

City of Tacoma

City Council Action Memorandum

ТО:	Elizabeth Pauli, City Manager	
FROM:	Council Member Kristina Walker and Christina Caan, Policy Analyst, City Manager's Office	
COPY:	City Council and City Clerk	
SUBJECT:	Resolution Affirming and Adopting the Anti-Displacement Strategy – February 6, 2024	
DATE:	January 24, 2024	

SUMMARY AND PURPOSE

A resolution affirming and adopting the Anti-Displacement Strategy as a guide for options regarding how the City of Tacoma can address displacement of Tacoma residents from their homes and communities. The Anti-Displacement Strategy outlines housing-related policy and program options and provides recommendations for tracking physical and economic displacement data.

COUNCIL SPONSORS

Mayor Victoria Woodards, Council Member Catherine Ushka, Council Member Kristina Walker, and Council Member Kiara Daniels

BACKGROUND

Since the adoption of the Affordable Housing Action Strategy (AHAS) in 2018, the rising cost of housing has spurred a growing focus on mitigating displacement. Between the beginning of 2019 and the end of 2022, average rent increased by 33 percent, from \$1288 to \$1714, while average home value prices increased from \$331,000 up to \$456,000, or 38 percent.¹ In addition, Tacoma is now expected to grow by up to 130,000 residents by 2050, potentially increasing the displacement pressure on the city's lowest income residents.²

To address concerns regarding displacement, the City passed Resolution No. 40871 in November 2021 to evaluate options for assisting in preventing displacement of residents using data-informed tools and focusing on households from "low" and "very low" opportunity areas of the city, as defined by the Tacoma Equity Index, as well as Black, Indigenous, and People of Color (BIPOC) households. In accordance with Resolution No. 40871, the Office of Strategy has drafted the Anti-Displacement Strategy. The recommended policies and programs are outlined according to the four objectives identified in the AHAS: Create More Homes for More People; Keep Housing Affordable and in Good Repair; Help People Stay in Their Homes and Communities; and Reduce Barriers for Those Who Often Experience Them.

The Office of Strategy developed the Anti-Displacement Strategy in partnership with the Office of Equity and Human Rights, Neighborhood and Community Services, Planning and Development Services, Community and Economic Development, Tacoma Public Utilities, and Continuous Improvement by evaluating available data to measure displacement risk and data the City could use for tracking its outputs to prevent displacement. In addition, the Office of Strategy conducted extensive analysis of the anti-displacement policies and programs the City currently employs and comparative analysis of anti-displacement efforts in cities and states nationwide to help gather insights into best practices. Work on the Anti-Displacement Strategy has been presented to the Community Vitality and Safety Committee four times in the past year. City staff have also held individual briefings with all City Council Members to review the strategy.

¹ Housing Data - Zillow Research

² VISION 2050: A Plan for the Central Puget Sound Region (Oct 2020, links updated Nov 2022) (psrc.org)





COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH

Community partners and City staff from a variety of City Departments, including the Office of Strategy, the Office of Equity and Human Rights, Community and Economic Development, and Planning and Development Services, have conducted extensive outreach regarding community concerns about displacement for several years. This outreach included engagement through the Hilltop Neighborhood Revitalization Strategy Area, Home in Tacoma, the 2023 Rental Housing Code updates, the Hilltop Action Coalition, the AHAS Technical Advisory Group (TAG), the AHAS TAG subcommittee, the Tacoma-Pierce County Coalition to End Homelessness, and targeted engagement specific to the development of the Anti-Displacement Strategy.

2025 STRATEGIC PRIORITIES

Equity and Accessibility

Stable housing is an important determinate of the health and wellbeing of individuals and families, as well as the resiliency of communities. However, various mapping tools that track displacement and displacement-related issues indicate that some communities in Tacoma face greater challenges maintaining stable housing. Specifically, the Hilltop neighborhood and East and South Tacoma—some of the city's most diverse locations—face a higher risk for displacement than other areas in the city. For example, in 1970, census tract 617 in south Hilltop was 60.6 percent Black, by 2000 it was 35.4 percent Black, and by 2020 it was 21.5 percent Black.³ Census tract 613, which makes up central Hilltop north to Division Street, shows a similar pattern; in 1970 it was 33.9 percent Black, in 2000 it was 33.8 percent Black, but by 2020 it was 17.9 percent Black. Combined these census tracts grew in that same time by 1,278 people, or 14 percent. While this demographic change cannot be equated only with displacement, this factor is corroborated by sentiment expressed during community outreach in Hilltop.

Significant research has also connected displacement to worse health outcomes for residents and an erosion of the unique qualities of local communities, placing additional burdens on communities of color and vulnerable residents who are more likely to experience displacement. Tacoma witnessed the health impacts of displacement firsthand when twelve low-income residents were displaced from the Merkle Hotel in 2018. Following their displacement, six of the twelve former tenants experienced homelessness at some point after leaving the Merkle Hotel, and five former tenants passed away within three years of their displacement.⁴ Displacement also erodes the cultural continuity and historic knowledge in communities. In turn, vulnerable residents can lose access to trusted social networks and community institutions they rely on for their well-being.

Civic Engagement: Equity Index Score: Moderate Opportunity

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.

Livability: Equity Index Score: Moderate Opportunity

Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

Increase positive public perception of safety and overall quality of life.

³ <u>Mapping Race and Segregation in Tacoma and Pierce County 1950-2020 - Civil Rights & Labor History Consortium</u> (washington.edu)

⁴ <u>A developer forced them out of their building. Three years later, nearly half are dead. | KNKX Public Radio</u>



Preventing displacement and promoting housing stability would help positively affect the health, well-being, and social networks available for Tacoma's communities of color and most vulnerable residents. By doing so, the City would increase the overall quality of life for many residents and enable them to spend less of their income on housing, thus allowing them to not have to relocate away from their community or from Tacoma entirely. Affirming and adopting this strategy would also signal to the communities that have participated extensively in outreach efforts that their voices matter.

ALTERNATIVES

Alternative	Positive Impacts	Negative Impacts
Do not affirm and adopt the Anti-Displacement Strategy	The City has several efforts underway that address some housing related issues that it	The Council will miss an opportunity to signal support for the Anti-Displacement
Expand the Anti-Displacement Strategy	can continue to implement. Tacoma could explore a broader range of types of displacement, including cultural displacement, and solutions that go beyond housing-related policies and programs.	Strategy. Expanding would create challenges for managing the scope of the strategy and would probably increase the fiscal impact.

EVALUATION AND FOLLOW UP

City staff will continue to monitor displacement trends and data in Tacoma. City staff will track metrics such as the number of new long-term designated affordable ownership opportunities created or preserved, the number of affordable housing units created or preserved by Council District, the number of three or more bedroom affordable housing units created or preserved, the number of affordable housing units built in market rate developments, and the number of individuals served by financial management, homeownership, or other classes and trainings.

SPONSOR RECOMMENDATION

Sponsors recommend Council affirm and adopt the Anti-Displacement Strategy as a guide for options regarding how the City of Tacoma can address displacement of Tacoma residents from their homes and communities.

FISCAL IMPACT

There is no fiscal impact associated with only affirming and adopting the Anti-Displacement Strategy to use as a guide for options regarding how the City of Tacoma addresses displacement or staff time to implement data collection, which is already factored into department fiscal calculations. Implementation of some recommended policies and programs in the strategy would require the allocation of additional resources.

What Funding is being used to support the expense?

N/A

Are the expenditures and revenues planned and budgeted in this biennium's current budget? N/A



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Are there financial costs or other impacts of not implementing the legislation? $\ensuremath{\mathsf{NO}}$

Will the legislation have an ongoing/recurring fiscal impact? $\ensuremath{\operatorname{NO}}$

Will the legislation change the City's FTE/personnel counts? $\ensuremath{\mathsf{NO}}$

ATTACHMENTS:

None