

City of Tacoma Affordable Housing Action Strategy Update



Initiative Highlights: Feb 2021

Prior to COVID-19, nearly 33,000 households (40% of households) in Tacoma were housing cost burdened (pay at least 30 percent of their income on housing costs each month), reducing their ability to pay for other necessities. We know that the economic crisis caused by COVID-19 has only made the housing crisis worse.

To address affordable housing, the AHAS charts out four objectives:

1. Create more units of affordable housing;
2. Preserve more units of affordable housing;
3. Help more households be able to afford their housing; and
4. Reduce barriers for households who often experience them.

This document provides an update on how we are addressing this crisis through the Affordable Housing Action Strategy.

AHAS 2020 by the numbers

- Seven 8-year MFTE project (393 units) and thirteen 12-year projects (338 units) approved
- Utility assistance programs served approximately 13,000 households
- The Rental Assistance Program served 641 residents
- 1,353 people helped through Landlord Tenant Program
- Passed new surplus land policies for City (General Government and TPU), with first NOFA on the way
- 335 units of new City funded affordable housing coming online

UPDATE ON OBJECTIVE 1: CREATING MORE UNITS OF AFFORDABLE HOUSING

UPDATE THE MULTIFAMILY TAX EXEMPTION PROGRAM TO INCREASE ITS IMPACT. (ACTION 1.3)

- AHAS summary: Encourage construction, rehabilitation, or conversion of existing structures, the City of Tacoma offers a property tax exemption to developers who build multifamily housing within the city.
- Status: In 2020, seven 8 year projects (393 units); thirteen 12 year projects (338 units, 73 affordable) approved. In 2021, three 12 year projects (400 units, 78 affordable) already approved.

LEVERAGE PUBLICLY AND PARTNER-OWNED LAND FOR AFFORDABLE HOUSING. (ACTION 1.4)

- AHAS summary: Establish a comprehensive land disposition policy for publicly owned land, including creating a priority for affordable housing development.
- Status: Completed First Notice to Puyallup Tribe of Indians on TPU properties. We plan to complete RFP and Disposition of first batch of TPU properties by 2Q.

ENCOURAGE MORE DIVERSE TYPES OF HOUSING DEVELOPMENT THROUGH RELAXED LAND USE STANDARDS, TECHNICAL ASSISTANCE, AND FINANCIAL INCENTIVES. (ACTION 1.8)

MODIFY INCLUSIONARY HOUSING PROVISIONS TO TARGET UNMENT NEED AND ALIGN WITH MARKET REALITY (ACTION 1.2)

- AHAS summary: Build a wider range of housing options to support broader affordability within the city, especially smaller scale options.
- Status: Home in Tacoma Project early engagement, consultation and analysis phase complete. Housing choice survey and virtual café informational series show strong community interest. Planning Commission seeking comments on draft housing growth strategy proposals (through April 9).

ESTABLISH A DEDICATED SOURCE OF FUNDING FOR THE TACOMA AFFORDABLE HOUSING FUND. (ACTION 1.9)

- AHAS summary: Establish a long-term, dedicated source of funding for the Tacoma Housing Trust Fund through voter-approved sources.
- Status: Trust fund will be 100% reimbursed for what was spent on rental assistance. Additionally, potential funding from House Bill 1590. Looking ahead, 335 units of new affordable housing units coming online.

EXPLORE OPPORTUNITIES FOR INCREASED STAFF SUPPORT DURING THE DEVELOPMENT REVIEW PROCESS. (ACTION 1.12)

- AHAS summary: Shorten/streamline the development review timeline.
- Status: Development Services expects to hire a project coordinator position by Q1-early Q2. The project coordinator will be a single point of contact for affordable housing developers through their project review process. We are finalizing a Director's rule for expediting permits for affordable housing.

UPDATE ON OBJECTIVE 2: PRESERVING MORE UNITS OF AFFORDABLE HOUSING

TARGET EXISTING RESOURCES TO IMPROVE THE LIVABILITY OF EXISTING OWNER-OCCUPIED HOMES. (ACTION 2.3)

- AHAS summary: Help homeowners in need and coordinate code compliance and TPU assistance programs.
- Status: 20 SFR rehab projects completed in 2020. In 2021, 9 active projects and 3 more coming online in February. TCRA just adopted our revised policies and procedures, establishing one document manual for servicing our communities. Rebuilding Together South Sound completed 17 small home repair projects, 21 partially completed projects, and 38 beginning the process

IMPROVE TRACKING AND MONITORING OF EXISTING AFFORDABLE HOUSING PROPERTIES. (ACTION 2.4)

- AHAS summary: Create a system to track properties at-risk of losing their affordability, due to expiring subsidies, opting out of local programs like the Multifamily Tax Exemption Program, or higher rents.
 - Status: We continue to work with Housing, CED, PDS, IT to identify our data needs to plan short-term and long-term reporting system solutions—currently investigating tracking and reporting requirements across departments to determine opportunities for more concerted metrics and tracking systems.
-

UPDATE ON OBJECTIVES 3 AND 4: HELPING MORE HOUSEHOLDS AFFORD AND ATTAIN HOUSING

EXPAND TENANTS' PROTECTIONS THROUGH A COMPREHENSIVE POLICY. (ACTION 3.1)

- AHAS summary: Establish a comprehensive and permanent tenant protection policy
- Status: 1,353 people helped in 2020 through Landlord Tenant People, 100% compliance (30 violations). In response to 2020 survey conducted on implementation of rental housing code, and in response to current crisis, exploring updates related to standards for: Just Cause Eviction, Shared Housing, Late fees, Notice of proposed sale of low-income housing, Restrictions on filing evictions without a COT business license

CREATE A RANGE OF RESOURCES FOR HOUSEHOLDS EXPERIENCING A CRISIS. (ACTION 3.2)

- AHAS summary: Create a range of resources for those experiencing a housing crisis. (Through 2019, the City served approximately 1,500 individuals through financial assistance. From January 2019 through February 2020, Tacoma Public Utilities provided utility assistance to 9,144 households.)
- The City received approximately \$6.5 M for rental assistance in 2021 and are working with the county to align programs
- In 2020, the Rental Assistance Program served 641 applicants, providing over \$902,000 in rental assistance
- In 2020, our utility assistance programs served approximately 13,000 households, providing approximately \$2.4 M in assistance.