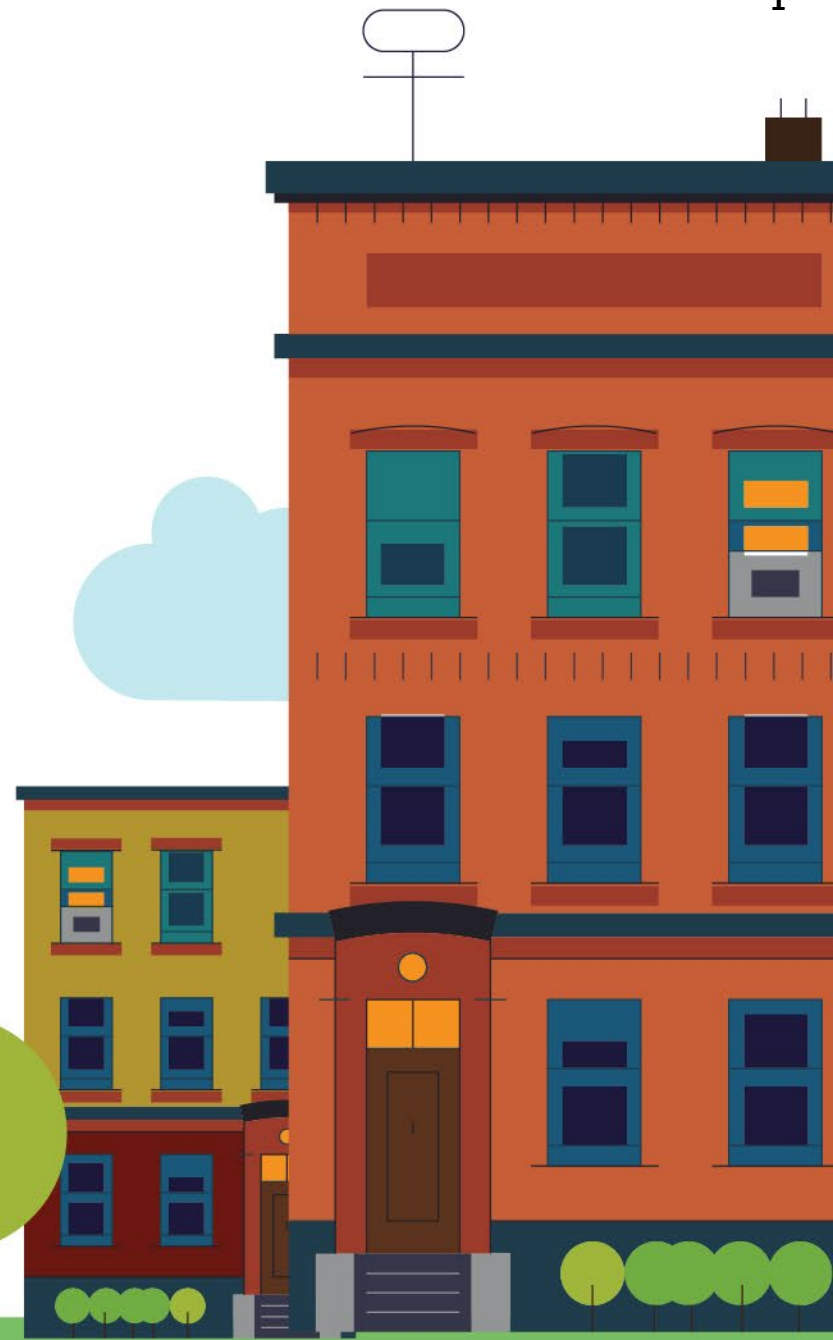
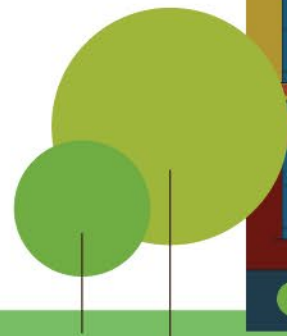
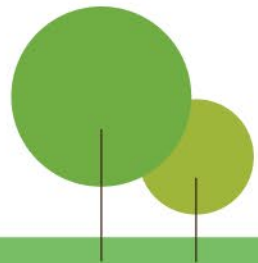


Affordable Housing

Action Strategy Overview

August 22, 2023



Affordable Housing's Four Objectives

- 1. Create More Homes for More People**
- 2. Keep Housing Affordable and In Good Repair**
- 3. Help People Stay in Their Homes and Communities**
- 4. Reduce Barriers for People Who Often Encounter Them**



Objective 1: Create More Homes for More People

The goal of objective 1 is to **create 6000 new units** of affordable housing through funding, developer incentives, or permit updates by the end of 2028.

- Current programs include CED housing funding, multifamily tax exemption, ADU support, inclusionary zoning, developer incentives, surplus land policy
- Programs under development include Home in Tacoma, down payment assistance program

Progress 2019 through June 2023

- **1,103 units completed:** 457 designated affordable units, 246 MFTEs, 398 ADUs, 2 Inclusionary Zoning units
- **1,033 units coming online:** 326 designated affordable units, 505 MFTEs, 61 ADUs, 133 Inclusionary Zoning units



1.2 Inclusionary Zoning & 1.8 Diverse Housing Types (Middle Housing)

Low-scale Residential:

- Low-scale 1: Increase from 3 to **4 dwellings per lot**
- Low-scale 2: Increases from 4 to **6 dwellings per lot**
- Bonuses: **Additional 2 affordable units** allowed **in both districts**

Mid-scale Residential:

- Increase density from 6 to **8 dwellings per lot**
- Bonuses (along Corridors): Additional density + 4th floor

Redoing growth estimates to support the EIS

July to Oct 2023

- Develop full package
- EIS Consultation



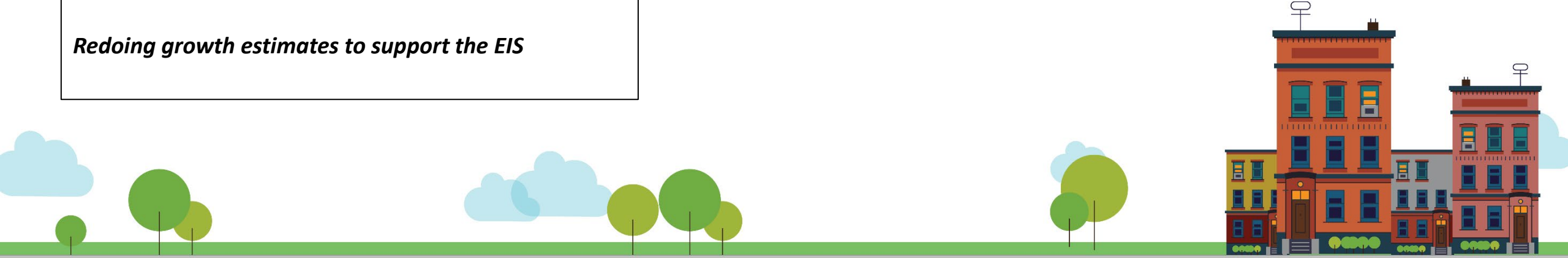
Nov 2023 to Jan 2024

- Planning Commission Public Hearing
- Release Draft EIS
- Planning Commission recommendation



Feb to April 2024

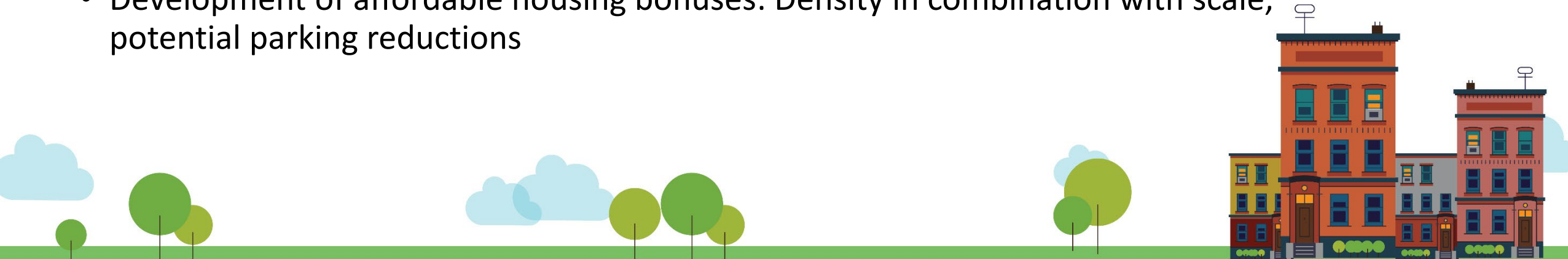
- City Council review
- Release Final EIS
- Council Public Hearing
- Council action



Middle Housing Zoning Framework

Home in Tacoma Phase 2 Zoning, Standards, and Affordability actions

- Hybrid form-based system based on density, scale and housing types
- Housing types: Backyard Buildings, Courtyard Housing, House-plex, Multiplexes and Rowhouses
- Establishes 2 Low-scale zones and 1 Mid-scale zone (Urban Residential 1, 2 and 3)
- Parking requirements: 0 to 1 stalls depending on location, transportation choice
- Trees/Landscaping: Street trees and onsite tree canopy required, options for flexibility
- Building Orientation and design features: Promote compatibility, pedestrian orientation
- Development of affordable housing bonuses: Density in combination with scale, potential parking reductions



1.2 Inclusionary Zoning & 1.8 Diverse Housing Types (IZ)

ADU Accelerator – GPFC Committee discussion of how to promote ADUs

Current Work:

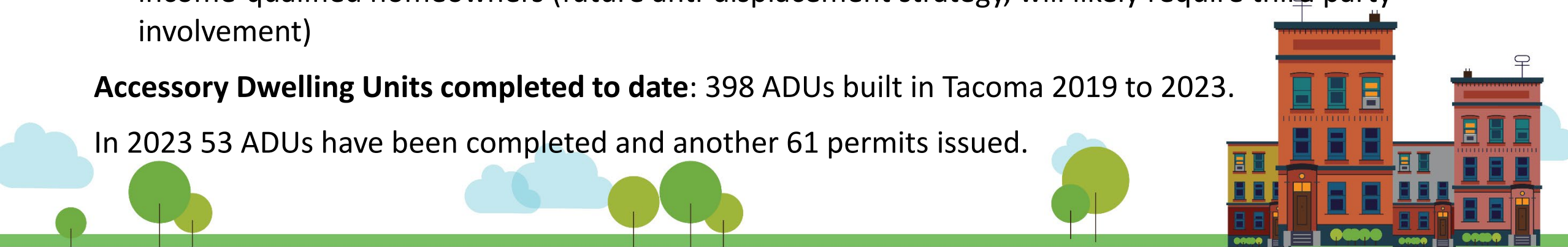
- Pre-approved plans (in discussion)
- Adding staff capacity to support PDS customers (staff hired, currently onboarding)

Future Program Expansions

- Cost waivers and/or reimbursements
- Establishing and infrastructure improvement fund
- Outreach, accessible information, and individualized DADU project management support for income-qualified homeowners (future anti-displacement strategy, will likely require third party involvement)

Accessory Dwelling Units completed to date: 398 ADUs built in Tacoma 2019 to 2023.

In 2023 53 ADUs have been completed and another 61 permits issued.

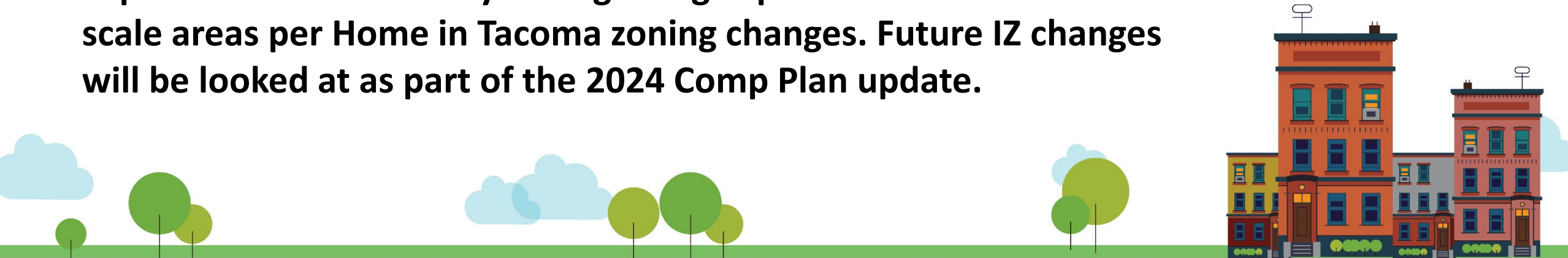


1.2 Inclusionary Zoning & 1.8 Diverse Housing Types (IZ)

There is an IZ requirement for projects that request up-zones throughout the City and for new multifamily projects in the Tacoma Mall Subarea IZ Pilot Area. Developers must incorporate affordable housing units into the project or pay an in-lieu fee to the City's Housing Trust Fund.

- First IZ affordable housing units completed in July 2023 for 20-unit project at 4329 S Puget Sound Ave.
- Two private up-zones paid into the City's Housing Trust Fund. The 133 units coming online are for the Lookout project at 4901 S 25th St, which is currently under construction.

Expansion of inclusionary zoning being explored in low- and mid-scale areas per Home in Tacoma zoning changes. Future IZ changes will be looked at as part of the 2024 Comp Plan update.



1.3 – Multi-Family Property Tax Exemption (MFTE)

Updates

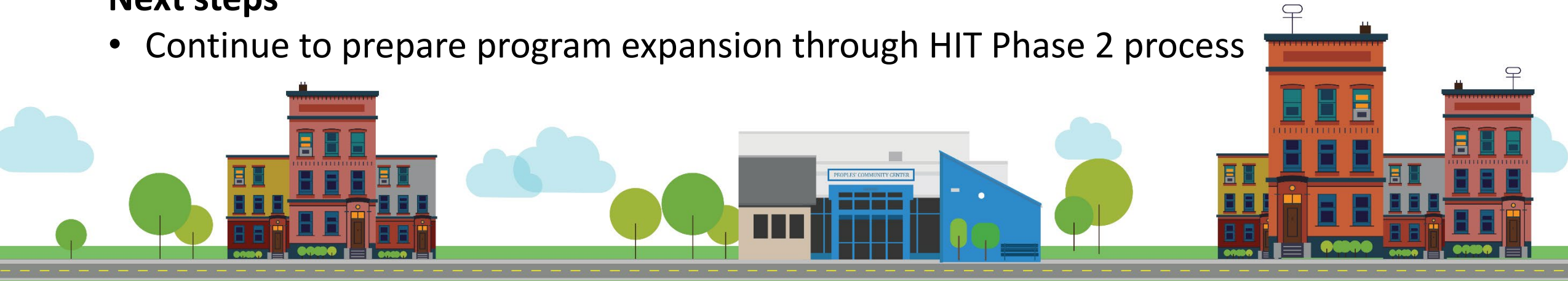
- 46 regulated rent units have started their 12-year MFTE in 2023. A total of 533 regulated units are currently in the pipeline.

2023 objectives

- Implement the 12-year and 20-year MFTE expansion mid-scale areas
- Reach out to projects with expiring MFTE and offer 12 more years if they include affordable units

Next steps

- Continue to prepare program expansion through HIT Phase 2 process

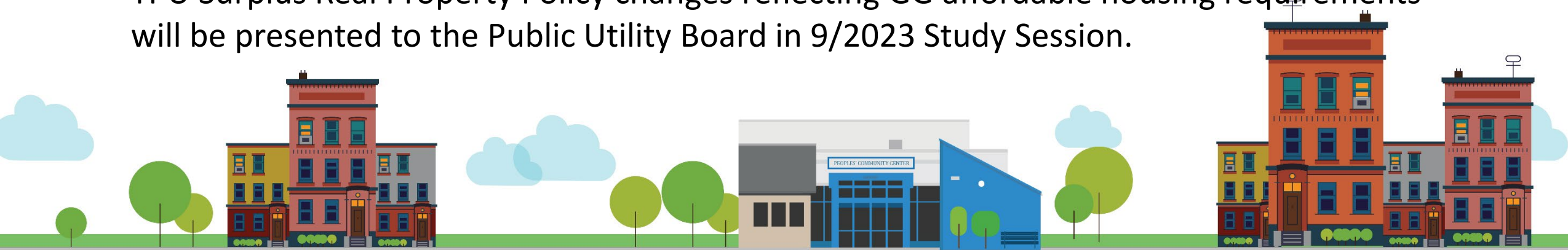


1.4 – Surplus Land Policy

Updates

An updated surplus land policy was adopted by Council on January 24, 2023. The new affordability tiers in the policy update are:

- Homeownership: 50% of units at or below 80% AMI, priority given if 75% or more of units at 80% AMI
- Rental:
 1. 30% of proposed units at or below 50% AMI
 2. 50% of proposed units at or below 65% AMI
 3. 50% of proposed units at or below 80% AMI
- TPU Surplus Real Property Policy changes reflecting GG affordable housing requirements will be presented to the Public Utility Board in 9/2023 Study Session.



1.6 – Offsite infrastructure support

Housing Equity Infrastructure Program

The goal of this program is to **encourage new diverse low density housing types on corner lots**. The program offers a fee in-lieu of construction option for curb ramps within a projects frontage with the City offering a matching project to improve the accessibility of the entire intersection.

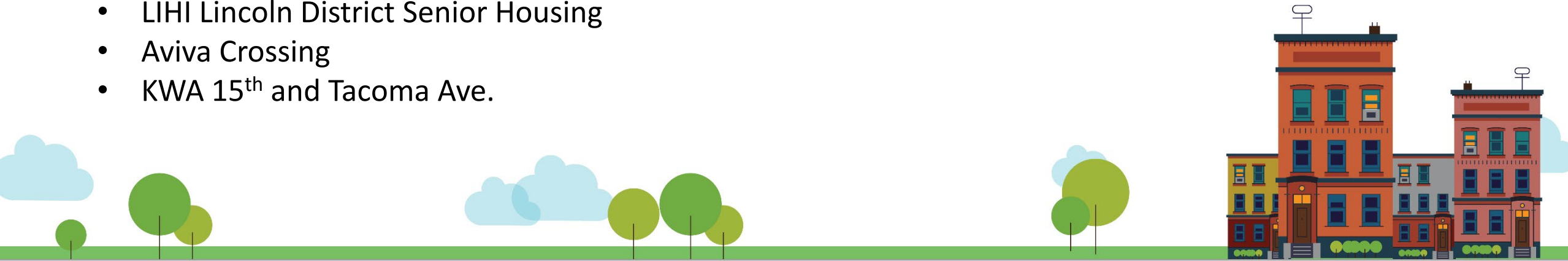
- In the 2023–2024 Budget Modification process, \$500,000 in REET allocated to partner with developments within low equity or accessibility indexed areas to build new accessible infrastructure such as curb ramps or sidewalks.

2023 objectives

- PDS/PW Establish process for Pilot Program and complete the initial two selected locations

Connecting Housing to Infrastructure Program (CHIP)

- LIHI Lincoln District Senior Housing
- Aviva Crossing
- KWA 15th and Tacoma Ave.



1.7 – Increased participation and resources for new homebuyers

Updates

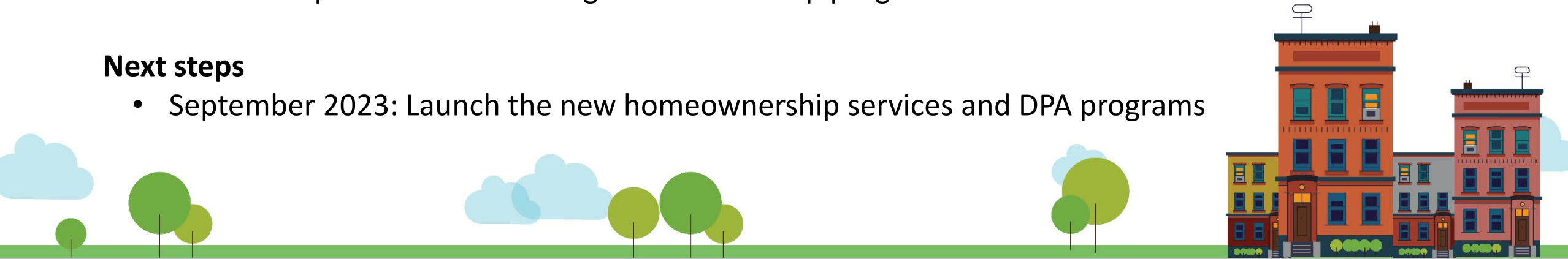
- Moving into the implementation phase of revamped homeownership services programs
- \$500,000 allocated from the City 23/24 budget
 - Homebuyer Education \$200,000
 - Down Payment Assistance \$300,000
- \$1,000,000 from the Department of Commerce for Down Payment Assistance (DPA)

2023 objectives

- Select homebuyer and financial education providers to provide workshops and 1:1 consultations
- Continued promotion of existing homeownership programs

Next steps

- September 2023: Launch the new homeownership services and DPA programs



1.9 – Affordable Housing Trust Fund

HOME Program Funds

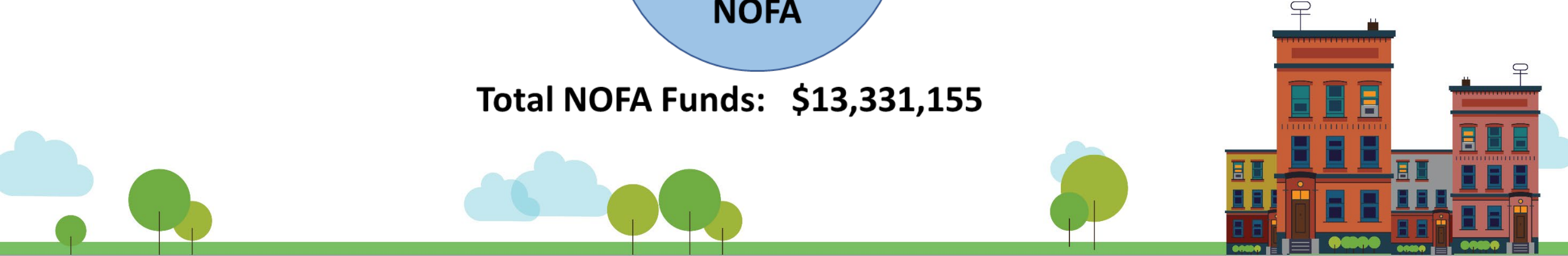
2023 Grant: \$971,265
Program Income: \$145,999

Affordable Housing Fund

HB 1590: \$ 7,948,891
HB 1406: \$ 4,265,000

2023 Affordable Housing NOFA

Total NOFA Funds: \$13,331,155



1.12 – Streamline Permit Review Process

Updates

- 13 projects in pre-development Coordinated Review
- Five projects permits submitted

2023 objectives

- **Reduce** overall processing time for project permitting by shortening the target level of service (currently reduced by 25%) and providing an increased level of coordination aimed at decreasing the number of review cycles for affordable housing projects.
- Continue to **promote development incentives** offered for affordable housing

Next steps

- Identify and address common permitting project barriers for affordable housing projects
- Seek ways to ensure all review staff can meet agreed-upon priority review timeframes consistently



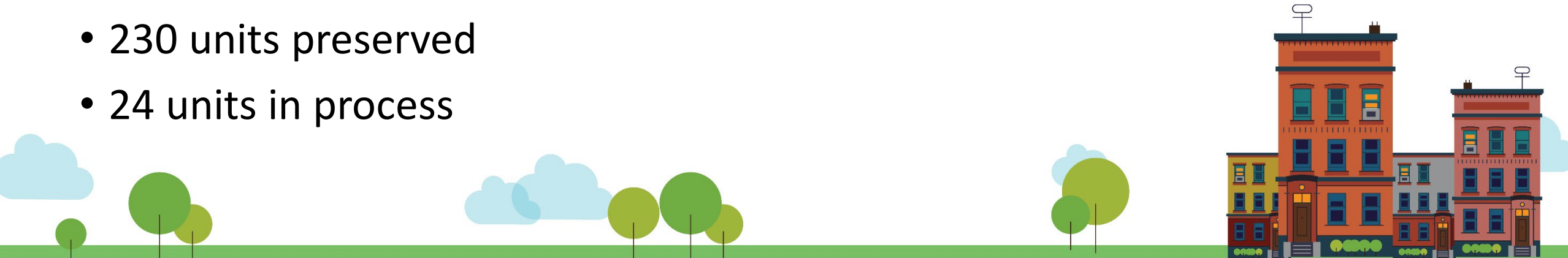
Objective 2: Keep Housing Affordable and in Good Repair

The goal of objective 2 is to **preserve 2300 existing units** of affordable by the end of 2028.

- Current programs include single family home repair program
- Programs under development include updating Tax and License rental business license tracking to improve data collection

Progress 2019 through June 2023

- 230 units preserved
- 24 units in process



2.3 – Owner Occupied Housing Repair

Updates

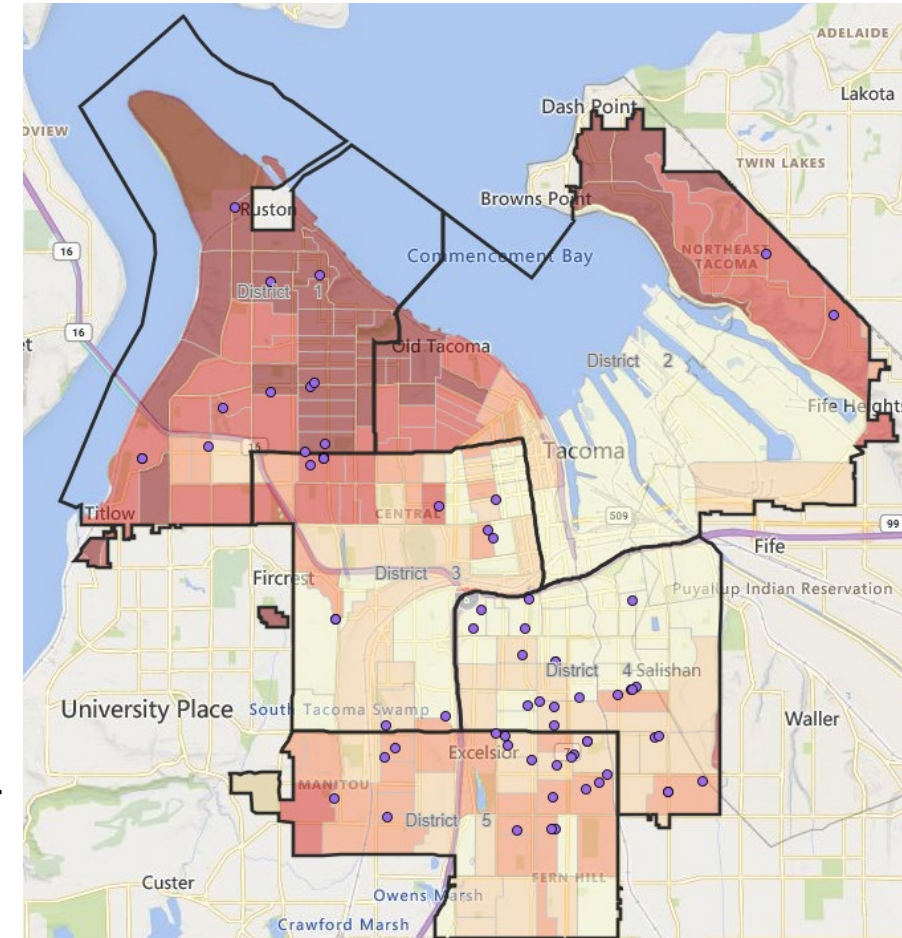
- The Single-Family Rehabilitation program completed 15 projects in the between 07/2022 - 6/2023, completing approximately \$1.4M in health and safety repairs and upgrades to owner-occupied homes, assisting housing preservation and keeping homeowners in their homes.
- Rebuilding Together South Sound completed 37 minor home repair projects between 07/2022 - 6/2023, totaling an additional \$570k investment in housing preservation.

2023 objectives

- Goal of 12 projects with just under \$1M in CDBG funds.
- RTSS executed a new contract for the 2023-24 Program Year and plans to complete approximately 35 home repair projects under this contract.

Next steps

- A targeted marketing plan utilizing the Equity Index is currently underway.



2.4 – Improve tracking of existing affordable housing properties

Updates

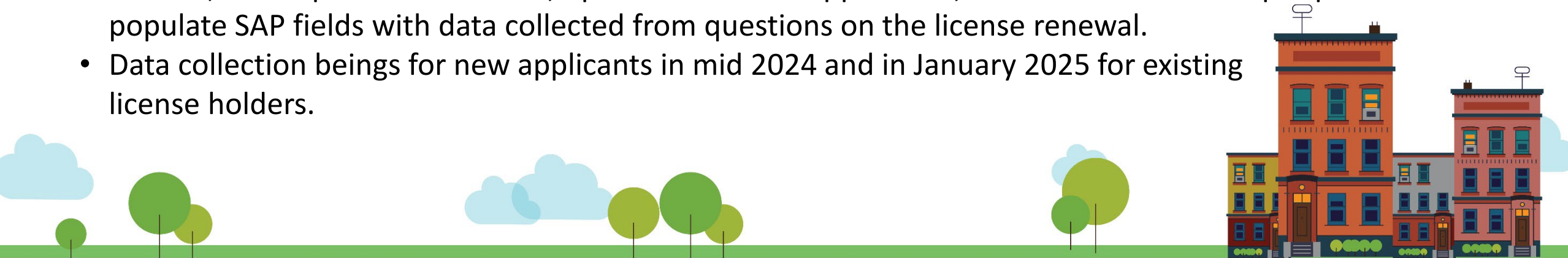
- Tax and License has submitted requirements to IT to implement a new SAP module to better track rental property information (i.e. rent amount and building info).
- This will enable better data collection for future housing policy decisions.

2023 objectives

- Amendments to Title 6 – Tax & License Code will be recommended to GPFC to strengthen the requirement for rental owners to submit data upon initial application and annual renewal of City business license.

Next steps

- In 2024, develop the SAP module, update the online application, and create the data input process to auto populate SAP fields with data collected from questions on the license renewal.
- Data collection begins for new applicants in mid 2024 and in January 2025 for existing license holders.



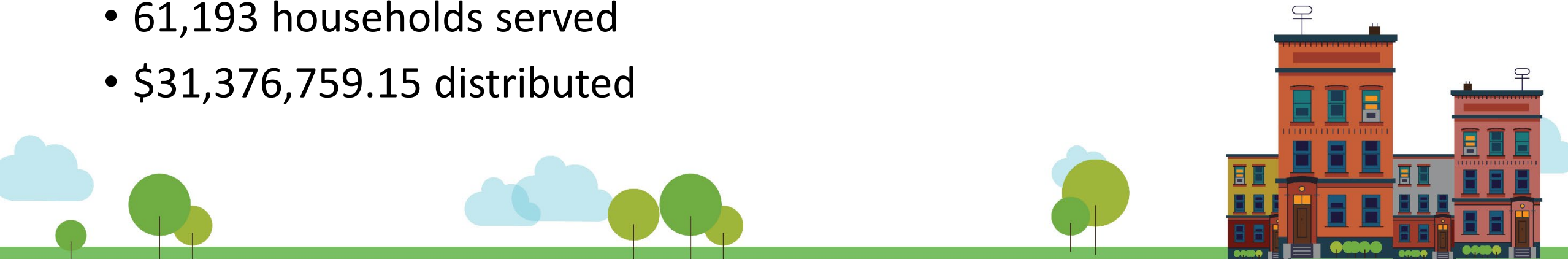
Objective 3: Help People Stay in Their Homes and in Their Communities

The goal of objective 3 is to **serve 1,200 households** by the end of 2028.

- Current programs include rental assistance, housing assistance, utility assistance, tenant relocation fund, landlord-tenant program, and foreclosure and mortgage assistance

Progress 2019 through June 2023

- 61,193 households served
- \$31,376,759.15 distributed



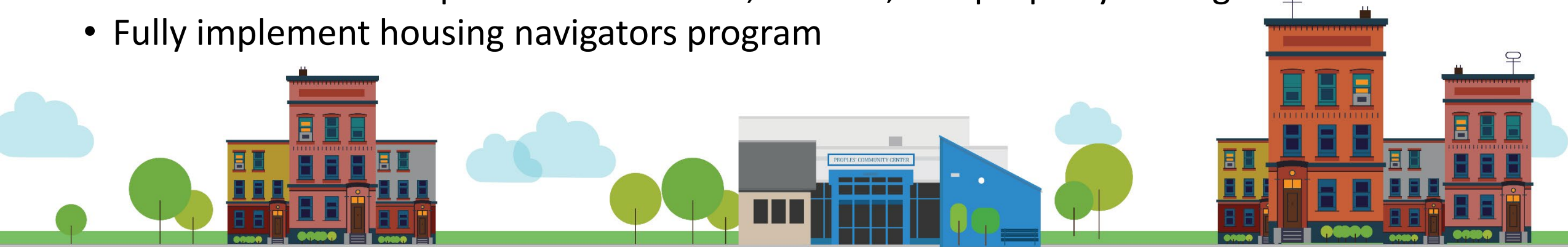
3.1 – Tenant Protections

Updates

- Served 506 households through the Landlord Tenant Program in 2023
- Updates to Rental Housing Code went into effect July 24, 2023, including:
 - 120-day notice of rent increase
 - Shared housing standards
 - Late fee and deposit standards
 - Screening criteria standards
 - Business license and health and safety requirements
 - Limitations on pet restrictions

2023 objectives

- Communicate RHC updates to landlords, tenants, and property managers
- Fully implement housing navigators program



3.2 & 4.1 – Resources for Housing and Rental Assistance

Progress since 2019

Program	Households	\$\$ Distributed
Housing assistance services	5,343	\$3,263,087.69
Rental Assistance Program	1,959	\$9,642,688.46
Emergency Assistance Program	12,765	\$2,299,394.00
Bill Credit Assistance Plan	7,746	\$1,242,704.00
Discount Rate Program	28,252	\$14,888,885.00
TOTAL	56,065	\$31,336,759.15

3.4 – Low-income homeowner relief

Updates

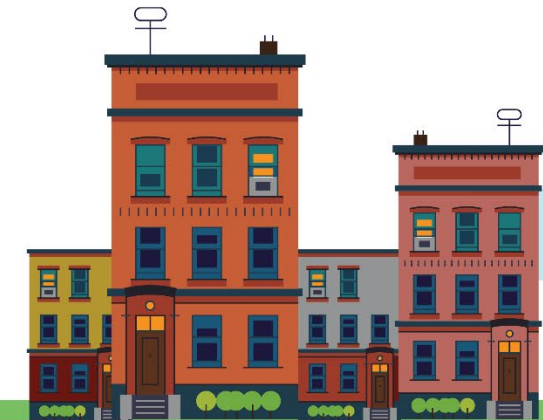
- The foreclosure prevention program launched in 2021 and has made 192 payments on behalf of **households to date, 52% were people of color, for a total of \$669,694** in assistance. The program offers Mortgage assistance and foreclosure prevention counseling to eligible homeowners.

2023 objectives

- Continue to build capacity of provider organizations through networking and technical assistance
 - Partnerships and counselor training

Next steps

- Develop long term programming for foreclosure prevention and mortgage assistance as part of a continuum of homeownership services



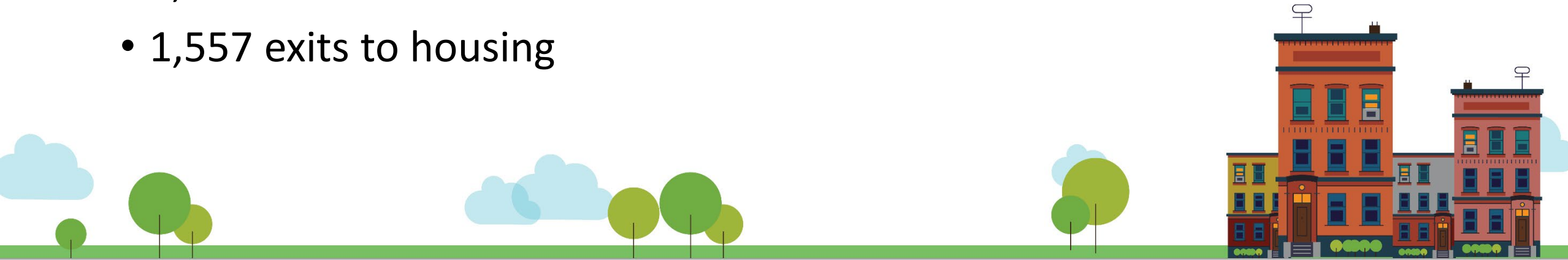
Objective 4: Reduce Barriers for Those who Often Experience Them

The goal of objective 4 is to **serve 1,000 households** by the end of 2028.

- Current programs include Temporary Emergency Micro-Shelter (TEMS) location and financial support for permanent supportive housing

Progress 2021 through June 2023

- 8,313 clients served
- 1,557 exits to housing

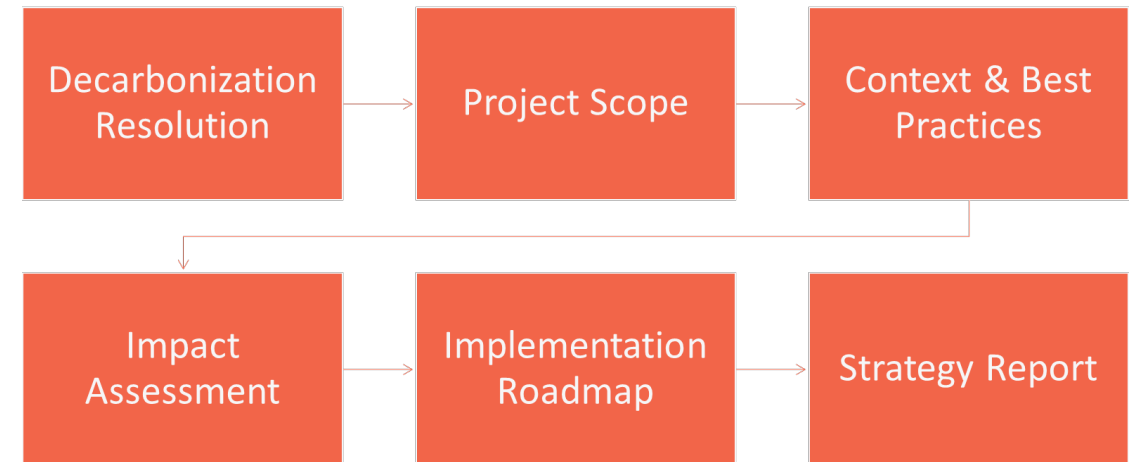


Homeless Emergency Sheltering System

SHELTER TYPE	SHELTER	Client Served in 2022	Client Served in 2023 (thru Q2)
Temporary	Bethlehem Baptist Church	89	109
Temporary	Alzheimer Memorial Church	72	56
Temporary	Shiloh Baptist Church	126	67
Emergency	Stability Site- Catholic Community Services	91	130
Emergency	Tacoma Emergency Micro-Shelter Site #3 - Low Income Housing Institute	146	110
Emergency	Tacoma Emergency Micro-Shelter Site #4 - Low Income Housing Institute	72	69
Emergency	Aspen Court- Low Income Housing Institute	142	99
Emergency	Veteran's Village- Forward Operating Base Hope	131	123
Emergency	Forging Path Community-Tacoma Rescue Mission	59	64
Permanent	Nativity House- Catholic Community Services	407	29
Permanent	The Rescue Mission Adams Street Family Shelter	251	176
Permanent	The Rescue Mission Adults Shelters	782	583
Permanent	The Salvation Army	295	64
Permanent	Beacon Young Adult Shelter- Life Enrichment Group	167	62
Permanent	Youth Crisis Residential Center	32	26
Permanent	YWCA Domestic Violence Shelter	85	64
Permanent	Korean Women's Association Domestic Violence Shelter	159	44
	Total	3106	2055

Decarbonization Strategy

- 1. Emissions:** Provide a pathway to reduce carbon emissions from existing and future building stock to meet climate action goals.
- 2. High quality of life:** Position the city to maintain a high quality of life; with healthy, resilient & affordable housing and commercial buildings through improved indoor air quality and reduced utility costs.
- 3. Long-term vision and milestones:** Set a long-term vision with clear and compelling near-, medium and long-term implementation strategies
- 4. Co-benefits:** Emphasize co-benefits and intersection between climate, housing, public health, and equity.
- 5. Engagement:** Include stakeholder/community engagement



Anti-Displacement Strategy

Current Work

Home Repair Program

Housing Assistance

Utility Assistance

Relocation Assistance

Mortgage Assistance and Foreclosure Prevention

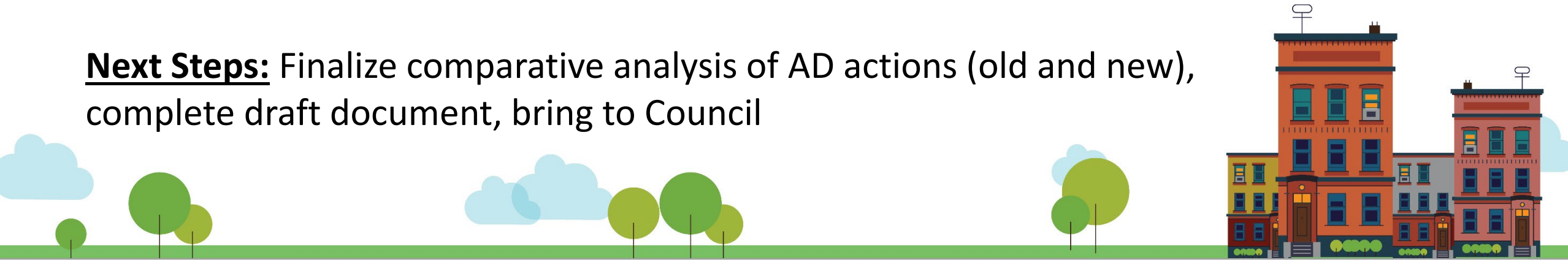
Rental Housing Code

Next Steps: Finalize comparative analysis of AD actions (old and new), complete draft document, bring to Council

Under Development

Inclusionary Zoning Changes through Home in Tacoma

Down-Payment Assistance



Affordable Housing

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