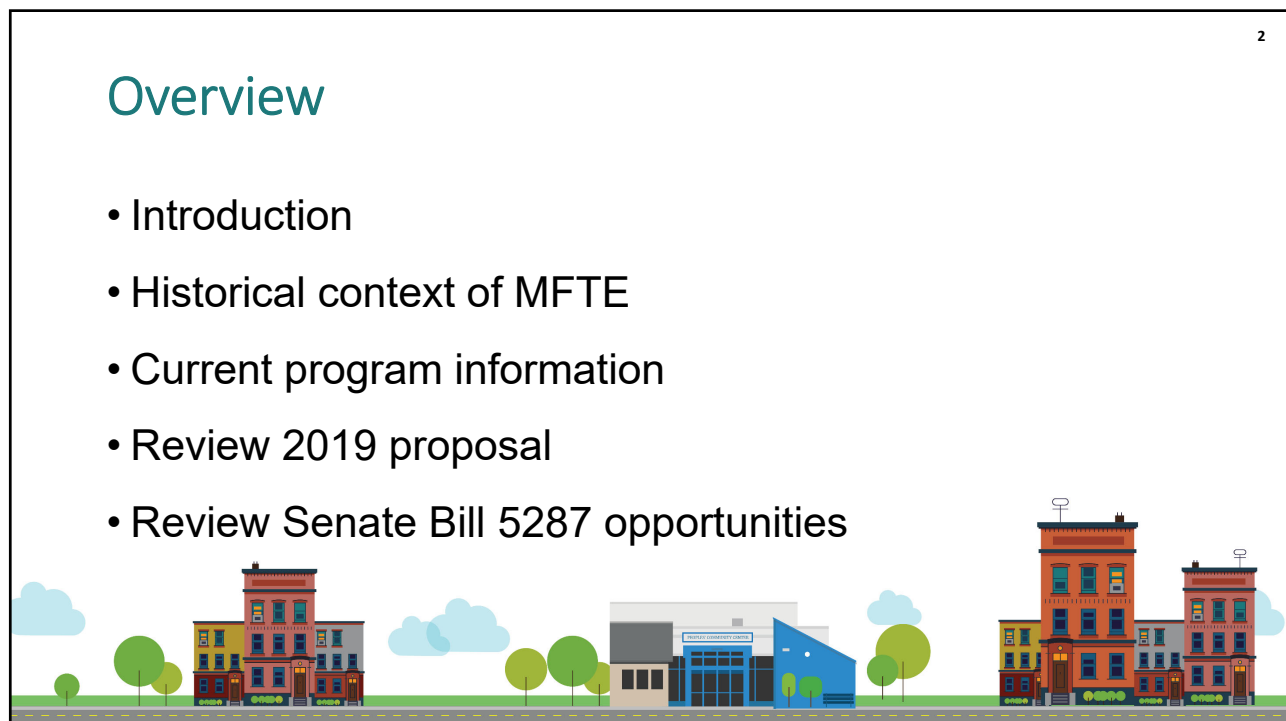


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Historical Context

- Adopted by State Legislature in 1995
- Tacoma was instrumental in this passage
- Purpose was to direct new housing construction within designated areas order to address projected population growth and meet the long term growth management goals



3

4

Historical Context

- In 2007 House Bill 2164 changes from 10-year program to 8 & 12-year program
 - Focus on creating affordable housing
 - Tacoma adopted in 2008
- To qualify for 12-year exemption, 20% of units must be occupied by households earning a maximum of 80% area median income



4

5

2021 Affordable Rents Defined

Maximum Rental Rates

Unit Size

| | |
|-----------|---------|
| Studio | \$1,273 |
| 1-bedroom | \$1,454 |
| 2-bedroom | \$1,635 |

Allowable Income

(80% Median Income)

| | |
|----------|--------------------|
| \$50,900 | 1 person household |
| \$58,150 | 2 person household |
| \$65,400 | 3 person household |

Based on 4 person median income household in Pierce County of \$91,100 per HUD for 2021

Maximum Rental rate = 30% of 1 month's income



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Historical Context

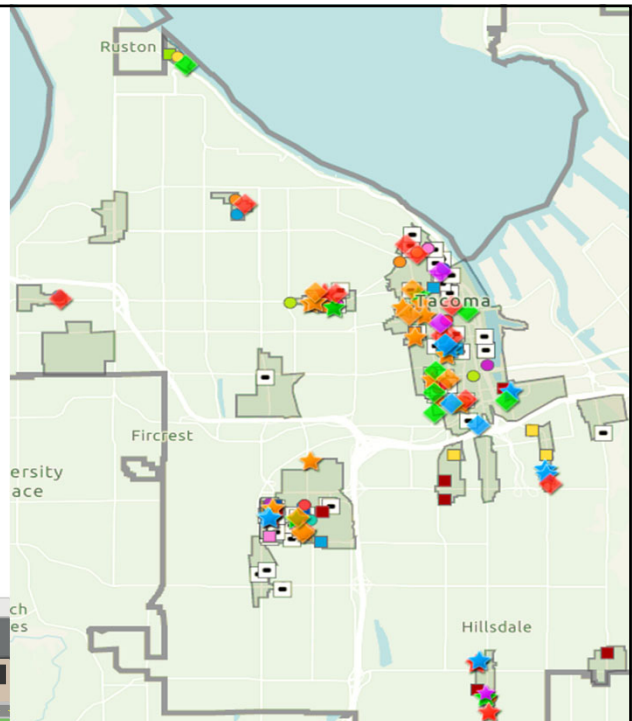
- 2015 TMC Changes to encourage the use of 12-year program
- Changed vacancy requirements
- Added displacement requirements



6

All Projects (1998-Now)

- Exemption status
- 103: complete
- 26: 8-year
- 26: 12-year
- 58: in permitting or construction



7

Project Completed (1998-2021)

8-Year Exemption*: (first project in 1998)

- 129 Projects Built
- 4671 Units Built
- *Includes projects & units built under 10-year exemption program

12-Year Exemption: (first project in 2015)

- 26 Projects Built
- 788 Units Built
- 169 Affordable units Built

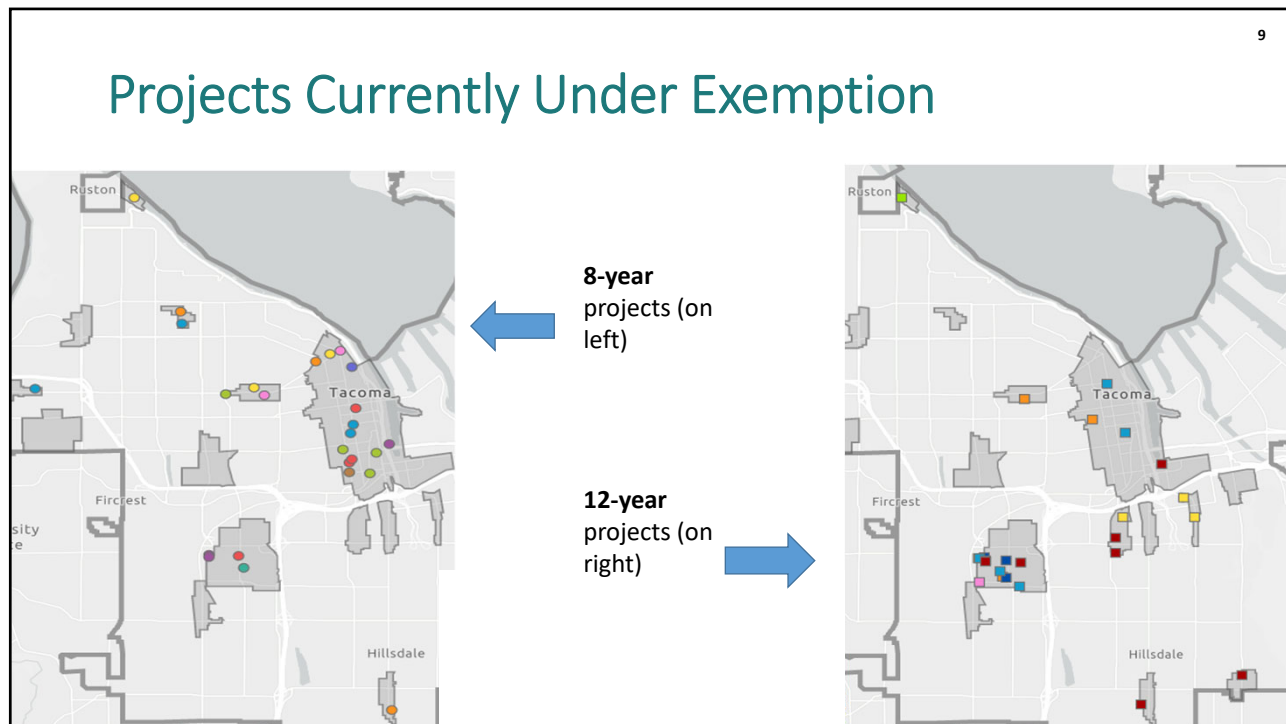
Total:

- 155 Projects Built
- 5459 Units Built

Total Private Investment: \$865,056,217



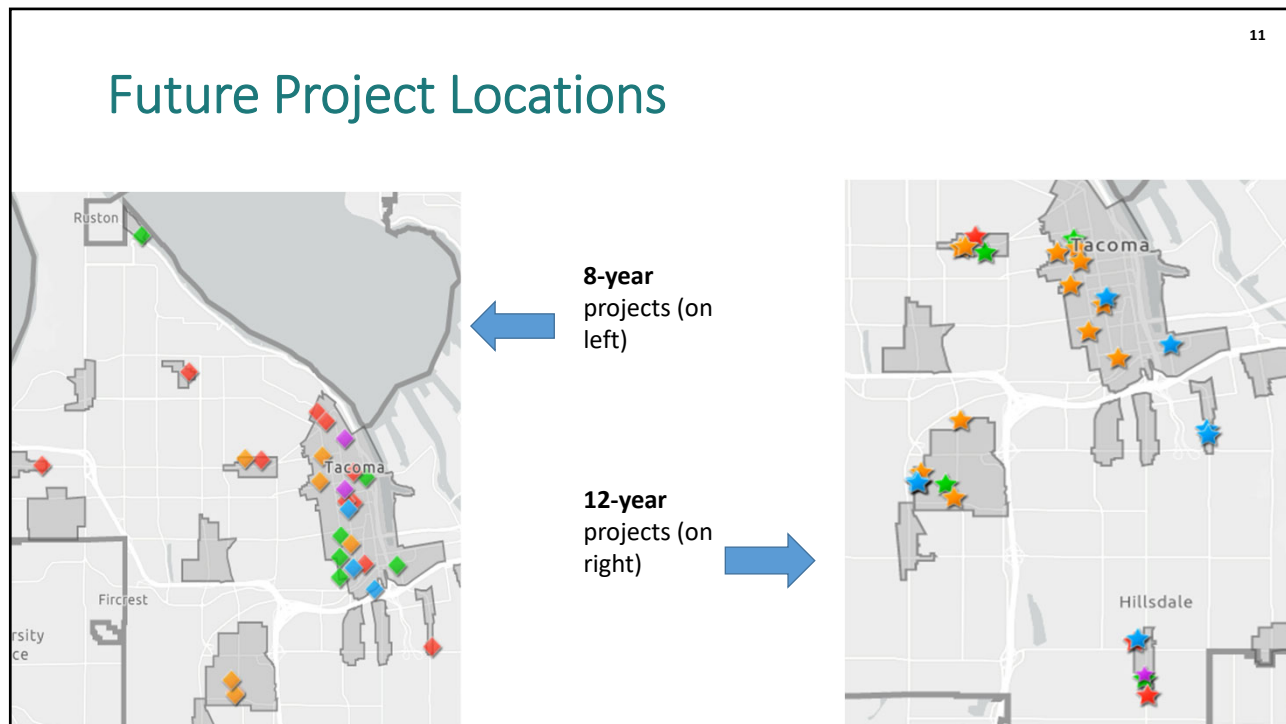
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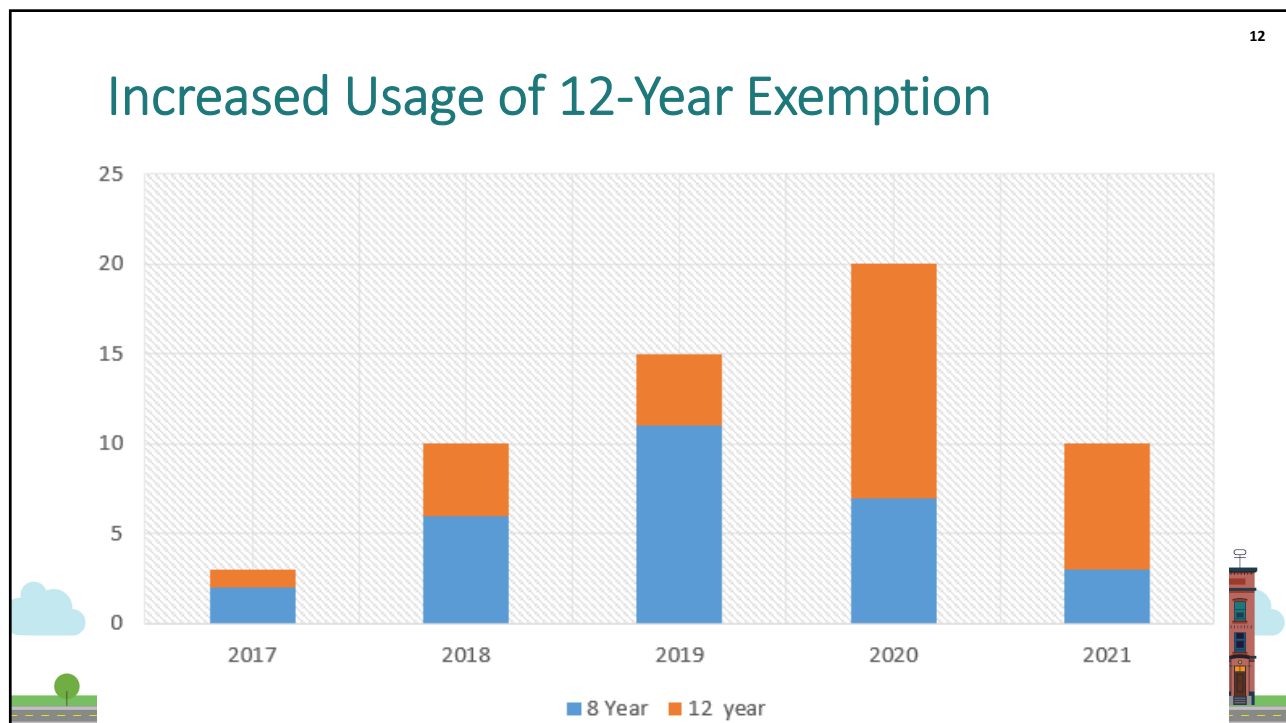
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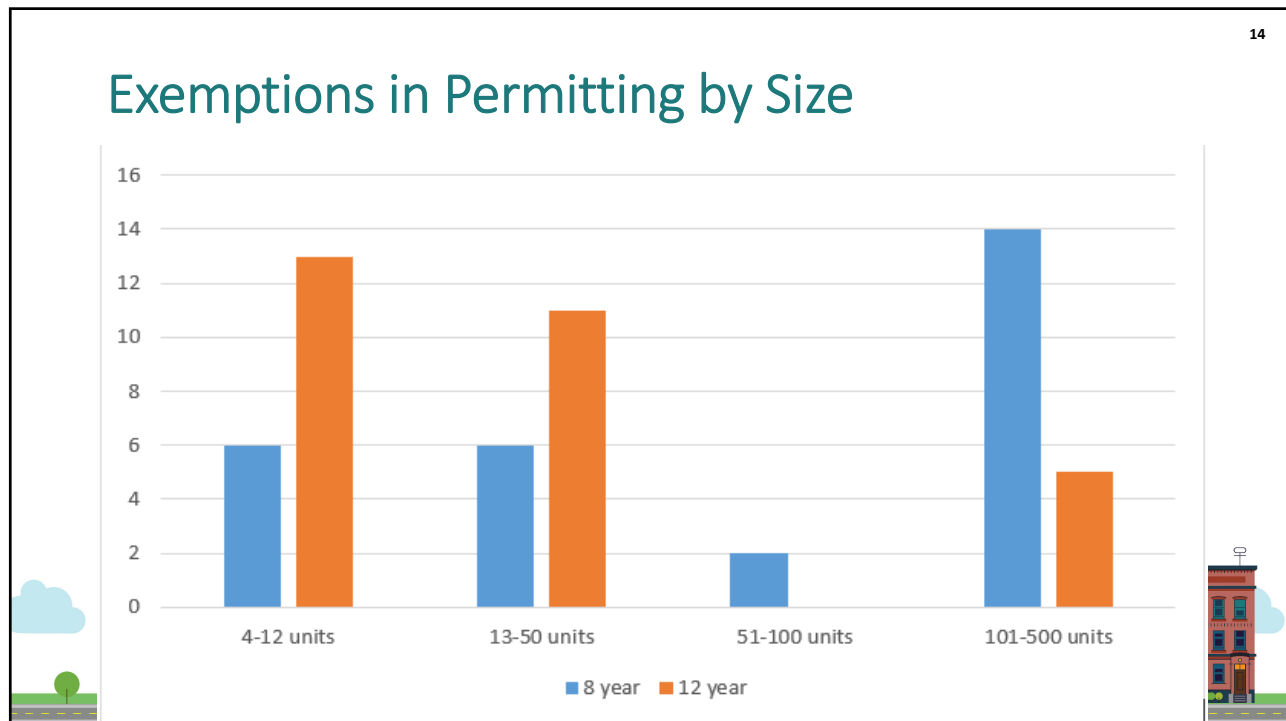
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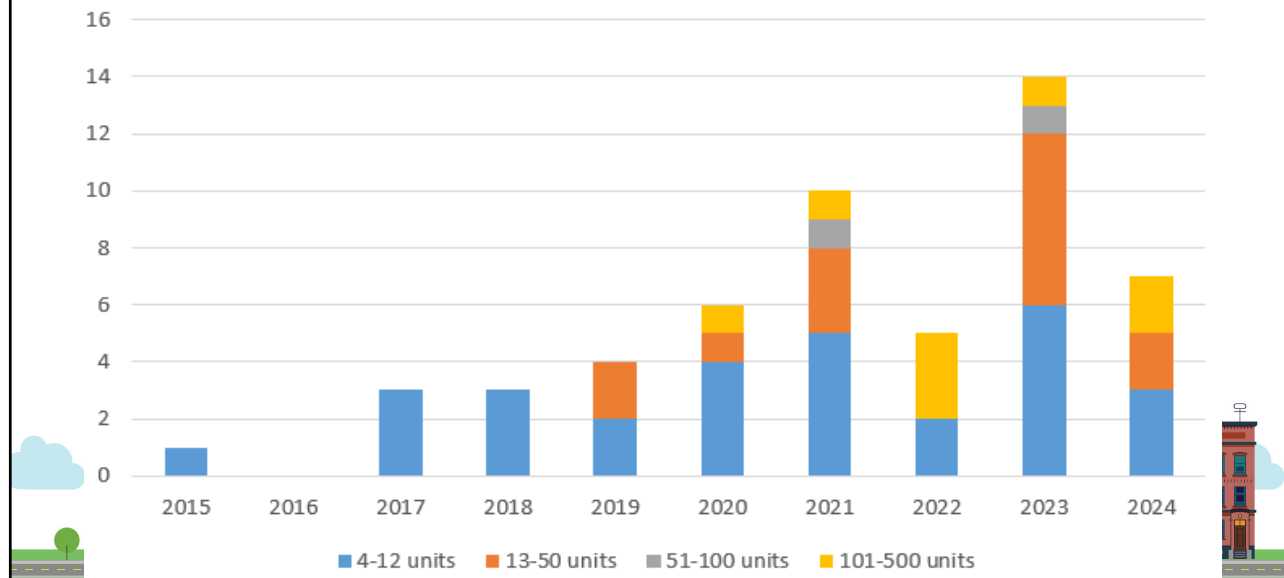


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HJ4

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12-Year Exemptions by Size Over Time



15

16

Examples of 8-Year Projects

3910 N 28th, 154 units, 2016

1933 Dock Street, 161 units, 2016



627 N Fife, 12 units, 2019



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Slide 15

HJ4 May need to clarify that these are the units and when they are scheduled to come on-line.

Hines, John, 9/15/2021

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Examples of 12-Year Projects



4518 S Junett, 6 units, 2016



1302 S. J, 4 units, 2016



636 N Prospect, 4 units, 2016



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2019 Proposal

- Add affordability to the 8-year exemption. Require 20% of units be rented to households earning no more than 100% of the Pierce County Area Median Income.
- For 12-year exemption, change affordability limit from 80% of Pierce County Area Median Income to 70% of Pierce County Area Median Income.
- Add into the MFTE Program a requirement to adhere to the Local Employment and Apprenticeship Training Program and the Equity in Contracting guidelines (TMC 1.90, 1.07)



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SB 5287 (2020-2021)

- New stated purpose for exemption
- Additional time for completion of MFTE projects delayed by COVID
- 12-Year extension for existing MFTE projects
- Add 20-Year exemption for permanently affordable housing
- Increased reporting requirement to WA Dept. of Commerce



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Next Steps

- October 5 GPFC meeting – stakeholder feedback
 - Key multifamily property stakeholders will be invited to speak about their perspective on the MFTE
- October 19 GPFC meeting – policy discussion and finalize recommendations
 - Policy options will be considered by the Committee and recommendations established to report back to full Council
 - Additional GPFC meeting may be required



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