updates were interrupted by the pandemic and its economic impacts. Currently in the process of reevaluating how to scale MFTE opportunities with other AHAS programs and policies amid our economic recovery efforts.

### LEVERAGE PUBLICLY AND PARTNER-OWNED LAND FOR AFFORDABLE HOUSING. (ACTION 1.4)

- AHAS summary: Establish a comprehensive land disposition policy for publicly owned land, including creating a priority for affordable housing development
- Status: Both Tacoma General Government and Tacoma Public Utilities successfully passed a disposition policy for real property, prioritizing affordable housing

## **ENCOURAGE MORE DIVERSE TYPES OF HOUSING DEVELOPMENT THROUGH RELAXED LAND USE STANDARDS, TECHNICAL ASSISTANCE, AND FINANCIAL INCENTIVES. (ACTION 1.8)**

- AHAS summary: Build a wider range of housing options to support broader affordability within the city, especially smaller scale options.
- Status: The Infill Pilot Program 2.0, which would significantly expand the availability and flexibility of the program, passed through the Planning Commission in April. Staff aim to bring the Commission's recommendations to City Council for their consideration and adoption before the end of the year. The City also launched the At Home in Tacoma project to further evaluate diverse housing types (such as ADUs, small multi-family, townhouses and other "missing middle" housing types) and inclusionary zoning options. This project will create a specific action plan incorporating initiatives to improve existing programs within the existing policies/growth strategy as well as exploration of initiatives that would involve broader changes to further support more diverse and affordable housing, such as changes to the Comprehensive Plan, Zoning, and Land Use Regulatory Code. It is expected that this action plan would be finalized for City Council consideration by the middle of next year.

## **ESTABLISH A DEDICATED SOURCE OF FUNDING FOR THE TACOMA HOUSING TRUST FUND. (ACTION 1.9)**

- AHAS summary: Establish a long-term, dedicated source of funding for the Tacoma Housing Trust Fund through voter-approved sources.
- Status: Passed Resolution 40388 to authorize the maximum capacity available under Substitute House Bill 1406, 0.0146 percent credit against Washington state sales tax, for affordable and supportive housing. Funding has been used to help stabilize Tacoma residents with rental assistance during the COVID-19 pandemic.

## **EXPLORE OPPORTUNITIES FOR INCREASED STAFF SUPPORT DURING THE DEVELOPMENT REVIEW PROCESS. (ACTION 1.12)**

- AHAS summary: Shorten/streamline the development review timeline.
- Status: The City is piloting an expedited review with an external consultant (on the latest Mercy Housing project) and will continue to look for ways to streamline the process through AHAS and our COVID response to housing and shelter needs.

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# **UPDATE ON OBJECTIVE 2: PRESERVING MORE UNITS OF AFFORDABLE HOUSING**

## **TARGET EXISTING RESOURCES TO IMPROVE THE LIVABILITY OF EXISTING OWNER-OCCUPIED HOMES. (ACTION 2.3)**

- AHAS summary: Help homeowners in need and coordinate code compliance and TPU assistance programs.
- Status: Brought the SFR rehab process in house, have a stable process and are continuing to build their pipeline, in addition to working with our code enforcement officer to promote the program with homeowners with code violations.

## **IMPROVE TRACKING AND MONITORING OF EXISTING AFFORDABLE HOUSING PROPERTIES. (ACTION 2.4)**

- AHAS summary: Create a system to track properties at-risk of losing their affordability, due to expiring subsidies, opting out of local programs like the Multifamily Tax Exemption Program, or higher rents.
- Status: The City is prototyping an affordability tracking tool and planning a collaborative process for creating/managing/maintaining this information across departments.

# UPDATE ON OBJECTIVES 3 AND 4: HELPING MORE HOUSEHOLDS AFFORD AND ATTAIN HOUSING

## **EXPAND TENANTS' PROTECTIONS THROUGH A COMPREHENSIVE POLICY. (ACTION 3.1)**

- AHAS summary: Establish a comprehensive and permanent tenant protection policy
- Status: In February, we completed our survey of landlords and tenants on the implementation of the Rental Housing Code. We are planning community engagement opportunities to dive deeper into reoccurring themes from our survey analysis, with the intent of evaluating areas of improvement in the Rental Housing Code.

## **CREATE A RANGE OF RESOURCES FOR HOUSEHOLDS EXPERIENCING A CRISIS. (ACTION 3.2)**

- AHAS summary: Create a range of resources for those experiencing a housing crisis.
- Status: Through 2019, the City served approximately 1,500 individuals through financial assistance. From January 2019 through February 2020, Tacoma Public Utilities provided utility assistance to 9,144 households.
- Due to the pandemic, work shifted to the newly created Rental Assistance Program (over 550 applications received, \$1.2M allocated) and TPU's Emergency Assistance Response (as of 5/19/20: 8,600 applications approved, \$1.5M spent).

## **STREAMLINE PROCESSES FOR HOUSEHOLDS APPLYING FOR AND USING RENTAL ASSISTANCE. (ACTION 4.1)**

- AHAS summary: Streamline process for people applying and using rental assistance, especially systemic barriers to persons with limited literacy and English proficiency.
- Status: The City has worked to streamline the process by sharing income verification with TPU and is now working with partners on sharing and streamlining assistance systems through the Rental Assistance Program and Emergency Assistance Response.