



City of Tacoma Affordable Housing Action Strategy

Joint City of Tacoma Community Vitality and
Safety-Pierce County Human Services
Committees
April 25, 2019
ITEM #3

● ● ● PROBLEM STATEMENT



Tacoma's housing costs place quality homes out of reach for many people in our community

CITY'S RESPONSE

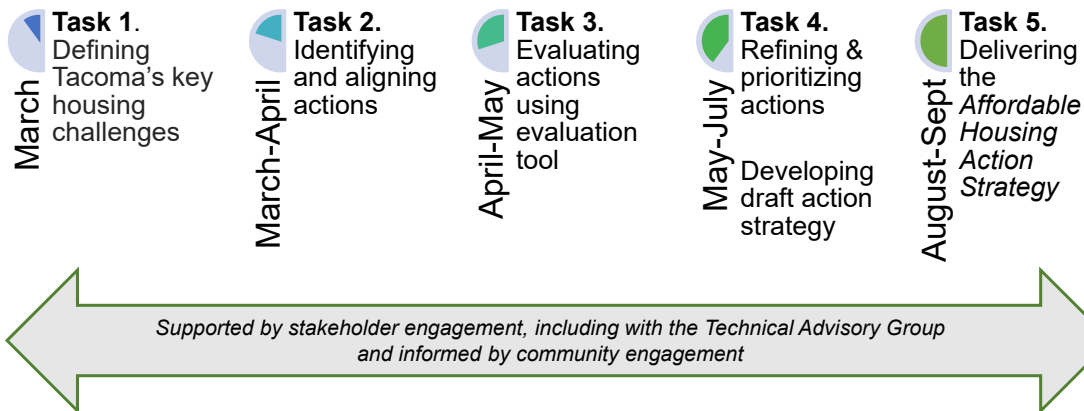


The 10-year Affordable Housing Action Strategy (AHAS) is an **urgent response** to its **changing housing market**, **increasing risk of displacement** among residents, and **widespread need for high-quality, affordable housing opportunities** for all.

DEVELOPMENT OF THE AHAS



AHAS project timeline (2018)



DEVELOPMENT OF THE AHAS



The AHAS used a data-driven approach:

- Housing needs assessment
- Analysis of short-term and long-term market trends
- Development and application of Housing Market Policy Dashboard

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OUTREACH FOR THE AHAS



The AHAS was developed through a range of outreach and engagement activities.

7

In-person community meetings

256

Online survey responses

4

Focus groups and interviews

7

Stakeholder interviews

7

Staff interviews

8

Technical Advisory Group meetings

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SNAPSHOT OF HOUSING MARKET CONDITIONS & NEEDS



Accelerating housing market conditions

Rent increased by 16% at single-family rentals & 17% at multifamily properties between March 2016 and March 2018.



Limited rental supply

Unmet need is greatest among extremely low-income households, followed by very low-income households.



Cost-burdens among households

Forty (40%) of households in Tacoma pay at least 30% of their income on housing costs each month.



Barriers accessing and staying in a home

Residents face a range of issues that affect their access to affordable housing units, such as navigating multiple systems and language barriers.

SOURCES: ZILLOW, MARCH 2016-2018; 2016 AMERICAN COMMUNITY SURVEY 1-YEAR ESTIMATES; SOURCES: INTERVIEWS, FOCUS GROUPS, AND OTHER OUTREACH ACTIVITIES FOR THE AHAS (MARCH-MAY 2018).

UNMET NEED FOR HOUSING

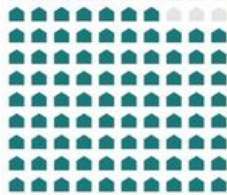


RENTAL HOUSING SUPPLY & DEMAND

Tacoma has...



87 affordable & available units for every 100 **LOW-INCOME** households



WIDESPREAD, PERSISTENT NEED

The City of Tacoma has a shortage of affordable and available rental units for low-income households. Forty percent of households in Tacoma pay more than 30% of their gross income on housing each month.

Source: 2016 American Community Survey PUMS 1-Year Estimates.

COST-BURDENED HOUSEHOLDS

16% of households (13,386) pay gross **50% OR MORE** of their monthly income on housing costs



40% of households (32,842) pay gross **30% OR MORE** of their monthly income on housing costs

DASHBOARD OVERVIEW



Visit the Housing Market Policy Dashboard at:
<http://tacoma.berk-maps.com/>

Key assumptions:

- Development will only occur where financially feasible.
- Developers will build to maximum capacity.
- Models multifamily development only.

Relationship to AHAS:

- Informed proposed updates to inclusionary housing and the Multifamily Property Tax Exemption Program.
- Enables ongoing monitoring and evaluation of market-based tools.

OVERVIEW OF THE AHAS

The AHAS includes:

- Four strategic objectives and 27 supporting actions focused on:
 - Production of new homes (Strategic objective 1)
 - Preservation of existing homes (Strategic objective 2)
 - Help people stay in their homes and communities (Strategic objective 3)
 - Removal of barriers to housing (Strategic objective 4)
- Implementation Plan
- Metrics to monitor and report implementation over time:
 - Number of units produced
 - Number of units preserved
 - Number of households served

OVERVIEW OF THE AHAS



Summary of strategic objectives and selected actions

Strategic objective 1

Create more homes for more people.

- Create a local source of funding.
- Modify inclusionary housing provisions.
- Explore innovative, low-cost housing solutions

Strategic objective 2

Keep housing affordable and in good repair.

- Adopt a preservation ordinance.
- Develop a system for derelict properties.
- Explore a rental inspection program.

Strategic objective 3

Help people stay in their homes and communities.

- Expand tenants' protections.
- Create resources for housing crises.
- Create a source of local tax relief.

Strategic objective 4

Reduce barriers for people who often encounter them.

- Streamline rental assistance processes.
- Create stronger alignment across CoC.
- Earmark funds for services.

ESTIMATED INVESTMENT



Summary of strategic objective by estimated investment and targets

Strategic objective 1

Produce more homes for more people.

6,000 units
\$15 - \$33 million

Strategic objective 2

Keep homes affordable and in good repair.

2,300 units
\$10 - \$24 million

Strategic objective 3

Help people stay in their homes or communities.

1,200 households
\$2 - \$4 million

Strategic objective 4

Reduce barriers for people who often encounter them.

1,000 households
\$3 - \$7 million

INTENDED OUTCOMES



Guided by the Affordable Housing Action Strategy, the City of Tacoma will dramatically increase over a 10 year period **its investments in new rental and homeownership opportunities** and **establish broader anti-displacement measures.**

Together, this approach has the potential to reach **10,500 households** living in the City of Tacoma.

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IMPLEMENTATION OF THE AHAS



The AHAS will be implemented through:

- Implementation Strategy that involves cross-departmental collaboration and coordination
- Ongoing education and outreach
- Existing, expanded, or new resources (funding, staff, expertise, etc.)
- Partnerships with local, regional, state, and federal entities
- Monitoring, evaluation, and reporting

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QUESTIONS & CONTACT INFORMATION



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