

Affordable Housing

Home In Tacoma Project

City Council Study Session

November 8, 2020



What's the Home In Tacoma Project?

AHAS Objectives:

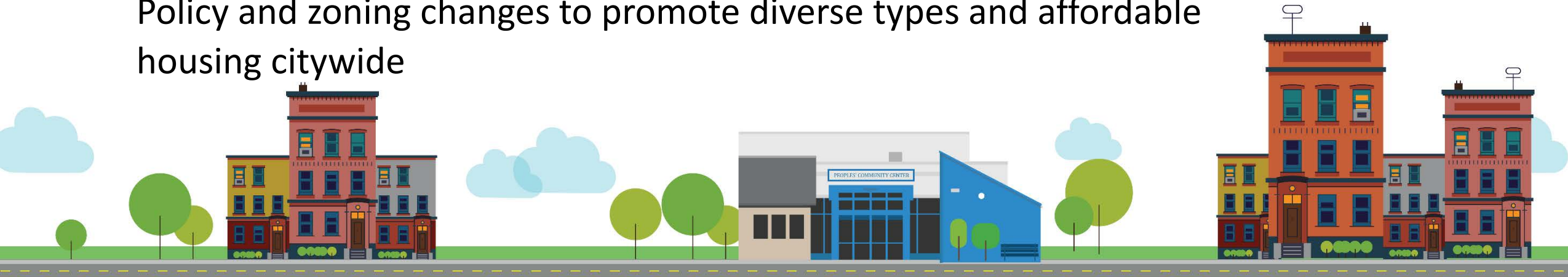
1. More Homes for More People
2. Keep Housing Affordable and In Good Repair
3. Help People Stay in Their Homes and Communities
4. Reduce Barriers for People Who Often Encounter Them

Home In Tacoma Project Goal:

Support housing supply, affordability and choice

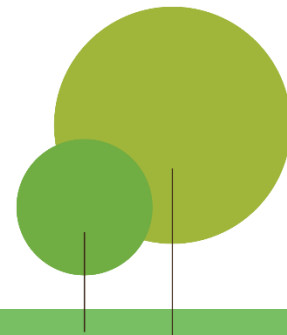
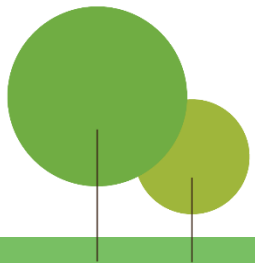
Actions:

Policy and zoning changes to promote diverse types and affordable housing citywide



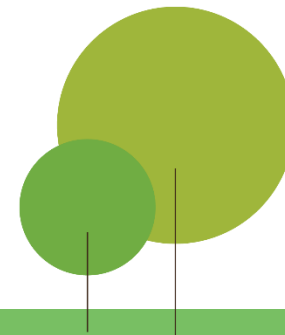
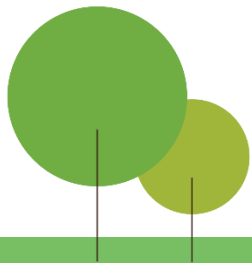
Agenda

1. What are the greatest housing needs in Tacoma?
2. Which policies exist to address those needs?
3. How do we move forward?
4. Policy scenarios—*seeking your feedback*



Housing Needs

Key Takeaways



Since 2016...

- **21% increase** in median rent
- **12% increase** in median renter income
- **44 % increase** in median home value
- **22% increase** in median owner income
- **Lost 2,300** extremely low income renters
- **Lost 2,000** units available to renters earning <\$25,000



**Affordable
Housing**

Tacoma is still relatively affordable in the region

Ownership Market

	Income Required	Median Single Family Resale Price
King	\$154,475	\$656,600
Kitsap	\$112,880	\$479,800
Pierce	\$83,425	\$354,600
Snohomish	\$83,378	\$354,400

Rental Market

	Income Required	Average Monthly Rent
King	\$72,240	\$1,806
Kitsap	\$56,000	\$1,400
Pierce	\$51,320	\$1,283
Snohomish	\$58,600	\$1,465



Yet incomes have not kept up with rising housing costs

Ownership Market (2016-2019)



+44 %

median home value



+22%

median owner income

Rental Market (2016-2019)



+21 %

median rent

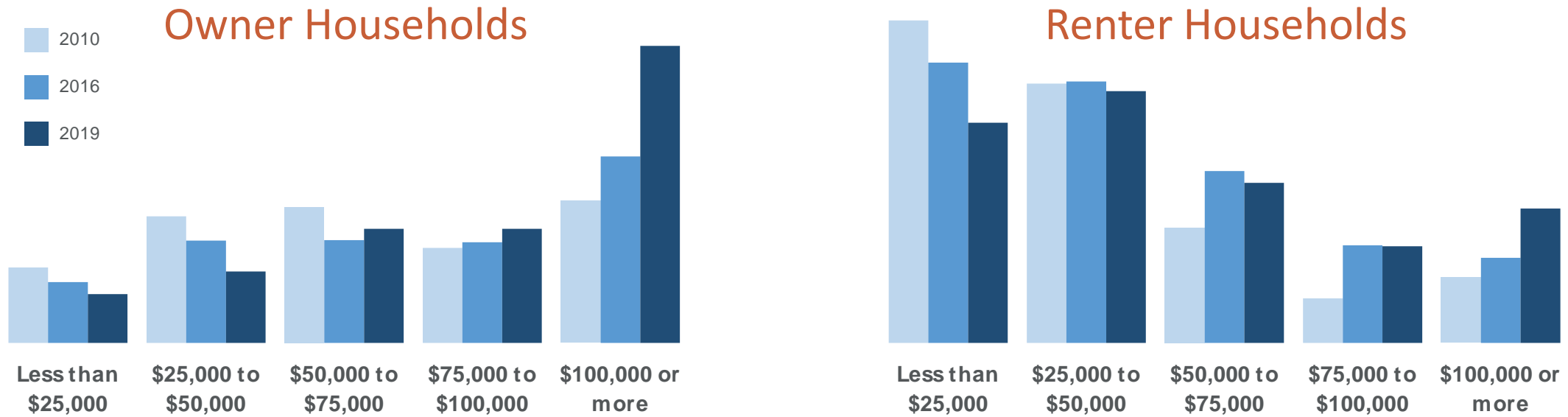


+12%

median renter income

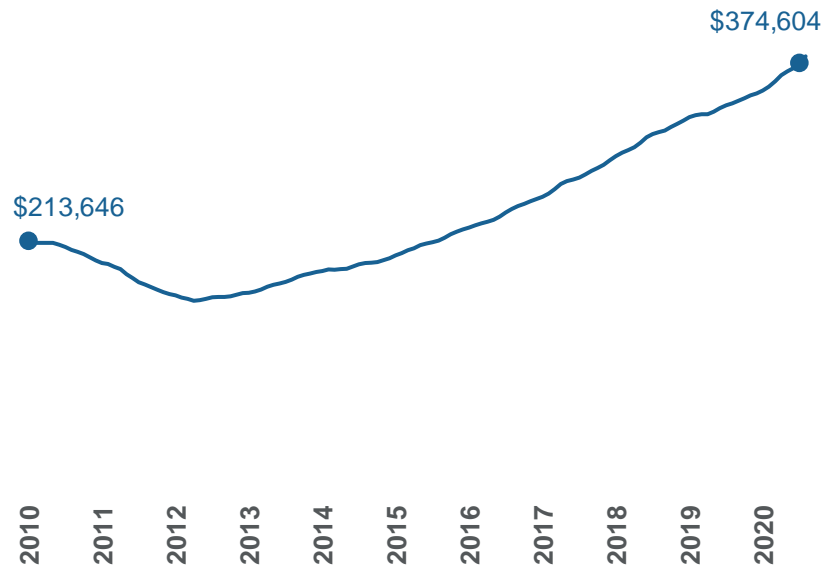


Low income households are being priced out



Housing costs continue to rise

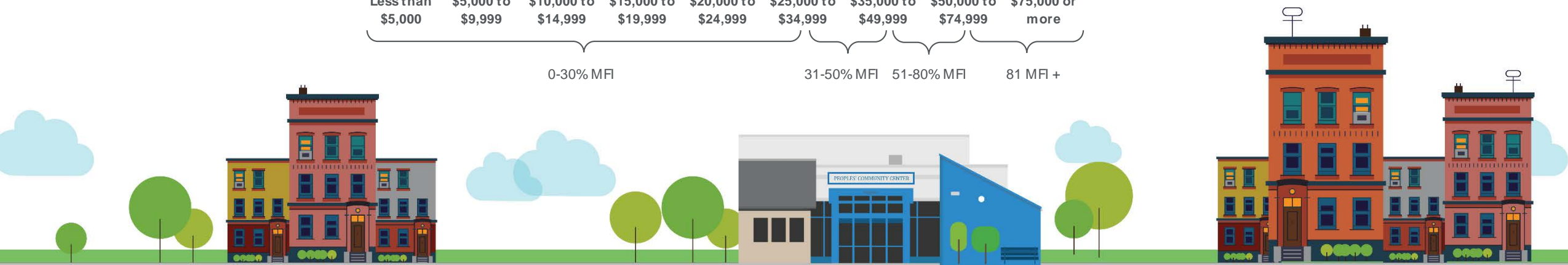
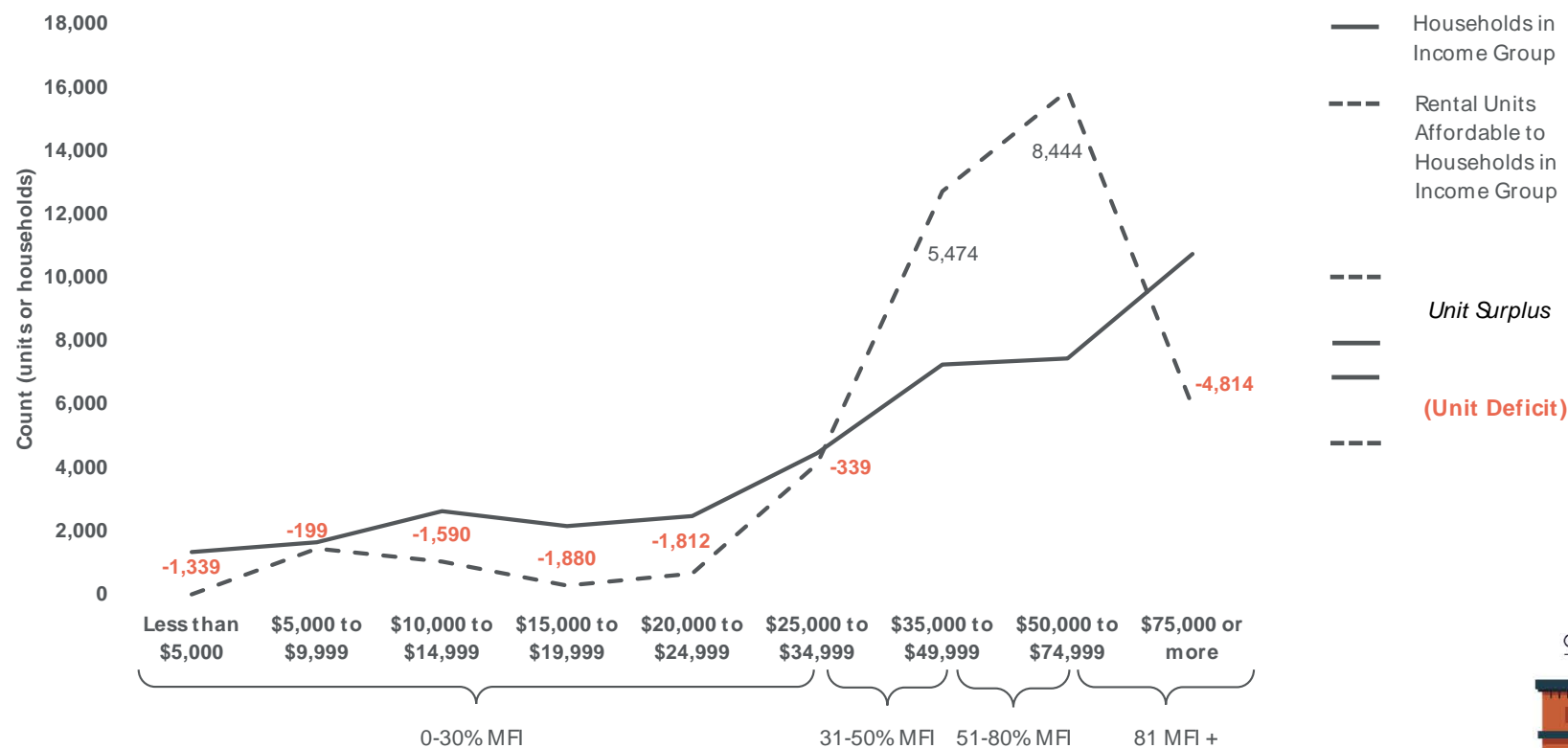
Ownership Market



Rental Market

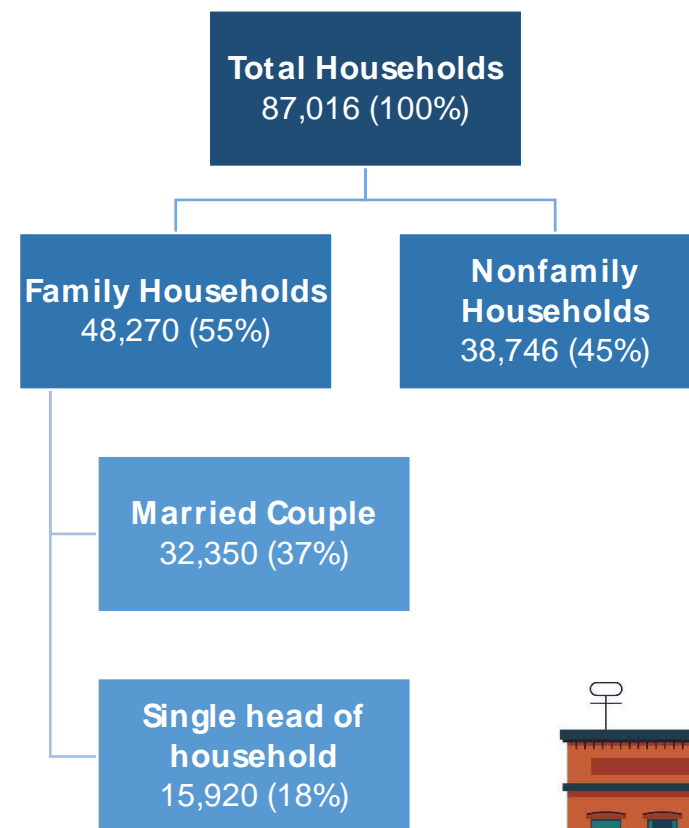
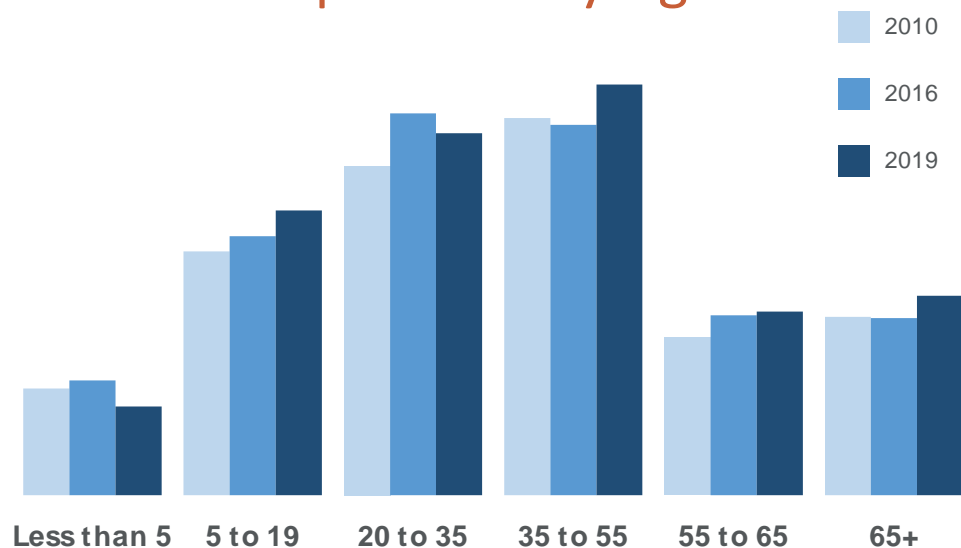


There is a shortage of affordable rental units



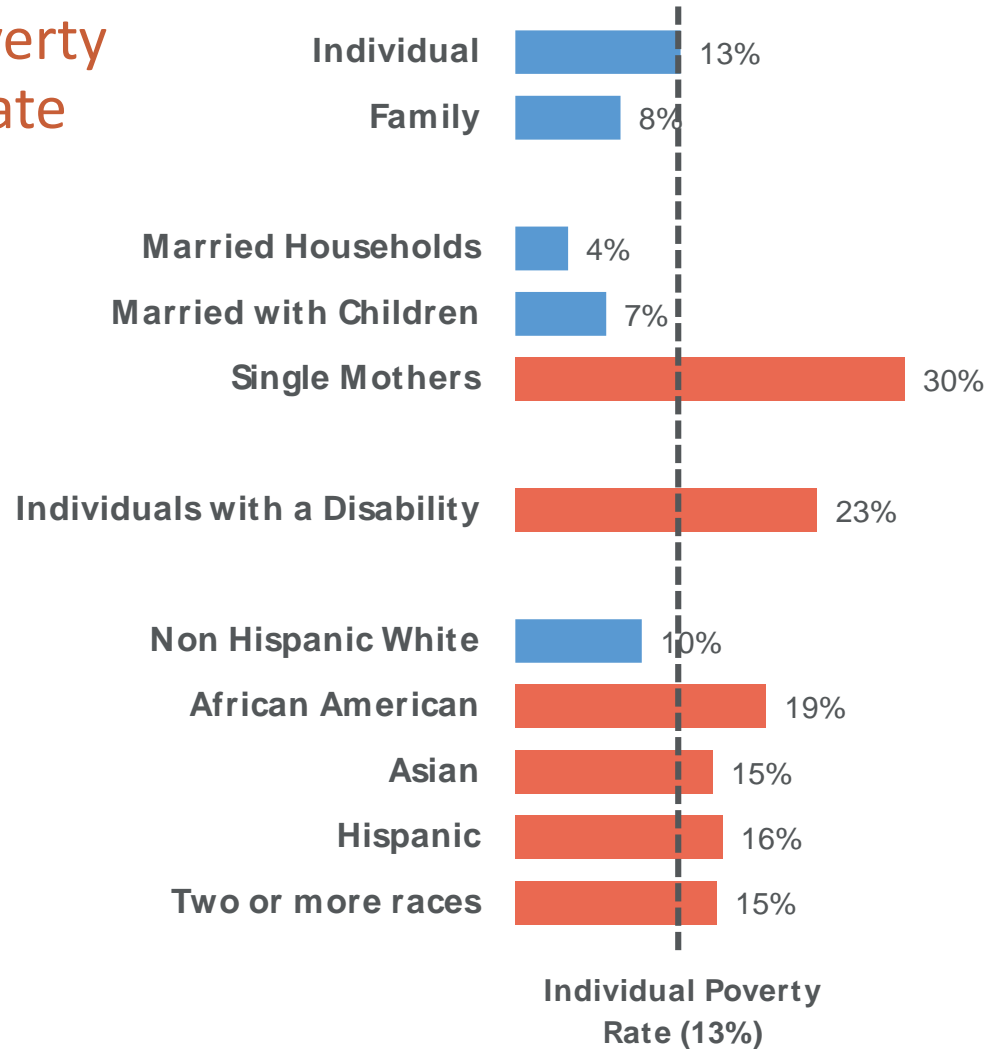
Households are getting smaller and changing as the community ages

Population by Age



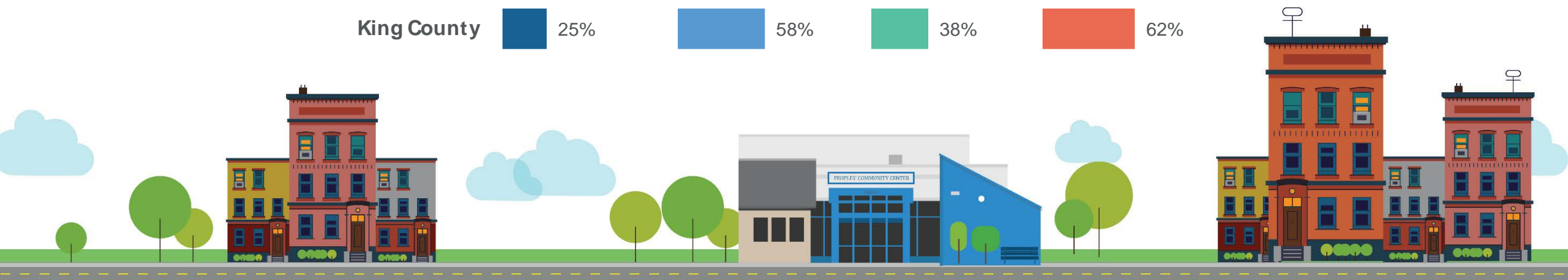
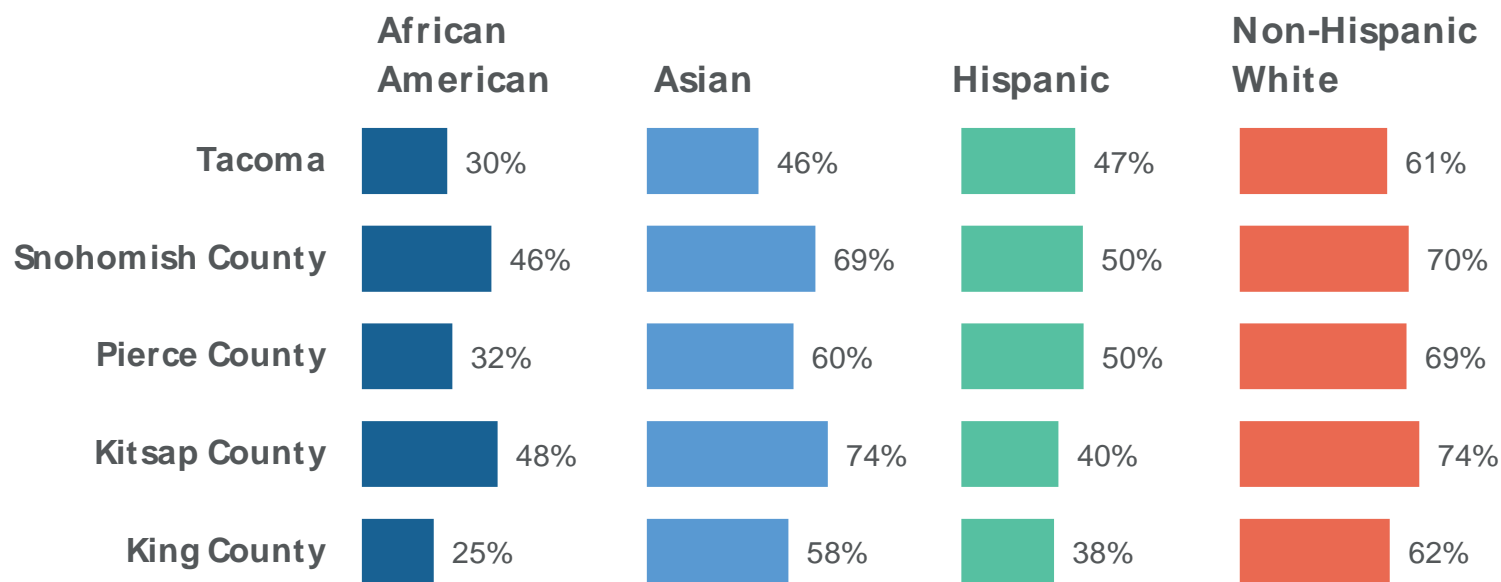
Special populations are increasingly vulnerable

Poverty Rate



Racial and ethnic minorities face inequities

Homeownership Rate by Race and Ethnicity



Racial and ethnic minorities face inequities

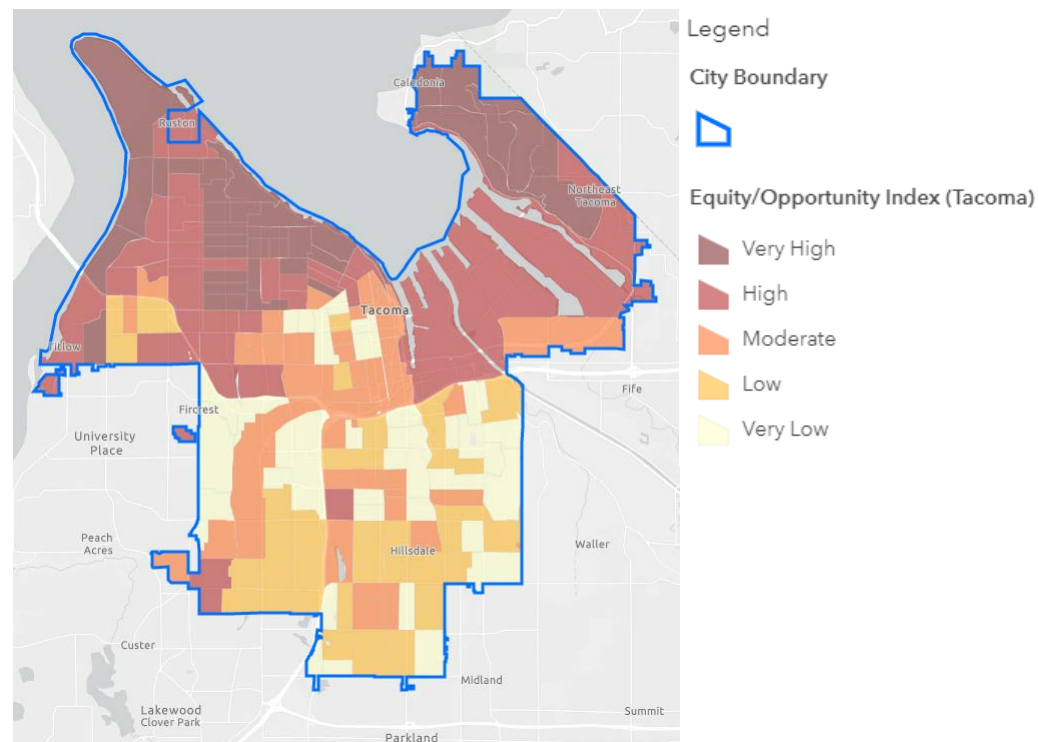
Median Income and Affordable Rent by Race and Ethnicity

	Median Income	Maximum Affordable Rent
African American	\$52,014	\$1,300
Asian	\$54,563	\$1,364
Hispanic	\$71,096	\$1,777
Non-Hispanic White	\$74,891	\$1,872

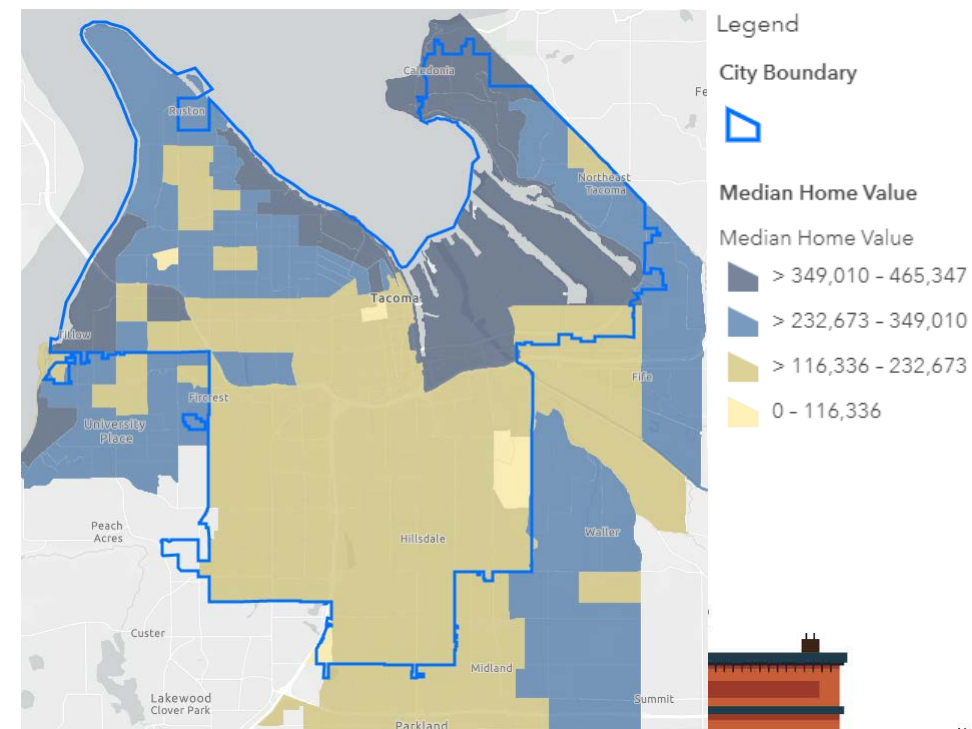


Areas of high opportunity are out of reach for many

Opportunity

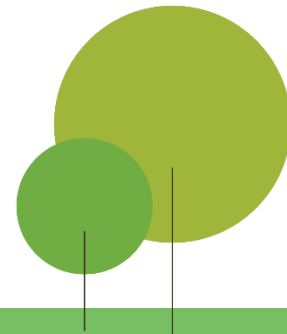
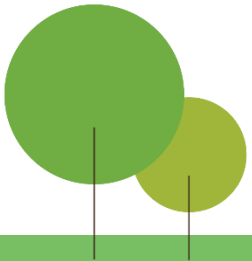


Home Value



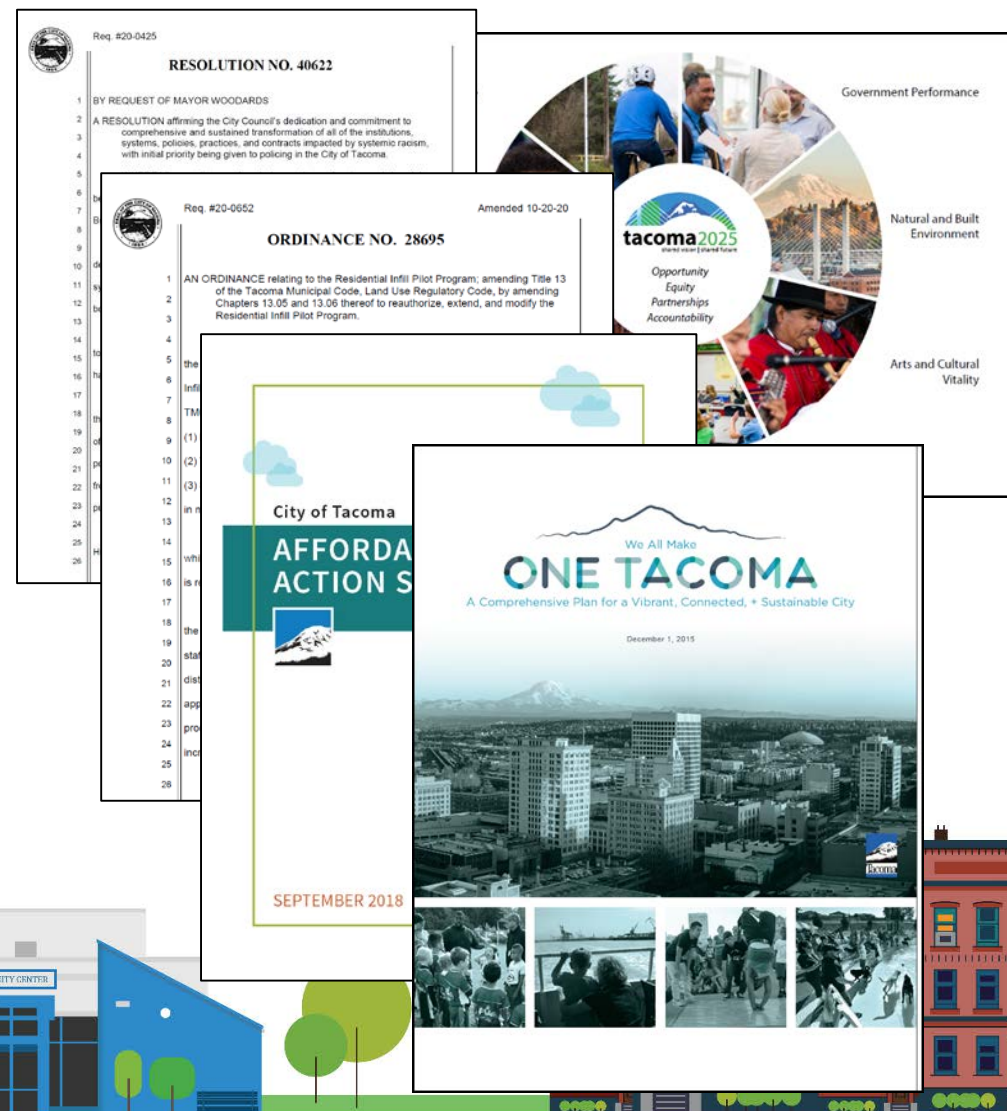
Policy Summary

A recap



Housing actions to meet multiple goals

- Create an inclusive, sustainable and prosperous city
- Respond to community housing needs and aspirations
- Plan and prepare for growth
- Prioritize equity, empowerment and antiracism
- Cost-effective and accountable government



Goal: Housing supply, affordability and choice

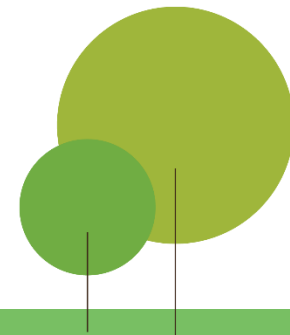
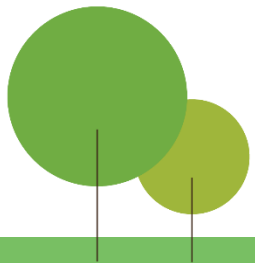
Policy direction:

- Safe, healthy, physically accessible, resource-efficient housing
- Affordability for all incomes levels
- Walkability to jobs, transit and opportunities
- A variety of housing types and densities citywide
- Livable and distinctive neighborhoods
- Neighborhood stability through anti-displacement actions



How do we move forward?

Discussion



Home In Tacoma Project - Actions

1. Diversify housing types
2. Improve affordability tools

Key considerations

- Promote multiple goals
- Equity, empowerment and antiracism
- Urban design and fit with neighborhood patterns
- Infrastructure, urban services & permitting
- Market feasibility
- Reflect community input

SCHEDULE:

- Comp Plan – June 2021
- Zoning – Dec 2021



Engagement

- Build community understanding
- Equity and empowerment
- Broad and targeted outreach
 - Planning Commission (lead)
 - Under-represented communities
 - Housing Equity Taskforce
 - Commissions
 - AHAS Technical Advisory Group
 - Development & housing community

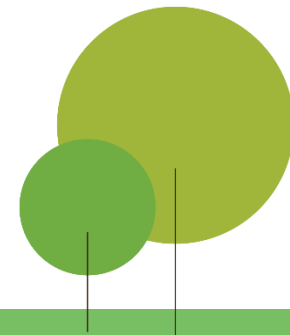
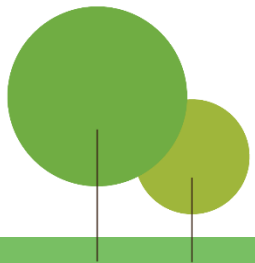
Analysis

- **Evaluate existing programs:** *What is not working? Barriers?*
- **Benchmarking:** *Learn from other communities*
- **Growth projections:** *How much growth? Income levels?*
- **Capacity:** *Where/how to direct growth?*
- **Feasibility:** *How to make infill work? What incentives work?*
- **Vetting:** *Decision-makers and stakeholders*



Policy Scenario Considerations

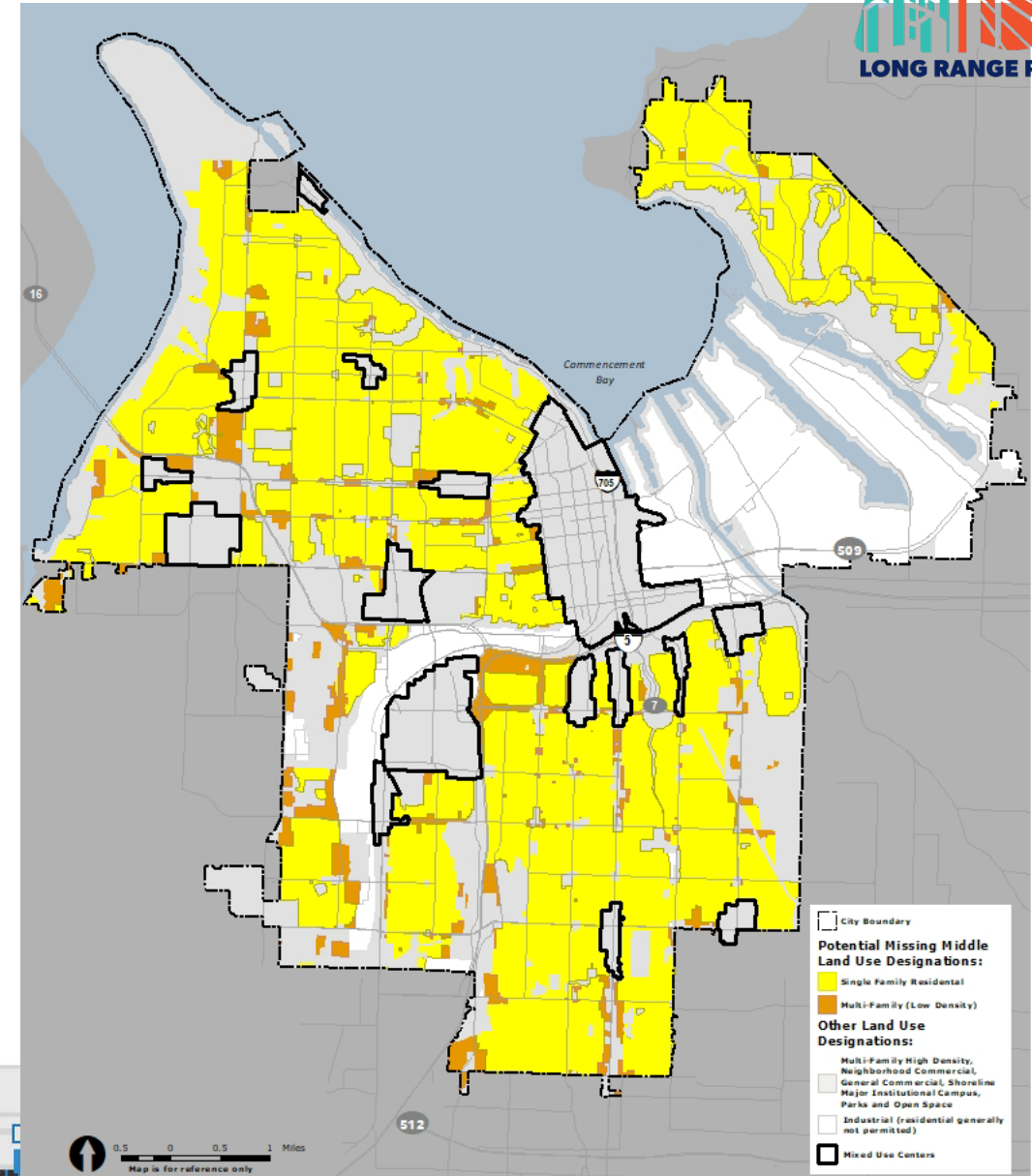
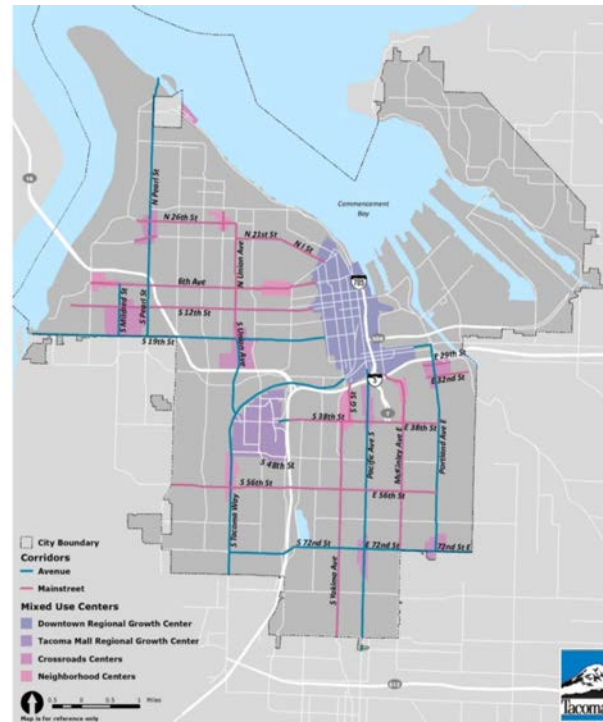
Discussion



Diverse housing types

Initial concept:

- Allow infill citywide
- Higher density transitions
- Protect or avoid sensitive areas



Key questions to inform options

- What Missing Middle Housing types should be allowed in established neighborhoods?
- What design features are critical to ensuring that infill is compatible with neighborhood patterns?
- What potential impacts of infill are of the most concern?
- What would give you enough confidence in Tacoma's housing market to be comfortable expanding affordability requirements?



This is what Missing Middle Housing can look like

SF House & ADUs



Duplex, triplex



Cottage housing



Fourplex



Small lot SF house



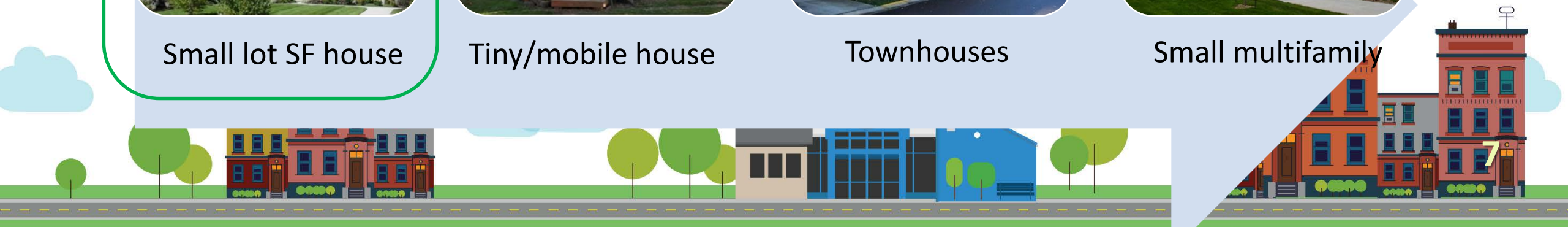
Tiny/mobile house



Townhouses



Small multifamily



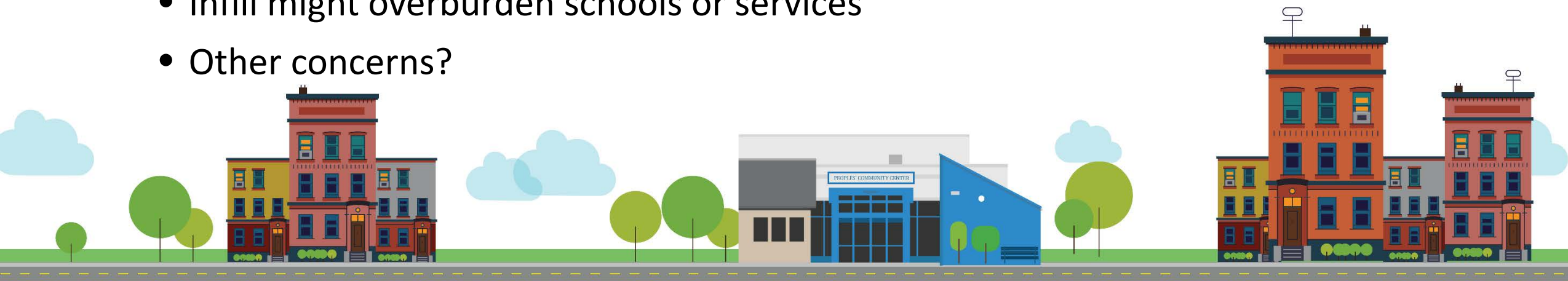
What design features are critical for infill?

- Building form
- Scale and height
- Front and rear yards
- Access and parking
- Street frontage
- Other?



What potential impacts of infill are of most concern?

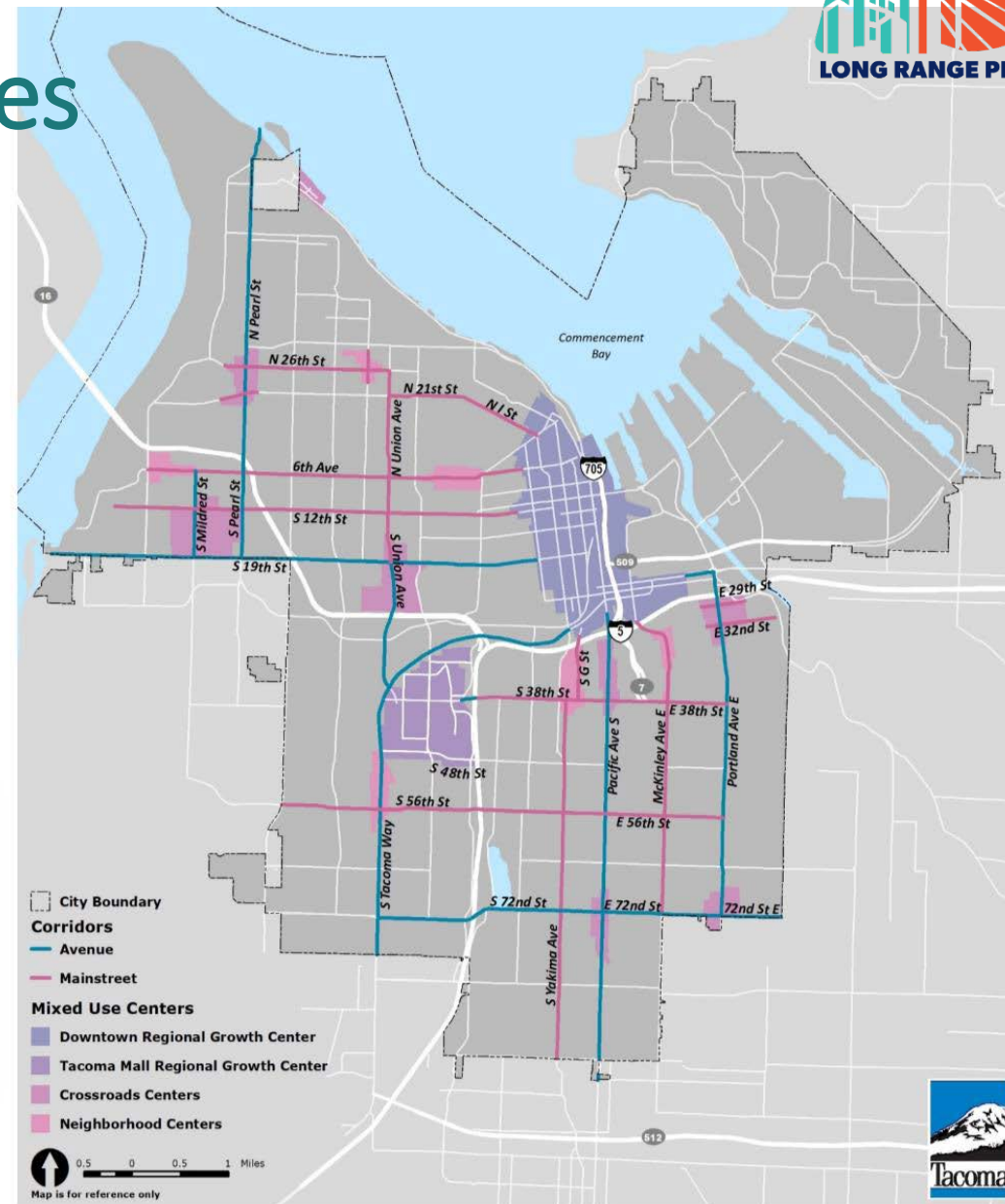
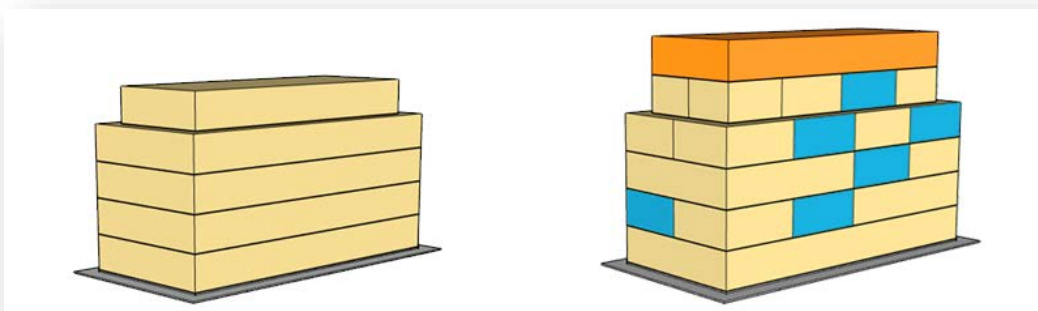
- New houses are bigger or closer together
- Designs might not fit the character of nearby houses
- Existing viable homes could be demolished
- Neighborhoods could become less affordable
- More traffic and onstreet parking
- Green spaces, yards and tree canopy could be lost
- Infill might affect property value or taxes
- Infill might overburden schools or services
- Other concerns?



Affordable housing incentives

- Lower incomes needs not being met
- City can partner with developers
- Depends on housing market strength

What would give you enough confidence in Tacoma's housing market to be comfortable expanding affordability requirements?



Seeking Council guidance

- What Missing Middle Housing types should be allowed in established neighborhoods?
- What design features are critical to ensuring that infill is compatible with neighborhood patterns?
- What potential impacts of infill are of the most concern?
- What would give you enough confidence in Tacoma's housing market to be comfortable expanding affordability requirements?



Next steps

Sept to April 2021:

- Community and stakeholder engagement
- Planning Commission public review draft
- Planning Commission recommendations

April to June 2021:

- City Council review, public hearing and action

July to Dec 2021:

- Develop zoning and standards

Get involved:

Learn about the project:

- Storymap
- Infill video
- Housing choice survey

www.cityoftacoma.org/homeintacoma



How to make decision?

- Tradeoffs...
- In light of the goals...
- How to balance...
- Priorities...
- What's off the table?
- LEADS TO: Principles
 1. Gradient from Centers/corridors
 2. MM that is compatible in scale w SF



Where we need your help

- Tradeoffs:
 - Maximize infill.... Minimize infill (how bold?)
 - Allow everywhere – potentially disrupt neighborhoods
 - Use percentages of growth target... sliding scale:
 - Current scenario: Centers + corridors

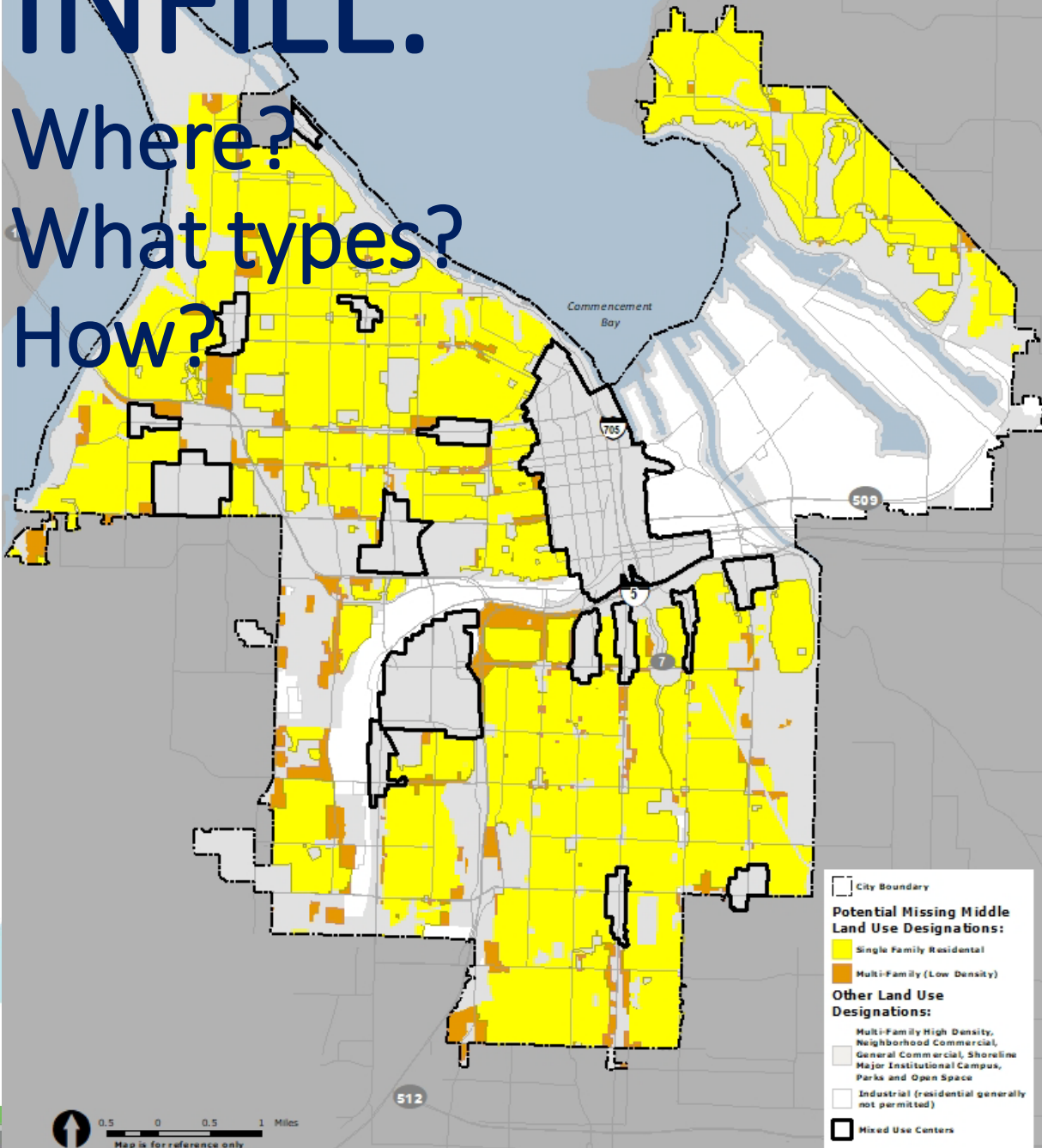


INFILL:

Where?

What types?

How?



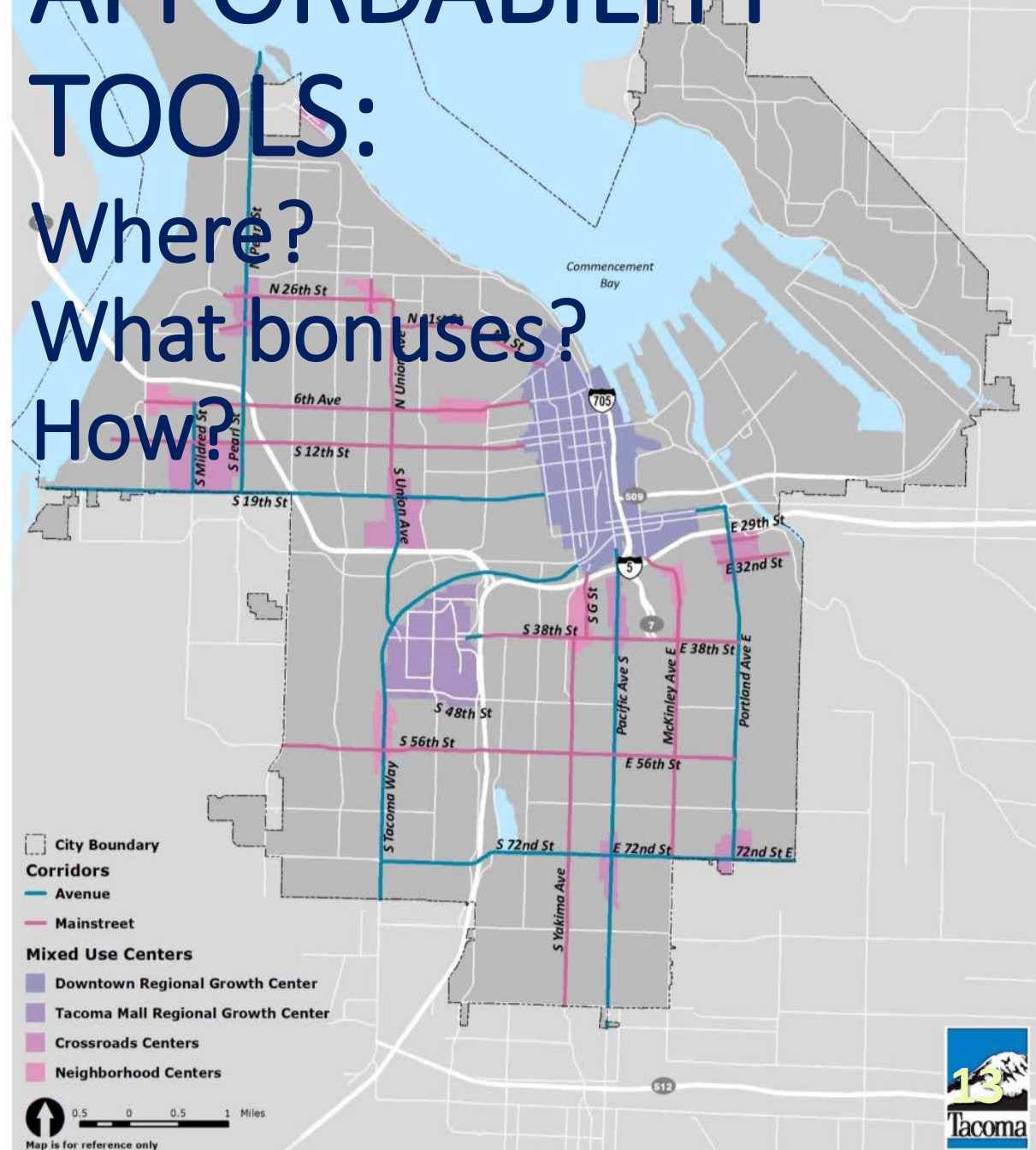
AFFORDABILITY

TOOLS:

Where?

What bonuses?

How?



Benchmarking presents consistent themes

- Problems
 - Growing cities need more housing
 - Housing crisis disproportionately impacts lower-income people
 - People of color more likely to earn less
 - People of color and lower-incomes less empowered in policymaking
 - High opportunity neighborhoods tend to be mostly white
 - Growing areas are seeing displacement
- Actions
 - Targeted engagement with people of color & lower income people
 - Open up single-family to infill of mid-scale housing types
 - Affordability and anti-displacement tools to help lower income people

