



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Daniel Murillo, Housing Division Manager, Community and Economic Development Department  
Jeff Robinson, Director, Community and Economic Development Department  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution approving the Affordable Housing Action Strategy – September 25, 2018  
**DATE:** September 10, 2018

**SUMMARY:**

This memorandum requests City Council consideration of a resolution to receive the Affordable Housing Action Strategy.

**STRATEGIC POLICY PRIORITY:**

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.

The affordable housing crisis continues to create situations where households have to choose between paying rent or a mortgage payment or paying for food. To choose between paying the power bill or gas in their vehicle. The Affordable Housing Action Strategy endeavors to prevent families from having to make these choices.

**BACKGROUND:**

The Affordable Housing Action Strategy (AHAS) represents the City of Tacoma’s strategic response to a changing housing market, increasing displacement pressure among residents, and a widespread need for high-quality, affordable housing opportunities for all. While the City has a strong legacy of working to solve its affordable housing challenges, it recognized a need for a more comprehensive approach to its housing investments—both today and in the future.

To achieve this, the City contracted with Enterprise Community Partners to develop a comprehensive strategy that will tackle this issue head on over the next ten years. To inform this process, the City convened a Technical Advisory Group of key stakeholders, conducted community outreach to include one-on-one discussions with those experiencing a housing challenge, focus groups and listening sessions and reviewed data sources. Housing Division staff of the Community and Economic Development Department also updated the City Council on the progress of the AHAS at their April 10, June 12, and July 24, 2018 Study Session meetings.

**ISSUE:**

The City of Tacoma lacks enough affordable, safe, sanitary and high-quality homes for all its residents. Today, nearly 33,000 households in Tacoma pay at least 30 percent of their income on housing costs each month, reducing their ability to pay for other necessities. The greatest need is among households with the lowest incomes and in some cases, with the highest barriers to accessing housing opportunities. The cost of rental homes increased by nearly 40 percent and home values nearly doubled since 1990, and within the last few years, these costs have begun to accelerate.

Throughout the broad community outreach that informed the AHAS, many Tacoma residents shared that the city’s economic growth is a source of stress in their lives. Recent spikes in housing costs and a limited supply of housing options have created uncertainty for them, in addition to other barriers. Seniors face long waiting lists at properties built to serve them; families live in overcrowded conditions; and interested homebuyers experience steep costs and competition for homes. As such, the city’s housing supply cannot meet the daily needs of its residents.



The AHAS focuses on how to enhance existing policies and programs that the city is already using to serve more people; identify and deploy additional funding; and establish strong anti-displacement measures to stabilize existing residents. It will accomplish this through the implementation of four strategic objectives. These are:

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.

Each strategic objective is supported by a set of actions and implementation steps. Targets and their associated level of investment were broadly estimated for each strategic objective. These targets are intended to guide public investments in housing activities and enable the City of Tacoma to track and report its progress along three key metrics:

1. Number of units produced
2. Number of units preserved
3. Number of households served

**ALTERNATIVES:**

The City Council can decide not to receive the AHAS. In that event, the City will not have the ability to expand current efforts and create new opportunities to address the growing housing crisis.

**RECOMMENDATION:**

Staff recommends that the City Council adopt the resolution receiving the Affordable Housing Action Strategy. Through implementation of the AHAS over the next ten years, the City will dramatically increase its investments in new rental and homeownership opportunities and establish broader anti-displacement measures, including preserving affordable units at-risk of converting to market-rate rent and creating comprehensive protections for renters. Together, this approach has the potential to produce 6,000 new affordable units; preserve 2,300 existing affordable units; and serve an additional 2,200 households by 2028. In total, these new or preserved units and new services or programs will reach 10,500 households living in the City of Tacoma.

**FISCAL IMPACT:**

There is no fiscal impact associated with receiving the AHAS. However, the AHAS contains a series of recommendations that call for a large investment of public, philanthropic, and private resources totaling as much as \$70 million over the next 10 years. City staff will incorporate these cost impacts as it brings forward implementation actions over the next several years.



FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
N/A			
<b>TOTAL</b>			

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
N/A			
<b>TOTAL</b>			

**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A			
<b>TOTAL</b>			

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*