

2

Agenda

How We Got Here – Key Inputs

- Background
- Public Input
- State Legislation
- Health Impact Assessment (HIA)
- Environmental Impact Statement (EIS)
- Housing Type Test Fits
- Economic Feasibility Testing

Overview of Planning Commission Recommendations

- Zoning
- Development Standards
- Affordability Incentives
- Parking
- Landscaping and Trees
- Other Recommendations

Next Steps (Community meetings, Council Public Hearing)



Policy Background

Key Guiding Principles:



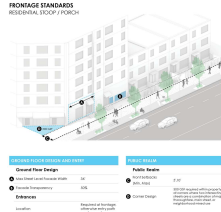
Meet Tacoma's newly adopted housing growth vision



Use development scale as organizing characteristic



Prioritize walkability, transit, cycling and complete neighborhoods



Create predictable, flexible regulations and requirements



Reflect neighborhood patterns such as yards, building scale, height

Phase 1 adopted by City Council in December 2021 (Ordinance No. 28793)



Home In Tacoma & Affordable Housing Action Strategy

Affordable Housing Action Strategy (AHAS) Objectives

- Objective 1:**
More homes for more people
- Objective 2:**
Keep housing affordable and in good repair
- Objective 3:**
Help people stay in their homes and communities
- Objective 4:**
Reduce barriers for people who often encounter them

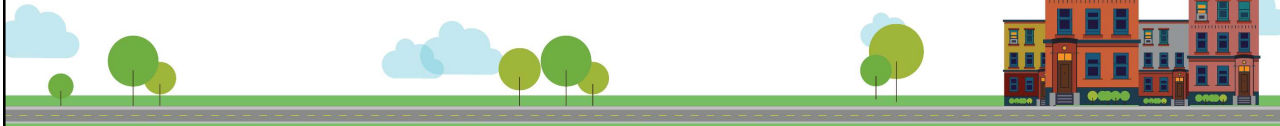
Home In Tacoma (HIT)

Updating Tacoma's housing rules to promote housing supply, choice and affordability

- Residential zoning and standards
- Affordable housing regulatory tools
- Actions to support growth

State Legislative Housing Bills (HB)

1. HB-1110 Middle Housing Bill (2023)
2. HB-2321 Modifying the Middle Housing Requirements (2024)
3. HB-1337 ADU Support Bill (2023)
4. SB-5412 Expanded State Environmental Policy Act (SEPA) Exemptions for Infill (2023)
5. SB-5235 Prohibits Zoning Limits on Housing Occupancy (2021)
6. HB-1998 Supporting Co-Living Housing (2024)
7. SB-6015 Residential Parking Requirements (2024)
8. HB-2071 Studying Building and Energy Code Adjustments for Residential Housing (2024)
9. HB-1220 Planning for Affordable Housing and Supportive Housing (2021)
10. HB-1377 Affordable Housing Development on Religious Organization Property (2019)
11. HB-1054 Restricting Owners' Associations from Limiting Housing Unit Occupancy (2024)
12. SB-5796 Concerning Common Interest Communities and Unlawful Restrictions/Covenants (2024)
13. SB-6173 Additional Flexibility to Support Affordable Homeownership (2024)
14. SB-6059 Concerning the Sale or Lease of Manufactured/Mobile Home Communities (2024)
15. HB-1181 Updating the State's Planning Framework Relative to Climate Change (2023)



Home in Tacoma and State Housing Mandates

HIT implements state mandates, including...

- Allow middle housing (4 units per lot, 6 units near major transit)
- Offer affordability bonuses (2 more units if they are affordable for 50-years)
- Allow 2 Accessory Dwelling Units per lot
- Allow separate ownership of dwellings on the same lot
- No parking can be required ½-mile from major transit stops

HIT goes further and addresses more issues, including...

- Proposed UR-3 District (allows more housing)
- Middle housing design and scale standards
- Lot size flexibilities (2,500 sq ft lots)
- More affordability tools (deeper/fully affordable bonus, Multifamily Tax Exemption)
- More areas with no required parking, bike parking updates
- Trees and amenity space with housing (including tree preservation on all lots)
- Building retention and reuse incentives
- More flexibility for non-residential uses
- Utilities and access standards



The Housing Challenge

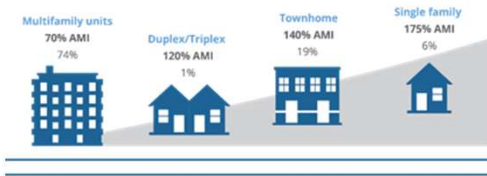
Ownership Market (2016-2019)



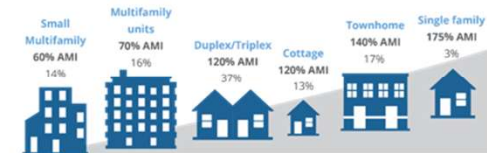
Rental Market (2016-2019)



NO MISSING MIDDLE POLICY CHANGE



WITH MISSING MIDDLE ADDED TO LOW DENSITY RESIDENTIAL



Tacoma's Affordable Housing Targets (per HB-1220)

	Total	Permanent Housing Needs by Income Level (% of Area Median Income)					
		0-30%	>30-50%	>50-80%	>80-100%	>100-120%	>120%
Est. Supply (2020)	92,310	5,061	9,574	35,970	17,418	9,633	14,654
Allocation (2020-2044)	42,865	13,021	7,949	6,283	2,705	2,452	10,455

Community Input

Phase 1

- 24 Housing Equity Champions trained
- 100 comments on Environmental Impact Statement
- 1,100 Home in Tacoma Survey responses
- 100+ comments on Ideas Wall
- Community events and meetings

Phase 2

- 8 City Council Open House Events
- Online Ideas Wall
- Housing Equity Champions engagement
- 14 Community Events and Meetings
- 1,000+ community members engaged

Public Hearing

- 100,000+ mailers sent
- 4 Information events - 300+ participants
- City Commission, Taskforce, Community and Neighborhood council presentations and events
- 1,500+ total comments (online, in-person and public hearing)

Community Input – What We Heard

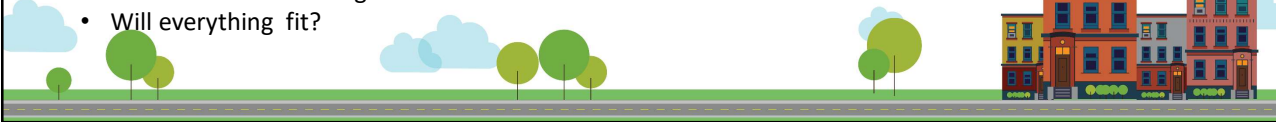
Main Topics

- Zoning (map, densities, scale, land uses)
- Parking
- Tree Requirements
- Infrastructure
- Compatibility



Top questions

- How will HIT provide affordable housing?
- How will new housing fit with the character of existing neighborhoods?
- How can we preserve and add trees and open space with development?
- How does new state legislation affect Home In Tacoma?
- Will everything fit?



Health Impact Assessment Scope

Density changes

- Impacts associated with increased physical activity.
- Impacts on housing stability and habitability.

Transportation network changes

- Impacts associated with changes in air quality.
- Impacts associated with increased connection to opportunities.

Tree canopy cover changes

- Impacts associated with urban heat island effect.
- Impacts associated with respiratory disease.
- Impacts on mental health.

Erin Dilworth
edilworth@tpchd.org
 (253) 722-4287



Select Recommendations for City Council Consideration

- **Maximize density.**
 - An influx of middle housing options will:
 - Increase affordable home ownership and rental opportunities citywide
 - Decrease displacement risk in the long-term.
- **Study the feasibility of adopting a residential habitability standard into the Building and Development Code.**
- **Enhance and clarify tree planting and retention protections.**
 - Ensure existing tree canopy and air quality disparities do not worsen.
 - Strongly support the EIS Mitigation Measure; “Expand tree preservation regulations on private property and in the right-of-way.”
- **Encourage public transportation use with reduced parking minimums.**
 - Will also improve local air quality.



Environmental Impact Statement

Purpose

- To inform decision-makers and the public regarding potential impacts and what we could do about them

Methodology

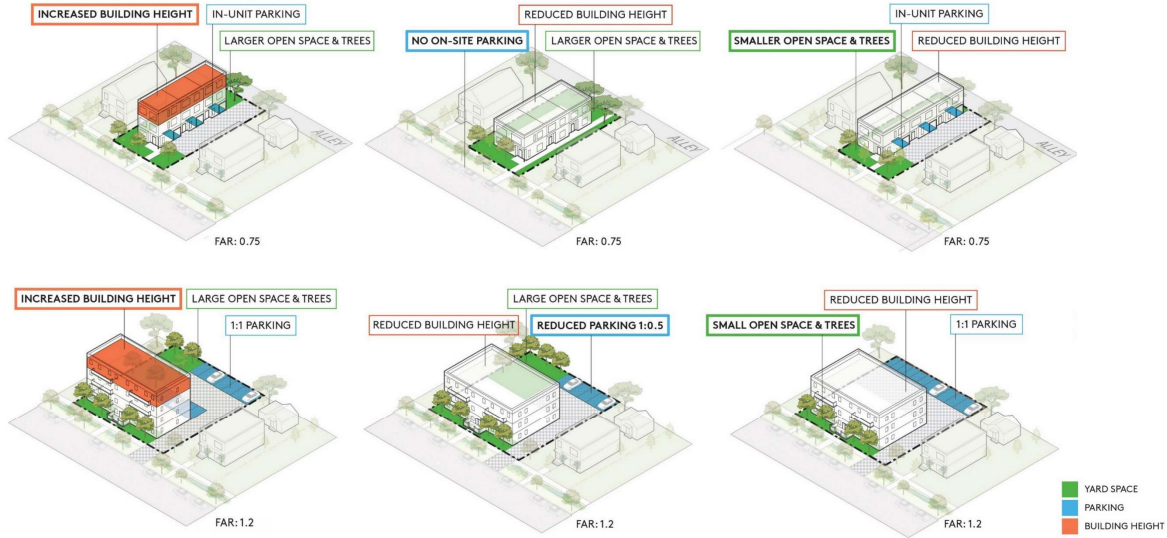
- Scope set publicly in 2023 to study 9 topics
- 2+ years of analysis and expert input
- Studied a range of growth scenarios (existing, low and high)
- Draft EIS accompanied public review draft (Feb-Mar 2024)
- Final EIS supports City Council action (to be issued Aug 2024)

Conclusions

- HIT will have impacts, however EIS *shows no significant adverse impacts*
 - **Positive:** Housing + land use goals; efficient use of land/infrastructure; new standards in HIT package
 - **Negative:** Site + infrastructure impacts; demand for services
- Overall, we have tools to address impacts.* The EIS highlights opportunities to do more, such as...
 - ✓ **Plants & Animals:** Proactive tree planting
 - ✓ **Water Resources:** Critical Areas Code
 - ✓ **Air Quality/GHG's:** Construction & Demolition Code
 - ✓ **Land Use:** Monitor & adjust to pace of growth
 - ✓ **Housing:** Anti-Displacement Strategy
 - ✓ **Transportation:** Build active transportation network
 - ✓ **Public Services/Utilities:** Standards updates
 - ✓ **Parks & Recreation:** Pedestrian safety investments
 - ✓ **Historic, Cultural & Archaeological:** Proactive approach

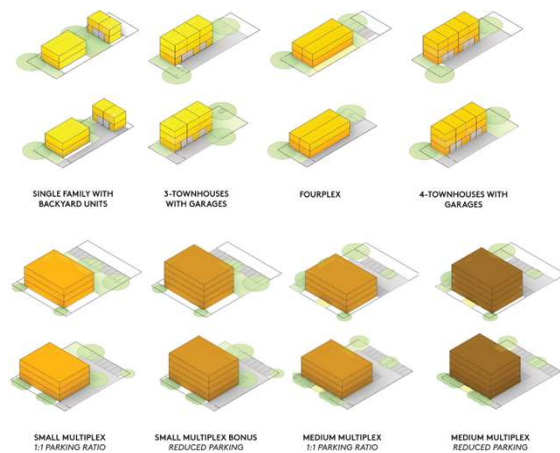
*Funding (impact fees and system development charges) may apply to several categories listed above.

Tradeoffs Between Housing, Parking & Landscape



Housing Test Fits and Feasibility Analysis

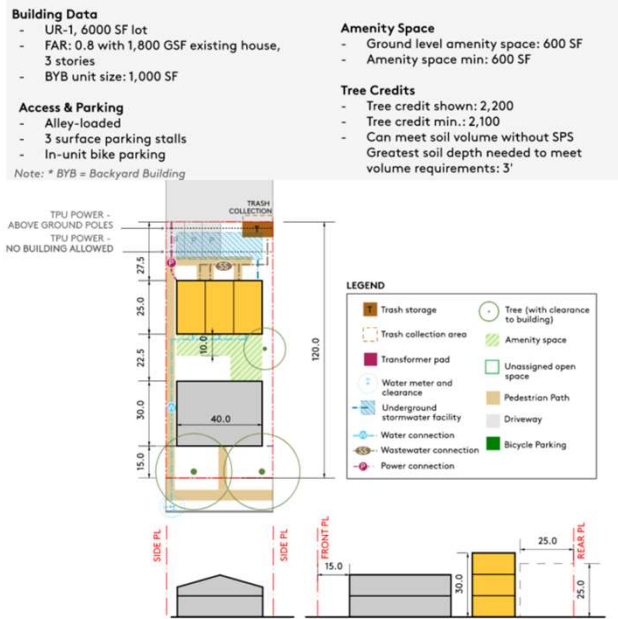
- Tested scenarios for each housing type at multiple densities, including trees and amenities
- Informed draft code and discussions about infrastructure flexibilities
- Basis for development feasibility analysis prototypes
- Test fits revisited multiple times as the proposal evolved, including pre-public draft and after the Planning Commission finalized their recommendations



Detailed Test Fits

- Focused on several of the most constrained initial test fits
- Included (and informed) infrastructure standards such as driveway widths, above- and below-grade utilities, parking dimensions, and solid waste
- Tested on hypothetical flat lots, without existing trees
- Informed changes to the public draft
- Consulted with Tacoma Permit Advisory Group
- Recently updated with Planning Commission's recommended code-changes

#1 Retain House + 3-Unit Backyard Building ¹⁵

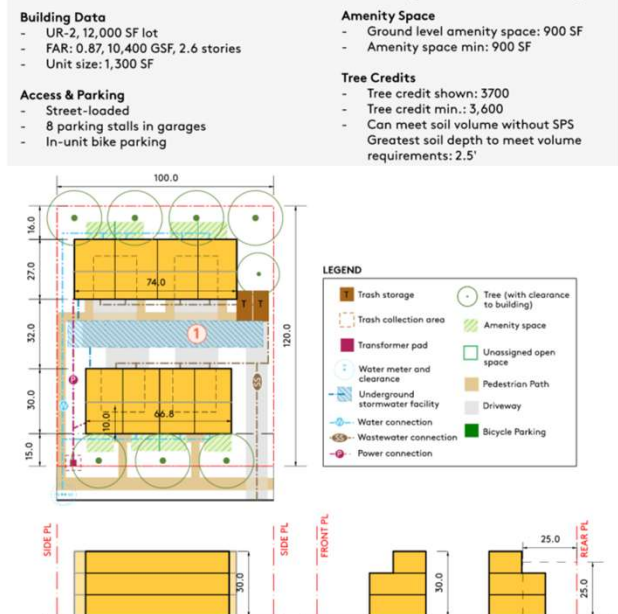


Test Fit Conclusions

- The code works well for most sites:
 - 2 backyard units with existing house*
 - Duplexes and triplexes with garages*
 - 4 townhouses with garages*
 - 6 units without parking*
 - Stacked units*
 - Townhouses on combined lots
 - Multiplexes on combined lots
- The code is tight for some sites:
 - 3 backyard units with existing house*
 - 6 or more units with parking*
- Amenity reductions by the Planning Commission helped
- Utilities and access standards updates are critical
- Not every site can develop to max densities (due to site conditions like soils, trees, slopes, etc.)

* on typical 6,000 sflot unless otherwise mentioned

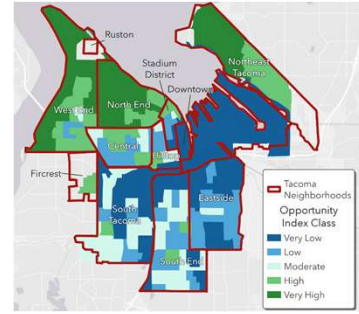
#3 4 Rowhouses with 4 Backyard Buildings ¹⁶



Economic Feasibility & Bonuses

Key Findings

- Most housing types are **more financially feasible than single-family** due to increase in density
- **For-sale ownership prototypes tended to be more financially feasible** than rental prototypes, especially when comparing similar densities
- In general, **townhouse-type developments (especially the side-by-side duplex) are the most feasible**, followed by multiplexes
- Duplexes and townhouses tend to be more feasible while some rental types, specifically **courtyard housing, are less feasible due mostly to market dynamics**
- Parking requirements can make it difficult to fit an efficient building and parking on a lot. **Feasibility could increase for rental housing types if parking requirements are relaxed**
- Bonus incentives should be **valuable for the City and make financial sense for developers**



	Blended Opportunity Index	Market Area
Central	Moderate	Low
Downtown	Very Low	High
Eastside	Very Low to Low	High
Fircrest	High	Medium
Hilltop	Low to Moderate	Medium
North End	Very High	High
Northeast Tacoma	High to Very High	High
South End	Low	Low
South Tacoma	Low	Low
Stadium District	Very Low	Medium
West End	High to Very High	Medium

Planning Commission Recommendations

- Zoning
- Housing Types and Building Design
- Development Standards
- Parking Requirements
- Affordability & Retention Bonuses
- Unit Lot Subdivision
- Amenity Space & Trees
- Other Commission Recommendations



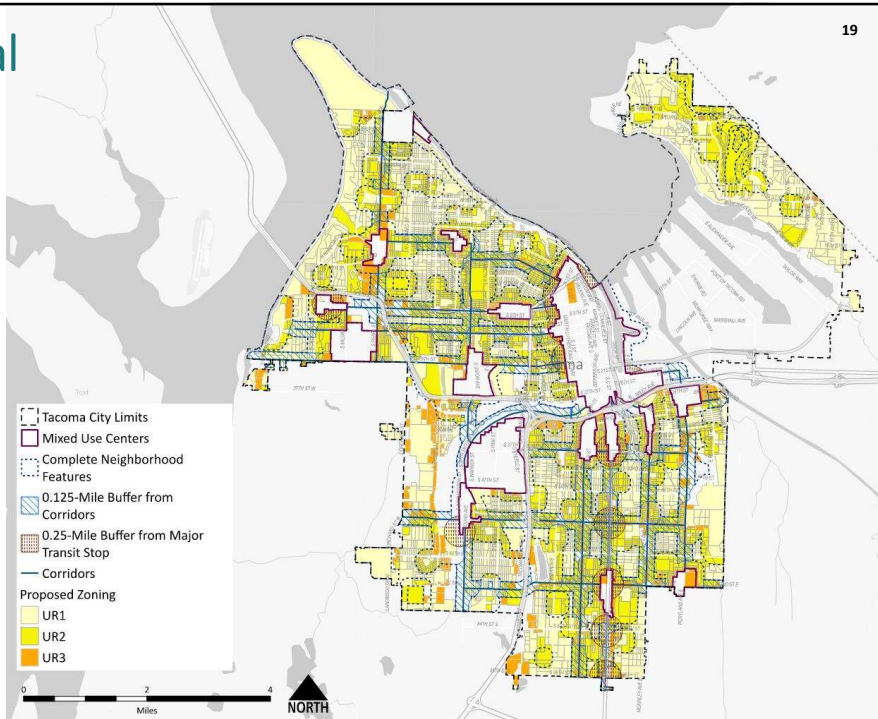
Urban Residential Zones

Follows Comp Plan, HIT Phase 1 & HB-1110

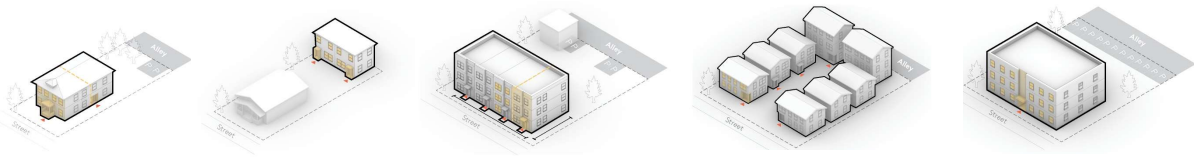
- Low-scale Residential = UR-1 and UR-2
- Mid-scale Residential = UR-3

UR-2 in walkable areas

- 1/8-mile of “complete neighborhood features”
- 1/4-mile of “major transit stations” (per HB-1110)
- Existing PRD’s (outside of Parks/Open Space designations)



Housing Types



Houseplex

A single building with up to 6 units which is generally the size of a single-unit house, includes an entry from the street and a backyard

Allowed in UR-1/2/3

***Note: Single-unit houses are considered Houseplexes and are allowed in all zones**

Backyard Building

A building located behind another structure at the rear of a lot, which may contain a garage

Allowed in UR-1/2/3

Rowhouse

A multi-story building with access to the street from a front door; it is always attached to 2 to 5 other Rowhouses, which together create a "Rowhouse Cluster"

Allowed in UR-1/2/3

Courtyard Housing

A group of detached or attached units arranged around a shared courtyard which is a shared social space taking the place of private back yards

Detached Courtyard Housing is allowed in UR-1/2/3. Attached is allowed in UR-2/3

Multiplex

A medium building consisting of 7 or more stacked units with the appearance of a large house or a small apartment building

Allowed only in UR-3

District Development Standards

	UR-1	UR-2	UR-3
Density (Units per 6000 sf lot)	<ul style="list-style-type: none"> • Baseline: 1/1500 sf (4 per lot) • Bonus 1: 1/1000 sf (6 per lot) • Bonus 2: 1/750 sf (8 per lot) 	<ul style="list-style-type: none"> • Baseline: 1/1000 sf (6 per lot) • Bonus 1: 1/750 sf (8 per lot) • Bonus 2: 1/500 sf (12 per lot) 	<ul style="list-style-type: none"> • Baseline: 1/750 sf (8 per lot) • Bonus 1: 1/500 sf (12 per lot) • Bonus 2: 1/375 sf (16 per lot)
FAR	<ul style="list-style-type: none"> • Baseline (1-2 units): 0.6, 3+ units: 0.8 • Bonus 1: 1.0 • Bonus 2: 1.2 	<ul style="list-style-type: none"> • Baseline (1-2 units): 0.8, 3+ units: 1.0 • Bonus 1: 1.2 • Bonus 2: 1.6 	<ul style="list-style-type: none"> • Baseline (1-2 units): 1.0, 3+ units: 1.2 • Bonus 1: 1.6 • Bonus 2: 2.0
Height	<ul style="list-style-type: none"> • Baseline: 35 ft (25 ft rear yard) • Bonus 1: 35 ft rear yard • Bonus 2: Same 	<ul style="list-style-type: none"> • Baseline: 35 ft (25 ft rear yard) • Bonus 1: 35 ft rear yard • Bonus 2: Same 	<ul style="list-style-type: none"> • Baseline: 35 ft • Bonus 1: 45 ft (4 stories) • Bonus 2: 45 ft (5 stories)
Front & Rear Setbacks	<ul style="list-style-type: none"> • Baseline: 15 ft • Bonus 1: 10 ft • Bonus 2: 5 ft 	<ul style="list-style-type: none"> • Baseline: 15 ft • Bonus 1: 10 ft • Bonus 2: 5 ft 	<ul style="list-style-type: none"> • Baseline: 10 ft • Bonus 1: 7.5 ft • Bonus 2: 5 ft

Density assumes a typical 6000 sf lot; 4 units + 2 bonus allowed on pre-existing lots per HB 1110

Parking Requirements

Reduced to make space for housing

In all UR Districts

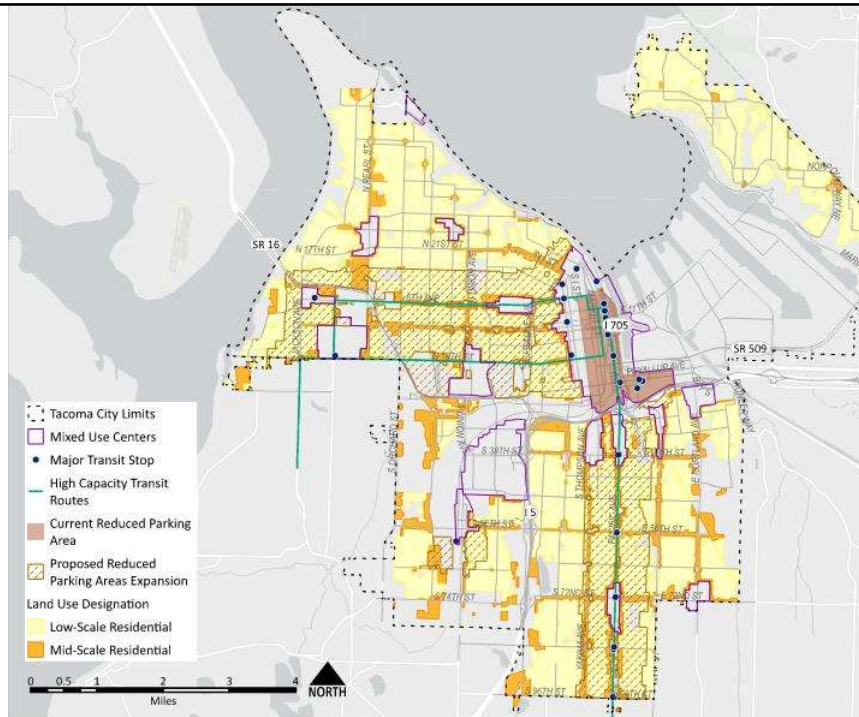
- Reduced to 1 - 0.5 spaces per dwelling
- Additional reductions for bonus units, ADUs

Within the Reduced Parking Area

- No parking required (except accessible)
- Reduced Parking Area reflects ½-mile walking distance from major transit stations, transit routes 1 & 2

Standards changes

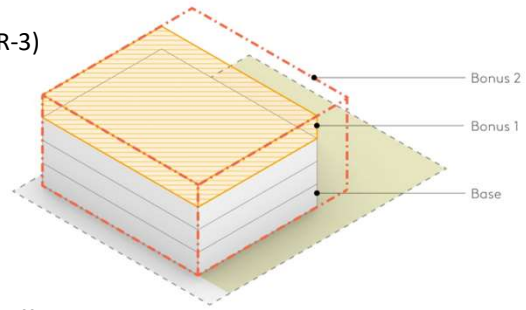
- Driveway widths reduced
- Bike parking required



Incentive Bonuses

Bonuses offered (can be combined)

- More units (density)
- Larger Buildings (floor area or FAR)
- Taller Buildings (Rear yard in UR 1 & 2, entire building in UR-3)
- Parking reductions
- Multifamily Tax Exemption (in UR-3)
- Relaxed Setbacks (front and rear)
- Reduced Tree Canopy requirement

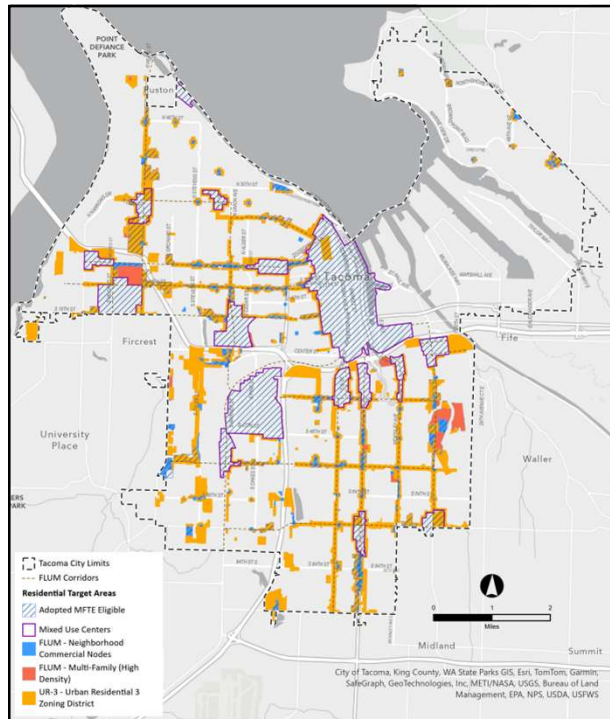


Public Benefits

- Two affordability levels: moderately affordable and deeply affordable
 - One visitable unit required in affordable bonus
- Building retention: Keep existing building while adding units to site

Affordability

	UR-1	UR-2	UR-3
Voluntary or Mandatory?	Voluntary		
Length of Affordability	50 years		
Fee in lieu (based on Consumer Price Index) (currently \$10,000 per bonus unit) (*Fee goes to the Housing Trust Fund)	\$62,000 per unit	\$62,000 per unit	\$72,000 per unit
	Bonus 2: (Deeper affordability) Fee not allowed		
Number of Units	2 bonus units (or 20%)	2 bonus units (or 20%)	20% of total units
Affordability requirement: Area Median Income (AMI)	80% AMI rental, 100% AMI ownership Bonus 2: 60% AMI rental, 80% AMI ownership	80% AMI rental, 100% AMI ownership Bonus 2: 60% AMI rental, 80% AMI ownership	70% AMI rental, 100% AMI ownership Bonus 2: 60% AMI rental, 80% AMI ownership
Layer with MFTE (Multi Family Tax Exemption)	n/a	n/a	MFTE and bonuses can be combined MFTE applies to all Mid-scale Residential areas and Multifamily High-density areas

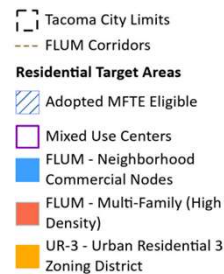


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Residential Target Areas

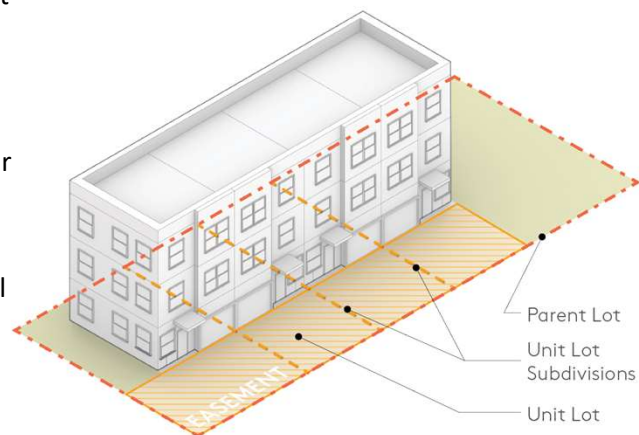
Authorizes use of Multifamily Tax Exemption Program (12-year option, with affordability) in more areas

- Mixed-Use Centers
- Neighborhood Commercial Nodes
- Mid-scale Residential areas
- Multifamily High-density areas



Unit Lot Subdivision

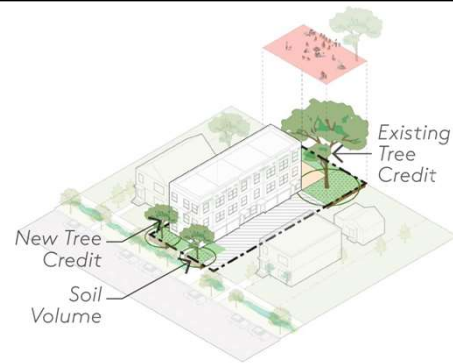
- Home in Tacoma and State law allow for lot flexibility and separate ownership of individual lots
- New minimum lot size of 2,500 sq/ft in UR Zones
- Unit Lot Subdivision allows for even smaller lots as long as the overall project meets density requirements
- Allow Unit Lot Subdivision for previously developed sites, even if they don't meet all current/new standards
- Shared access, utilities and infrastructure allowed
- Supports homeownership goals



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Amenity Space and Trees

- Planting new trees, retaining existing trees, or a combination, is required for all development to meet minimum "Tree Credits"
- A Tree Credit Fee and Variance process offers flexibility where meeting required credits is infeasible
- Soil volume requirements have been increased to promote tree longevity and health



	UR-1	UR-2	UR-3
Amenity Space	10% of lot area	7.5% of lot area	5% of lot area
Tree credits (canopy equivalent)	<ul style="list-style-type: none"> Baseline: 35% Bonus 1: 30% Bonus 2: 25% 	<ul style="list-style-type: none"> Baseline: 30% Bonus 1: 25% Bonus 2: 20% 	<ul style="list-style-type: none"> Baseline: 25% Bonus 1: 20% Bonus 2: 15%

Proposed credits for small, medium and large trees*: 200 for small trees, 500 for medium trees, 1,000 for large trees
 Note: additional credits provided for retained trees as an additional incentive to preserve existing trees

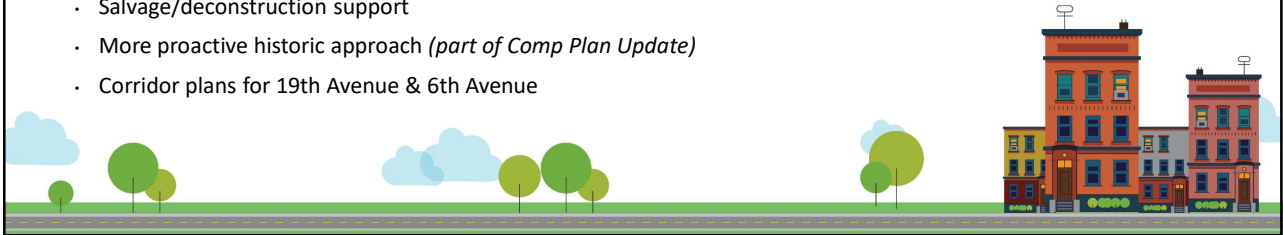
Tree Retention Requirements

- Retention of existing trees is required based on tree size whether or not new development is proposed
- Removal of trees with trunks over 18" in diameter will require a variance
- A Canopy Loss Fee for tree removal within a specified size range will be offered to provide flexibility

Existing Trees Retained	Existing Trees are Removed
Tree credits earned per inch DBH for retained on-site trees: <ul style="list-style-type: none"> Less than 6" DBH = 50 credits per inch DBH Trees 6" ≤ 12" DBH = 75 credits per inch DBH Trees 12" ≤ 24" DBH = 100 credits per inch DBH Trees over 24" DBH = 125 credits per inch DBH 	<ul style="list-style-type: none"> Trees over 18" DBH: require variance, assessed canopy loss fee Trees 6"-18" DBH: assessed canopy loss fee Trees under 6" DBH: not regulated

Additional Planning Commission Recommendations

- Proactive infrastructure planning and system improvements
- Impact fees or other funding sources
- High-density residential not addressed
- Visitability (*need State-level code changes*)
- Regular monitoring and adjusting (*especially for affordability incentives*)
- Expand the Reduced Parking Area (*to address "holes"*)
- Affordability bonuses in other districts (*Mixed-Use Centers & Downtown*)
- Permitting support and training (*especially for small developers, homeowners, and affordable housing and green building projects*)
- Salvage/deconstruction support
- More proactive historic approach (*part of Comp Plan Update*)
- Corridor plans for 19th Avenue & 6th Avenue



What's in the Recommendation Package

- Planning Commission Letter
- Findings and Recommendations Report
- Maps
- Updated Code

Additional materials

- Updated summary sheets
- Frequently Asked Questions
- Site Planning report

All materials and background information are available on the project webpage:

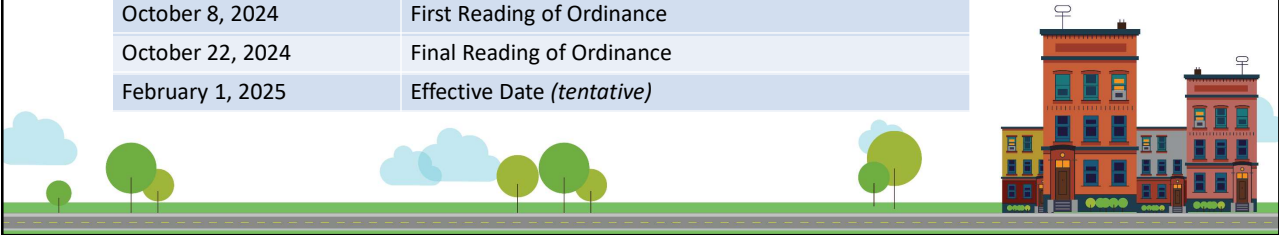
www.cityoftacoma.org/HomeinTacoma



**Affordable
Housing**

Next Steps

Tentative Date	Meeting/Action
July 30, 2024	Study Session (PC Recommendation overview)
July 30, 2024	Resolution to Set Public Hearing
August 12, 2024	Community Informational Meeting (virtual)
August 15, 2024	Community Informational Meeting (in-person)
August 27, 2024	Study Session (hearing prep)
August 27, 2024	City Council Public Hearing
September 10, 2024	Study Session (debrief input)
September 24, 2024	Study Session (potential amendments)
October 8, 2024	First Reading of Ordinance
October 22, 2024	Final Reading of Ordinance
February 1, 2025	Effective Date (<i>tentative</i>)



Affordable Housing

Home in Tacoma Project – Phase 2 Council Study Session

July 30, 2024

