Affordable Housing Planning Work Program (Phase 3)

Planning Commission
October 1, 2014
Broader Affordable Housing Discussion

- What is affordable housing in Tacoma?
- What are we doing to address it?
- Upcoming initiatives
  - Consolidated Plan (2015-2020)
  - Multifamily Tax Exemption Program review
  - AHPAG Planning recommendations
  - Housing Element update
What Does Affordable Housing Look Like in Tacoma…

Income Statistics:

- Median Household Income: $50,439
- Households Earning Less Than $35,000: 27,128 (34.6%)
- Households Earning Less Than $25,000: 18,771 (23.9%)

(Source: American Community Survey 2008-12)
Is housing affordable?

▪ Households in Tacoma at median income
  – $50,439 annually = $1,402 per month for housing

▪ Ownership
  – Tacoma median home price = $187,219
  – Monthly homeownership cost = $1,363 (using FHA)

▪ Rental (inclusive of utility costs)
  – 2 bdrm unit @ FMR = $236 net positive
  – 3 bdrm unit @ FMR = $280 net negative

(Median home price source: Trulia)
Affordability In Summary

City Policy:
- Help people occupy quality housing affordable to them
- Promote housing choice and mix in all neighborhoods

Key Questions & Strategies:
- What are the trends in affordability?
- Can people afford to live here?
- How to deploy resources to meet need?
Affordable Housing Planning Work Program

The AHPAG’s planning-related recommendations intended to promote housing affordability and mix throughout the City.
AHPAG Planning Recommendations

1. Infill/Affordable building design practices:
   - 3.2.1 Expedited permitting
   - 3.2.5 PRD’s and PARD’s
   - 3.5.1 ADU’s (detached)
   - 3.5.2 Cottage housing
   - 3.5.3 Permit Ready Housing Designs
   - 3.5.4 Great houses (also, duplexes on corners)
   - 3.5.5 Group housing
   - 3.8.1 Small Lots

2. Affordable Housing Incentives:
   - 3.2.1 Voluntary Housing Incentive Program
   - 3.2.2 Inclusionary requirements w/ residential upzones
   - 3.2.3 … w/ City initiated upzones
   - 3.2.4 … w/ Voluntary Master Planned Communities
   - 3.2.5 PRD’s and PARD’s
   - 3.2.7 Transfer of Development Rights
A multi-year effort...

- **2012-2014: (Phases 1 and 2)**
  - Affordable housing policies strengthened
  - Code updated to promote affordable options
  - Subarea planning, review thresholds increased

- **2015: (Phase 3)**
  - Residential Infill approaches
  - Incentives and bonuses
  - Upzones – require affordable units
  - Process enhancements
# Infill strategies

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<tr>
<th>Accessory Dwelling Units</th>
<th>Small Lots</th>
<th>Denser housing in single-family zones</th>
<th>Cottage housing</th>
<th>Planned Residential Districts</th>
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<td><img src="image1.jpg" alt="Accessory Dwelling Units" /></td>
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**Size of the site**
Accessory Dwelling Units

• Should Tacoma allow Detached ADU’s in single-family areas?
Small lots

- Should Tacoma further reduce lot sizes or allow some other flexibilities?
Great houses/duplexes/triplexes

• Should Tacoma allow higher density housing in single-family neighborhoods?
PRD’s and cottage housing

- Should Tacoma allow cottage/clustered housing, with density bonuses?
Affordable Housing Incentives & Bonuses (proposed)

- Proposals:
  - Downtown (Floor Area Ratio bonus)
  - Planned Residential Districts density bonus
  - Transfer of Development Rights - affordable housing option

- Key Issues:
  - Balancing community priorities
  - What’s the right density?
  - Resource demands
Affordability requirement with residential upzones

- Should Tacoma require affordable housing for approval of upzone requests?

- Proposal:
  - Capture increased land value/offset cost of providing affordable units
  - Residential upzones - 10% units affordable
  - Private and/or City initiated rezones?
Should Tacoma implement housing development permitting enhancements?

- Proposals:
  - Permit-ready design library
  - Permit review streamlining
  - Fee reductions

- Issues:
  - Financial and staffing demands
  - Tied to affordable projects?
Why consider infill strategies?

- **Housing affordability, mix and choice**
  - Aging in place, workforce housing, property owner flexibility

- **Additional policy objectives**
  - Economic development
  - Smart growth
  - Transportation choices
  - Sustainability
  - Health and active living
  - Livability
Infill and residential character

(Source: Portland Infill Design Strategies)
What we may hear…

Oscar Ruiz, National Geographic
Project approach

- Fit infill options into zoning framework
  - Non-residential districts
  - R-1 to R-5
  - Design standards
  - Review process
  - Rezones

- Incentives, inclusionary, process tools
  - Balancing community priorities
  - What’s the right density?
  - Resource demands
Planning Work Program

- Objectives
  - Identify infill approaches supported by community
  - Promote desired neighborhood character (zoning tools)
  - Integrate affordable housing into bonus systems
  - Identify resource demands

- Housing Element updates