



# HB 1590 Funding: Spending Plan

City of Tacoma | Community and Economic Development

**Study Session**  
**5/24/2022**



## BACKGROUND



- Ordinance 28747 was passed in March of 2021
  - HB1590 1/10<sup>th</sup> of 1% sales tax for affordable housing
- Fund collection began in July 2021
  - To date, over \$5 million has been collected
- Spending Plan
  - Outreach will inform the development of a strategic spending plan
  - Spending plan will set parameters for the spending of funds collected under the HB1590 sales tax

## BACKGROUND



Eligible activities for HB 1590 funding under this plan include:

- 1) Acquisition of land or existing housing/facilities for the development of that will serve individuals and households at or below 60% Area Median Income (AMI);
- 2) Production of new housing units that are affordable to individuals and households at or below 60% AMI;
- 3) Housing related services for individuals and households at or below 60% AMI. Examples include:
  - On-site case management
  - Budgeting and financial counseling for housing stability
  - Credit repair
  - Mental health counseling
  - Chemical dependency treatment that contributes to housing stability
- 4) Operating support for permanent supportive housing projects serving 60% or below AMI

## BACKGROUND



### Target Populations

- Persons who are homeless or at-risk of being homeless, including families with children
- Unaccompanied homeless youth or young adults
- Persons with behavioral health disabilities
- Veterans
- Senior citizens
- Persons with disabilities
- Domestic violence survivors

# BACKGROUND



## Limitation on Eligible activities

### Homeownership

- An AMI level of 100% is considered Homeownership ready
- Most affordable homeownership programs target 80% AMI
- Emphasis on supportive services for housing stability

### General Affordable Rental

- Serve one or more of the specified target populations
- Emphasis on households that need supportive services

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# ISSUE



## Pipeline

Developer/Owner	Project Name	Address	City	Zip	Total Units	Senior	Disabled	Other - Gen Affordable	Ext Low <30%	Very Low <50%	Low <80%
Beacon/Korean Women's Association	TBD - Senior	15th & Tacoma	Tacoma	98405	87	X	X		X	X	X
Tacoma Housing Authority/Bridge Meadows	Hillsdale Heights	S 60th and McKinley	Tacoma	TBD	140	X		X	X	X	X
Tacoma Housing Authority	James Center	1614 S. Mildred	Tacoma	98466	142					X	X
Tacoma Housing Authority	2300 Hillside Terrace	2330 S G st	Tacoma	98402	46			X		X	
Low Income Housing Institute	Lincoln Dist #3	TBD	Tacoma	98418	100			X			
Low Income Housing Institute	Lincoln Dist #2	TBD	Tacoma	98418	72			X			
Cascade/Trillium	The Lookout	2451 S Orchard	Tacoma	98466	182	X				X	X
Cascade/Trillium	56th and Tyler	5228 S Tyler	Tacoma	98409	96		X	X			X
					865						

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## Pipeline

Developer/Owner	Project Name	Address	City	Zip	Total Units	Homeless	Veterans	Senior	Disabled	Other - Gen Affordable	Ext Low <30%	Very Low <50%
Low Income Housing Institute (LIHI)/Asia Pacific Cultural Center	Lincoln District - Phase I	711 S 38th St (Lincoln District)	Tacoma	98418	74	X		X	X		X	X
Horizon Housing Alliance	Hilltop lofts	1120/1124 MLK Way	Tacoma	98405	57	X			X		X	X
Tacoma Housing Authority	1500 Hillside Terrace	1507 S. G st	Tacoma	98405	53					X	X	X
Mercy Housing / Tacoma Housing Authority	James Center	1614 S. Mildred	Tacoma	98466	80					X	X	X
Tacoma Housing Authority / Shiloh Baptist	Shilo Baptist	815 S 13th Street/1208 S I Street	Tacoma	98405	60	X			X		X	X
Catholic Housing Services / Catholic Community Services	Permanent Supportive Hsg	TBD	Tacoma	98402	70	X		X	X		X	X
Low Income Housing Institute (LIHI)/Asian Pacific Cultural Center (APCC)	APCC Senior Housing	TBD	Tacoma	TBD	TBD			x				
Low Income Housing Institute (LIHI)/First Christian Church (FCC)	FCC Housing	602 N Orchard St	Tacoma	98406	TBD	x	x			x		
					<b>394</b>							

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## Allocation

GRADUATED ALLOCATION: NO BONDING				
	2022	2023	2024	2025
<b>Revenue:</b>				
HB1590	\$ 6,100,000	\$ 6,100,000	\$ 6,100,000	\$ 6,100,000
<b>Expenses:</b>				
Capital	\$ 6,100,000	\$ 6,100,000	\$ 5,490,000	\$ 5,490,000
Operating and Maintenance	\$ -	\$ -	\$ -	\$ -
Services	\$ -	\$ -	\$ 610,000	\$ 610,000
<b>Total Expenditures (assuming 100% committed)</b>	\$ 6,100,000	\$ 6,100,000	\$ 6,100,000	\$ 6,100,000
<b>Non-bonded annual revenue allocations</b>				
% Capital	100%	100%	90%	90%
% O&M	0%	0%	0%	0%
% Services	0%	0%	10%	10%
% Capital+O&M	100%	100%	90%	90%

\*Example

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## ISSUE



### Administration

Lead: Community and Economic Development Department

In partnership with:

Neighborhood and Community Services Department

Tacoma Community Redevelopment Authority

### Oversight

Community Vitality and Safety Committee

## NEXT STEPS



- Implementation of the Spending Plan - Spring 2022



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