

City of Tacoma

TO: Elizabeth Pauli, City Manager

FROM: Peter Huffman, Director, Planning and Development Services

COPY: Infrastructure, Planning, and Sustainability Committee; Michael P. Slevin III, Director,

Environmental Services; Cathy Sims, Staff Liaison

PRESENTER: Stephen Antupit, Senior Planner, Planning and Development Services

SUBJECT: Accessory Dwelling Unit Accelerator

DATE: September 14, 2022

PRESENTATION TYPE:

Informational Briefing

SUMMARY:

This Infrastructure, Planning and Sustainability Committee (IPS) briefing on September 28, 2022 concerns the City's activities to support Accessory Dwelling Units (ADUs). Planning and Development Services (PDS) staff will summarize a series of briefings provided at the Government Performance and Finance Committee (GPFC) on ADUs. The briefing will also delineate the respective purview of both IPS and GPFC on this subject. Finally, the briefing will introduce several specific areas of potential City action to further support implementation of ADUs.

BACKGROUND:

ADUs and Detached Accessory Dwelling Units (DADUs) are infill housing options that are integral to low-scale residential contexts. They can provide affordable housing options and choice, respond to changing household needs and lifestyles, add to the City's housing supply, and contribute to neighborhood firmness. As the names indicate, the former type is included within a primary dwelling's structure, while the latter is a stand-alone, detached structure. Like many jurisdictions, Tacoma currently allows both ADUs and DADUs. City Council action in 2019 and 2021 modified the prior regulations. A design guide and associated tip sheets provide detailed information on permit requirements and some resource information related to water and power considerations (provided by Tacoma Public Utilities).

While the City has continued to support further implementation of this housing option through successive actions, stakeholder input and best practices implemented in other jurisdictions indicate additional opportunities to "accelerate" ADU production in Tacoma. The City's current work to implement Home in Tacoma (Phase 2) will consider more fundamental changes to housing rules that could dramatically increase the opportunities for ADUs as additional units, particularly in the low scale-designated residential areas.

The Home in Tacoma Phase 2 work is now begining, and will be the forum for discussions of zoning and standards changes for middle housing types including ADUs. Meanwhile, GPFC has already embarked on an exploration of issues and opportunities *other than* those that would be addressed in the Land Use Code.

Over the past several months in 2022, GPFC has conducted the following:

- A developer roundtable event, eliciting a variety Land Use Code issues to be taken up as part of the Home In Tacoma process (on July 26, 2022);
- A briefing summarizing current ADU activity in Tacoma, local and other best practices, and concepts for an "ADU Accelerator" centered as an Anti-Displacement strategy (on August 16, 2022);



- A briefing on homeowners' financing challenges, as well as perspectives from community-based homeowner support and affordable housing partners (on September 6, 2022); and
- A briefing (scheduled for September 20, 2022) to further consider short-, mid-, and long-term actions from the preceding GPFC discussions and stakeholder input.

ISSUE:

The GPFC process will continue through October 2022, evaluating any possible additional support for ADUs with new City resources. GPFC deliberation and/or recommendation is scheduled for the meetings of October 4 and/or 18, 2022. That process, and any possible recommendation(s) for City Council action, are intended to align with the City's 2023-24 budget process later this year.

Items introduced for consideration include:

- <u>Procuring Pre-approved DADU plans</u>, coupled with additional PDS staff capacity for DADU site planning assistance and utility coordination (when using the preapproved plans).
- <u>Permit Fee Reductions, Waivers and/or Reimbursement</u>: Permit fees in PDS for new DADUs could be waived, reduced, or reimbursed for qualifying homeowners.
- Establishing an infrastructure improvement and/or utility access fund: While overall infrastructure system requirements and investments are the focus of an interdepartmental Home in Tacoma work group, there are opportunities to support individual resource-constrained homeowners' DADU projects in advance of that larger strategic policy discussion.
- <u>Developing an Anti-Displacement centered DADU strategy</u> (with community partners) to support resource-constrained homeowners throughout the DADU implementation process, from outreach through financing and construction.

Concurrently, Land Use issues and potential code changes to further support ADUs would be articulated and considered as part of the Home in Tacoma Phase 2 process. That work, including IPS Committee's deliberations, has a discrete timeline through the latter part of 2023.

In the interim, PDS is:

- <u>Completing an update to the ADU Design Guide</u> to reflect the most recent code changes and provide additional design guidance clarity; and
- <u>Developing an updated Directors Rule</u>, partly in response to the ADU Developer's Roundtable held at the invitation of Council Member Hines.

ALTERNATIVES:

This is an information briefing only. There are no alternatives presented.

FISCAL IMPACT:

This is an information briefing only. There is no fiscal impact.

RECOMMENDATION:

This is an information briefing only. There is no recommendation.