



City of Tacoma

Government Performance and Finance Committee Minutes

Dial: 253-215-8782 Meeting ID: 827 5299 8740

Webinar Link: www.zoom.us/j/82752998740 Passcode: 614650

September 21, 2021

9:30 AM

Chair John Hines, Vice Chair Lillian Hunter, Robert Thoms,
Kristina Walker, Keith Blocker (alternate), Mark Patterson (ex officio)

SPECIAL MEETING

Call To Order

Chair Hines called the special meeting to order at 9:33 a.m.

Roll Call

Present: 4 - Hines, Hunter, Thoms and Walker

All Council Members participated virtually.

Ex Officio Member Mark Patterson was also in attendance.

Approval of Minutes

1. [21-0906](#) Minutes for the meeting of April 6, 2021
2. [21-0907](#) Minutes for the meeting of April 20, 2021
3. [21-0908](#) Minutes for the meeting of May 4, 2021

MOTION: Vice Chair Hunter moved to approve the minutes of the April 6 and 20, 2021, and May 4, 2021, meetings.

SECONDED BY: Council Member Thoms.

ACTION: Voice vote was taken and carried. The motion was declared adopted.

Ayes: 4 - Hines, Hunter, Thoms and Walker

Briefing Items

4. [21-0910](#) Metrics for In-Person Public Meetings
[Council Member John Hines, Chair, Government Performance and Finance Committee]

At approximately 9:34 a.m., Chair Hines, presented on metrics for in-person public meetings, including background information; the two proposed metrics, noting the seven-day new COVID-19 hospitalizations rate being less than five per 100,000 in Pierce County, and the 14-day average case rate being under 200 in Pierce County; that the current Pierce County case rate is nearly triple those values; that once rates fall below these two metrics the City Council would discuss returning to in-person study sessions; and after six weeks under the metrics the City Council would automatically return to hybrid study session and regular business meetings.

Discussion ensued regarding the chosen metrics, if there are different metrics for one-off meetings, whether this policy applies to meetings at Tacoma Public Utilities (TPU), whether exceptions can be made for meetings already scheduled, Proclamation of Emergency Rule No. 4, establishing consistency with other governing bodies, making changes to the proposal, and revisiting this topic at the October 5, 2021, meeting to review the changes.

5. [21-0911](#) Multifamily Tax Exemption Policy
[Debbie Bingham, Project Manager, Community and Economic Development; Jacques Colon, 2025 Strategic Manager, Media and Communications Office]

At approximately 9:56 a.m., Chair Hines gave opening remarks and introduced Debbie Bingham, Project Manager, Community and Economic Development, and Jacques Colon, Tacoma 2025 Strategic Manager, Media and Communications Office. Ms. Bingham and Mr. Colon presented on the Multi-Family Property Tax Exemption Program (MFTE) policy, including an overview; historical context, noting adoption by the Washington State legislature, purpose, changes per Washington House Bill 2164, qualifications, and 2015 Tacoma Municipal Code changes; 2021 affordable rents defined; all MFTE projects from 1998 through the present, noting completed projects, projects currently under exemptions, and future projects and locations; increased usage of the 12-year exemption; exemptions in permitting by size, noting eight- and 12-year locations, and the number of units; 12-year exemptions by size over time; examples of eight-year and 12-year projects; a 2019 proposal to amend the MFTE policy; Washington Senate Bill 5287; and next steps.

Discussion ensued throughout regarding whether the incomes listed were gross or net, the original intent of the MFTE, what the problem statement is for the MFTE policy, the number of 12-year projects, a request for more information on the six-month vacancy requirement, whether the City still wants the MFTE tool, ensuring the program will bring more housing fast enough to meet demand, how much the median wage in Pierce County shifted, the rate of increased housing costs versus the increase of wages, what the City has the authority to change about the MFTE policy, market feasibility, designating new areas, restating the Committee's purpose to the full City Council, whether the housing affordability data includes utility expenses, asking Council Members to provide changes they want to see in the MFTE policy, and a request for staff to look into transit expenses for MFTE areas.

Chair Hines stated that the October 5, 2021, meeting will include a discussion with Tacoma-based developers based on a list of changes and themes they would like to see moving forward, creating a list of potential MFTE amendments to be considered by the Committee at the October 19, 2021, meeting, the problems the Committee is trying to solve, creating an MFTE policy the Committee is confident in, and whether the tax exemptions actually inspire growth.

Topics for Upcoming Meetings

6. [21-0909](#) October 5, 2021 - Multifamily Tax Exemption Policy;
 Monthly Budget Report
 October 19, 2021 - Multifamily Tax Exemption Policy;
 Monthly Budget Report
 November 2, 2021 - Hold for Multifamily Tax Exemption Policy Follow-Up

Ted Richardson, Committee Liaison, stated the next meeting will be on October 5, 2021, and will include a follow-up discussion regarding in-person public meetings, the second MFTE policy discussion, and a monthly budget report; the

October 19, 2021, meeting will also include an MFTE policy discussion; and that the monthly budget update has been rescheduled to November. Chair Hines stated that he is expecting to have potential amendments to the MFTE policy to discuss at the October 19, 2021, meeting, but further discussion may be needed at the following meeting on November 2, 2021.

Andy Cherullo, Executive Liaison, stated that he had received clarifications from the City Attorney's Office regarding the in-person public meeting discussion, and the policy does impact all City meetings including TPU, and

that the Committee's ability to make recommendations on the in-person public meeting policy is open-ended.

Public Comment

Public Comment was heard from:

1. Esther Day, speaking on MFTEs and low income housing.

Adjournment

There being no further business, the special meeting adjourned at 11:27 a.m.



John Hines, Chair



Jered Lobban, City Clerk's Office