

City of Tacoma

City Council Action Memorandum

| TO:      | Elizabeth Pauli, City Manager   |
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| FROM:    | Elliott Barnett, Senior Planner, Planning and Development Settices                    |
|          | Peter Huffman, Director, Planning and Development Services                            |
| COPY:    | City Council and City Clerk   |
| SUBJECT: | Resolution - Calling for Actions to Promote Construction and Affordability of Diverse |
|          | Housing Types – March 19, 2019  |
| DATE:    | March 13, 2019  |
|          |   |

## **SUMMARY:**

A resolution directing the City Manager to explore, initiate and report back to the City Council on potential tools and strategies to promote affordability and remove barriers to construction of diverse housing types including Accessory Dwelling Units.

### **COUNCIL SPONSORS:**

Council Member Chris Beale

## STRATEGIC POLICY PRIORITY:

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

Building a wider range of housing options is one way to support broader affordability. Accessory Dwelling Units (ADUs) and other smaller homes typically cost less to construct and maintain, and can provide benefits including housing choice and flexibility for homeowners, consistent with the scale of Tacoma's residential neighborhoods.

#### **BACKGROUND:**

On December 12, 2017, the City Council adopted Resolution No. 39886 requesting the Planning Commission consider amendments to Tacoma Municipal Code Chapter 13.05 Land Use Permit Procedures to allow for an increase in the number of allowed Detached Accessory Dwelling Units (DADUs). The Planning Commission conducted deliberations and community outreach throughout 2018, and finalized recommendations to the City Council on October 17, 2018. On January 23, 2019, the Infrastructure Planning and Sustainability Committee forwarded recommended modifications to the Planning Commission's proposal to the City Council. On February 19, 2019, the Council conducted a public hearing on the proposals and heard first reading of the ordinance on March 5, 2019.

On September 25, 2018, the City Council adopted Resolution No. 40112 receiving the Affordable Housing Action Strategy (AHAS) and initiating a multi-year effort to address housing challenges in Tacoma. The City Manager has convened a broad, inter-departmental effort to begin implementation of multiple AHAS actions. ADUs fit within AHAS Action 1.8, "Encourage more diverse types of housing development through relaxed land use standards, technical assistance and financial incentives."

As part of the ADU regulations updates, multiple comments were made on the record calling for further actions to make ADU construction more affordable. In addition, on February 27, 2019, the Tacoma Public Utility (TPU) Board directed TPU staff to explore and report back on options for affordability incentives, such as reducing fees associated with the utility connections for the construction of ADUs to be rented at an affordable rate. That body of work fits within the scope of AHAS Action 1.8.



### **ISSUE:**

Tools and strategies are required to promote affordability and remove barriers to construction of diverse housing types including Accessory Dwelling Units (ADUs).

## **ALTERNATIVES:**

In addition to AHAS working groups, the City Council could solicit input from the appropriate advisory bodies, including the Planning Commission, as appropriate.

### **RECOMMENDATION:**

Staff recommends adoption of this resolution to provide staff with clear direction to initiate implementation of AHAS Action 1.8.

# FISCAL IMPACT:

There is no fiscal impact.