



Home in Tacoma Project

PROPOSED CHANGES TO THE COMPREHENSIVE PLAN

May 19, 2021

Recommendations DRAFT

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Proposed insertions are shown in blue underlined text.

Proposed deletions are shown in ~~blue strike through text~~.

Revisions to the preliminary public review draft are highlighted yellow.



two



URBAN FORM

URBAN FORM GOALS

GOAL UF-1 Guide development, growth, and infrastructure investment to support positive outcomes for all Tacomans.

GOAL UF-2 Focus growth in a citywide network of centers that provide healthy, equitable and sustainable access to services and housing and preserve the city's character and sense of place.

GOAL UF-3 Enhance centers as anchors of complete neighborhoods that include concentrations of commercial and public services, housing, employment, gathering places, and green spaces.

GOAL UF-4 Catalyze the Downtown as Tacoma's and the South Puget Sound's largest center with the highest concentrations of housing and with a diversity of housing options and services.

GOAL UF-5 Elevate the Tacoma Mall Regional Growth Center in its role as a regional center of employment, commercial and public services.

GOAL UF-6 Establish Crossroads Centers as successful places that serve the needs of surrounding neighborhoods and a wider area and contain high concentrations of employment, institutions, commercial and community services, and a wide range of housing options.

GOAL UF-7 Promote Neighborhood Centers as thriving centers that serve the needs of surrounding neighborhoods.

GOAL UF-8 Ensure the continued growth and vitality of Tacoma's employment centers.

GOAL UF-9 Promote future residential and employment growth in coordination with transit infrastructure and service investments.

GOAL UF-10 Establish designated corridors as thriving places that support and connect Tacoma's centers.

POLICY UF-10.16 Develop, manage and maintain a safe, efficient and reliable freight street network to provide freight access to and from intermodal freight facilities, industrial and commercial districts and the regional transportation system.

GOAL UF-11 Preserve and protect open space corridors to ensure a healthy and sustainable environment and to provide opportunities for Tacomans to experience nature close to home.

GOAL UF-12 Create an integrated Signature Trail system that connects city neighborhoods to regional trail systems.

GOAL UF-13 Promote the unique physical, social and cultural character Historic Residential Pattern Areas as integral to Tacoma's sense of place.

TWO

URBAN FORM

WHAT IS THIS CHAPTER ABOUT?

The goals and policies in this chapter convey the City's intent to:

- Foster an equitable system of compact mixed-use and commercial centers across the city to increase access to community services and businesses and create more low-carbon, complete, healthy, and connected neighborhoods.
- Improve Tacoma's major corridors so that they become vibrant urban places and key transportation connections.
- Enhance Tacoma's public realm, integrate nature into the city and link people, places and wildlife through active transportation facilities, green infrastructure investments and habitat connections.
- Describe the city's overall development pattern and area character to inform and guide future investments, design and development.
- Ensure that Tacoma's development pattern supports a sustainable and resilient future, including a reduction in greenhouse gas emissions.
- Ensure that Tacoma's urban form supports housing supply, choice and affordability goals.

WHAT IS A COMPLETE NEIGHBORHOOD?

The term "complete neighborhood" describes a neighborhood with safe and convenient access to the goods and services needed in daily life. This includes a variety of housing options, grocery stores and other commercial services, quality public schools, public open spaces and recreational facilities, affordable transportation options and civic amenities. An important element of a complete neighborhood is that it is built at a walkable and bikeable human scale, and meets the needs of people of all ages and abilities.

Book I: Goals + Policies

- 1 Introduction + Vision
- 2 **Urban Form**
- 3 Design + Development
- 4 Environment + Watershed Health
- 5 Housing
- 6 Economic Development
- 7 Transportation
- 8 Parks + Recreation
- 9 Public Facilities + Services
- 10 Container Port
- 11 Engagement, Administration + Implementation
- 12 Downtown

Book II: Implementation

Programs + Strategies

- 1 Shoreline Master Program
- 2 Capital Facilities Program
- 3 Downtown Regional Growth Center Plans
- 4 Historic Preservation Plan



Broadway farmers' market

WHY IS THIS IMPORTANT?

Tacoma's identity now and in the future is significantly shaped by the design and physical structure of the city and its neighborhoods. How people live and get around is partly determined by the location of services and other destinations and the arrangement and design of buildings, streets and other public spaces. Together these design characteristics help determine whether: (1) a community is walkable, (2) children have safe places to play, (3) people have places to gather and (4) businesses are easy to access.

Where housing and services are built, where street networks are connected and how all of this is designed provides a key opportunity to: (1) enable people to meet more of their daily needs locally, (2) strengthen neighborhoods, (3) improve equitable access to services, (4) support healthy, active living and (5) reduce greenhouse gas emissions and adapt to climate change.

This chapter includes policies that support enhancing centers across the city as anchors to complete neighborhoods, providing Tacomans with convenient access to local services. Clustering and co-locating destinations in centers makes access by transit, walking, wheelchair, and bicycle more practical and reduces the amount of driving needed to access services. Focusing growth and investments in centers and along connective corridors can also make good use of existing infrastructure capacity and encourage efficiency in new infrastructure investments.

The location and distribution of centers, employment areas, corridors, open spaces, signature trails, and residential areas in this element continue the City's historical development patterns and accommodate growth by promoting the intensification of existing development patterns rather than a growth alternative that would significantly depart from the City's current character.



*Museum of Glass on the
Thea Foss waterway
public esplanade*

GOALS + POLICIES

CITYWIDE DESIGN + DEVELOPMENT

GOAL UF-1 Guide development, growth, and infrastructure investment to support positive outcomes for all Tacomans.

Policy UF-1.1 Ensure that the Comprehensive Plan Land Use Map establishes and maintains land use designations that can accommodate planned population and employment growth. See Figure 2, Comprehensive Plan Future Land Use Map.

*Tacoma's growth target is for **127,000 NEW RESIDENTS** and **97,000 NEW JOBS** by 2040.*

LAND USE DESIGNATIONS

The Future Land Use Map illustrates the City's intended future land use pattern through the geographic distribution of residential and commercial areas, the designation of mixed-use and manufacturing/industrial centers, as well as shoreline and residential designations. This land use distribution was a result of analysis of the urban form policies, existing land use and zoning, development trends, anticipated land use needs and desirable growth and development goals. Various types of zoning and land use may be permitted within each of the designations. The map is to be used in conjunction with the adopted policies of the Comprehensive Plan for any land use decision.

The land use designations are established by adoption of the Comprehensive Plan and amendments thereof. The Future Land Use Map is the official land use map of the City, and is maintained by the Planning and Development Services Department in an electronic format to facilitate its accurate use and implementation.

The Future Land Use Map and the designations in Table 3 on page 2-7 provide a basis for applying zoning districts and for making land use decisions. Policies should be considered and interpreted in accordance with the geographic characteristics of the mapped areas. Table 3 depicts the relationship between the land use designations and zoning classifications.

Policy UF-1.2 Implement Comprehensive Plan land use designations through zoning designations and target densities shown in Table 3, Comprehensive Plan Land Use Designations and Corresponding Zoning.

Policy UF-1.3 Promote the development of compact, complete and connected neighborhoods where residents have easy, convenient access to many of the places and services they use daily including grocery stores, restaurants, schools and parks, that support a variety of transportation options, and which are characterized by a vibrant mix of commercial and residential uses within an easy walk of home.

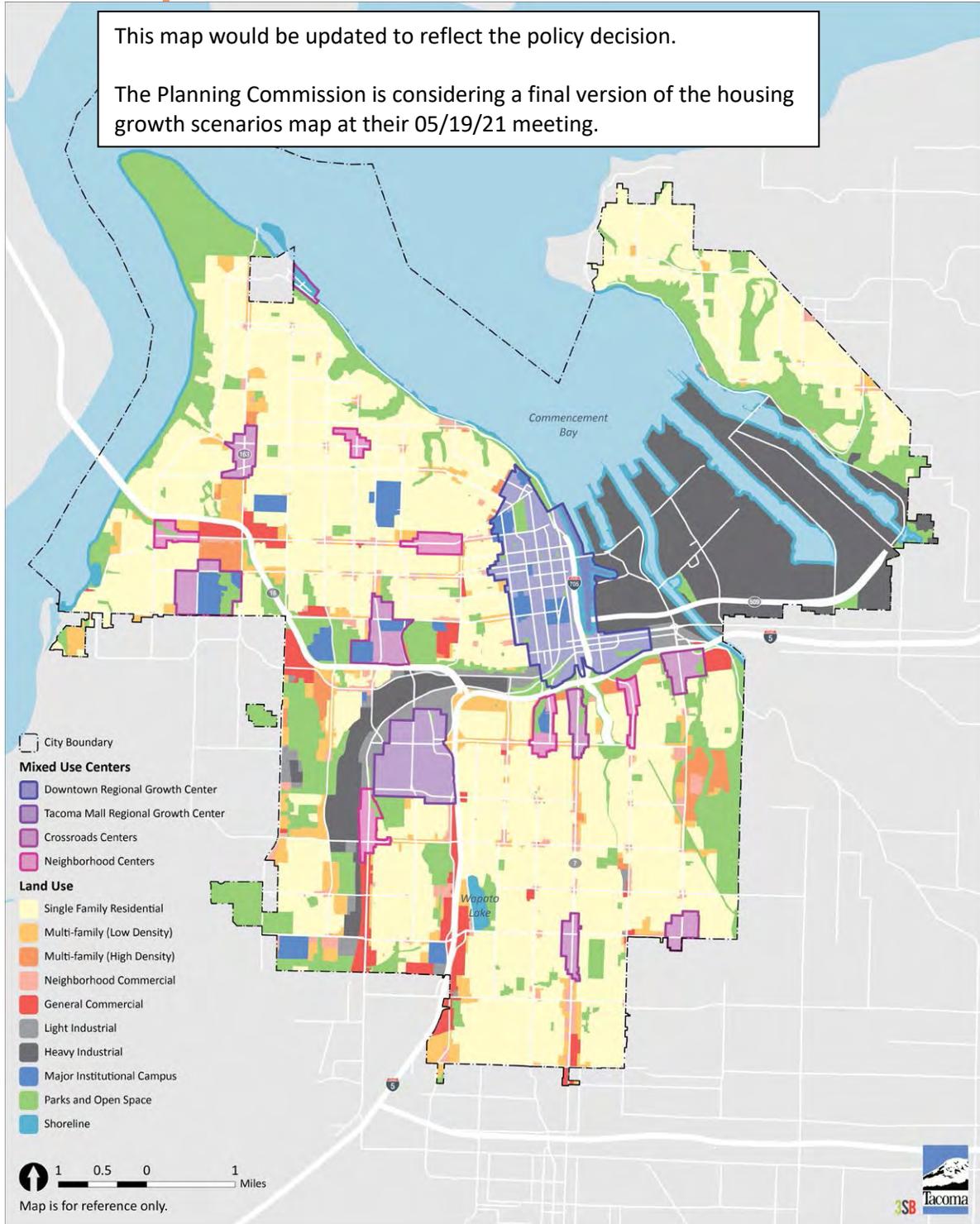


FIGURE 2. Comprehensive Plan Future Land Use Map

TABLE 3. Comprehensive Plan Future Land Use Designations and Corresponding Zoning

COMPREHENSIVE PLAN FUTURE LAND USE DESIGNATIONS	CORRESPONDING ZONING
<p>Low-scale Residential</p>	
<p>Low-scale residential designations provide a range of housing choices built at the general scale and height of detached houses and up to three stories (above grade) in height. Standards for low-scale housing types provide flexibility within the range of building width, depth, height and site coverage consistent with detached houses and backyard accessory structures, pedestrian orientation, and a range of typical lot sizes from 2,500 square feet up to 7,500 square feet. Low-scale residential designations are generally located in quieter settings of complete neighborhoods that are a short to moderate walking distance from parks, schools, shopping, transit and other neighborhood amenities.</p>	<p>R-1 Low-Scale Residential District R-2 Low-scale Residential District R-2SRD Low-scale Residential Special Review District HMR-SRD Historic Mixed Residential Special Review District</p>
<p>Primary housing types supported include detached houses, houses with attached and/or detached accessory dwelling units, duplexes, triplexes, townhouses up to 3 units, cottage housing, and cohousing. Secondary housing types including fourplexes and small-scale multifamily may be permitted, subject to appropriate design, locational and other standards, where they can fit harmoniously with the overall scale of the neighborhood such as corner lots, large sites or at transitions to more intensive designations. Community facilities including parks, schools and religious facilities are also desirable to enhance neighborhood vitality.</p>	<p>Revisions, and potentially additions, to this list of residential zoning districts are underway to implement these policies.</p>
<p>Qualities associated with low-scale residential areas include: Diverse housing types and prices, lower noise levels, limited vehicular traffic, moderate setbacks, private and shared open space and yards, street trees, green features, and complete streets with alleys. Infill in historic districts is supported to expand housing options consistent with the low-scale designation, but must be consistent with the neighborhood scale and defining features.</p>	
<p><i>Target Development Density: 10–25 dwelling units/net acre</i></p>	

Mid-scale Residential

Mid-scale residential designations are generally located in close proximity to Centers, Corridors and transit and provide walkable, urban housing choices in buildings of a size and scale that is between low-scale residential and the higher-scale of Centers and Corridors. Standards for mid-scale housing support heights up to 3 stories (above grade), and 4 stories in limited circumstances. Standards shall ensure that development is harmonious with the scale and residential patterns of the neighborhood through building height, scale, width, depth, bulk, and setbacks that prevent overly massive structures, provide visual variety from the street, and ensure a strong pedestrian orientation. Development shall be subject to design standards that provide for a smooth scale transitions by methods including matching low-scale building height maximums where mid-scale residential abuts or is across the street from low-scale areas.

Housing types supported include small-lot houses, accessory dwelling units, duplexes, triplexes, townhouses, cottage housing, cohousing, fourplexes and multifamily. Community facilities including parks, schools and religious facilities are also desirable and some nonresidential uses such as small childcare, cafes or live-work may be appropriate in limited circumstances.

Qualities associated with mid-scale residential areas include: Diverse housing types and prices, a range of building heights and scales, walkability, transportation choices, moderate noise and activity levels, generally shared open space and yards, street trees, green features, and complete streets with alleys. Infill in historic districts is supported to expand housing options consistent with the mid-scale designation, but must be consistent with neighborhood scale and defining features, and with policies discouraging demolition.

Target Development Density: 15-45 dwelling units/net acre

- R-3** Mid-scale Residential District
- R-4L** Mid-scale Residential District

Revisions, and potentially additions, to this list of residential zoning districts are underway to implement these policies.

Multi-Family (high-density)

This designation allows for a wide range of residential housing types at medium and higher density levels, along with community facilities and institutions, and some limited commercial uses and mixed-use buildings. It is characterized by taller buildings, higher traffic volumes, reduced setbacks, limited private yard space, and greater noise levels. These areas are generally found in the central city and along major transportation corridors where there is increased access to public transportation and to employment centers.

Target Development Density: 45-75 dwelling units/net acre

- R-4** Multiple-Family Dwelling District
- R-5** Multiple-Family Dwelling District

COMPREHENSIVE PLAN FUTURE LAND USE DESIGNATIONS

CORRESPONDING ZONING

Neighborhood Commercial

This designation is characterized primarily by small-scale neighborhood businesses with some residential and institutional uses. Uses within these areas have low to moderate traffic generation, shorter operating hours, smaller buildings and sites, and less signage than general commercial or mixed-use areas. There is a greater emphasis on small businesses and development that is compatible with nearby, lower intensity residential areas.

Target Development Density: 14–36 dwelling units/net acre

- C-1** General Neighborhood Commercial District
- T** Transitional District

General Commercial

This designation encompasses areas for medium to high intensity commercial uses which serves a large community base with a broad range of larger scale uses. These areas also allow for a wide variety of residential development, community facilities, institutional uses, and some limited production and storage uses. These areas are generally located along major transportation corridors, often with reasonably direct access to a highway. This designation is characterized by larger-scale buildings, longer operating hours, and moderate to high traffic generation.

Target Development Density: 45–75 dwelling units/net acre

- PDB** Planned Development Business District
- HM** Hospital Medical District
- C-2** General Community Commercial District

Downtown Regional Growth Center

The downtown center is the highest concentration of urban growth found anywhere in the city. It is the focal point for the city, the center of government, cultural, office, financial, transportation and other activities. This variety of day and night activities attracts visitors from throughout the city and region. The interstate freeway, major arterials, provides access and the center has both local and regional transit connections. Larger, often historic, buildings fronting on the sidewalk characterize the area. Pedestrian orientation is high. Parking is found along the street and within structures.

- DR** Downtown Residential District
- DMU** Downtown Mixed-Use District
- WR** Warehouse/Residential District
- DCC** Downtown Commercial Core District
- UCX-TD** Downtown Mixed-Use District

Tacoma Mall Regional Growth Center

The Tacoma Mall is a highly dense self-sufficient concentration of urban development. Buildings can range from one to twelve stories and activity is greater than in most areas of the city. It is an area of regional attraction and a focus for both the local and regional transit systems. Many major city arterials connect to the Tacoma Mall Regional Growth Center and nearby freeway access is present. Parking is provided both in surface lots and within structures. Internal streets and pathways provide connections among the developments within the center.

Minimum Allowable Site Density: 25 dwelling units/net acre

- UCX** Urban Center Mixed-Use District
- RCX** Residential Commercial Mixed-Use District
- URX** Urban Residential Mixed-Use District

COMPREHENSIVE PLAN FUTURE LAND USE DESIGNATIONS

CORRESPONDING ZONING

Crossroads Center

The crossroads center is a concentration of commercial and/or institutional development that serves many nearby neighborhoods and generally includes a unique attraction that draws people from throughout the city. Some residential development may already be present, and there is a goal to have more residential development. It is directly accessible by arterials and local transit. Pedestrian accessibility is important within the center, but because of its focus on larger scale commercial development, the crossroads center continues to provide for automobile parking, preferably within structures.

Minimum Allowable Development Density: 25 dwelling units/net acre

- CCX** Community Commercial Mixed-Use District
- RCX** Residential Commercial Mixed-Use District
- HMX** Hospital Medical Mixed-Use District
- URX** Urban Residential Mixed-Use District

Neighborhood Center

The neighborhood center is a concentrated mix of small- to medium-scale development that serves the daily needs of center residents, the immediate neighborhood, and areas beyond. Development contains a mix of residential and commercial uses, and the majority of parking is provided within structures. Buildings are generally up to six stories along the commercial corridors, up to three stories at the periphery of the centers near low-scale residential districts, and up to four stories in areas between the core and the periphery. They are designed with a compatible character to adjacent residential neighborhoods.

The design of the neighborhood center encourages pedestrians and bicyclists and its location on a major arterial makes it a convenient and frequent stop for local transit. The regional transit network also may directly serve some neighborhood centers.

Minimum Allowable Development Density: 25 dwelling units/net acre

- NCX** Neighborhood Commercial Mixed-Use District
- RCX** Residential Commercial Mixed-Use District
- CIX** Commercial Industrial Mixed-Use District
- HMX** Hospital Medical Mixed-Use District
- URX** Urban Residential Mixed-Use District
- NRX** Neighborhood Residential Mixed-Use District

Light Industrial

This designation allows for a variety of industrial uses that are moderate in scale and impact, with lower noise, odors and traffic generation than heavy industrial uses. This designation may include various types of light manufacturing and warehousing and newer, clean and high-tech industries, along with commercial and some limited residential uses. These areas are often utilized as a buffer or transition between heavy industrial areas and less intensive commercial and/or residential areas.

- M-1** Light Industrial District

Heavy Industrial

This designation is characterized by higher levels of noise and odors, large-scale production, large buildings and sites, extended operating hours, and heavy truck traffic. This designation requires access to major transportation corridors, often including heavy-haul truck routes and rail facilities. Commercial and institutional uses are limited and residential uses are generally prohibited.

- M-2** Heavy Industrial District
- PMI** Port Maritime & Industrial District

COMPREHENSIVE PLAN FUTURE LAND USE DESIGNATIONS

CORRESPONDING ZONING

Parks and Open Space

This designation is intended to conserve and enhance open, natural and improved areas valuable for their environmental, recreational, green infrastructure and scenic character and the benefits they provide. The designation encompasses public and private parks and open space lands, with lands set aside for these purposes by the City of Tacoma and the Metropolitan Parks District forming the core of the designation. As more land is placed in conservation status by these agencies as well as other public and private entities, the extent of the designation will be expanded to include them.

The designation supports Tacoma’s vision of an integrated parks and open space system that defines and enhances the built and natural environment, supports and nurtures plant and wildlife habitat, enhances and protects trees and the urban forest, preserves the capacity and water quality of the stormwater drainage system, offers recreational opportunities, and provides pedestrian and bicycle connections. Lands within this designation include both natural open space areas and active use parks and recreational areas. Natural open space is intended to be conserved and enhanced through habitat restoration and vegetation management to maximize its environmental and stormwater benefits, along with low-impact public access such as natural area trails and viewpoints, when appropriate. Parks and recreation lands are intended to provide opportunities for active recreation such as playfields and sports facilities, and urban amenities such as plazas, pocket parks and community gardens.

Additional, more specific policy direction regarding these types of areas is contained within the Environment and Watershed Health Element.

This designation is appropriate in all zoning classifications.

Major Institutional Campus

This designation is intended for large institutional campuses that are centers of employment and that service a broader population than that of the neighborhood in which it is located. This designation includes hospitals, medical centers, colleges, universities, and high schools typically greater than 10 acres in size. The designation recognizes the unique characteristics of these institutions and is intended to accommodate the changing needs of the institution while enhancing the livability of surrounding residential neighborhoods and the viability of nearby business areas.

This designation is appropriate in all zoning classifications.

COMPREHENSIVE PLAN FUTURE LAND USE DESIGNATIONS

CORRESPONDING ZONING

Shoreline

S1–S14 Shoreline Zoning Districts

The city’s shoreline areas provide great social, ecological, recreational, cultural, economic and aesthetic value, both at the local and regional level. It is the community’s intent to use the full potential of these areas in a manner that is both ordered and diversified, supports the community’s ability to enjoy the water and the unique setting it creates, and which integrates water and shoreline uses while achieving a net gain of ecological functions. In addition, these areas are intended to balance the overarching goals outlined in the State Shoreline Management Act:

- To ensure an adequate land supply for water-dependent uses;
- To promote and enhance the public’s opportunities to access and enjoy the water; and
- To protect and preserve natural resources.

This designation includes areas that support deepwater port and industrial sites, habitat for a variety of fish and wildlife, archaeological and historical sites, open space, recreation and community activities, and some commercial and residential development. Recognizing the limited nature of this important resource, use and development of the shoreline areas must be carefully planned and regulated to ensure that these values are maintained over time.

The Shoreline Master Program has been developed to provide additional and more detailed policy direction regarding the city’s shoreline areas, along with specific zoning and development standards. The Shoreline Master Program utilizes a system of “environment designations” which further guide the character, intensity and use of individual shoreline segments. These classifications include Natural, Shoreline Residential, Urban Conservancy, High Intensity, Aquatic, and Downtown Waterfront and are based on the existing development patterns, natural capabilities and goals and aspirations of the community for its shoreline areas.

Airport Compatibility Residential

This designation is implemented through the JBLM Airport Compatibility Overlay District, and through the future establishment of an appropriate base residential zoning district.

This designation is intended to increase safety in residential areas within the approximately 200-acre area of South Tacoma corresponding with the Joint Base Lewis McChord Airport Protection Zone II. Safety will be increased by preventing development conditions that could interfere with airport operations or increase the likelihood of an accident, and by reducing risk to life and property in the incidence of a crash. Key strategies are to prevent development with explosive or flammable characteristics, and to allow reasonable use and expansion of existing uses while discouraging increases in residential density or in public gathering capacity.

Policy UF-1.4 Direct the majority of growth and change to centers, corridors, and transit station areas, allowing the continuation of the general scale and characteristics of Tacoma’s residential areas while accommodating quality, context-sensitive urban infill through design standards, project review procedures, and zoning requirements.

Policy UF-1.5 Strive for a built environment designed to provide a safe, healthful, and attractive environment for people of all ages and abilities.

Policy UF-1.6 Support energy-efficient, resource-efficient, and sustainable development and transportation patterns through land use and transportation planning.

Policy UF-1.7 Integrate nature and use appropriate green infrastructure throughout Tacoma.

Policy UF-1.8 Recognize the importance of the city's established street grid pattern, block sizes, and intersection density in supporting multi-modal transportation, quality urban design, and 20-minute neighborhoods. Whenever practicable, the established grid pattern should be preserved and enhanced to achieve the city's goals for urban form, and design and development.

2-11

*See the Public Facilities
+ Services Element
for additional policies
related to annexation
under Goal PFS-2 and
supporting policies*



*Hill climb assist through
UW Tacoma*

Policy UF-1.9 Encourage high quality design and development that demonstrates Tacoma’s leadership in the design of the built environment, commitment to a more equitable city, and ability to experiment and generate innovative design solutions.

Policy UF-1.10 Leverage the power of the arts, culture and creativity to serve the community’s interest while driving growth in a way that builds character and quality of place.

Policy UF-1.11 Evaluate the impacts of land use decisions on the physical characteristics of neighborhoods and current residents, particularly under-served and under-represented communities.

- a. Avoid or reduce negative development impacts, especially where those impacts inequitably burden communities of color under-served and under-represented communities, and other vulnerable populations.
- b. Make needed investments in areas that are deficient in infrastructure and services to reduce disparities and increase equity and where growth and change are anticipated.

Policy UF-1.12 Plan for future annexation of the city’s Potential Annexation Areas (PAA) in a collaborative manner with affected jurisdictions and residents.

CENTERS

Centers are compact, walkable and pedestrian-oriented urban places. They are connected by public transit and active transportation networks. They anchor complete neighborhoods with retail stores and businesses (grocery stores, restaurants, markets, shops, etc.) civic amenities (libraries, schools, community centers, places of worship, etc.), housing options, health clinics, daycare centers, employment centers, plazas and parks and other public gathering places.

Centers will be the primary areas for growth and change in Tacoma over the next 25 years. Focusing new growth in centers helps achieve goals of having more Tacomans live in complete neighborhoods, use public transit and active transportation—walking, biking and rolling—to commute to work and complete errands, and it will help mitigate and prepare for the effects of climate change. Clustering and co-locating destinations and

housing within compact, walkable centers makes access by transit, walking, wheelchair, and bicycle more practical and reduces the amount of driving needed to access services, reducing the impact on roadways, reducing congestion, and facilitating freight movement.

Centers range in scale from the Tacoma’s Downtown to small neighborhood storefront service nodes, providing local access to services and allowing Tacomans across the City to live a healthy, active lifestyle. Neighborhood business districts and the commercial services they provide are the foundation of many centers, but centers, particularly larger centers, will also become a focus for public services, gathering places, and housing growth. In and around all centers, there will be change as areas urbanize and new services, shops and housing are developed.

Four types of centers are designated that vary in size, scale, service area, role, and density of residents and businesses. As shown in Figure 3, the four types of centers are:

- Downtown Regional Growth Center
- Tacoma Mall Regional Growth Center
- Crossroads Center
- Neighborhood Center

Policies in this section identify essential elements and functions of centers that will be enhanced over time. Additional policies provide more detailed direction for specific types of centers.

GOAL UF–2 Focus growth in a citywide network of centers that provide healthy, equitable and sustainable access to services and housing and preserve the city’s character and sense of place.

Policy UF–2.1 Plan for a range of centers across the city to enhance local, equitable access to services, employment, and housing opportunities.

Policy UF–2.2 Connect centers to each other and to other key destinations, such as schools and parks, by frequent and convenient transit, bicycle sharing, bicycle routes, pedestrian trails and sidewalks, and electric and vehicle charging stations.



MLK Jr. Way, a commercial corridor in the Hilltop Neighborhood



Commerce Street transfer area

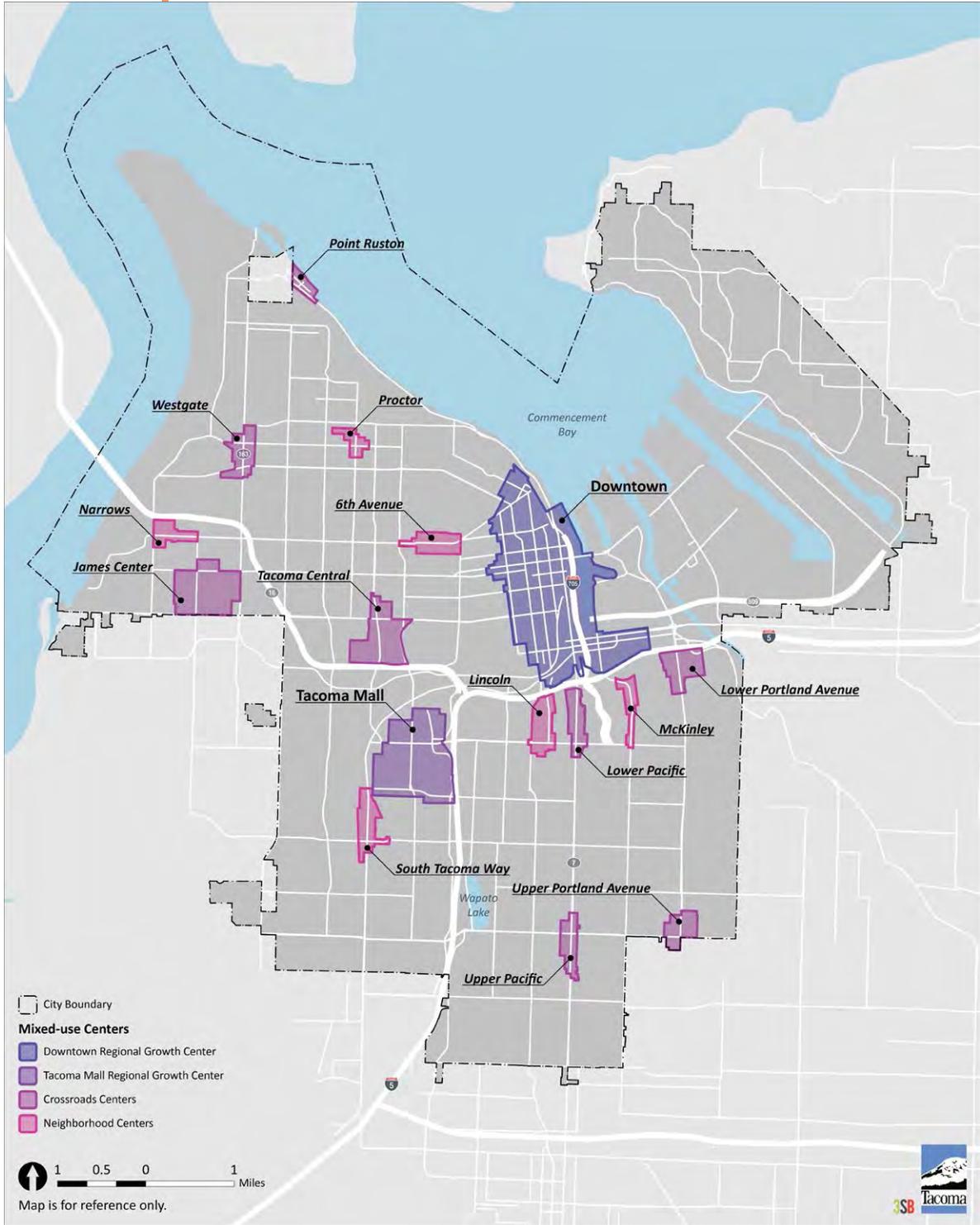


FIGURE 3. Mixed-use Centers

Policy UF–2.3 When planning capital and transportation improvements in centers, consider the following priorities:

- a. Focus and coordinate investments in one or two centers for maximum effect;
- b. Focus investments in centers where the real estate market is emerging and where public efforts would likely stimulate private investment;
- c. Identify and respond to special needs and opportunities in centers, including possible level of service deficiencies.

Policy UF–2.4 Strictly limit the expansion of the mixed-use center boundaries except where it can be shown that the center has maximized its development potential, has achieved a full range of uses, and the proposed area of expansion will be developed to the fullest extent possible.

- a. Support boundary expansion only when a center demonstrates a sustained level of growth consistent with the centers strategy and planned densities, where the demand for additional growth exists, and where the capacity for additional growth is limited.

-
- b. Establish mid-scale transition areas near to Centers providing a scale and intensity transition down to low-scale neighborhoods while supporting well-designed, context-sensitive, pedestrian-oriented housing in walkable, transit-supportive urban locations.

GOAL UF–3 Enhance centers as anchors of complete neighborhoods that include concentrations of commercial and public services, housing, employment, gathering places, and green spaces.

Policy UF–3.1 Design centers to be compact, safe, attractive, and accessible places, where the street environment makes access by transit, walking, biking, and mobility devices, such as wheelchairs, safe and attractive for people of all ages and abilities.

Policy UF–3.2 Provide housing capacity for enough population to support a broad range of commercial services, focusing higher-density housing within a half-mile of the core.

Policy UF–3.3 Encourage residential development for mixed income levels in all centers.



*Renovated Albers Mill
Lofts building on the
Thea Foss Waterway*



*Trail at E 48th and R streets
in the Salishan neighborhood*



*Rain gardens and
landscaping on
Pacific Avenue*

Policy UF-3.4 Encourage the placement of services in centers, including schools and colleges, health services, community centers, daycare, parks and plazas, library services, and justice services.

Policy UF-3.5 Ensure that land use plans and infrastructure investments allow for and incorporate arts and culture as central components of centers and as identity forming creative processes.

Policy UF-3.6 Encourage public and private investment in infrastructure, economic development, and community services in centers to ensure that all centers will support the populations they serve.

Policy UF-3.7 Partner with Pierce Transit in providing development incentives and programs to improve transit-orientation and walking conditions in all centers.

Policy UF-3.8 Partner with employers within mixed-use centers to reduce dependence on automobile use and increase the use of transit, ridesharing, and non-motorized transportation modes through aggressive implementation of Commute Trip Reduction programs and other efforts.

Policy UF-3.9 Where existing development patterns allow, mixed-use centers, or adjacent mid-scale areas, should include areas outside of the core where commercial uses are restricted and low rise multifamily development that is more compatible with the scale, massing and form of adjacent low-scale development is emphasized.

Policy UF-3.10 Integrate nature and green infrastructure into centers and enhance public views and connections to the surrounding natural features.

GOAL UF-9 Promote future residential and employment growth in coordination with transit infrastructure and service investments.

Policy UF-9.1 Encourage transit-oriented development and transit-supportive concentrations of jobs and housing, and multimodal connections, at and adjacent to high-frequency and high-capacity transit stations.

Policy UF-9.2 Integrate transit stations into surrounding communities and enhance pedestrian and bicycle connections to provide safe access to key destinations beyond the station area.

Policy UF-9.3 Design transit areas to improve pedestrian, bicycle, and personal safety within the station and the station area.

Policy UF-9.4 Encourage transit stations in centers to provide high density concentrations of housing and commercial uses that maximize the ability of residents to live close to both high-quality transit and commercial services.

Policy UF-9.5 Encourage concentrations of jobs and employment-focused land uses in and around stations in employment areas.

Policy UF-9.6 Enhance connections between major destinations and transit facilities and strengthen the role of these stations as places of focused activity.

Policy UF-9.7 Encourage concentrations of mixed-income residential development and supportive commercial services close to high capacity transit stations that are not located in a center.

Policy UF-9.8 Establish land use and zoning supporting context-sensitive, well-designed mid-scale residential development within walking distance of centers, corridors and transit that is harmonious with neighborhood patterns, at a scale that complements the existing neighborhood.

GOAL UF-10 Establish designated corridors as thriving places that support and connect Tacoma's centers.

Policy UF-10.1 Enhance the design and transportation function of Centers, Corridors, Transit Station Areas, and Signature Trails.

Policy UF-10.2 Evaluate adjacent land uses to help inform street classifications in framing, shaping and activating the public space of streets.

Policy UF-10.3 Integrate both the placemaking and transportation functions when designing and managing streets by encouraging design, development, and operation of streets to enhance opportunities for them to serve as places for community interaction, environmental function, open space, recreation, and other community purposes.

Policy UF-10.4 Encourage the design and alignment of corridors to respond to topography and natural features, and to maintain public views of prominent landmarks and buildings that serve as visual focal points within streets or that terminate at the end of streets.

Policy UF-10.5 Establish land use and zoning supporting context-sensitive, well-designed, pedestrian-oriented mid-scale residential development within walking distance of centers, corridors and transit that is harmonious with neighborhood patterns, at a scale that complements the existing neighborhood.



three



DESIGN + DEVELOPMENT

DESIGN + DEVELOPMENT GOALS

GOAL DD-1 Design new development to respond to and enhance the distinctive physical, historic, aesthetic and cultural qualities of its location, while accommodating growth and change.

GOAL DD-2 Ensure that parking area design and management balances the needs of all users, supports modal priorities, and is responsive to site context.

GOAL DD-3 Ensure that sign location and design is responsive to site context and compatible with the envisioned mix of uses and modal priorities.

GOAL DD-4 Enhance human and environmental health in neighborhood design and development. Seek to protect safety and livability, support local access to healthy food, limit negative impacts on water and air quality, reduce carbon emissions, encourage active and sustainable design, and integrate nature and the built environment.

GOAL DD-5 Ensure long-term resilience in the design of buildings, streets and open spaces, including the ability to adjust to changing demographics, climate, and economy, and withstand and recover from natural disasters.

GOAL DD-6 Protect and preserve designated significant scenic resources, including public views and scenic sites.

GOAL DD-7 Support sustainable and resource efficient development and redevelopment.

GOAL DD-8 Promote development practices that contribute to a sense of safety and reduction in opportunities for crime.

GOAL DD-9 Support development patterns that result in compatible and graceful transitions between differing densities, intensities and activities.

GOAL DD-10 Ensure that all citizens have nearby, convenient and equitable access to healthy foods.

GOAL DD-11 Protect people, property and the environment from environmental hazards.

GOAL DD-12 Integrate and harmonize development with the natural environment.

GOAL DD-13 Protect and preserve Tacoma's historic and cultural character.

GOAL DD-14 Infuse the City's built environment with creative expression and design that encourages expressions of creativity and results in vibrant public spaces where people want to be.

GOAL DD-15 Through neighborhood-level planning initiatives guided by community involvement, support revitalization, housing and reinvestment throughout the City while recognizing and retaining the unique qualities, character, populations, and community assets in each neighborhood, corridor and center.

THREE

DESIGN + DEVELOPMENT

WHAT IS THIS CHAPTER ABOUT?

The goals and policies in this chapter convey the City's intent to:

- Encourage building and site design that promotes human and environmental health and safety and responds to local context.
- Promote strong links between building and site design, streets and the public realm.
- Guide historic and cultural resource and scenic view preservation.
- Encourage the integration of nature into the built environment.
- Reduce carbon emissions and promote energy and resource efficient neighborhoods and buildings.
- Create public spaces that promote a sense of community and support the goals of community health and sustainability.

WHY IS THIS IMPORTANT?

Development and design shapes how Tacoma looks and functions.

Past development, in combination with the natural landscape, has shaped how the city is experienced. Future development, and the treatment of built and natural heritage, has the potential to create a better, healthier, more efficient and more pleasant Tacoma.

Book I: Goals + Policies

- 1 Introduction + Vision
- 2 Urban Form
- 3 **Design + Development**
- 4 Environment + Watershed Health
- 5 Housing
- 6 Economic Development
- 7 Transportation
- 8 Parks + Recreation
- 9 Public Facilities + Services
- 10 Container Port
- 11 Engagement, Administration + Implementation
- 12 Downtown

Book II: Implementation Programs + Strategies

- 1 Shoreline Master Program
- 2 Capital Facilities Program
- 3 Downtown Regional Growth Center Plans
- 4 Historic Preservation Plan



*Historic district housing
on SJ Street*



Engine House No. 9, a fire station built in 1907, was placed on the National Register of Historic Places in 1975

New development and redevelopment can promote vibrant, accessible urban places for people of all ages, abilities and backgrounds, while also enhancing natural resources, providing aesthetically pleasing experiences, protecting health and safety and promoting resilience. As a metropolitan city that is expected to accommodate a significant share of regional growth forecasts, Tacoma faces design and development challenges, as well as opportunities. The policies in this chapter encourage development that respects context, preserves historic and cultural resources, engages innovation and creativity, reduces carbon emissions, improves resource efficiency, minimizes risk from natural hazards, limits impacts to wildlife and natural systems, and integrates nature into the urban environment.

GOALS + POLICIES

GENERAL DEVELOPMENT POLICIES

The design of buildings and other development can affect the safety, health, and quality of life of building users, neighbors and the environment. High-quality design contributes to the beauty, livability, resilience and functionality of the city as a whole. Clear policy guidance and direction on Tacoma’s desired design and development character will help preserve and enhance the character of city’s neighborhoods and promote the Tacoma as an inviting and inspiring place. The following policies guide building and site design to promote accessible and attractive public environments. They also encourage site and building designs that contribute to a welcoming and attractive public realm and respond to current and historical contexts.

GOAL DD–1 Design new development to respond to and enhance the distinctive physical, historic, aesthetic and cultural qualities of its location, while accommodating growth and change.

Policy DD–1.1 Encourage excellence in architecture, site design, and infrastructure and durability in building materials to enrich the appearance of a development’s surroundings.

Policy DD–1.2 Promote site and building design that provides for a sense of continuity and order while allowing for creative expression.

Policy DD–1.3 Design buildings and streetscape of a human scale to create a more inviting atmosphere for pedestrians.

Policy DD–1.4 Consider development of a design review program to promote high quality design that supports community identity, a distinctive built environment, human-scale elements and amenities, resilient and durable materials, landscape enhancements, and other similar features.

Policy DD–1.5 Encourage building and street designs that respect the unique built natural, historic, and cultural characteristics of Tacoma’s centers, corridors, historic residential pattern areas and open space corridors, described in the Urban Form chapter.

Policy DD–1.6 Encourage the development of aesthetically sensitive and character-giving design features that are responsive to place and the cultures of communities.



Development on the Foss Waterway enhances the unique character of the City



Provide for a diverse array of public and private open spaces to promote pedestrian activity and to enhance the livability and character of the city

Policy DD-1.7 Encourage development that responds to and enhances the positive qualities of site and context—the block, the public realm, and natural features.

Policy DD-1.8 Enhance the pedestrian experience throughout Tacoma, through public and private development that creates accessible and attractive places for all those who walk and/or use wheelchairs or other mobility devices.

Policy DD-1.9 Encourage development, building and site design that promote active living.

Policy DD-1.10 Provide for public access to light and air by managing and shaping the height, and mass of buildings, while accommodating urban scale development.

Policy DD-1.11 Encourage building and site designs that limit reductions in privacy and solar access for residents and neighbors, while accommodating urban scale development.

Policy DD-1.12 Encourage building and site design approaches that help prevent crime.

Policy DD-1.13 Encourage building and site design that improves fire prevention and life safety.

Policy DD-1.14 Encourage the continued use of alleys for parking access and expand their use as the location of accessory dwelling units and as multi-purpose community space.

Policy DD-1.15 Develop and implement work plans to conduct neighborhood-level planning for each of Tacoma's neighborhoods, corridors and centers. Identify revitalization and growth strategies to address land use, housing, capital investments, public services, mobility choices, and other actions unique to each situation.

PARKING

Vibrant urban places link people and activities. As Tacoma grows, we must manage both the demand and supply of parking. Providing too much parking can lead to inefficient land use patterns and sprawl. Insufficient parking can negatively affect neighborhood livability and economic vitality. These policies provide guidance to manage parking demand and supply to meet a variety of public objectives, including achieving compact walkable communities, reducing overall vehicle use, enhancing livability, reducing pollution, and expanding economic opportunity.

GOAL DD-2 Ensure that parking area design and management balances the needs of all users, supports modal priorities, and is responsive to site context.

Policy DD-2.1 Promote site design that minimizes the impacts of vehicular access and parking lots on pedestrian safety and the visual environment:

- a. Locate parking lots to the side or rear of developments and within walking distance of the activities they serve.
- b. Limit the number and width of driveways to those necessary to effectively serve development.
- c. Incorporate design treatments that break up large parking lots into smaller components.
- d. Parking, loading, storage, and utility service areas should be screened from view and landscaped.
- e. On-street parking should be configured in accordance with the context of the street, including consideration of visibility, safety, and the needs of different users.

Policy DD-2.2 Design commercial areas with an internal pedestrian circulation system that provides attractive connections between buildings,

Development Examples that Minimize Impacts of Vehicular Access

Structured parking



Landscaped alleys



Internal auto-courts





Residential parking (left)

Mini pop-up bicycle parking in the public right-of-way during Parking Day (center)

Bicycle parking (right)



Paid parking sign

through large parking areas, connections to the street, and linkages to surrounding properties and neighborhoods.

Policy DD–2.3 Utilize landscaping elements to screen and shade parking lots, loading areas, utility service and storage from the street view and adjacent uses, to create visual appeal, de-emphasize the prominence of the parking lot, and to enhance the pedestrian environment.

Policy DD–2.4 Promote an efficient use of developable space by minimizing the amount of land devoted to automobile parking. Strategies may include: transportation demand management, parking reductions for locating near transit services, reducing minimum parking requirements or implementing maximum parking requirements, utilizing multilevel parking structures and on-street parking to meet demand, use of compact stalls, implementing a parking management strategy including shared parking facilities, and other methods as appropriate.

Policy DD–2.5 Develop parking management plans for centers and commercial areas that address pricing, enforcement, parking duration and turnover, strategies for preventing spillover into surrounding residential areas (such as Residential Parking Zones), revenue and cost sharing options, and that identify SEPA mitigation opportunities.

Policy DD–2.6 Recognize the availability and cost of parking substantially influences public transit's viability as a transportation alternative and is a substantial barrier to meeting housing supply and affordability goals.

Policy DD–2.7 Manage parking supply to achieve transportation policy objectives for neighborhood livability, safety, business district vitality, vehicle miles traveled (VMT) reduction, and improved air quality.

Policy DD–2.8 Promote the development of new bicycle parking facilities, including dedicated bike parking in the public right-of-way, especially within designated centers.

Policy DD-2.9 Tacoma’s regulatory parking requirements must be right-sized to reflect the inherent tradeoffs between onsite parking and housing goals, and to implement Tacoma’s environmental and transportation policies, **The emphasis should be on promoting transportations choices.** Provisions for parking for people with disabilities, drop-offs, loading and deliveries must be made either onsite or in the vicinity **of significant destinations.**

SIGNS

Signs are part of a myriad of elements of the built environment that our community interacts with on a daily basis. The primary purpose of signage is to communicate information and to render uses and locations more readily visible to the public. Community concerns about signage typically revolve around issues of safety and the visual impacts of signs in a community. The following policies provide direction on the size, placement, type, and appearance of signage in the community.

GOAL DD-3 Ensure that sign location and design is responsive to site context and compatible with the envisioned mix of uses and modal priorities.

Policy DD-3.1 Ensure that signs are compatible with their surroundings. Signs should provide information and make a positive contribution to the character of the community.

Policy DD-3.2 Signs should effectively contribute to the aesthetics of the development and minimize negative impacts on adjacent uses and all modes of transportation. Specifically:

- a. Emphasize wall mounted over freestanding signs.
- b. Limit the height of freestanding signs and integrate such signs with landscaping elements.
- c. Provide for wall mounted signs that are sized and placed in proportion and appropriate to the façade of the building.
- d. Encourage signage that contributes to the pedestrian environment
- e. Encourage creativity in signage design.
- f. Encourage the use of high quality materials that are durable and enhance the aesthetics of the development.

Policy DD-3.3 Promote compatibility of signs with pedestrian-oriented development in all areas, and particularly in designated mixed-use centers and residential areas.

Policy DD-3.4 Discourage billboards in designated or developed residential areas.



Vehicle speed limit and cycling distance signs

**Residential Infill which
Supports the Surrounding
Neighborhood**



Cottage housing



Duplex



Courtyard apartments

RESIDENTIAL AREAS

There will be development and change, even in relatively stable lower density residential areas. These policies encourage designs and development that continue the existing development pattern. They also address design and development in lower density residential areas outside of centers and corridors, and call for new residential infill to be designed and located to support the overall health and vitality of the City's neighborhoods.

GOAL DD-4 Enhance human and environmental health in neighborhood design and development. Seek to protect safety and livability, support local access to healthy food, limit negative impacts on water and air quality, reduce carbon emissions, encourage active and sustainable design, and integrate nature and the built environment.

Policy DD-4.1 Ensure that new development is responsive to and enhances the quality, character and function of Tacoma's residential neighborhoods.

Policy DD-4.2 Encourage more housing choices to accommodate a wider diversity of family sizes, incomes, and ages. Allow adaptive reuse of existing buildings and the creation of diverse infill housing types such as accessory dwelling units to serve the changing needs of a household over time.

Policy DD-4.3 Encourage residential infill development that complements the general scale, character, neighborhood patterns, and natural landscape features of neighborhoods. Consider building forms, scale, street frontage relationships, setbacks, open space patterns, and landscaping. Allow a range of architectural styles and expression, and respect existing entitlements.

Policy DD-4.4 Support resource efficient and healthy residential design and development (see also Goal DD-7 and supporting policies).

Policy DD-4.5 Provide sufficient rights-of-way, street improvements, access control, circulation routes, off-street parking and safe bicycle paths and pedestrian walkways for residential developments.

Policy DD-4.6 Promote the site layout of residential development where residential buildings face the street and parking and vehicular access is provided to the rear or side of buildings. Where multifamily developments are allowed in established neighborhoods, the layout of such developments should respect the established pattern of development, except where a change in context is desired per the goals and policies of the Comprehensive Plan.

Policy DD-4.7 Emphasize the natural physical qualities of the neighborhood (for example, trees, marine view, and natural features) and the site in locating and developing residential areas, provided such development can be built without adversely impacting the natural areas. Where possible, development should be configured to utilize existing natural features as an amenity to the development.

Policy DD-4.8 Provide on-site open space for all types of residential uses. Specifically:

- a. For single family uses and duplexes, this includes private rear yard areas and landscaped front yards.
- b. For triplexes and townhouses, this includes landscaped yard space, patios, balconies, rooftop decks, porches, and/or common open spaces.
- c. For multifamily uses, this includes balconies, patios, rooftop decks, and/or shared common open space.

Policy DD-4.9 Promote multifamily residential building design that is compatible with the existing patterns of the area. Building design should incorporate:

- a. Façade articulation that reduces the perceived scale of the building and adds visual interest.
- b. For infill residential in established neighborhoods, encourage the use of similar façade articulation and detailing as existing structures.
- c. Covered entries visible from the street and/or common open space.
- d. Utilize building materials that are durable and provide visual interest.

Policy DD-4.10 Utilize landscaping elements to improve the livability of residential developments, block unwanted views, enhance environmental conditions, provide compatibility with existing and/or desired character of the area, and upgrade the overall visual appearance of the development.

Policy DD-4.11 Encourage the diversity of design in multi-unit residential developments. Examples include provisions for a diversity of façade treatments and architectural styles that can add visual interest and diversity to the neighborhood.



On-site open spaces for residential uses, including landscaped front yards and porches, common courtyards, balconies, and common play areas

Policy DD—4.12 Encourage the inclusion of affordable spaces for artists and creative entrepreneurs such as artist live-work and/or work-live units, studio work spaces, or assembly/performance spaces in multifamily projects through incentives.

Policy DD—4.13 Review and update Tacoma’s zoning and development standards for residential development to seek opportunities to promote housing supply, choice and affordability while ensuring that infill housing complements neighborhood scale and patterns. **Incorporate design standards to achieve quality, context-sensitive infill development in neighborhoods, centers, corridors, and designated historic districts.**

Policy DD—4.14 Promote infill of Missing Middle housing throughout Tacoma’s neighborhoods to increase housing supply, choice and affordability, while ensuring that infill meets the following design principles:

- a. **Locate** Missing Middle Housing in a walkable context with a strong pedestrian orientation **implemented through design, access, orientation to the right-of-way, pedestrian-scale lighting, and other features**
- b. **Ensure that** Missing Middle Housing **is** be consistent with massing and scale of neighboring structures and use compatible design language
- c. Provide for smooth transitions from Low-scale to higher scale areas by preventing abrupt height and scale changes
- d. **Mitigate the a**ppearance of density from the right-of-way and adjacent properties through breaking up the building footprint, appropriate use of setbacks/screening and limiting height at lot lines
- e. Build a strong sense of community through integration of shared spaces
- f. Minimize vehicular orientation through moderate onsite parking, alley access or shared driveways
- g. Maintain a sense of continuity by encouraging reuse of existing structures including through conversions and additional units
- h. Develop design standards for individual housing types, including standards for shared spaces when appropriate (such as for cottage housing)

Policy DD-4.14 Develop standards to regulate the scale and massing of new buildings to allow for infill housing that is reasonably compatible with existing neighborhood patterns and scale.

- a. For Low-scale Residential areas, new development should be generally consistent with the scale, massing and patterns of the existing neighborhood (allowing for scale increases over time through home additions and remodels).
- b. For Mid-scale Residential areas, new development should generally be

of a moderately larger scale than that of the existing neighborhood, provided that new development shall not cause abrupt scale transitions or unreasonably overshadow neighboring sites.

- c. Evaluate allowing scale increases as an incentive to promote policy goals including reuse of existing structures, affordability, green features or integrating physically accessible units.

Policy DD-4.15 Strengthen landscaping, streetscape planting and other standards and incentives, and take other actions called out in the Urban Forestry Management Plan to ensure that housing development supports Tacoma's urban forestry goals.

Policy DD-4.16 Address the needs of a growing population through review of development standards for onsite open space, streetscape improvements, City open space enhancements in partnership with other public agencies.

Policy DD-4.17 Strive to increase the quality and quantity of housing units that are accessible to people of all physical abilities through regulatory incentives, requirements, and other actions.

Policy DD-4.18 Ensure that new housing is supported by robust transportation options.

HISTORIC + CULTURAL RESOURCES



Protect and build
upon Tacoma's unique
historic resources

GOAL DD-13 Protect and preserve Tacoma's historic and cultural character.

Policy DD-13.1 Encourage the protection and restoration of high-quality historic buildings and places that contribute to the distinctive character and history of Tacoma's evolving urban environment.

Policy DD-13.2 Encourage development that fills in vacant and underutilized gaps within the established urban fabric, while preserving and complementing historic resources and neighborhood patterns.

Policy DD-13.3 Protect significant historic structures from demolition until opportunities can be provided for public comment, pursuit of alternatives to demolition, or actions that mitigate for the loss.

Policy DD-13.4 Keep City-owned historic resources in a state of good repair. Promote the use of best management practices in the City's stewardship of these resources.

Policy DD-13.5 Survey and inventory historic resources as part of future sub-area or neighborhood planning projects, with a focus on areas of anticipated growth and change.

Policy DD-13.6 Expand historic preservation inventories, regulations, and programs to encourage historic preservation in areas that are under-represented by current historic preservation efforts.

Policy DD-13.7 Work with Tacoma's diverse communities and partner agencies to identify and preserve places of historic and cultural significance.

Policy DD-13.8 Encourage the protection and enhancement of cultural heritage structures and sites as valuable and important public assets.

Policy DD-13.9 Encourage the adaptive reuse of historic community structures, such as meeting halls and places of worship, for arts, cultural, and community uses that continue their role as anchors for community and culture.

Policy DD-13.10 Protect and preserve archaeological resources in place, especially those sites and objects associated with American Indian cultures.

Policy DD—13.10 Encourage and support adaptive reuse and conversions of historically significant and existing viable older structures through methods including:

- a. Create regulatory incentives that favor housing unit conversion in existing buildings over demolition and replacement
- b. Evaluate subdivision standards for opportunities where flexibility could allow retention of an existing structure
- c. Evaluate incentives and support for reuse and conversion of abandoned houses
- d. Evaluate non-life safety Building Code flexibility for conversion of existing structures (such as ceiling height)
- e. Designate land available for houses being relocated as part of redevelopment

Policy DD-13.11 Discourage the unnecessary demolition of older viable and historically significant structures through a range of methods including:

- a. Develop regulations that encourage new development on vacant or underutilized spaces and reuse of existing structures
- b. Develop a proactive survey program for the identification, documentation and preservation of historically and culturally significant buildings in all areas of the City, particularly those historically underserved and underrepresented
- c. Expand current demolition review code language to protect structures of historical or cultural significance outside of current historic districts
- d. Avoid creating an economic incentive for demolitions within Historic Districts

Policy DD-13.12 Encourage infill that is architecturally compatible within surrounding contexts through appropriate scale and design controls both within Historic Districts and citywide.

Policy DD-13.13 Take measures to reduce waste stream impacts resulting from demolition such as developing architectural salvage requirements for demolition permits and supporting the reuse of building materials.



five



HOUSING

HOUSING GOALS

GOAL H-1 Promote access to high-quality affordable housing that accommodates Tacomans' needs, preferences, and financial capabilities in terms of different types, tenures, density, sizes, costs, and locations.

GOAL H-2 Ensure equitable access to housing, making a special effort to remove disparities in housing access for black, indigenous and people of color, low-income households, diverse household types, older adults, and households that include people with disabilities.

GOAL H-3 Promote safe, healthy housing that provides convenient access to jobs and to goods and services that meet daily needs. This housing is connected to the rest of the city and region by safe, convenient, affordable multimodal transportation.

GOAL H-4 Support adequate supply of affordable housing units to meet the needs of residents vulnerable to increasing housing costs and ensure that policies and programs are in place to mitigate displacement.

GOAL H-5 Encourage access to resource efficient and high performance housing that is well integrated with its surroundings, for people of all abilities and income levels.

GOAL H-6 Ensure equitable access to opportunity and housing choice throughout the City's neighborhoods.

GOAL H-7 Strive to meet multiple goals through housing actions, consistent with Tacoma's vision for neighborhoods that are inclusive, welcoming to our diverse community, resilient, thriving, distinctive and walkable, including robust community amenities and a range of housing choices and costs.

FIVE

HOUSING

WHAT IS THIS CHAPTER ABOUT?

The goals and policies in this chapter convey the City's intent to:

- Implement Tacoma's vision of neighborhoods that are inclusive, welcoming to our diverse community, resilient, thriving, distinctive and walkable, including robust community amenities and a range of housing choices and costs.
- Ensure adequate access to a range of housing types for a socially- and economically-diverse population.
- Support fair, equitable, healthy, resource efficient and physically-accessible housing.
- Concentrate new housing in and around centers and corridors near transit and services to reduce the housing/transportation cost burden.
- Increase the amount of housing that is affordable, especially for lower income families and special needs households. Promote a supply of permanently-affordable housing for Tacoma's most vulnerable residents.
- Expand the number and location of housing opportunities, both market rate and assisted, for families and individuals throughout the city.
- Recognize the lingering impacts of systemic racism in housing and take proactive and decisive steps to dismantle continuing racism where it exists and rectify its impacts.

While a place to live is a basic human need, not all Tacomans have safe and healthy housing. Ensuring a fair and equitable housing market is essential to providing the opportunities and security people need to live healthy and successful lives. Economic, social and physical barriers limit many Tacomans' access to adequate housing. Income, physical disabilities, immigration status, limited English proficiency, and discrimination based on race and sexual orientation can also limit choices.

The purpose of this chapter is to provide policies that will help Tacoma meet its need for quality, affordable homes for a growing and

Book I: Goals + Policies

- 1 Introduction + Vision
- 2 Urban Form
- 3 Design + Development
- 4 Environment + Watershed Health
- 5 **Housing**
- 6 Economic Development
- 7 Transportation
- 8 Parks + Recreation
- 9 Public Facilities + Services
- 10 Container Port
- 11 Engagement, Administration + Implementation
- 12 Downtown

Book II: Implementation Programs + Strategies

- 1 Shoreline Master Program
- 2 Capital Facilities Program
- 3 Downtown Regional Growth Center Plans
- 4 Historic Preservation Plan

socioeconomically-diverse population, and to help ensure equitable access to housing. The Future Land Use Map allows for a more-than-adequate supply of housing to meet the future needs. The challenge is to provide housing with a diverse range of unit types and prices in locations that help meet the needs of all, including low-income populations, communities of color, and people of all ages and abilities. To meet that challenge, Tacoma is embarking on efforts to revisit Tacoma's housing growth vision and strategies.

GOALS + POLICIES

DIVERSE + EXPANDING HOUSING SUPPLY

The City is planning to accommodate up to 59,800 new housing units between 2010 and 2040. This figure includes new units necessary to replace units lost as a result of new development.

Goal 4 of the Washington State Growth Management Act requires that cities promote a variety of residential densities and housing types and to ensure that cities provide sufficient capacity to accommodate 25-year housing growth forecasts. The City of Tacoma is planning for a longer horizon, consistent with Puget Sound Regional Council's *VISION 2040*, which designated the City of Tacoma as a Metropolitan City with a significant share of regional population and employment growth.

VISION 2040 allocates 127,000 new residents to Tacoma by 2040. These allocations are significantly higher than current forecasts and represent a shift in current trends.

Current housing trends have favored continued suburban sprawl in unincorporated areas. Past growth patterns have allocated nearly half of Pierce County's growth into unincorporated areas. Rising costs of land and residential construction is incentivizing infill to make better use of underutilized land and existing infrastructure.

Tacoma's current housing mix is predominantly single family—62% of Tacoma's housing units are detached single family structures, representing 88% of Tacoma's residential land. The next most common housing type is multifamily with 5 or more units at 27% of Tacoma's housing units. Townhomes/duplexes-fourplexes make up 11%. Accommodating planned growth will require multifamily



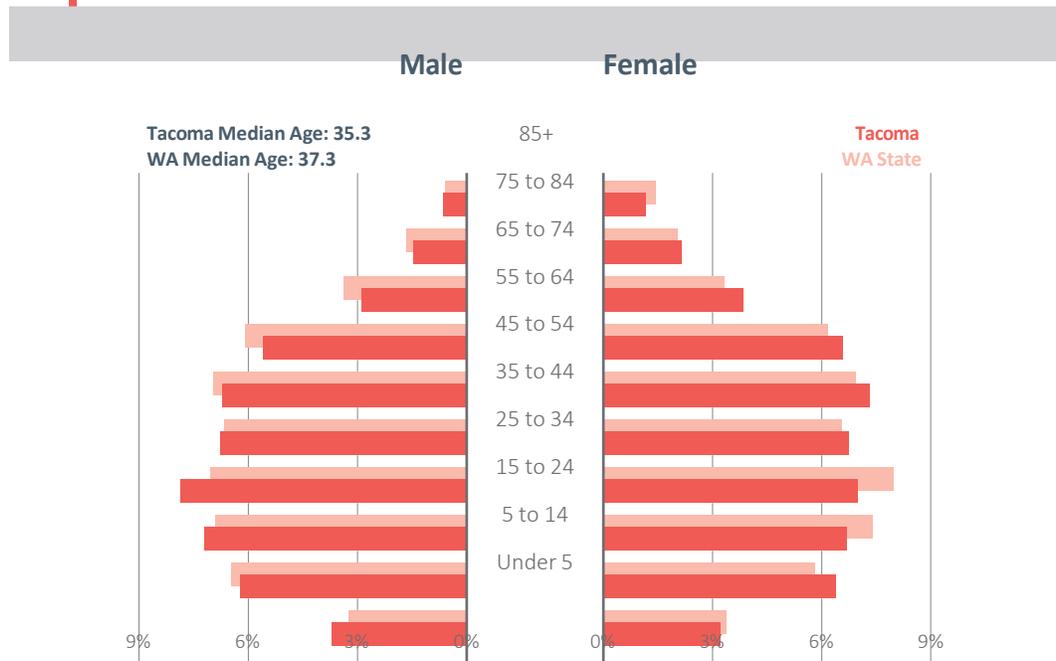
development and
expanding the
opportunity for low
density infill to broaden
housing choices and
meet the evolving
demographics of our
region.

Townhomes in Norpoint

For a comprehensive look at housing needs and conditions in the City of Tacoma see the 2015- 2019 Consolidated Plan, Appendix B. For more information on affordable housing needs see also the Affordable Housing Action Strategy, completed in 2018.

The policies below set expectations for housing supply and growth. They identify specific types of housing needed to serve a variety of households, including multi-generational, small and large households with children, older adults and households that include people with disabilities who may need independent living services, assisted living and skilled nursing care facilities. The text boxes below and at right provide a description of existing population and household characteristics in Tacoma.

DEMOGRAPHIC TRENDS: AGE CHARACTERISTICS



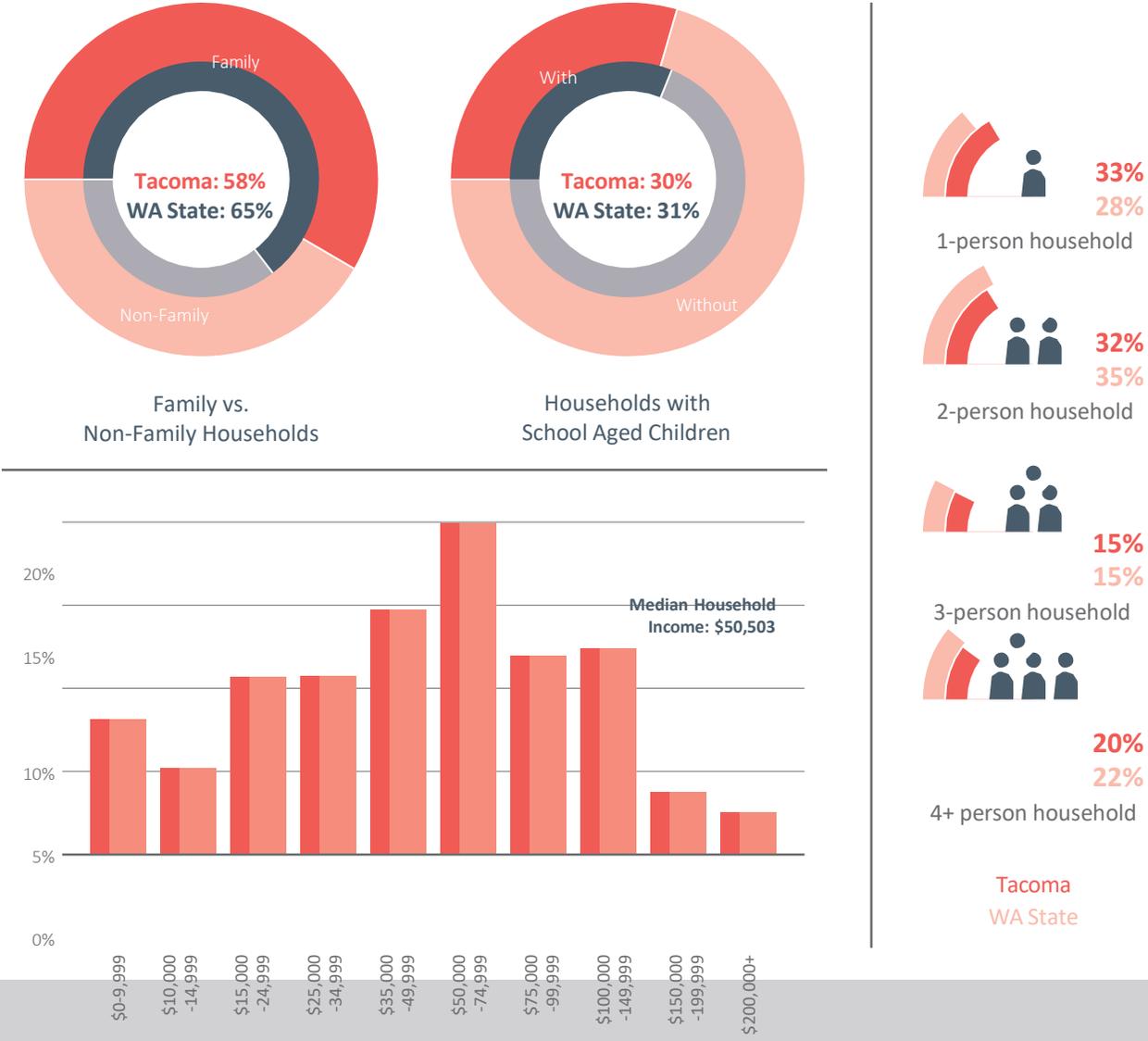
Overall, the City’s age profile is similar to the State of Washington, with the majority of residents between the ages of 15 and 64 (69 percent). Seniors age 65 and over make up 12 percent of the population and youth under the age of 15 make up 19 percent of the population. The proportion of male and female populations by age group are relatively similar for those under 65, with a slightly higher percentage of female seniors (7 percent and 5 percent, respectively, of the citywide population). The median age of Tacoma residents is about 35 years.

Source: U.S. Census Bureau, 2009–2013 5-Year American Community Survey

DEMOGRAPHIC TRENDS: HOUSEHOLD CHARACTERISTICS

In 2013, Tacoma had 78,681 occupied households with an average size of 2.47. Family households—those with two or more persons residing together and related by birth, marriage or adoption—comprise 58 percent of households, compared to 65 percent statewide, and nearly one-third of households have school-aged children. Approximately two-thirds are one or two person households.

The median household income for Tacoma residents is \$50,503, almost \$10,000 per year lower than the statewide median income of \$59,478.



Source: U.S. Census Bureau, 2009–2013 5-Year American Community Survey

Home In Tacoma: A new housing growth vision for Tacoma

Tacoma's neighborhoods are inclusive, welcoming to our diverse community, resilient, thriving, distinctive and walkable, including robust community amenities and a range of housing choices and costs.

In 2020 and 2021, during the compounding impacts of the ongoing housing crisis and the economic impacts of the coronavirus pandemic, Tacoma revisited its housing growth vision and strategies to better achieve housing supply, choice and affordability goals. The Home In Tacoma Project builds on Tacoma's longstanding housing vision, and introduced changes to reflect the following needs:

- Changing housing needs and preferences call for increasing and diversifying housing supply, affordability and choice throughout our neighborhoods by:
 - Renewing Tacoma's longstanding vision for housing growth Downtown and in Centers
 - Expanding Missing Middle housing options through low-scale infill in existing neighborhoods and mid-scale infill in areas walkable to Centers, Corridors and transit
 - Expanding housing choice to fit the aspirations of our diverse community
 - Strengthening and expanding Tacoma's affordable housing toolkit to partner with the development community
 - Planning for the impacts of growth on urban systems and infrastructure
- Taking steps to ensure that new housing is well designed and complements Tacoma's distinctive neighborhoods by:
 - Using design standards to ensure that infill complements neighborhood patterns and scale
 - Protecting the character of Tacoma's historic districts when infill occurs
 - Promoting reuse of existing structures as an alternative to demolition
- Tacoma's commitment to equity and antiracism call for evolving our housing vision to become more inclusive of all members of our community by:
 - Addressing inequitable access to opportunity in Tacoma's neighborhoods
 - Shifting regulatory language away from "family" to be inclusive of households who define themselves differently
 - Addressing the lingering impacts of systemic racism and facilitating homeownership and wealth-building opportunities for people of color
 - Promoting accessibility for people of different physical abilities
- Tacoma's housing vision should reflect that housing is a fundamental building block of community that affects multiple goals by:
 - Promoting infill in Tacoma as an alternative to urban sprawl, building on long-term investments in urban infrastructure and services

- Building housing that is sustainable and resilient to address the climate emergency, urban forestry goals, and protect the health of the Puget Sound
- Promoting infill in walkable areas with transportation choices to reduce car dependency

Examples of Different Housing Types



Detached ADU



Craftsman-Style duplex



Small lot homes



Cottage housing

GOAL H-1 Promote access to high-quality affordable housing that accommodates Tacomans' needs, preferences, and financial capabilities in terms of different types, tenures, density, sizes, costs, and locations.

Policy H-1.1 Maintain sufficient residential development capacity to accommodate Tacoma's housing targets and accommodate changing housing needs and preferences of Tacomans.

Policy H-1.2 Strive to capture at least 35 percent of Urban Pierce County's residential growth.

Policy H-1.3 Encourage new and innovative housing types that meet the evolving needs of Tacoma households and expand housing choices in all neighborhoods. These housing types include single family dwelling units; multi-dwelling units from duplexes to multifamily developments; small units; accessory dwelling units; pre-fabricated homes such as manufactured, modular; co-housing and clustered housing.

Policy H-1.4 Strongly support the maintenance and improvement of the existing housing stock and encourage the adaptation of the existing housing stock to accommodate the changing variety of household types.

Policy H-1.5 Apply zoning in and around centers that allows for and supports a diversity of housing types.

Policy H-1.6 Allow and support a robust and diverse supply of affordable, accessible housing to meet the needs of special populations, to include older adults, and people with disabilities, and permanent, supportive housing for homeless individuals, especially in centers and other places which are in close proximity to services and transit.

Policy H-1.7 Implement land use incentives (e.g. density or development bonuses, lot size reductions, transfer of development rights, height or bulk bonuses, fee waivers, accelerated permitting, parking requirement reductions, tax incentives, and surplus land sales) in appropriate locations to facilitate the development of new housing units.

Policy H-1.8 Create a process to coordinate public investments, such as capital improvements, with affordable housing activities to reduce the overall cost of development.

Policy H-1.9 Apply infill housing approaches to create additional housing opportunities for low and mid-range (Missing Middle) housing types.

Policy H-1.10 Establish and update a regulatory process to pilot infill of innovative housing types, as well as to pilot new development standards, affordability incentives and permit review processes.

MISSING MIDDLE HOUSING

Tacoma’s growth strategy directs dense development Downtown, within designated Centers and along Corridors served by transit. However, to meet Tacoma’s housing goals, infill would also need to occur in single-family areas, which constitute about 75 percent of the area where residential development is allowed.

Along with focused high-density growth in Centers, allowing for “missing middle” housing options more broadly could support City goals such as promoting housing choice, helping families stay together and age in place, promoting active, healthy living and social interaction, supporting neighborhood shopping districts, making neighborhoods more inclusive, and reducing urban sprawl.

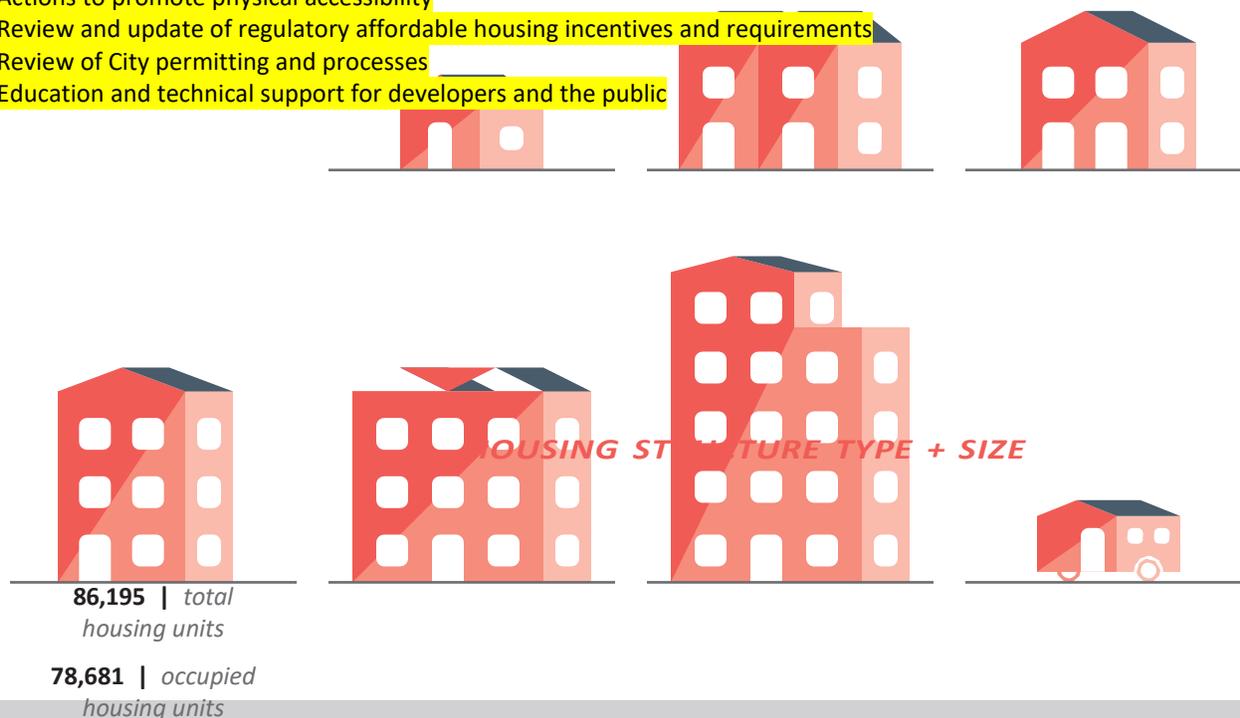


“Missing middle” housing is a range of multi-unit or clustered housing types compatible in scale with single-family homes (credit to Daniel Parolek of Opticos Design).

To increase housing supply, choice and affordability Tacoma is encouraging infill of Missing Middle Housing types in our existing neighborhoods by establishing the Low-Scale Residential Land Use Designation and Mid-Scale Residential Land Use Designations described in the Urban Form Chapter.

Policy H-1.11 Implement the *Home In Tacoma Project* housing vision and policies set forth in this and other elements of the Comprehensive Plan through, in collaboration with the community, guided by the *Home In Tacoma Housing Action Plan*. Home In Tacoma Project Phase 2 will include:

- a. Zoning changes
- b. Design standards updates
- c. Actions to ensure that urban infrastructure and services are adequate to support growth
- d. Potential phasing of implementation, as well as regular evaluation of development outcomes and actions to address unintended consequences
- e. Actions to reduce the potential demolition of viable structures
- f. Actions to create green, sustainable and resilient housing
- g. Actions to promote physical accessibility
- h. Review and update of regulatory affordable housing incentives and requirements
- i. Review of City permitting and processes
- j. Education and technical support for developers and the public



63.0% | 1 unit, detached 2.5% | 1 unit, attached 3.2% | 2 units, apartment

5.1% | 3–4 units, apartment

6.2% | 5–9 units, apartment

19.7% | 10+ units, apartment

0.3% | mobile home or other type of housing

Source: U.S. Census Bureau, 2009–2013 5-Year American Community Survey

HOUSING ACCESS

Housing supply and household income are not the only factors determining access to housing. Discrimination in the housing market, gentrification, and the changing nature of households over time also influence access to desired housing. The following policies address discriminatory barriers to fair and equitable access to housing and the impact of gentrification and displacement, particularly for under-served and under-represented populations.

GOAL H-2 Ensure equitable access to housing, making a special effort to remove disparities in housing access for black, indigenous and people of color, low-income households, diverse household types, older adults, and households that include people with disabilities.

Policy H-2.1 Foster inclusive communities, overcome disparities in access to community assets, and enhance housing choice for people in protected classes throughout the city by coordinating plans and investments with fair housing policies.

Policy H-2.2 Implement barrier-free access for all housing consistent with the Americans for Disabilities Act (ADA). Pursue additional actions to increase access such as implementation of visitability and universal design features in newly constructed housing.

Policy H-2.3 Coordinate plans and investments with programs that prevent avoidable, involuntary evictions and foreclosures.

Policy H-2.4 Evaluate plans and investments and other legislative land use decisions to identify potential disparate impacts on housing choice and access for protected classes.

Policy H-2.5 Evaluate plans and investments for the potential to cause displacement in areas with concentrations of communities of color, low- and moderate-income households, and renters.

Policy H-2.6 If plans and investments are anticipated to create neighborhood change, proactively mitigate involuntary displacement under-resourced residents through increasing affordable housing in affected areas, providing relief from rising housing costs, and implementing programs to support small and neighborhood-centered businesses.

Policy H-2.7 Strive to ensure a range of housing options and supportive environments to enable older adults to remain in their communities as their needs change.

Policy H-2.8 Help people stay in their homes through expanded tenant's protections, providing resources for households experiencing a crisis, increasing community organizing capacity, and other means.

1. **Policy H-2.9** Establish and implement a coordinated Anti-displacement Strategy to reduce the risk of displacement for people at high risk of such and helps them to deal with its impacts, with actions including: As the Home In Tacoma Project moves forward, strengthen the emphasis on anti-displacement as a primary goal.
2. Use the full spectrum of housing tools to address needs, such as funding for affordable housing and increased staffing and program resources.
3. To ensure equitable distribution of housing opportunities, implement land use changes to allow more missing middle products citywide.
4. Implement inclusionary zoning in submarkets where it is economically feasible, tailored to specific affordability needs and market conditions.
5. Require that developers benefiting from land use changes, property tax exemptions, fee waivers, expedited processing, and city funding use affirmative marketing in advertising unit availability.
6. Implement a resident preference policy that applies to both residents at-risk of displacement and neighborhoods with high-displacement risk.
7. Promote ownership opportunities as a pathway for wealth-building for those who choose it.
8. Promote family-sized units, particularly in areas where they are in short supply.
9. Working with local architects and lenders, create a set of affordable ADU designs and a financing package to facilitate the construction of ADUs by lower income households.
10. Require redevelopment of large parcels with city investment include deeply affordable rental and ownership products (e.g., publicly-assisted rentals, land trust).
11. Coordinate with the Tacoma Housing Division to ensure that residents at-risk of displacement have the resources they need to mitigate eviction and displacement.
12. Support anchor institutions and businesses at risk of displacement by providing city subsidies for leases and implementing first rights of refusal for city-subsidized commercial in redeveloped sites.
13. Empower people of color and others who have been historically under-represented in policymaking to take a stronger role in implementing policy.

OPPORTUNITY is a situation or condition that places individuals in a position to be more likely to succeed and excel. High opportunity indicators include: high-performing schools, availability of sustainable employment and living wage jobs, stable neighborhoods, transportation availability and mobility, and a healthy and safe environment.

*Kirwan Institute for
the Study of Race
and Ethnicity*

HOUSING LOCATION

Housing that is located in a walkable neighborhood near active transportation, employment centers, open spaces, high-quality schools, and various services and amenities enhances the general quality of life for its residents. Neighborhoods in Tacoma offer varying levels of opportunity, with housing in moderate and high opportunity neighborhoods tending to be expensive compared to more affordable housing in areas that offer fewer opportunities.

The following policies support efforts to provide equitable access to locational opportunities in Tacoma.

GOAL H-3 Promote safe, healthy housing that provides convenient access to jobs and to goods and services that meet daily needs.

This housing is connected to the rest of the city and region by safe, convenient, affordable multimodal transportation.

Policy H-3.1 Meet the housing needs of under-served and under-represented populations living in high poverty areas by coordinating plans and investments with housing programs.

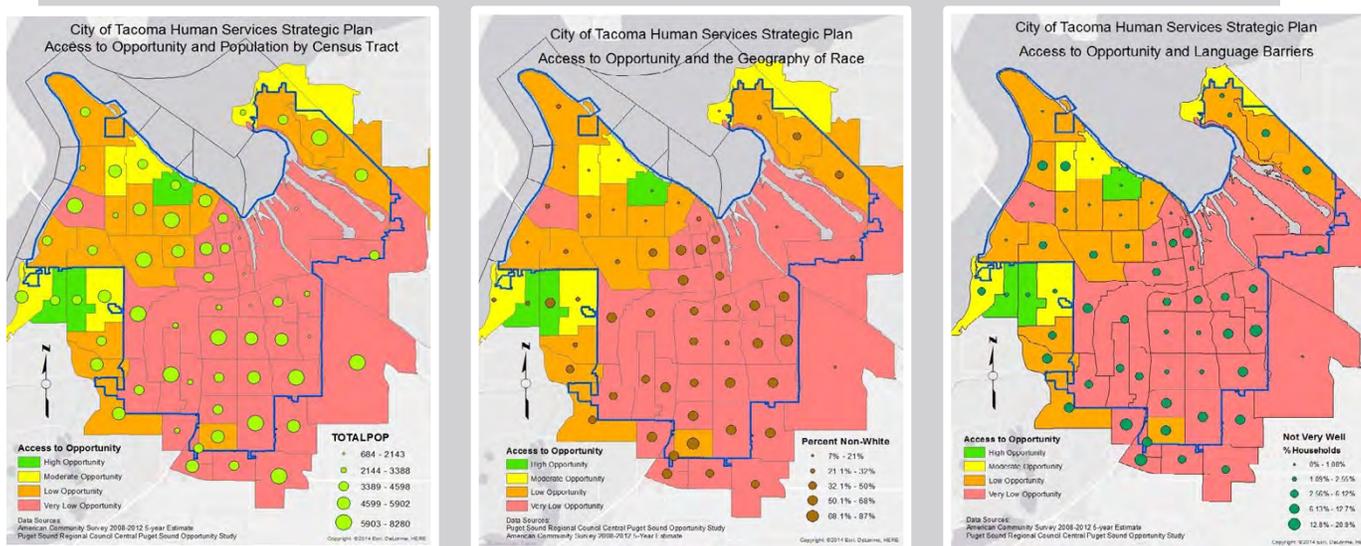
Policy H-3.2 Locate higher density housing, including units that are affordable and accessible, in and around designated centers to take advantage of the access to transportation, jobs, open spaces, schools, and various services and amenities.

Policy H-3.3 Promote transit supportive densities along designated corridors that connect centers, including duplex, triplex, cottage housing, townhouses and low to mid-scale multifamily housing.

Policy H-3.4 Strive to accommodate 80% of the City's housing targets within and around designated centers.

Policy H-3.5 Improve equitable access to active transportation, jobs, open spaces, high-quality schools, and supportive services and amenities in areas with high concentrations of under-served populations and an existing supply of affordable housing.

PSRC OPPORTUNITY MAPS



The first “Opportunity Map” shown above illustrates that many living in Tacoma do not have fair access to the critical opportunity structures and social infrastructure to succeed in life. Opportunity maps illustrate whether patterns of segregation by age, class, gender, race, ethnicity, disability, or language correlate with areas of higher or lower opportunity.

For example, the second and third figures above show that a significant portion of the City’s non-White residents and those with language barriers live in areas of very low opportunity. The latest data from the U.S. Census Bureau underscores the effects of low opportunity and how non-White residents are disproportionately impacted. The income gap for racial and ethnic minorities continues to widen. Per Capita income of African Americans is 36% lower than that of white residents and Per Capita income of Latinos is 47% lower.

These realities, combined with other trends—the breakdown of traditional systems of family support (parents often working multiple jobs without extended family support for raising children), lack of financial literacy and ability of many to manage their financial lives, inadequate access to transportation, and lack of affordable housing—have marginalized people of color and had similar effects on other community members based on their age, sexual orientation, immigration status or disabilities.

The thumbnails above are provided as full page illustrations at the end of this element in Figure 20, Figure 21 and Figure 22.

Source: 2015–2019 City of Tacoma Draft Human Services Strategic Plan (2014); U.S. Census Bureau, 2008–2012 5-Year American Community Survey

NOTE:

For the purposes of this document, “high risk” populations shall include individuals released and/or under supervision of adult and juvenile correctional institutions, mental hospitals and drug rehabilitation programs, homeless persons and other special needs persons residing in group homes not subject to application of the federal Fair Housing Act.

Policy H–3.6 Balance programs that preserve affordable housing in lower cost areas (e.g., home improvement grants) with policies to encourage new development and expand access to transportation, jobs, educational opportunities, supportive services, and parks and open space.

Policy H–3.7 Provide incentives (e.g. density or development bonuses, lot size reductions, transfer of development rights, height or bulk bonuses, fee waivers, accelerated permitting, parking requirement reductions, and tax incentives, and surplus land sales) to promote the development of affordable, mixed-income housing citywide.

Policy H–3.8 Discourage the concentration of facilities for “high risk” populations in any one geographic area.

HOUSING AFFORDABILITY

This discussion describes current household income levels in Tacoma and the housing costs that are affordable to the different levels, current costs of housing units in the City, populations that are cost burdened, and the City’s strategies for meeting current and future needs for affordable housing.

TABLE 1. Tacoma Household Incomes + Affordable Housing Costs

HOUSEHOLD INCOMES	HOUSEHOLDS	PERCENT OF HOUSEHOLDS	MAXIMUM AFFORDABLE MONTHLY HOUSING COSTS
Less than \$10,000	6,389	8%	\$250
\$10,000 to \$14,999	4,092	5%	\$375
\$15,000 to \$24,999	8,411	11%	\$625
\$25,000 to \$34,999	8,445	11%	\$875
\$35,000 to \$49,999	11,590	15%	\$1,250
\$50,000 to \$74,999	15,667	20%	\$1,875
\$75,000 to \$99,999	9,407	12%	\$2,500
\$100,000 to \$149,999	9,747	12%	\$3,750
\$150,000 to \$199,999	2,935	4%	\$5,000
\$200,000 or more	1,998	3%	Over \$5,000

Sources: 3 Square Blocks, U.S. Census Bureau, 2009–2013 5-Year American Community Survey

The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual gross income on housing. Families that pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. Table 4 shows household income levels in Tacoma and the maximum affordable housing costs for different income levels, assuming 30 percent of income is spent on housing. Tacoma’s current area median income (AMI) is \$50,503 per year, which is slightly lower than Pierce County’s AMI of \$59,204. A household earning Tacoma’s AMI can afford to spend to no more than \$1,265 per month on housing costs, and a household earning 80 percent AMI can afford to spend no more than \$1,010 per month. Approximately one third of Tacoma’s households (27,337 households) earn less than \$35,000 per year and can afford to spend no more than \$875 per month on housing costs without becoming cost burdened. The middle third of households can afford to spend no more than \$1,875 per month. The top third can afford to spend more than this without becoming cost burdened.

Monthly costs for rental housing and owner-occupied homes with mortgages in Tacoma are shown in Table 5 and Table 6, respectively. There are a limited number of rental units (10,781) with monthly costs of less than \$750. The majority of rental units, 55 percent, cost between \$750 and \$1,500 per month. Monthly costs for houses with a mortgage in Tacoma are higher than for rental units; the median cost for a house with a mortgage is \$1,724 compared to the median rent cost of \$925. The majority of houses with a mortgage, 57 percent, have monthly costs of \$1,000 to \$2,000.

TABLE 2. Tacoma Rental Housing Inventory + Monthly Costs

MONTHLY COSTS	UNITS	% OF UNITS
Less than \$499	3,477	9%
\$500 to \$749	7,304	20%
\$750 to \$999	10,757	29%
\$1,000 to \$1,499	9,851	26%
\$1,500 or more	5,919	16%

Sources: 3 Square Blocks, U.S. Census Bureau, 2009–2013 5-Year American Community Survey

TABLE 3. Tacoma Owner-Occupied Houses with Mortgages, Inventory + Monthly Costs

MONTHLY COSTS	UNITS	% OF UNITS
Less than \$699	844	3%
\$700 to \$999	2,337	8%
\$1,000 to \$1,499	8,043	26%
\$1,500 to \$1,999	9,689	31%
\$2,000 or more	10,379	33%

Sources: 3 Square Blocks, U.S. Census Bureau, 2009–2013 5-Year American Community Survey

Forty three percent of all Tacoma households are considered cost-burdened, which represents a significant portion of the City's population. A disproportionate share of Black/African American households experience a severe cost burden. Additionally, renters are more likely to be cost-burdened than homeowners. These facts point to a need for greater access to affordable housing, including rental units.

The Pierce County Countywide Planning Policies (CPP) provide guidance about the amount of affordable housing that Tacoma and other cities in Pierce County should strive to achieve over the coming years. CPP AH-3.3 states, "it shall be the goal of each jurisdiction in Pierce County that a minimum of 25 percent of the growth population allocation is satisfied through affordable housing." The CPPs define affordable housing as housing that is affordable to households earning up to 80 percent of the countywide median income. Tacoma's Comprehensive Plan Policy H-4.2 is consistent with the CPPs.

Tacoma's housing growth target for 2040 is 59,800 housing units. Based on the CPPs, at least 14,950 of these units should be affordable to households earning up to 80 percent of the countywide median income. Given Pierce County's current median income of \$59,204, monthly housing costs of \$1,480 or less would be affordable to these households.

The City recognizes that it is important to plan for very low income households as well as low income households, as well as for homeless individuals.

Through its policies and programs, the City is supportive of increasing the supply of housing that is affordable to all its citizens. While the City recognizes the ongoing need by government and nonprofit corporations to provide housing and community support services, especially for households who pay more than 30% of their income for housing, it also recognizes the need to enlist the engine of private market rate developments to include a measure of affordable units. Reducing household cost-burdens requires a multi-pronged strategy: 1) expanding and diversifying the housing supply, 2) expanding household prosperity through the location of new housing units in opportunity rich areas and promoting resource efficient housing, 3) direct investments in subsidized and permanently affordable housing, and 4) economic development strategies improving employability, job growth and connecting people to living wage jobs in close proximity to their residence.

HOUSING PRINCIPLES + ACKNOWLEDGMENTS

1. Affordable Housing is Vital to Important Civic Interests

The City's welfare requires an adequate supply of well built and well managed affordable housing serving the full range of incomes appearing among its residents. An adequate supply of this housing is vital to the following important civic needs or values:

- › The City's prosperity, economic development and growth of employment opportunities;
- › The appropriate management of the City's projected population growth and transportation needs;
- › The City's fulfillment of its legal obligations under the Growth Management Act to make "adequate provisions for existing and projected [housing] needs of all economic segments of the community" and to comply with the related directives of the Pierce County Countywide Planning Policies;
- › The survival of green spaces throughout the City and Pierce County;
- › The success of the City's schools;
- › The effectiveness of the City's emergency services;
- › The City's ability to continue its accommodation of a population that is increasingly diverse by income, race, ethnicity, ability, disability, and age;
- › The City's ability to accommodate a population that, in the aggregate, is getting older; and
- › The City's values of social justice.

2. Affordable Housing is Attractive, Innovative + Well Managed

Affordable housing developments by nonprofit developers, public and private, in the City, region and nation have been among the most attractively designed, most environmentally innovative and best managed in the market place.

3. The City Needs to Enlist the Engine of Private Development

Nonprofit developments of affordable housing will never likely be adequate to meet the City's need.

The City also needs a companion strategy to enlist the engine of private market rate developments to include a measure of affordable units. These strategies also provide the added benefit of economic and demographic integration.

4. Affordable Housing Developments Spur Other Investments

Affordable housing developments have spurred the revitalization of neighborhoods, encouraging both public and private investment, helping the City attain its desired density, and furthering a neighborhood's economic development.

5. The City Should Welcome Affordable Housing Developments

Affordable housing is an asset to be encouraged and not a detriment to be tolerated and controlled.

6. Every City Neighborhood Needs Affordable Housing Developments

The City should promote the development of affordable housing in every City neighborhood.

7. Affordable Housing as Innovative Design

In seeking the appropriate balance, the City should not have to compromise important neighborhood design standards in order to promote affordable housing. Instead proper design should allow affordable housing to show the way for all developments serving all incomes toward a greener, more sustainable urban future.

8. Affordable Housing as a High City Priority amid Competing Interests

In a complex community like Tacoma, interests and policies often clash. Good governance is the effort to balance them appropriately. In doing so, the City should give a very high priority to the promotion of affordable housing development.



*Eliza McCabe Apartments
operated by Mercy
Housing NW*

The following policies support the City’s goal to provide an adequate supply and diversity of affordable housing choices.

GOAL H–4 Support adequate supply of affordable housing units to meet the needs of residents vulnerable to increasing housing costs.

Policy H–4.1 Preserve and produce affordable housing to meet the needs that are not met by the private market by coordinating plans and investments with housing providers and organizations.

Policy H–4.2 Ensure that at least 25% of the 2040 housing targets are affordable to households at or below 80% of Pierce County AMI. Strive to exceed this through zoning and land use incentives and increased resources for affordable housing development.

Policy H–4.3 Evaluate plans and investments for their impact on household cost; and consider ways to reduce the combined cost of housing, utilities, and/or transportation.

Policy H–4.4 Facilitate the expansion of a variety of types and sizes of affordable housing units, and do so in locations that provide low-income households with greater access to convenient transit and transportation, education and training opportunities, Downtown Tacoma, manufacturing/ industrial centers, and other employment areas.

Policy H–4.5 Encourage income diversity in and around centers and corridors by allowing a mix of housing types and tenures.

Policy H–4.6 Facilitate and support regional cooperation in addressing housing needs in the Tacoma metropolitan area and greater Puget Sound, especially for the homeless, low- and moderate-income households, and historically under-served and under-represented communities.

Policy H–4.7 Promote a range of affordable housing strategies that extend from basic emergency shelter for the homeless to temporary transitional housing to permanent rental housing and to home ownership.

Policy H–4.8 Prevent homelessness and reduce the time spent being homeless by ensuring that a continuum of safe and affordable housing opportunities and related supportive services are allowed and appropriately accommodated, including but not limited to permanent supportive housing, emergency shelters, and temporary shelters.

Policy H-4.9 Increase the supply of permanently affordable housing where practicable.

Policy H-4.10 Encourage development and preservation of small resource-efficient and affordable single family homes throughout the City.

Policy H-4.11 Align plans and investments to support homeownership rates and locational choice for people of color and other groups who have been historically under-served and under-represented.

Policy H-4.12 Facilitate a variety of ownership opportunities and choices by allowing and supporting the creation of condominiums, cooperatives, mutual housing associations, limited equity cooperatives, community land trusts and sweat equity.

Policy H-4.13 Create a local source of revenue and pursue a variety of other funding sources to preserve and develop housing units and various assistance programs for households whose needs are not met by the private market.

Policy H-4.14 Pursue incentives and mechanisms to enlist the private market as a partner in the provision of affordable housing units.

Policy H-4.15 Modify and expand the City's inclusionary housing provisions to target unmet need and align with market conditions, enacting mandatory inclusionary housing requirements in areas of the City where market strength is adequate. Tailor affordability and tax tools to the specific affordability needs and market conditions in Tacoma's neighborhoods.

Policy H-4.16 Prioritize City actions and investments on serving households with the greatest housing challenges and unmet needs.

Policy H-4.17 Strive for a mix of housing costs in Tacoma's neighborhoods that meet affordability targets for moderately low, low and very low income Tacoma households.

Policy H-4.18 Adopt affordable housing targets for infill and redevelopment projects in the City's federally designated Opportunity Zones. Conduct associated studies to identify the minimum percentage of affordable units.



HOUSING GROWTH TARGETS

lower.

The One Tacoma Plan currently has only one housing growth target tied to affordability—that 25% of new housing should be affordable to households earning 80% of AMI. Although this is a strong goal, it does not reflect different levels of needs among low income households.

- Currently 8,000 Tacoma renters have incomes of less than 30% of the AMI for a 2-person household. These renters require deeply subsidized housing provided by nonprofit organizations or rental assistance.
- Another 7,000 renters have incomes ranging between 31 and 50% AMI. A combination of public and private sector housing serves these residents, although the public sector is increasingly serving these residents due to a loss of affordable private sector housing from rising rents.
- Another 9,000 renters earn between 51 and 80% AMI.

Numerical housing goals will depend on overall household growth. 20 year rental goals that enable the city to address housing needs across the income spectrum are likely to range from:

- Production of rental housing affordable at very low incomes (30% of AMI) = 1,800 to 4,000 new units;
- Production of rental housing affordable at low incomes (50% of AMI) = 2,000 to 4,600 new units;
- Production of rental housing affordable at moderately low incomes (80% of AMI) = 1,600 to 3,500 new units.

Ownership goals will also depend on overall household growth, in addition to interest rates. If the city's ownership holds at 54%, 20 year ownership goals are likely to range from:

- Production of owner housing affordable at very low incomes (30% of AMI) = 1,900 to 4,200 new units;
- Production of owner housing affordable at low incomes (50% of AMI) = 2,000 to 2,800 new units;
- Production of owner housing affordable at moderately low incomes (80% of AMI) = 1,400 to 3,000 new units.

Achieving the most affordable housing goals--thus stabilizing displacement and ensuring socioeconomic diversity in Tacoma--will require a variety of partners and implementation of the AHAS, specifically leveraging publicly owned land for development of deeply affordable housing; increasing housing funding; and bolstering tenant protections and assistance. Strategies will require increasing public interventions as incomes are

HEALTH, SAFETY + EFFICIENCY

Having a place to live does not guarantee health and safety. A critical connection exists between the quality of the housing unit and the health of its occupants. A safe housing unit is largely free of hazardous materials, such as lead and radon. It is also free of mold, is not in a state of disrepair, and offers emergency safety features, such as carbon monoxide monitors, smoke alarms, and emergency exits. Access to open spaces, opportunities for social interactions, green features, and adaptability also influence the health of a community. The following policies focus on building and maintaining Tacoma's housing stock in ways that foster community health.

Affordable multi-family, single family, rental and ownership housing operated by the Tacoma Housing Authority

AFFORDABLE HOUSING AND HEALTH

Access to affordable and adequate housing is critical to leading a healthy life. Affordable housing frees up family resources for nutritious food and health care expenditures; reduces stress and other related adverse health outcomes by providing greater stability; reduces health problems caused by poor quality housing; and, provides families with greater access to neighborhood opportunities and amenities such as parks and schools.



Puyallup Tribal multi-family housing



The Foss Esplanade outside Thea's Landing

GOAL H-5 Support access to resource efficient and high performance housing that is well integrated with its surroundings, for people of all abilities and income levels.

Policy H-5.1 Support development and maintenance of housing, especially multi-dwelling housing, that protects the health and safety of residents and encourages healthy lifestyles and active living.

Policy H-5.2 Promote housing that is protected from noise, pests, hazardous environmental conditions and materials.

Policy H-5.3 Support housing that provides features supportive of healthy and active living, such as high indoor air quality, useable open areas, recreation areas, community gardens, and crime-preventative design.

Policy H-5.4 Promote energy efficiency, green building practices, materials, and design to produce healthy, efficient, durable, and adaptable homes.

Policy H-5.5 Encourage the reuse of resource rich existing older commercial buildings in or near designated centers into mixed-use housing with retail and/or commercial uses at street-level and housing above.

Policy H-5.6 Promote active transportation in residential areas through the development of pathways, sidewalks, and high-quality onsite amenities such as secure bicycle parking.

Policy H-5.7 Require site designs and relationship to adjacent developments that reduces or prevents social isolation, especially for groups that often experience it, including older adults, people with disabilities, communities of color, and immigrant communities.

Policy H-5.8 Support a strong housing code enforcement program to reduce substandard housing through repair and rehabilitation, such as an active rental inspection program.

Policy H-5.9 Promote the maintenance, repair, and rehabilitation of the City's existing housing stock. Pursue financial incentives and funding for housing improvement programs, especially for low-income households. Integrate regulatory tools that incentivize reuse and conversion of existing viable structures into housing to meet community needs.

Policy H-5.10 Promote innovative development techniques to better utilize land, promote design flexibility, preserve open space and natural features and conserve energy resources.

Policy H-5.11 Promote public acceptance of new housing types in historically lower density areas by ensuring that they are well designed and compatible with the character of the neighborhoods in which they are located through a robust design review process.

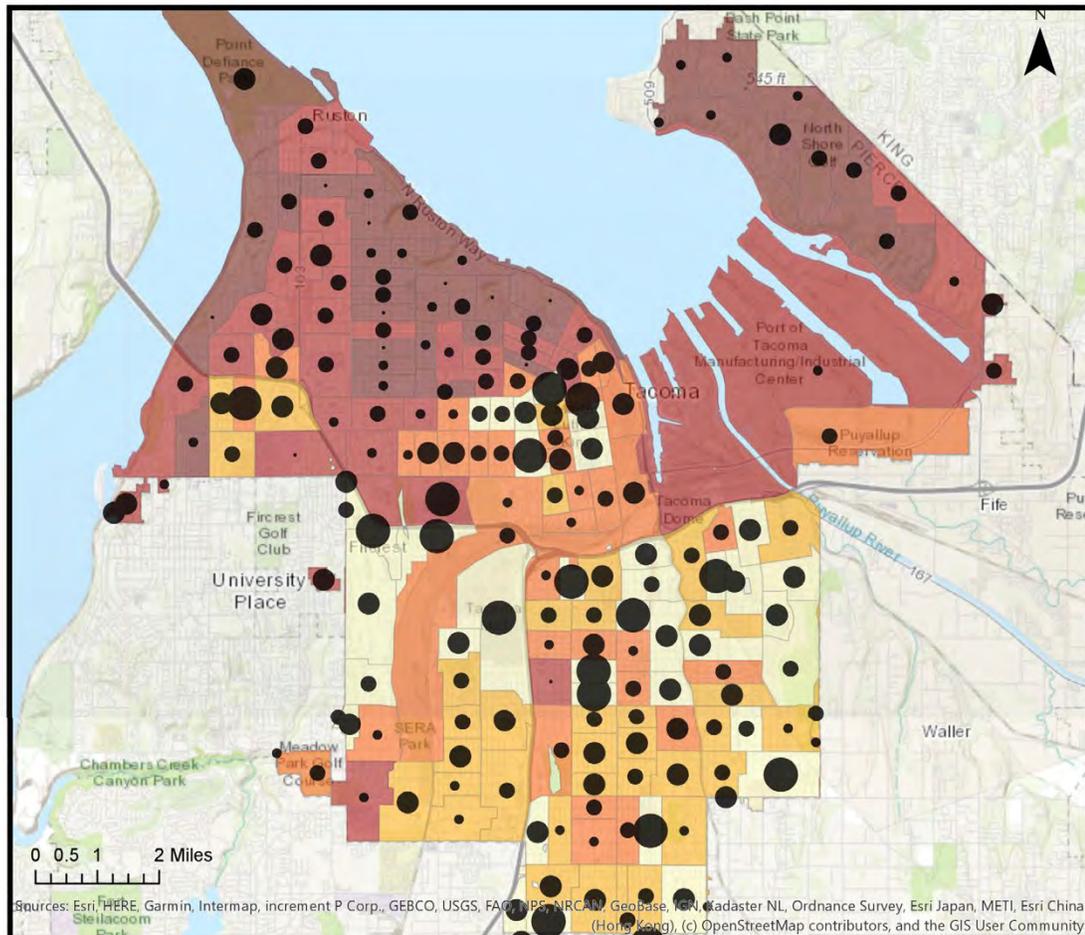
RECTIFYING HISTORIC INEQUITIES

The City of Tacoma recognizes that historic displacements, as well as more recent covenants, redlining, zoning, and other practices, have explicitly or implicitly excluded some groups based on race and income from fair access to housing. This in turn denied those groups equitable access to schools, parks, pathways to building family wealth, and other opportunities they might otherwise have chosen, resulting in multi-generational negative impacts. Tacoma's policies commit to reversing this legacy of inequitable practices by enacting policies, zoning and programs that help to remove barriers where they exist, meet the growing need for diverse housing options, and provide equitable access to opportunities.

Insert image of historic redlining map here

Tacoma's Equity Index (here labeled as Opportunity Index) is an analytical tool incorporating multiple data sources that help shed light on housing access and opportunities in Tacoma. The full analysis and map are available at www.cityoftacoma.org/equityindex.

Households Spending 30%+ on Housing



- Councilmanic Districts
- Opportunity Index**
 - Very High
 - High
 - Moderate
 - Low
 - Very Low
- Tacoma Livability**
 Percentage of Households Cost-Burdened
 - ≤17,630,058
 - ≤29,475,983
 - ≤40,594,059
 - ≤53,371,711
 - ≤70,188,679

The Equity Index represents 20 indicators within four social determinant categories; Accessibility, Economy, Education, and Livability. The census block groups were classified between Very Low and Very High scores.

Opportunity is defined as a situation or condition that places individuals in a position to be more likely to succeed or excel.

Red census blocks represent communities that exceed average score among the indicators. They are labeled as such to help emphasize the disparities within the City.

FIGURE 1. Access to opportunity and the geography of race.

Source: www.cityoftacoma.org/equityindex

Toward a more equitable and antiracist Tacoma

The Home In Tacoma Housing Equity Taskforce studied how Tacoma can achieve equity and antiracism goals through housing actions and made the following conclusions:

Observations:

1. Tacoma's housing growth strategy is not meeting our community's housing needs (for supply, affordability and choice)
2. Tacoma's housing crisis has disproportionate impacts on people of color and others facing economic disadvantages
3. Tacoma's housing policies were initially created without equitable representation
4. People of color have less access to the vital livability, accessibility, economic and educational opportunities that come with housing location
5. People care deeply about their homes and neighborhoods and rely on them as investments
6. Without public and nonprofit sector actions, market-rate housing construction will not be enough to meet affordability needs
7. Increasing Missing Middle housing options is an essential part of a multifaceted solution

Strategies:

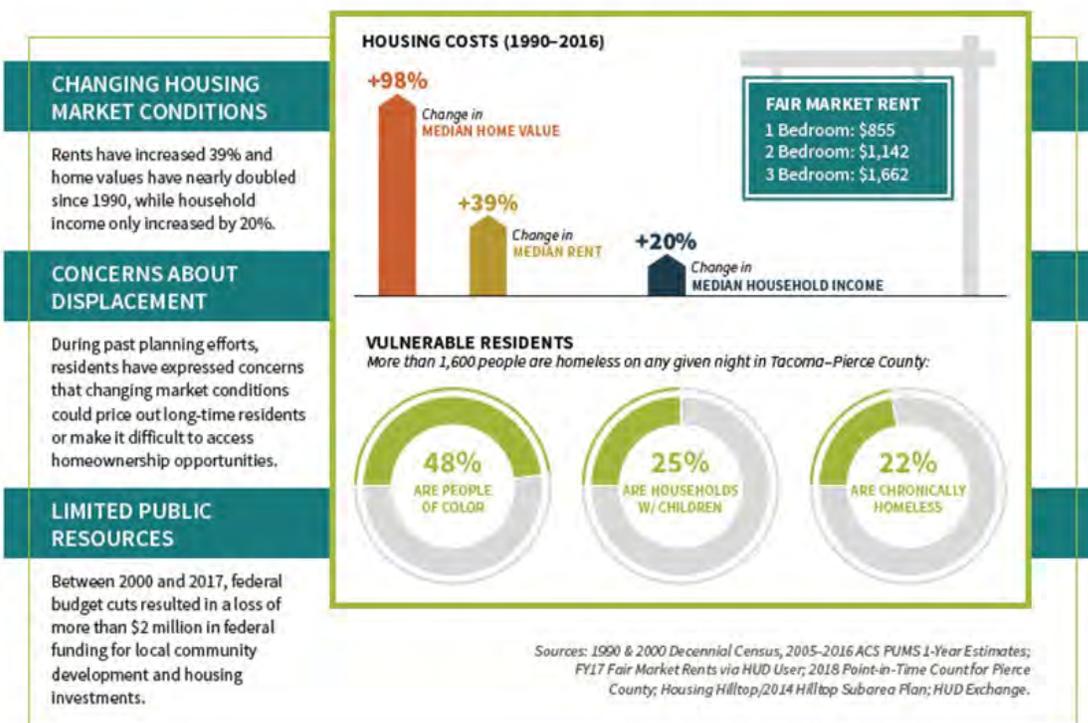
- A. Encourage infill of Missing Middle housing types throughout Tacoma's neighborhoods
- B. Encourage infill of mid-scale, walkable urban housing near Centers, Corridors and transit
- C. Use multiple strategies to produce housing affordable for lower income people
- D. Empower people of color and other under-represented groups to fully participate in policymaking
- E. Address inequitable access to opportunity in Tacoma neighborhoods
- F. Combat displacement for residents, businesses and community anchors
- G. Actively address housing inequities resulting from systemic racism

AFFORDABLE HOUSING ACTION STRATEGY

Policy H—6.1 Proactively implement the action strategies of the City’s Affordable Housing Action Strategy through a coordinated effort lead by the City of Tacoma in partnership with a broad range of stakeholders.

In 2018 the City of Tacoma developed its Affordable Housing Action Strategy as an urgent response to a changing housing market, increasing displacement pressure among residents, and a widespread need for high-quality, affordable housing opportunities for all.

Policy H—6.2 Proactively implement the actions and strategies identified through the Home In Tacoma Project and the Home In Tacoma Housing Action Plan.



Source: Tacoma’s Affordable Housing Action Strategy, 2018



Home In Tacoma Project:

Recommended Near-term Code Changes

The following minor housing-related code changes implement prior Council direction, clarify implementation, and implement state legislative requirements.

At the May 5, 2021 meeting the Commission directed that changes be made to two items in the near-term code package – the two items are **highlighted yellow** below.

TOPICS:

Accessory Dwelling Unit (ADU) Code

Staff have developed a list of code changes to further clarify and streamline the ADU code based upon the now nearly 200 ADUs the City of Tacoma has permitted about 18 months. The changes range from further clarity on window opacity for privacy purposes, to more clarity on bonus square footage for ADU conversions with a garage. The changes would also clarify size limitations relating to attached ADUs and remove the language related to the amnesty program which ended in December.

Updates to implement State Law

In 2019 and 2020 the state legislature adopted laws related to housing that the City is required to implement. These include parking requirement maximums for senior affordable housing located near high capacity transit. The most significant is a mandate that cities offer religious institutions a density bonus for affordable housing.

Adjustment to plat procedures

Staff recommend refining the platting procedures and policies which require that some platting actions go to the full city council for consideration when state law does not mandate that. Instead, the changes would refer these platting actions to the Hearings Examiner, resulting in a streamlined review process and timeline.

Minor clarifications

Staff have identified a few minor text clarifications, including one related to applicability of design standards Downtown.

Development Regulation Agreement

Update an existing, flexible permit process to support additional opportunities for affordable housing development outside of designated Centers by providing standards flexibility and extending the option for the 12-year affordable housing multifamily tax exemption.

Updates to implement State Law

ISSUE: State law requires that municipalities provide bonuses and flexibility to religious institutions seeking to provide affordable housing

TMC 13.05.010 Land Use Permits.

PROPOSED NEW SECTION:

6. Applications for conditional use permits for Bonus Density for Affordable Housing on **land owned by Religious Organizations or by nonprofit affordable housing providers** shall be processed in accordance with the standard procedures for conditional use permits, with the following additional requirements.

a. The application criteria, review process, requirements and conditions shall be the same as the Infill Pilot Program 13.05.010.A.7.

b. Religious organizations meeting the requirements of these provisions may utilize the land use and development standards applicable to the R4-L Residential District.

c. To qualify, applicants must provide a minimum of 20% of the total units affordable for a minimum of 15 years at the following affordability rates:

1. Rental units must be affordable at the 80% of Area Median Income

2. Ownership units must be affordable at 115% of Area Median Income

3. The general provisions of TMC 1.39 Affordable Housing Incentives and Bonuses Administrative Code shall apply. The fee in lieu option is not available for this purpose.

d. Pre-application site inspection for conversion of an existing building.

Prior to submitting an application for a conditional use permit, for conversion of an existing building for use as affordable housing, to the City, the applicant shall allow for an inspection by the appropriate Building Inspector and appropriate Fire Marshall to determine if the facility meets the Building and Fire Code standards for the proposed use. The purpose of this inspection is not to ensure that a facility meets the applicable Code requirements or to force an applicant to bring a proposed facility up to applicable standards prior to application for a conditional use permit, but instead, is intended to ensure that the applicant, the City, and the public are aware, prior to making application, of the building modifications, if any, that would be necessary to establish the use.

e. If the proposed development will include any special needs housing or on-site social service uses the conditional use permit will also follow and comply with the special needs housing conditional use permit process, criteria and conditions 13.05.010.A.5.

Development Regulation Agreement

13.05.050 Development Regulation Agreements.

A. Purpose.

Pursuant to RCW 36.70B.170-210, the purpose of this section is to create an optional application procedure that could authorize certain major projects in key locations to be reviewed, rated, approved, and conditioned according to the extent to which they advance the Comprehensive Plan's goals and policies. In addition to demonstrating precisely how it significantly advances the goals and policies of the Comprehensive Plan by achieving the threshold set forth in subsection 13.05.050(D), a threshold established based on the Comprehensive Plan goals and policies, a project located within the areas described in subsection 13.05.050B must document specific compliance with the policies and standards set forth in the Downtown Element of the Comprehensive Plan, the Tacoma Mall Neighborhood Subarea Plan, the City's One Tacoma Comprehensive Plan – Housing Element, and other pertinent Comprehensive Plan goals and policies.

It is anticipated that there will be a degree of flexibility in the application of the City's development regulations so that any conditions are tailored to the specifics of the proposed project and community vision in such a manner as to ensure that significant public benefits are secured. Project approval is embodied in a contract designed to assure that anticipated public benefits are realized according to agreed upon terms and conditions that may include, but are not limited to, project vesting, timing, and funding of on- and off-site improvements.

The City is authorized, but not required, to accept, review, and/or approve the proposed Development Regulation Agreements. This process is voluntary on the part of both the applicant and the City.

B. Applicability.

Development Regulation Agreements shall only be allowed for one of the following project types:

1. Proposed projects located within the International Financial Services Area (IFSA), as defined in the City's Amended Ordinance No. 27825 and illustrated in Figure 1, with a building footprint of at least 15,000 square feet and a proposed height of at least 75 feet;
2. Proposed projects located within the Downtown Regional Growth Center, as set forth in the Urban Form Chapter of the City Comprehensive Plan, provided that the real property involved is subject to a significant measure of public ownership or control, and provided that the project includes a building footprint of at least 15,000 square feet and a proposed height of at least 75 feet;
3. Proposed projects located within the Downtown Regional Growth Center where the City Landmarks Commission formally certifies that the proposed project is either a historic structure or is directly associated with and supports the preservation of an adjacent historic structure;
4. Proposed projects located on a public facility site, as defined in subsection 13.06.700.P TMC, that are at least five acres in size and are not a public utility site;
5. Proposed projects located within the Tacoma Mall Neighborhood Regional Growth Center, that are located on a development site at least two acres in size and that include an overall project Floor Area Ratio of at least 1.00;
6. Proposed projects located outside of designated Centers, on sites at least one acre in size, in land use designations allowing residential development, within one-fourth mile walking distance to transit service, and including at least 50 housing units in total, of which a substantial percentage shall be affordable as described in subsection TMC 13.05.050(D)1.f., below.

C. Application process.

An application for a Development Regulation Agreement may only be made by a person or entity having ownership or control of real property within one of the qualifying areas identified in subsection B above. Applications for a

Development Regulation Agreement shall be made with the Planning and Development Services Department, solely and exclusively on the current form approved by said Department, together with the filing fee set forth in the current edition of the City's Fee Schedule, as adopted by resolution of the City Council. The City Council shall be notified once a complete application has been received. The City shall give notice under Sections 13.02.057 and 13.02.045.H TMC as if the application were for a land use designation change.

D. Review criteria.

The City Manager, and such designee or designees as may be appointed for the purpose, shall negotiate acceptable terms and conditions of the proposed Development Regulation Agreement based on the following criteria:

1. The Development Regulation Agreement conforms to the existing Comprehensive Plan. Except for projects on a public facility site of at least five acres in size, conformance must be demonstrated by the project, as described in the Development Regulation Agreement, scoring 800 points out of a possible 1,050 points, according to the following scoring system (based either on the Downtown Element of the City Comprehensive Plan, the Tacoma Mall Neighborhood Subarea Plan, or the Housing Element of the City Comprehensive Plan, as applicable):

a. Balanced healthy economy. In any project where more than 30 percent of the floorspace is office, commercial, or retail, one point shall be awarded for every 200 square feet of gross floorspace (excluding parking) up to a maximum of 290 points.

b. Achieving vitality downtown (applicable within the Downtown Regional Growth Center). Up to 40 points shall be awarded for each of the following categories: (i) CPTED design ("Crime Prevention Through Environmental Design"), (ii) sunlight access to priority public use areas, (iii) view maximization, (iv) connectivity, (v) quality materials and design, (vi) remarkable features, (vii) access to open space, and (viii) street edge activation and building ground orientation.

c. Sustainability. Up to 50 points shall be awarded for each of the following categories: (i) complete streets, (ii) transit connections, (iii) energy conservation design to a L.E.E.D. (Leadership in Energy and Environmental Design) certification to a platinum level or certified under another well-recognized rating system to a level equivalent to certification to a platinum level, and (iv) Low Impact Development Best Management Practices and Principles.

d. Quality Urban Design. Up to 60 points shall be awarded for each of the following categories: (i) walkability, (ii) public environment, (iii) neighborliness, and (iv) support for public art.

e. Achieving vitality in the Tacoma Mall Neighborhood (applicable within the Tacoma Mall Neighborhood Regional Growth Center). Up to 40 points shall be awarded for each of the following categories: (i) enhanced site connectivity above and beyond requirements; (ii) landscaping, pedestrian paving, site features and amenities that demonstrably exceed requirements; (iii) provision of public gathering spaces (e.g., for markets, events, festivals); (iv) provision of publicly accessible recreational amenities; (v) provision of neighborhood-serving amenities or services (such as a grocery store, medical clinic, or community center); (vi) distinctive modern, contemporary signage that contributes to the identity of the subarea; (vii) street edge activation and building ground orientation that demonstrably exceeds requirements; and (viii) green stormwater infrastructure and tree canopy coverage that demonstrably exceeds requirements.

f. Achieving housing goals. For proposed developments seeking to utilize the criteria of TMC 13.05.050(D)6, above, the following minimum affordability requirements shall be met: 20% of total units must be affordable at 60% of Area Median Income (AMI) for rentals, or at 80% of AMI for ownership for at least 15 years. Meeting this requirement shall earn 200 points. An additional 40 points shall be awarded for each of the following, up to a maximum of 320 points: (i) An additional 5% of total units meeting the above affordability requirements; (ii) An additional 5% reduction in housing cost relative to AMI; (iii) An additional 5 year affordability duration. The City Council may choose to require additional affordability conditions. The general provisions of TMC 1.39 Affordable Housing Incentives and Bonuses Administrative Code shall apply; the fee in lieu option is not available for this purpose. Projects meeting these affordability requirements are eligible for the multifamily property tax exemption 12-year affordability option, and the same units may be counted as affordable for both purposes.

2. Appropriate project or proposal elements, such as permitted uses, residential densities, nonresidential densities and intensities, or structure sizes, are adequately provided to include evidence that the site is adequate in size and shape for the proposed project or use, conforms to the general character of the neighborhood, and would be compatible with adjacent land uses.

3. Appropriate provisions are made for the amount and payment of fees imposed or agreed to in accordance with any applicable provisions of state law, any reimbursement provisions, and other financial contributions by the property owner, inspection fees, or dedications.
4. Adequate mitigation measures including development conditions under chapter [43.21C](#) RCW are provided. The City shall be the lead agency in the SEPA process for all projects.
5. Adequate and appropriate development standards such as maximum heights, setbacks, drainage and water quality requirements, landscaping, and other development features are provided.
6. If applicable, targets and requirements regarding affordable housing are addressed.
7. Provisions are sufficient to assure requirements of parks and open space preservation.
8. Best available science and best management practices shall be used to address critical areas within the property covered by a Development Regulation Agreement adopted pursuant to this section. Review of a development activity's critical area impacts shall occur during the Development Regulation Agreement review process, and a separate critical areas permit is not required. Any Development Regulation Agreement approval(s) shall, to the maximum extent feasible, avoid potential impacts to critical areas, and any unavoidable impacts to critical areas shall be fully mitigated, either on- or off-site.
9. Interim uses and phasing of development and construction is appropriately provided. In the case of an interim use of a property or portion of a property, deferrals or departures from development regulations may be allowed without providing a demonstrated benefit to the City; provided, that any departures or deferrals to the Code requested for a final use of the property shall comply with criterion No. 10 below. The agreement shall clearly state the conditions under which the interim use shall be converted to a permanent use within a stated time period and the penalties for noncompliance if the interim use is not converted to the permanent use in the stated period of time.
10. Where a phased Development Regulation Agreement is proposed, a site plan shall be provided and shall clearly show the proposed interim and final use subject to the agreement.
11. In the case of a Development Regulation Agreement where the proposed use would be the final use of the property, it shall be clearly documented that any departures from the standards of the Code, requested by the applicant, are in the judgment of the City, off-set by providing a benefit to the City of equal or greater value relative to the departure requested. In no case shall a departure from the Code be granted if no benefit to the City is proposed in turn by the applicant.
12. Conditions are set forth providing for review procedures and standards for implementing decisions, together with conditions explicitly addressing enforceability of Development Regulation Agreement terms and conditions and applicable remedies.
13. Thresholds and procedures for modifications to the provisions of the Development Regulation Agreement are provided.
14. A build-out or vesting period for applicable standards is provided.
15. Any other appropriate development requirements or procedures necessary to the specific project or proposal are adequately addressed.
16. If appropriate and if the applicant is to fund or provide public facilities, the Development Regulation Agreement shall contain appropriate provisions for reimbursement, over time, to the applicant.
17. Appropriate statutory authority exists for any involuntary obligation of the applicant to fund or provide services, infrastructure, impact fees, inspection fees, dedications, or other service or financial contributions.
18. Penalties for noncompliance with the terms of the Development Regulation Agreement are provided.
19. The building(s) shall be L.E.E.D. certified to a gold level or certified under another well-recognized rating system to be comparable to a building that is L.E.E.D. certified to a gold level, with the exception of affordable housing projects per the provisions of TMC 13.050.050(B)6.

E. Other standards and requirements.

1. Compliance with the provisions of subsection D above will ensure that the terms of the Development Regulation Agreement are consistent with the development regulations of the City then in effect, except that in the case of Shoreline Management Districts (Title 19 TMC) and Landmarks and Historic Special Review Districts (Chapter 13.07 TMC), specific compliance with the regulations and procedures of these codes is required.

2. The Development Regulation Agreement shall specify any and all development standards to which its terms and provisions apply. All other applicable standards and requirements of the City or other agencies shall remain in effect for the project.

CHAPTER 13.18 AFFORDABLE HOUSING INCLUSIONARY DEVELOPMENT AREAS

Sections:

13.18.010	Purpose.
13.18.020	Incentives and standards.
13.18.030	Target Area designation.

13.18.010 Purpose.

A. The Growth Management Act (“GMA”) requires Tacoma to make adequate provisions for existing and projected housing needs of all economic segments of the community. This chapter designates areas where affordable housing is a high priority due to one or more factors, including a risk of involuntary displacement of current residents, or a deficit in affordable housing supply to adequately meet the community’s or future housing needs, and where the City’s growth vision creates opportunities to meet housing goals. By designating affordable housing target areas, the City can prioritize and target inclusionary zoning and other actions to effectively meet the community’s housing needs.

(Ord. 28511 Ex. B; passed May 15, 2018)

13.18.020 Incentives and standards.

The following incentives and standards are applicable within designated affordable housing target areas:

1. The inclusionary housing requirement and a range of housing incentives set forth in Tacoma Municipal Code (“TMC”) 1.39, Affordable Housing Incentives and Bonuses Administrative Code.

(Ord. 28511 Ex. B; passed May 15, 2018)

13.18.030 Target Area designation.

A. Criteria. Following a public hearing, the City Council may, in its sole discretion, designate one or more affordable housing target areas. Each designated area must meet the following criteria, as determined by the City Council:

1. The target area has a demonstrated affordable housing need, such as a current deficiency of affordable housing supply to meet community demand; a risk of involuntary displacement due to increasing housing costs; or projected future need for housing affordability to serve planned residential growth.

2. The target area is designated for substantial residential or mixed-use development, has ample development capacity to accommodate growth, benefits from market conditions conducive to high-density development, and provisions are in place to ensure that growth will be consistent with the community's vision for the area, will be served by adequate infrastructure and services, and will benefit from transportation options and neighborhood amenities.

3. The City shall provide for increased development capacity and other incentives to promote the construction and offset the cost of affordable housing development, consistent with RCW 36.70A.540, which establishes the legal basis for affordable housing incentives and requirements.

4. Citywide, where the above criteria are met, and where sites presenting a significant opportunity for the provision of affordable housing, the City Council can choose to extend the target area as part of the Development Regulation Agreement as set forth in TMC 13.05.050.

END



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City of Tacoma

Home in Tacoma: Housing Action Plan

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FINALIZED

5/13/2021

Table of Contents

1. Housing Action Plan Background and Project Goals	
Housing Action Plan Background and Project Goals	3
Project Goals	4
Summary of Existing Conditions	6
Guiding Principles	10
2. Growth Targets and Housing Goals	
Growth Targets	12
Housing Affordability Goals	14
The Role of Production in Affordability	18
2. Housing Policy Analysis	
Affordability Needs and Economic Feasibility	25
Effect of Multifamily Property Tax Exemption	26
Inclusionary Zoning—and the PTE	28
4. Recommendations	
Recommendations to Improve Housing Options in Tacoma: Housing Policy Guidance	32
Recommendations to Improve Housing Options in Tacoma: Land Use and Zoning Actions	38
Recommendations to Improve Housing Options in Tacoma: Supportive and Administrative Actions	41
Land Use Scenario Analysis	42
Appendices	
A. Home in Tacoma Existing Conditions Report	

SECTION 1.

HOUSING ACTION PLAN BACKGROUND AND
PROJECT GOALS

Housing Action Plan Background and Project Goals

This Housing Action Plan (HAP) is a supplement to the **Home in Tacoma** project, a multifaceted effort to expand housing choices in the City of Tacoma. **Home in Tacoma** unifies the city's growth strategy, zoning and land use regulations, and affordable housing development incentives into a concerted, effective effort to address increase housing supply, create more affordable housing options, and expand the choice of housing types throughout Tacoma's neighborhoods.

This report begins with a discussion of the HAP project goals and discusses how the plan intersects with the city's Affordable Housing Action Strategy (AHAS). It then presents a summary of existing conditions in the city, based on data analysis updated from the 2016 AHAS work. The full Existing Conditions analysis is appended to this report.

Building upon the policy guidance and direction provided by the Planning Commission (PC) as this project has developed, the balance of this report presents recommendations, including modifications of current policy. It is important to note that Tacoma has invested in expanding housing choice through many policy and program initiatives. Yet the market has continued to lose affordability—calling on the city to harness the opportunity to do more.

Those recommendations are structured around:

- Housing Policy Actions
- Land Use/Zoning Actions; and
- Administrative and Supportive Actions.

Where possible, the actions incorporate projected outcomes in terms of unit numbers, unit types, affordability, access to opportunity areas, and facilitation of walkable neighborhoods.

Project Goals

Based on applicable policy direction, community input, and Planning Commission direction, the Home In Tacoma project will bring forward actions and strategies to promote:

- Housing supply to meet community needs and preferences throughout the City's neighborhoods
- Housing affordability reflecting the financial means of Tacoma residents, and considering secondary household costs

Housing choice reflecting community preferences and household needs, including a diversity of housing types as well as equitable access to opportunity for people of all races, socio-economic groups, ages and abilities.

The Housing Action Plan delivers:

- A package of near-term legislative and administrative actions implementing existing policy direction; and
- A package of medium-term planning, zoning and regulatory actions reflecting changes to the City's housing growth strategy for future City Council consideration.

Development of the Housing Action Plan assessed the potential actions and strategies in terms of the following, which were considered as part of the recommendations. Those considerations are documented in this plan:

- Consistency with Tacoma's growth goals;
- Market feasibility and cost-effectiveness for homeowners, non-profit and for-profit housing sectors;
- Mitigating risk of displacement or other unintended consequences;
- Urban design and fit with existing neighborhood patterns; and
- An ongoing commitment to be responsive to community input.

Intersection with the AHAS. The AHAS includes four categories of strategic objectives, and includes actions intended to serve the full range of household income levels in Tacoma. The City Council has indicated that *Action 1.2: Inclusionary Zoning* and *Action 1.8: Diverse Housing Types* are high implementation priorities—and, therefore, are an integral part of the Housing Action Plan.

AHAS* Strategic Objective 1: Create More Homes for More People

Actions	Timing	Income Levels Served
1.1 Seed the Tacoma Housing Trust Fund with local sources of funding.	Immediate (1-2 years)	120% AMI and below
1.2 Modify inclusionary housing provisions to target unmet need and align with market realities.	Immediate (1-2 years)	50% AMI and below
1.3 Update the Multifamily Tax Exemption Program to increase its impact.	Immediate (1-2 years)	50% AMI and below
1.4 Leverage publicly and partner-owned land for affordable housing.	Immediate (1-2 years)	80% AMI and below
1.5 Create consistent standards for fee waiver eligibility and resources to offset waived fees.	Immediate (1-2 years)	80% AMI and below
1.6 Create a process to coordinate public investments, like capital improvements, with affordable housing activities to reduce the overall cost of development.	Immediate (1-2 years)	80% AMI and below
1.7 Increase participation in first-time homebuyer programs and resources for new homebuyers.	Immediate (1-2 years)	120% AMI and below
1.8 Encourage more diverse types of housing development through relaxed land use standards, technical assistance, and financial incentives.	Immediate (1-2 years) Short-term (3-4 years)	All
1.9 Establish a dedicated source of funding for the Tacoma Housing Trust Fund.	Short-term (3-4 years)	120% AMI and below
1.10 Use value capture to generate and reinvest in neighborhoods experiencing increased private investment (with a focus on areas with planned or existing transit).	Short-term (3-4 years)	80% AMI and below
1.11 Explore innovative, low-cost housing solutions to serve persons experiencing homelessness.	Short-term (3-4 years)	30% AMI and below
1.12 Explore opportunities for increased staff support during the development review process.	Short-term (3-4 years) Medium-term (4-6 years)	All

Summary of Existing Conditions

In the three years since the city's housing needs were identified as part of the Affordable Housing Action Strategy (AHAS), the City of Tacoma has experienced significant changes in its demographic and housing market conditions:¹

- **Households are getting smaller as the population ages.** Households with a householder 65 years and over increased by nearly 2,900 from 2016 to 2019. Seniors aging in Tacoma will create demand for smaller units (one- to two-bedroom) and accessible, visitable housing due to the correlation of age and disability.
- **Incomes have not kept up with housing costs.** From 2016 to 2019, median rent increased by 21 percent while median renter income increased by only 12 percent. Similarly, the median home value of owner occupied housing increased by 44 percent compared to a 22 percent increase in median income for owner households. It is becoming increasingly difficult for renters to afford to rent or buy in Tacoma as wages fail to keep up with rising housing costs.
- **Renters are higher income—and lower income households have declined.** There are now about 2,800 fewer households with incomes of less than \$25,000 in Tacoma than in 2016. This is likely due to a combination of low income households being priced out of the market and renter income increasing. High income renter households (>\$100,000) increased by 2,300 since 2016.
- **Special populations are disproportionately affected by poverty and are especially vulnerable to the changing housing market.** Residents with a disability, seniors, single mothers, and people of color have above average poverty rates and are particularly vulnerable to shifting housing costs. Additionally, populations on a fixed income—mainly residents with a disability and seniors—are especially at risk.
- **The shortage of affordable rental units persists.** In 2019, there was an estimated shortage of 4,897 units for renters with incomes of less than 30 percent of the Area Median Income or AMI—approximately \$20,000 per year for a 2-person household. This shortage declined from 2016 mostly due to a decline in extremely low income renters that was greater than the loss of affordable units. A rental shortage also exists for low income households: Altogether, 7,159 households with incomes of less than 50 percent AMI—with incomes of \$35,000 and less per year—cannot find rental units they can afford. This affordable rental shortage is comparable to the wait list for public housing maintained by the Tacoma Housing Authority, which

¹ Please see Appendix A for the full Existing Conditions report.

approximates 6,500 households. Households typically wait for several years (as many as five years) on the wait lists.²

- Racial and ethnic diversity has increased while disparate trends in homeownership and poverty remain.** The City of Tacoma is becoming more racially and ethnically diverse. However, Black/African American residents, Asian residents, Latino/Latinx/Hispanic residents, and residents of two or more races all have poverty rates higher than the individual poverty rate. Black/African American (30%) and Latino/Latinx/Hispanic residents (47%) have much lower rates of homeownership compared to White/Caucasian residents (61%).
- The city’s highest opportunity areas are the most challenging to access for low and moderate income households.** Generally, opportunity is highest in the north areas of the city and lowest in the south and central areas of the city. Areas of high opportunity have higher median home values.

Key Housing Market Change Indicators, City of Tacoma, 2016-2019

	2016	2019	2016-2019	
			Change	% change
Rental Market				
Median rent	\$1,054	\$1,273	\$219	21%
Median renter income	\$40,009	\$44,809	\$4,800	12%
Ownership Market				
Median home value	\$239,100	\$344,500	\$105,400	44%
Median owner income	\$76,544	\$93,765	\$17,221	22%
Rental Gaps				
Rental gap <30% AMI	-6,055	-4,897	1,159	-19%
Renter households <30% AMI	9,077	7,769	-1,308	-14%
Rental units <30% AMI	3,022	2,872	-150	-5%
Cost burden				
Owners	32%	27%	-5%	
Renters	47%	49%	2%	
Homelessness (Pierce County)				
	627	544	-83	-13%

Source: 2016 and 2019 1-year ACS; Pierce County Point-in-Time County 2016 and 2019; Root Policy Research.

² City of Tacoma 5-year Consolidated Plan Draft (2020).

Initiatives to facilitate development of affordable and missing middle housing. The AHAS calls for steps to promote more diverse types of housing development through changes to land use standards, technical assistance and financial incentives. This supports Housing Element policies which call for Missing Middle Housing (infill) approaches as a method to promote housing affordability and choice, as well as other goals. Multiple mid-range infill housing types will be evaluated.

Diverse housing types can function as “naturally occurring” affordable housing (NOAH). While they are not specifically restricted as affordable, NOAH tends to be relatively affordable by virtue of its smaller size and use of already developed land. Allowing diverse housing types can also increase housing choice in existing neighborhoods.

Over recent years, the city has implemented a range of infill strategies, some of which are ongoing at this time, and others which need further vetting prior to implementation. The figure below provides an overview of zoning and policy changes to date aimed at expanding housing choice.

Missing Middle Timeline: Zoning and Policy Changes for Expanding Housing Choice

	< 2012	2015	2016	2017	2018	2019	2020	2021
Policy and Strategy								
Housing Element Update	█							
Affordable Housing Policy Advisory Group infill strategy		█						
Affordable Housing Action Strategy (AHAS)			█					
AHAS incorporation into One Tacoma Plan						█		
Code and Program Updates								
Downtown reduced parking area	█							
Microunit parking reduction	█							
Reduced parking in Tacoma Mall					█			
Affordable Housing Incentives Code (administrative standards)	█							
Lot size flexibility		█						
ADU expansions						█		
Duplex/Cottage/Small Multifamily infill pilots			█			█	█	█
Area-Wide Upzones								
FLUM Proactive Rezones			█			█		
Mall Madison District Upzones					█			
Growth Strategy Upzones								█

Source: City of Tacoma and Root Policy Research.

Guiding Principles

Planning Commission has provided policy direction through a course of meetings dedicated to the Home in Tacoma project.

On the outset of this project, Planning Commission agreed on **Guiding Principles** through which to evaluate policies and outcomes for the Housing Growth Strategy. These were used in the evaluation of the recommendations, and include:

1. Tacoma's growth strategy should accommodate new demand and existing residents with a full range of housing choices to serve the spectrum of needs while minimizing the displacement of residents who are not served by the private market.
2. Dense development should be concentrated in centers and corridors with mid-scale transition zones into lower-scale neighborhoods.
3. A range of Missing Middle infill housing types should be allowed in existing neighborhoods.
4. Missing middle infill should be compatible in design and scale to minimize disruption in existing neighborhoods while providing opportunities for increased density through a form-based approach
5. Tacoma should use a range of tools, including affordability incentives/requirements, to produce housing that is affordable for lower income households not served by the housing market.

SECTION 2.

GROWTH TARGETS AND HOUSING GOALS

Growth Targets

The Puget Sound Regional Council (PSRC) 2040 Land Use Vision model forecasts Tacoma will need to accommodate 44,770 new housing units from 2020 to 2040. This equates to an annual average of 2,239 housing units—a 28 percent increase from the city’s recent annual average household growth.³

The 2050 Land Use Vision was under development when this HAP was prepared. A draft vision allocates 137,000 of the region’s population to metropolitan cities, of which Tacoma is the largest. If Tacoma was able to absorb that growth, an average of 1,930 housing units would be required. This is a lower target than the 2040 Land Use Vision.

At the time this report was prepared, Tacoma’s growth target called for the addition of 54,741 new housing units between 2010 and 2040, based on the Pierce County Buildable Lands report from 2014—this equates to an average of 1,824 units annually. If that annual goal were accomplished moving forward, total new housing units between 2020 and 2040 would be 36,494.

Between 2016 and 2019, the city’s average annual growth was 1,755 households—below the official target, although significantly increased from past growth. Over the past 20 years, average annual household growth has been much lower than that experienced recently, averaging just 539 households per year. At that rate, total new housing units between 2020 and 2040 would be 10,800.

The housing goals that inform this Housing Action Plan are based on these unit projections and a range of growth scenarios:

- A **low growth** model is based on housing development in the past 20 years and assumes no more than 20,000 units are built. This is roughly **twice the rate of growth of the past 20 years** and assumes that demand to live in the city is much stronger now as evidenced by growth in recent years and rising housing prices.
- A **moderate growth** model based on the assumed growth in the **Vision 2050 report**. At a household size of 2.28 and a 6 percent vacancy rate, this translates into 38,600 new units between now and 2040.
- A **high growth** model based on the **PSRC Land Use Vision**, which assumes a total of 44,770 new units.

All growth scenarios keep the homeownership rate in the city, currently 54 percent, constant.

³ Housing unit targets assume a healthy number of vacant units to allow households to move in and out of the market as needed.

Total unit and average annual unit projections for 2040 are shown below.

New Unit Projections, Total and Average Annual, 2020-2040

	Low Growth		Moderate Growth		High Growth	
	Total New Units	Annual Average New Units	Total New Units	Annual Average New Units	Total New Units	Annual Average New Units
Total new units	20,000	1,000	38,602	1,930	44,770	2,239
New rental units	9,200	460	17,757	888	20,594	1,030
New ownership units	10,800	540	20,845	1,042	24,176	1,208

Source: Root Policy Research.

Housing Affordability Goals

Currently, 19 percent of Tacoma’s renters—nearly 8,000 renters—have incomes of less than 30 percent of the AMI for a 2 person-household—approximately equivalent to below poverty level. These renters require deeply subsidized housing provided by nonprofit organizations or tenant-based rental assistance (TBRA) such as Section 8. The private sector typically does not serve renters in this income range.

Another 7,000 renters have incomes in the 31 to 50 percent AMI income range. These renters usually require some type of housing subsidies. In most markets, this consists of public housing, Low Income Housing Tax Credit developments (LIHTC), and TBRA. In 2010, it was more common to find privately-provided, non-subsidized units serving these renters due to a relatively soft rental market. According to the gaps analysis conducted for this study, Tacoma has lost nearly 10 percent of its affordable housing stock for low income renters due to rent increases.

Renters in the 51 to 80 percent income category, totaling nearly 9,000, are typically served through a combination of subsidized rentals (public housing, LIHTC for those at the lower end of the income range) and privately-provided rentals.

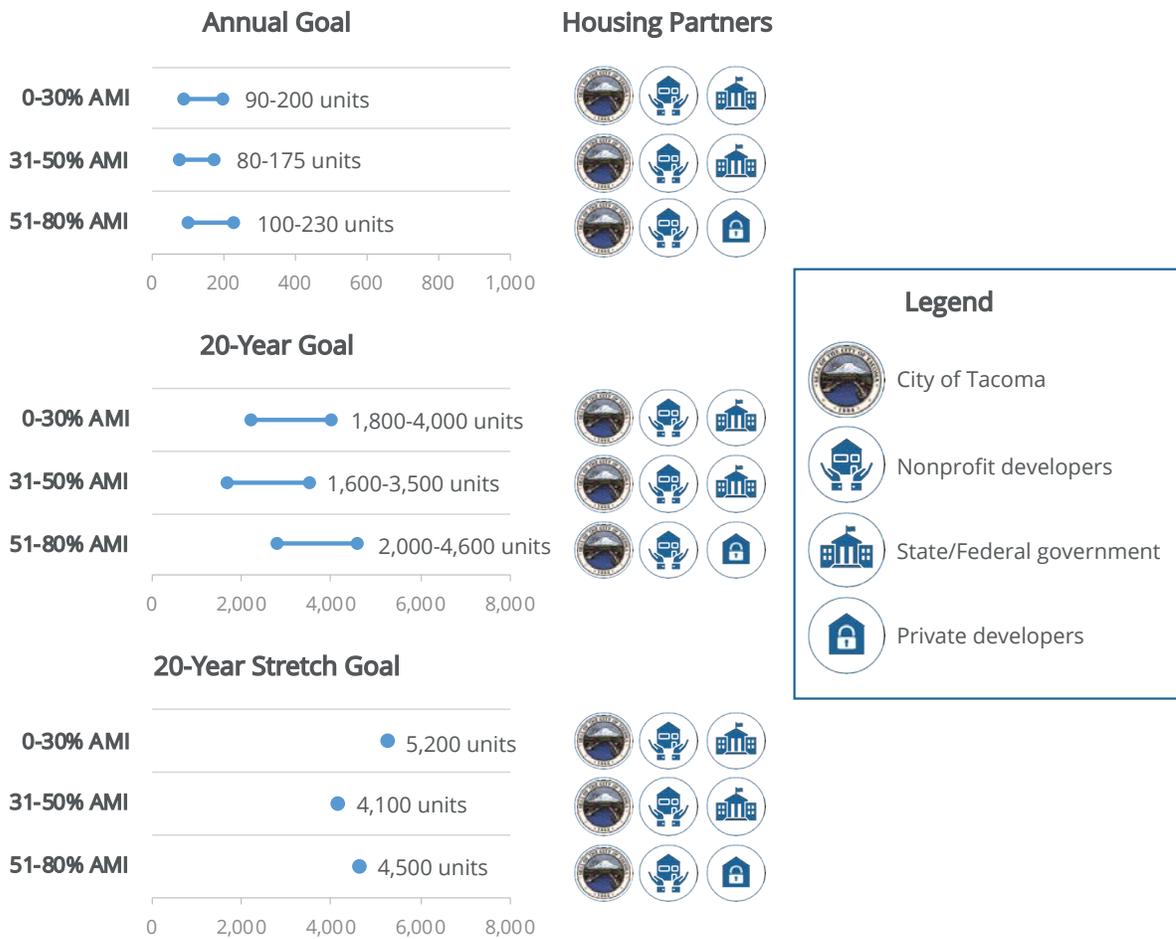
Those in higher income brackets are served by the private market.

If the distribution of renter incomes remains the same during the next 20 years new rental units needed to accommodate growth will range between 500 and 1,000 per year, as shown below.

It is important to note that because these goals hold the current income distribution in Tacoma constant, they assume that displacement of low income renters is mitigated and that funding is available to construct new publicly-assisted housing.

Renter unit projections by AMI

	Current Renters (2-person household)	Annual Units Needed		
		Low Growth Scenario	Moderate Growth Scenario	High Growth Scenario
0-30% AMI	7,769	89	172	199
31-50% AMI	6,924	79	153	178
51-80% AMI	8,878	102	196	228
81-100% AMI	4,129	47	91	106
101-120% AMI	3,163	36	70	81
121% AMI+	9,269	106	205	238
Total	40,132	460	888	1,030



Source: Root Policy Research.

Rental production goals. Based on these scenarios, the range of affordable rental housing targets, by AMI include:⁴

- Rental units affordable at very low incomes (30% AMI and less) = production of 90 to 200 units annually, or 1,800 to 4,000 over 20 years;
- Rental units affordable at low incomes (31-50% AMI) = 80 to 175 units annually or 1,600 to 3,500 over 20 years; and
- Rental units affordable at moderately low incomes (51-80% AMI) = 100 to 230 units annually or 2,000 to 4,600 over 20 years.

“Stretch” rental goal. It is important to note that the projections and goals above do not address the existing rental unit gap of 7,159 units for renters with incomes of 50 percent of AMI and less. Addressing this gap will require a combination of increased tenant-based rental assistance (TBRA) and construction of new, publicly-assisted units and will be heavily dependent on a significant increase in federal support to address such need. A “stretch” goal that would be attainable with a significant infusion of resources and assuming a moderate growth scenario is shown below. It assumes that the existing need is reduced by 25 percent through construction of new units that help address the need of less than 50 percent AMI renters and free up units in low to moderate income ranges that these cost-burdened renters are currently occupying.

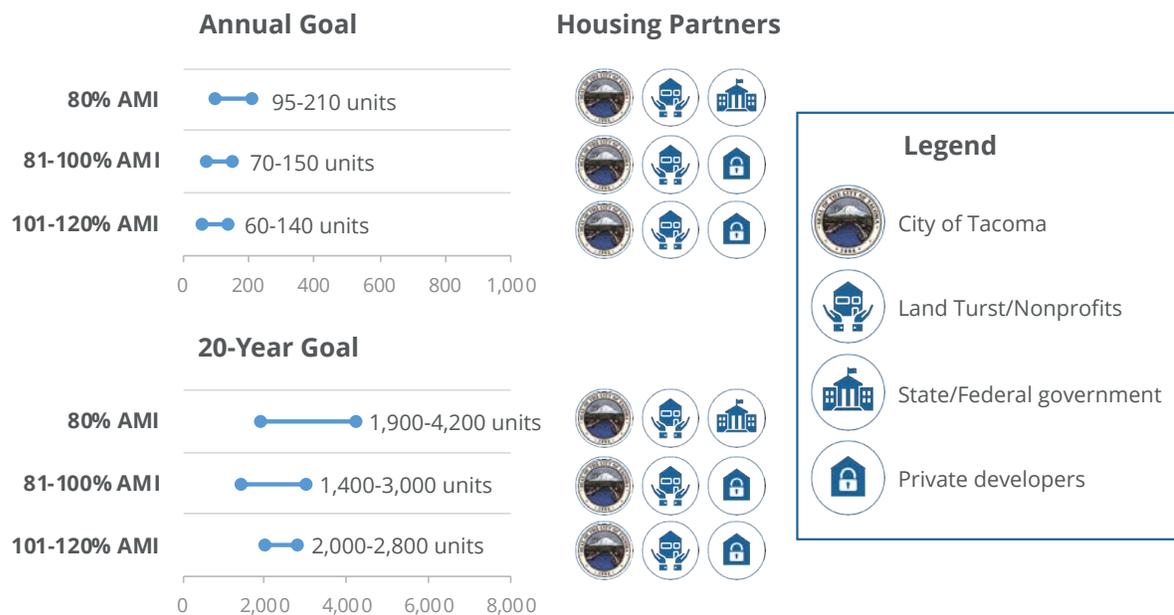
- Additional rental units for very low incomes (30% AMI and less) = 1,200 units over 20 years, and
- Additional rental units for low incomes (31-50% AMI) = 600 units over 20 years.

Ownership production goals. If the ownership rate in Tacoma holds and owners continue to comprise a similar distribution across AMIs, new units needed to accommodate owners will range from:

⁴ Numbers are rounded for ease of implementation.

Owner unit projections by AMI

	Current Owners (2-person household)	Annual Units Needed		
		Low Growth Scenario	Moderate Growth Scenario	High Growth Scenario
0-80% AMI	10,553	94	181	210
81-100% AMI	4,599	67	129	149
101-120% AMI	4,596	62	120	139
121% AMI+	27,136	317	612	711
Total	46,884	540	1,042	1,209



Source: Root Policy Research.

About one in four of Tacoma’s owners have incomes of less than 80 percent of AMI and more than half have incomes of 120 percent AMI and more. A comparatively small proportion falls into the 81 to 120 percent range.

Unit projections assume that many of the 0-80 percent AMI owners will consist of older residents who have aged in place, are living on fixed incomes, and have rehabilitation and maintenance needs rather than new housing units. As of 2019, 62 percent of Tacoma’s owners are age 45 and older. The affordability targets assume that these owners will be comprised of existing owners who are aging in place and that ownership for new owners with less than 80 percent AMI will be very limited.

Based on these scenarios, **owner housing targets** by AMI include:

- Owner units affordable at moderately low incomes (80% AMI) = 95 to 210 units annually or 1,900 to 4,200 over 20 years;

- Owner units affordable at moderate incomes (81-100% AMI) = 70 to 150 units annually or 1,400 to 3,000 over 20 years; and
- Owner units affordable at missing middle incomes (101-120% AMI) = production of 60 to 140 units annually, or 2,000 to 2,800 over 20 years.

“Stretch” ownership goal. A stretch goal for ownership would provide affordable homes for < 80 percent AMI households—homes priced at \$200,000 and less. Units at this price point are generally found in land trust developments or through sweat equity models and should be pursued and prioritized when opportunities arise.

Comprehensive Plan affordability targets. These affordability targets would enable the city to exceed the **Comprehensive Plan Policy H-4.2 goal** to ensure that at least [25 percent of the 2040 housing targets are affordable to households at or below 80 percent of Pierce County AMI](#). These projections also meet the Pierce County forecasted goal for household distribution by AMI.

As noted above, these goals assume that funding is available to construct new publicly-assisted housing to reach new households earning less than 50 percent AMI. If that is the case, then the city could reach:

- [50 percent of rental unit targets are affordable to households at or below 80 percent of Pierce County AMI; and](#)
- [25 percent of rental unit targets are affordable to households at or below 80 percent of Pierce County AMI.](#)

The Role of Unit Production in Affordability

Housing policies serve a range of needs, and it is important to examine the role of unit production, by unit type, and affordability (or AMI) levels that are possible. The graphic below demonstrates how unit production—and city land use and zoning policies that influence housing types—can influence affordability. The graphic uses a 2-person household, which is closest to the average-sized household in Tacoma: as of 2019, 67 percent of Tacoma households had 2 persons and less.

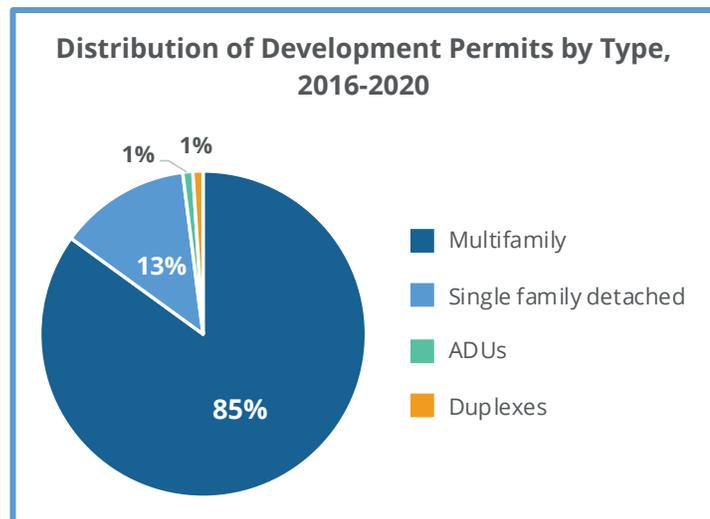
As the graphic demonstrates:

- Publicly-subsidized and nonprofit housing is critical to meet the needs of households earning less than 50 percent of AMI. Most privately-provided, market-rate housing does not meet this AMI level, including missing middle housing products.
- Newly built multifamily housing, as well older multifamily housing, can serve moderate- to low-AMI levels, particularly when incentives are attached.
- Missing middle products are good solutions for moderately-low income renters and owners who need relatively affordable housing and value these product types.

IF YOUR HOUSEHOLD EARNS...						
\$32,580 <small>< 30% AMI</small>	\$35,000 <small>31-50% AMI</small>	\$55,000 <small>51-80% AMI</small>	\$70,000 <small>81-100% AMI</small>	\$85,000 <small>101-120% AMI</small>	\$100,000 <small>121-150% AMI</small>	\$100,000+ <small>151%+ AMI</small>
THE MAXIMUM RENT YOU CAN AFFORD IS...						
\$520	\$870	\$1,390	\$1,730	\$2,080	\$2,500	\$2,500+
THE MAXIMUM HOME PRICE YOU CAN AFFORD IS...						
\$90,000	\$150,000	\$240,000	\$300,000	\$350,000	\$450,000	\$450,000+
HOUSING TYPES AFFORDABLE TO RENTERS						
Publicly subsidized	ADU/Duplex		All products			
	New multifamily <i>with incentives</i>	New multifamily				
	Older non-subsidized multifamily					
HOUSING TYPES AFFORDABLE TO OWNERS						
	Nonprofit/land trust	Duplex	Townhome	All products		
		ADU	Cottage			
		Multi-plex/ Townhome <i>with incentives</i>	Multi-plex/ Townhome	Newer SFD		
			Older SFD			
CITY POLICY OPTIONS: RENTERS						
		ADU/Infill/Small multifamily				
		Parking reductions				
		Moderate density bonus				
		Expedited review				
		Inclusionary zoning/fee-in-lieu				
		MFTE				
CITY POLICY OPTIONS: OWNERS						
		Infill				
		ADU				
		Expedited review				
		Inclusionary zoning/fee-in-lieu				
		MFTE				

Historical unit production. An analysis of city permit data by unit type between 2016 and 2020 indicate that a shift in development type will be needed to facilitate missing middle housing and provide a wider range of affordable housing options to Tacomans.

Eighty-five percent of the units permitted between 2016 and 2020 were multifamily developments; this is an increase from the 70 percent of growth multifamily comprised since 2010. Data are not available to determine the occupancy of these developments; however, it is likely that the vast majority of multifamily units are rentals based on the strength of the rental market.



The next highest unit type permitted were “single family”, or single unit, detached homes at 13 percent. One percent, respectively, were for the construction of duplexes and ADUs.

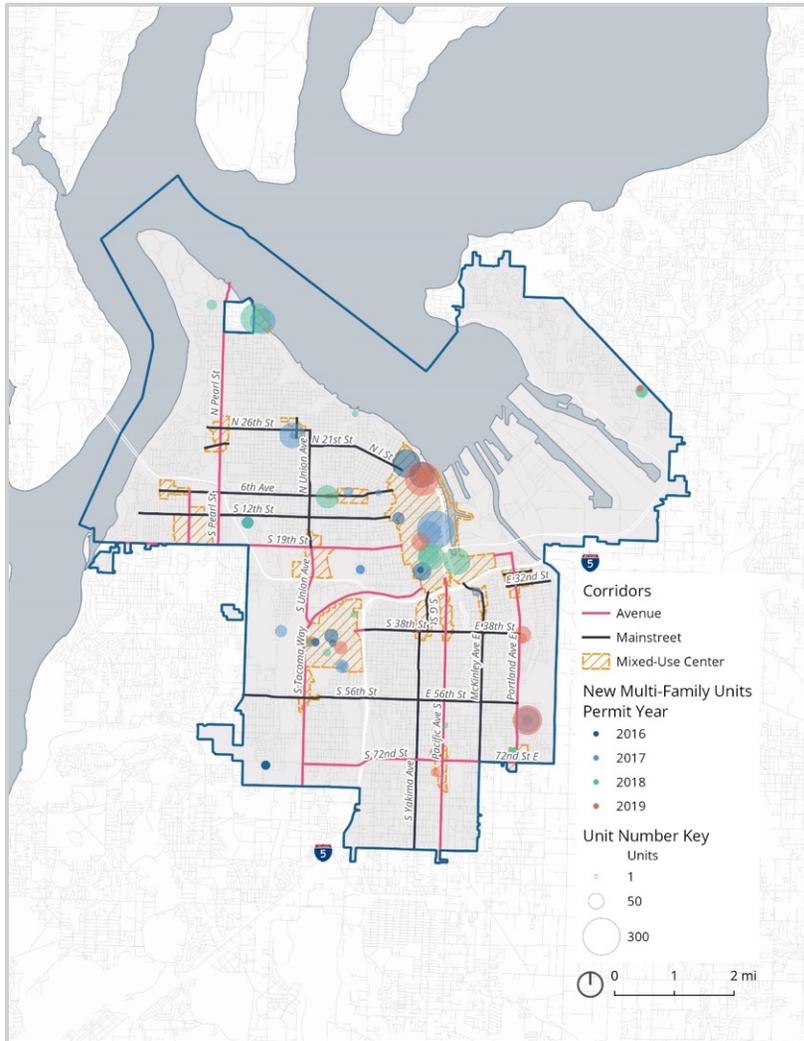
In sum, without a shift in housing policy priorities, the city’s future growth is likely to be bifurcated into multifamily housing—some of which will be affordable to moderately-low income households—and single unit housing—much of which is not affordable to moderate or low income households. Missing middle products are needed to “bridge” this product type and affordability gap.

Unit production by location. The City of Tacoma’s growth strategy targets 80 percent of new residential development in centers and corridors and 20 percent in the remaining medium and low density areas of the city. Since 2016, nearly 4,000 new housing units have been constructed in the city. The majority of units—63 percent—were located in mixed use centers or along corridors, and the remaining 37 percent of new units were located in medium and low density areas throughout the city.

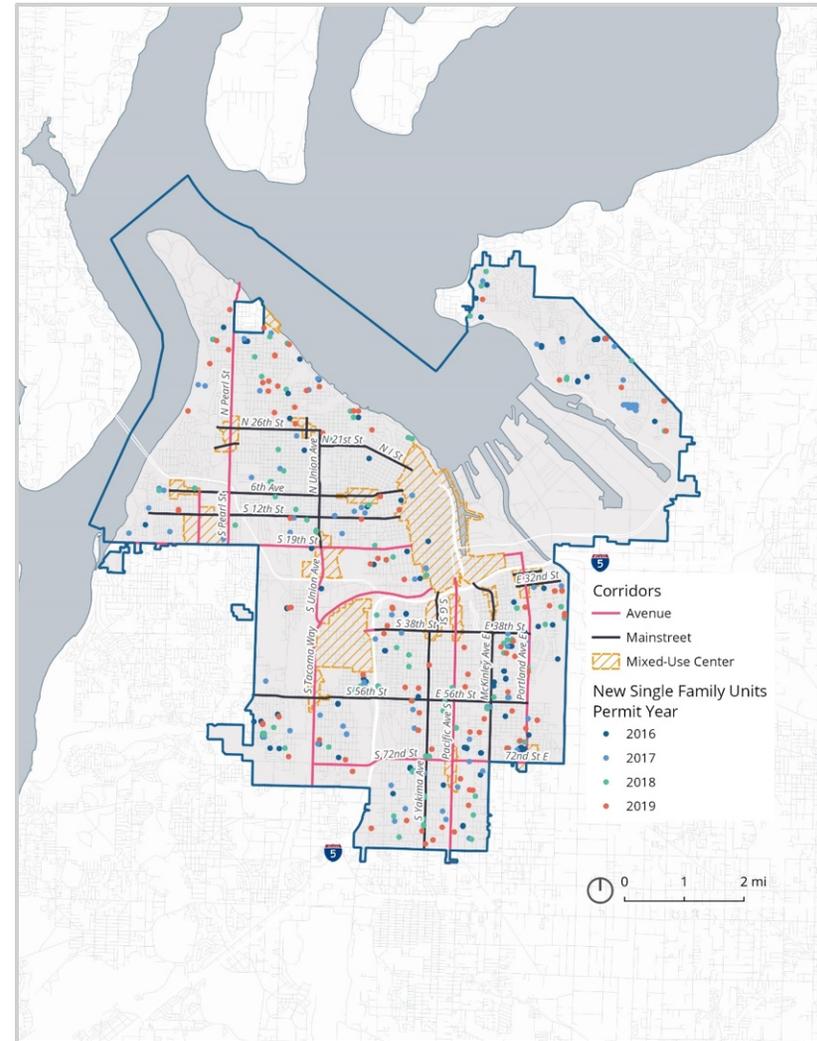
The maps on the following pages show new residential permits by housing type between 2016 and 2019, with the exception of the second ADU map, which shows permits between May 2019 and August 2020, to isolate the effect of the recent code change to permit ADUs citywide by right. The ADU comparative maps suggest that these code changes could have a big impact: permits grew significantly after the code change.

Most multifamily development occurred in centers and along corridors. All other residential housing types were more prevalent in low and moderate density areas of the city. These development patterns suggest that expanding the areas where missing middle products are allowed would conform with development patterns already underway and broaden choice in a variety of areas in the city.

New Multifamily Units by Year Permitted, 2016-2019

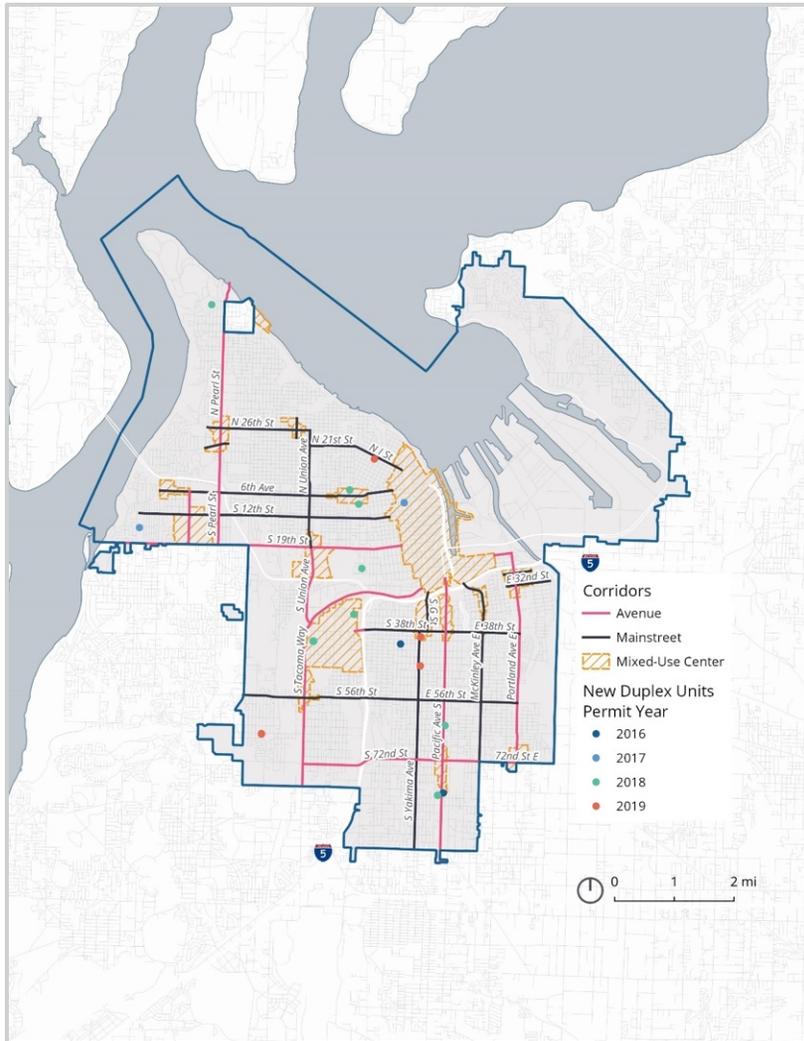


New Single Family Units by Year Permitted, 2016-2019



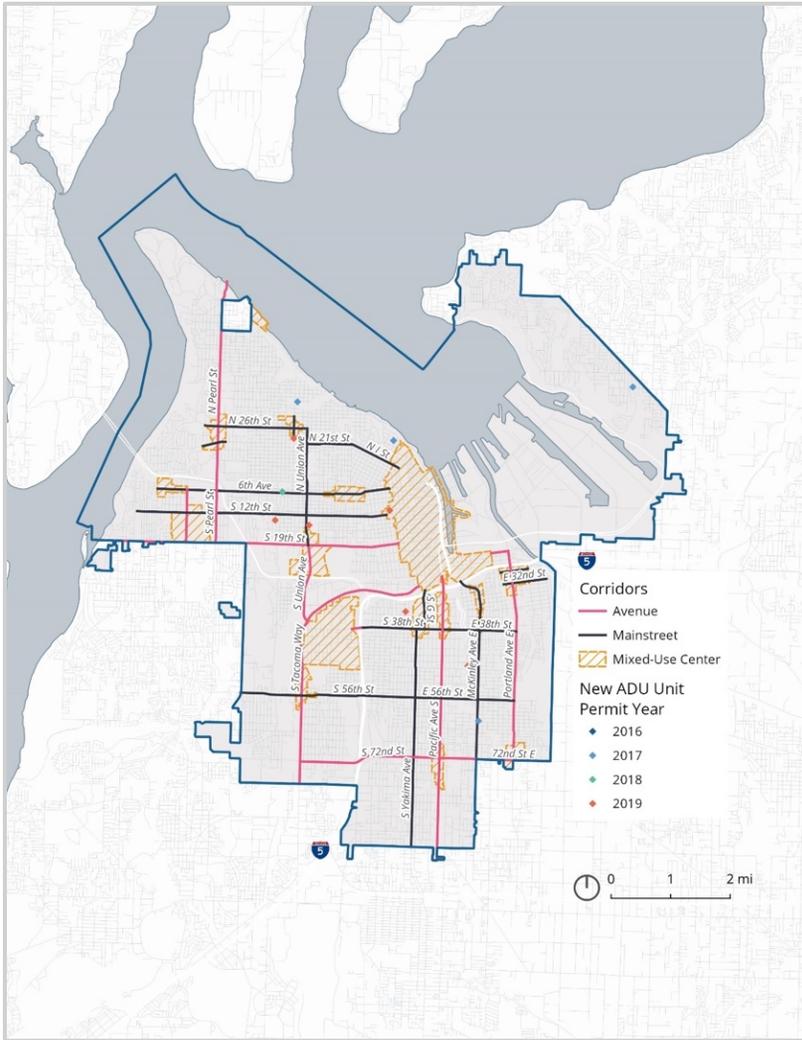
Source: City of Tacoma and Root Policy Research.

New Duplex Units by Year Permitted, 2016-2019



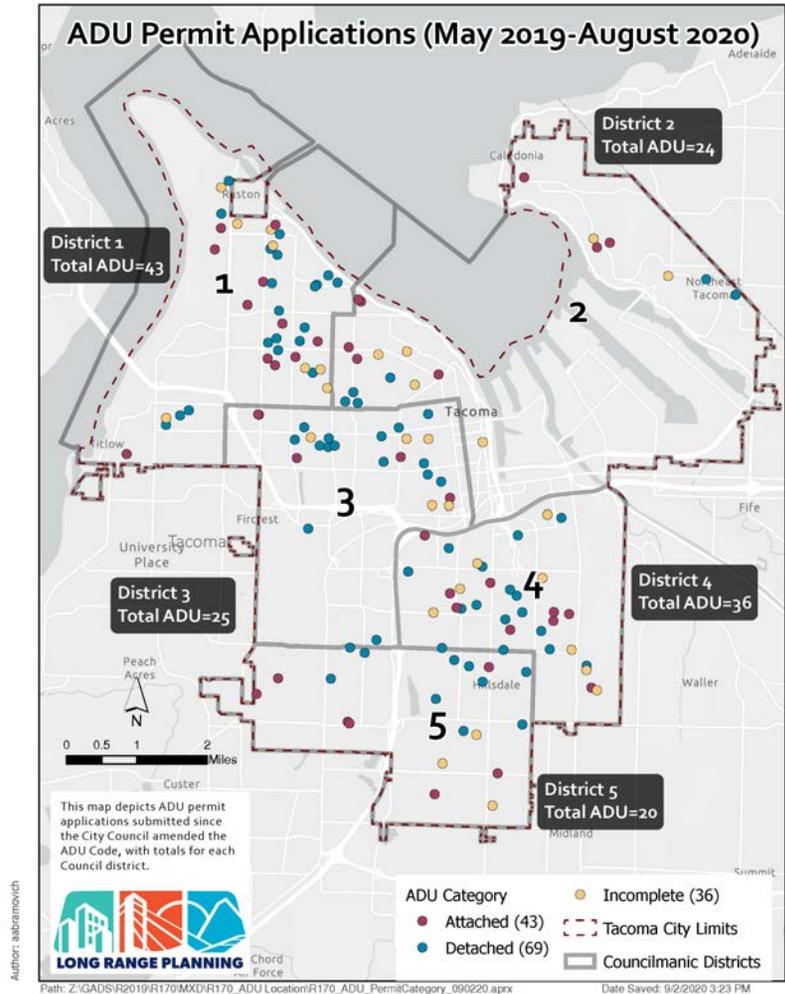
Source: City of Tacoma and Root Policy Research.

New ADUs by Year Permitted, 2016-2019



Source: City of Tacoma and Root Policy Research.

New ADUs by Year Permitted, May 2019 – August 2020



SECTION 3.

HOUSING POLICY ANALYSIS

Affordability Needs and Economic Feasibility

In Tacoma, as in many markets, residential development has been split between single unit detached units and multifamily development—largely driven by past land use regulations. As land and development costs have risen, ownership in the form of single unit detached housing has become out-of-reach for many.

The average sales price of a home listed or sold in Tacoma in 2020 ranged from \$311,000 to \$633,000, depending on the zip code. Between 2016 and 2019, the median home value in Tacoma rose by \$105,000—a 44 percent increase in three years. At this rate of growth, the median single unit detached home in Tacoma could sell for nearly \$900,000 in 15 years.

At the same time, changes in household composition, employment patterns, and lifestyle choices have increased demand for renting, lengthened the period of rentership, and introduced the need for a greater variety of rental products. Flexibility in zoning is important to broaden both ownership and rental options.

The State Guidance for a HAP recommends that jurisdictions “conduct pro forma analyses of sample projects to estimate a developer’s expected return on investment under different scenarios. This can be helpful to calibrate requirements such as the amount of affordable units and affordability levels to maximize the benefits without discouraging use of the incentive by developers.”

The HAP economic feasibility analysis examined the AMI levels at several development prototypes would reach given current development costs and expected returns.

Feasibility analyses were conducted for nine development prototypes:

- Owned duplexes (2 units) and townhomes (10 units);
- Small scale (32 units) and moderate-scale (55 units) 3-story rentals;
- 4-, 5-, and 7-story rentals (70, 105, and 207 units, respectively);
- 12- and 16-story rentals (207, 290, and 320 units, respectively).

The economic feasibility analysis used the current costs of development and land, operating expenses (for rentals), and industry



expectations for return on investment to determine the equivalent AMI levels these developments can reach without any incentives that the city could provide—through, for example, density bonuses, fee waivers, the Multifamily Property Tax Exemption (PTE), and expedited application review and permitting.

AMI levels served without requirements or incentives. As the table below demonstrates, except for studios in moderate-scale multifamily, newly constructed housing is and will be priced in the 90 to 135 percent AMI range in most of Tacoma. In high rent areas like downtown, AMI levels cluster in the 120 to 140 percent AMI range. This compares to the 120 percent to 175 percent AMI range currently required to afford an existing single unit home (with 120% AMI single unit affordability homes needing significant improvements).

The table also demonstrates that missing middle ownership models struggle to meet target sales prices. Developments costs are currently too high to allow those missing middle prototypes to be developed profitably with current development costs without some flexibility in land use code.

Development Prototypes, Rents and Sales Prices, and AMI Levels

DEVELOPMENT ASSUMPTIONS	MISSING MIDDLE RESIDENTIAL PROTOTYPES					MULTIFAMILY RESIDENTIAL PROTOTYPES			
	Owner Duplex	Owner Townhomes	Small-Scale 3-Story Rental Residential	3-Story Rental Residential	4-Story Rental Residential	5-Story Rental Residential	7-Story Rental Residential	12-Story Rental Residential	16-Story Rental Residential
RENTS									
Low-Moderate Rent Area									
Market rent	1,670	2,338	1,754	1,587	1,629	1,629	996	1,727	1,761
Unit Size	2 bed	2 bed + Den	2 bed	2 bed	2 bed	2 bed	Studio	1 bed	1 bed
Equivalent AMI, rents (2 person hh)	96%	135%	101%	92%	94%	94%	57%	100%	102%
Market sales price	285,000	305,000							
Equivalent AMI, sales (2 person hh)	98%	105%							
Profitability measure	Negative	Negative	Moderate	Strong	Moderate	Moderate	Strong	Weak	Weak
High Rent Area									
Market rent	2,360	3,304	2,478	2,242	2,232	2,232	1,364	2,366	2,413
Unit Size	2 bed	2 bed + Den	2 bed	2 bed	2 bed	2 bed	Studio	1 bed	1 bed
Equivalent AMI, rents (2 person hh)	136%	191%	143%	129%	129%	129%	79%	136%	139%
Market sales price	325,000	365,000							
Equivalent AMI, sales (2 person hh)	111%	125%							
Profitability measure	Negative	Negative	Strong	Strong	Strong	Strong	Strong	Strong	Strong

Source: Root Policy Research.

Effect of Multifamily Property Tax Exemption (PTE)

Under Washington state law, cities may establish a Multifamily Property Tax Exemption (PTE) program to stimulate the construction of new, rehabilitated, or converted multifamily housing within designated areas, including affordable housing. Only the value of eligible

housing improvements is exempted from property taxes; land, existing improvements, and nonresidential improvements are nonexempt.⁵

Two options for property tax exemption exist: an 8 year option or a 12 year option, and these can only be applied to multifamily developments with 4 or more units. The 12 year option requires that developers rent or sell at least 20 percent of the units to low and moderate income households through the course of the exemption. Tacoma has defined this as 80 percent of AMI for renter households and 115 percent for homebuyer households. If property use changes in a manner inconsistent with program requirements before the 8- or 12-year exemption ends, back taxes are recovered based on the difference between actual taxes paid and those that would have been paid without the tax exemption.

Since 2010, the PTE program has produced 109 affordable units out of 496 total units included in PTE 12-year projects. The 8-year PTE has generated 1,777 market rate units since 2010. Although these units do not carry an affordability commitment, production does help to expand housing supply and choice in the city.

⁵ <https://app.leg.wa.gov/RCW/default.aspx?cite=84.14.020>

8-Year v. 12-Year PTE Projects



Note: Year is determined by when the project received a certificate of occupancy.

Source: City of Tacoma and Root Policy Research.

The value of the PTE to developers varies depending on the value of the property. On a per-unit basis, the exemption lowers rents slightly; collectively, however, the PTE allows developers to offset operating costs significantly. The rising demand for the 12-year PTE in recent years suggest that expanding the incentive to apply to more geographic areas in Tacoma would increase the supply and broaden the geographic location of affordable units.

Inclusionary Zoning—and the PTE

Inclusionary zoning refers to local ordinances that require that a share of newly developed residential units are affordable to low and moderate income households. The objective of inclusionary policies is to utilize the efficiencies of the private sector to create new affordable housing and mixed-income communities. Washington state law (RCW

36.70A.540) encourages the use of incentives for affordable housing, including increases in residential capacity through zoning changes, bonus densities, height and bulk increases, parking reductions or other regulatory changes or incentives. The policy objective should be to partially or totally offset the costs to developers of including affordable units with the potential increase in returns from additional height and density.

Tacoma currently has a range of inclusionary zoning approaches in place:

Voluntary IZ

- Downtown Regional Center, adopted 1999, modified 2015
- Mixed-Use Centers, adopted 2009, modified 2015 and 2018
- Planned Residential Districts, adopted 2015

Mandatory IZ

- Private Upzones, adopted 2015
- Tacoma Mall Regional Center IZ Pilot, adopted 2018

The AHAS calls for revisions to the city ordinance to better target unmet need and align with market realities. To date, the output in affordable housing has been limited. Only one project has been proposed for the mall area, and the incentives offered in voluntary areas have not been attractive enough to produce affordable units. The PTE has a much better record of incentivizing affordable units. The AHAS recommended that the city consider an inclusionary housing requirement of 10 percent of rental units affordable at 50 percent AMI.

Economic feasibility with inclusionary zoning. Economic feasibility modeling was built to test inclusionary zoning requirements under a variety of scenarios:

- Low to moderate rent submarkets—representing much of Tacoma excluding North Tacoma and downtown;
- High rent submarkets—representing highly-desirable submarkets like North Tacoma and downtown;
- Affordable rental unit set asides of 10 percent of units with rents at 50 percent of the AMI and 80 percent of the AMI;
- Affordable rental unit set asides of 20 percent of units with rents at 50 percent of the AMI and 80 percent of the AMI;
- The affordable rental set asides above paired with the PTE.

These feasibility tests found the following:

- Mandatory inclusionary zoning requirements are not feasible in low to moderate rent areas without the PTE—but are feasible in high rent areas like downtown. High rent areas can absorb this requirement without compromising financial feasibility.
- In low to moderate rent markets, the value of the PTE allows developments to reach deeper levels of affordability with a 10 percent unit contribution—including the AHAS goal of 10 percent of units at 50 percent AMI. However, state law requires a 20 percent unit contribution, which is not feasible in low to moderate rent areas.
- Use of the PTE in downtown Tacoma—and other high rent markets as they develop—provides the ability to take AMI levels lower to 20 percent of units affordable at 50 percent AMI.

These findings are summarized below.

Potential for Inclusionary Requirements

DEVELOPMENT ASSUMPTIONS	MISSING MIDDLE RESIDENTIAL PROTOTYPES				MULTIFAMILY PROTOTYPES		
	Small-Scale 3-Story Rental Residential	3-Story Rental Residential	4-Story Rental Residential	5-Story Rental Residential	7-Story Rental Residential	12-Story Rental Residential	16-Story Rental Residential
RENTS							
Low-Moderate Rent Area							
10% of units @ 50% AMI	Weak	Weak	Weak	Weak	Weak	Weak	Weak
10% of units @ 80% AMI	Weak	Weak	Weak	Weak	Weak	Weak	Weak
10% of units @ 50% AMI with PTE	Strong	Strong	Moderate	Strong	Strong	Moderate	Moderate
20% of units @ 50% AMI	Negative	Negative	Negative	Negative	Negative	Negative	Negative
20% of units @ 80% AMI	Weak	Weak	Weak	Weak	Strong	Weak	Weak
20% of units @ 50% AMI with PTE	Weak	Weak	Weak	Weak	Weak	Weak	Weak
High Rent Area							
10% of units @ 50% AMI	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong
10% of units @ 80% AMI	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong
10% of units @ 50% AMI with PTE	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong
20% of units @ 50% AMI	Strong	Strong	Moderate	Strong	Strong	Strong	Strong
20% of units @ 80% AMI	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong
20% of units @ 50% AMI with PTE	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong	Very Strong

Source: Root Policy Research.

SECTION 4.

RECOMMENDATIONS

Recommendations

The remaining section of the HAP outlines recommendations to adjust housing policies to address current and projected housing needs. It is important to note that the HAP focuses on what the city can control—namely, zoning and standards. The city’s ability to utilize housing policy to result in increased housing affordability is dependent on numerous conditions, ranging from development site challenges to federal funding to assist households with very low incomes to investor and developer interest in Tacoma’s market.

These recommendations were measured against the following framework:

- **Affordability impact:** Would the policy change increase housing affordability?
- **Growth impact:** Is the policy change consistent with the city’s growth vision?
- **Community impact:** Does the policy change treat communities equitably?

Recommendations to Improve Housing Options in Tacoma: Housing Policy Guidance

Update Tacoma’s Housing Growth Vision

Tacoma’s new housing growth vision goes beyond base housing unit creation. It builds upon the unit growth goals set by the Puget Sound Regional Council’s *VISION 2050*—underway as the HAP was developed—to prioritize a diversity of housing choices and costs. It leverages housing unit creation to create more inclusive, resilient, and sustainable neighborhoods.

Housing Growth Vision

Utilize housing growth to create neighborhoods that are inclusive, welcoming to our diverse community, resilient, thriving, distinctive and walkable, and include robust community amenities and a range of housing choices and costs.

The current effort to facilitate housing affordability and diverse housing options through land use modifications builds on Tacoma’s robust housing growth vision, as shown on the prior page. That growth vision developed over decades of community dialogue. Growing housing needs and aspirations have evolved over time, calling for an updated housing vision that includes the additional insights:

- The city needs to move quickly to address the housing crisis, in balance with other goals.
- The city should move away from exclusive single family zoning on a citywide basis, rather only in certain areas.
- The city should commit that implementation of this new housing growth vision when growth can be supported with appropriate standards, infrastructure and services, and impacts can be managed appropriately.

Set housing targets by income range.

- **Affordability impact:** Leverage private development to contribute to affordable housing goals.
- **Growth impact:** Capture affordability in growth that is already occurring.
- **Community impact:** Produce mixed-income housing and add affordable housing to high opportunity areas.

The One Tacoma Plan currently has only one housing growth target tied to affordability—that 25 percent of new housing should be affordable to households earning 80 percent of AMI. Although this is a strong goal, it does not reflect different levels of needs among low income households. Goals by income range allow the city to prioritize housing investments and adjust housing policies to better align with housing needs.

The city should strive for the following ranges of housing unit production by AMI; evaluate outcomes in 5-year increments and adjust goals accordingly; and prioritize housing funding to work toward these goals.

20 year rental goals that enable the city to address housing needs across the income spectrum are likely to range from:

- Rental units affordable at very low incomes (30% AMI and less) = production of 90 to 200 units annually, or 1,800 to 4,000 over 20 years;
- Rental units affordable at low incomes (31-50% AMI) = 80 to 175 units annually or 1,600 to 3,500 over 20 years; and
- Rental units affordable at moderately low incomes (51-80% AMI) = 100 to 230 units annually or 2,000 to 4,600 over 20 years.

Ownership goals will also depend on overall household growth, in addition to interest rates. If the city's ownership holds at 54 percent, 20 year ownership goals are likely to range from:

- Owner units affordable at moderately low incomes (80% AMI) = 95 to 210 units annually or 1,900 to 4,200 over 20 years;
- Owner units affordable at moderate incomes (81-100% AMI) = 70 to 150 units annually or 1,400 to 3,000 over 20 years; and
- Owner units affordable at missing middle incomes (101-120% AMI) = production of 60 to 140 units annually, or 2,000 to 2,800 over 20 years.

Refine policy guidance for affordability incentives and requirements: The feasibility analysis conducted for this HAP indicates that the city could impose a mandatory inclusionary requirement in high rent submarkets and deepen the affordability requirement of the PTE in low and moderate submarkets. We recommend implementing a mandatory affordable housing contribution in high cost market areas of 20 percent of units at 50 percent AMI. We also recommend providing low and moderate rent areas an option of 10 percent of units at 50 percent AMI or 20 percent of units at 80 percent AMI when the PTE is used if state law were to allow this option.

- **Affordability impact:** Leverage private development to contribute to affordable housing goals. Under current market conditions and in high rent areas like downtown, private multifamily development has the ability to contribute a significant share of 50 percent AMI affordable rentals.
- **Growth impact:** Capture affordability in growth that is already occurring.
- **Community impact:** Produce mixed-income housing and add affordable housing to high opportunity areas.

Refine policy guidance for affordability incentives and requirements: Expand the Multifamily Property Tax Exemption (PTE) to mid-scale residential areas and missing middle products with 4+ units developed in low density residential areas.

- **Affordability impact:** Based on recent trends, the affordable units developed through the PTE could account for between 25 and 45 percent of annual housing goals for 50 percent AMI units.
- **Growth impact:** Distribute affordable housing throughout the city.
- **Community impact:** Leverage growth that is already occurring to integrate affordable units.

Refine policy guidance for affordability incentives and requirements: Calibrate supplemental housing policies, including surplus land donations, to reflect the housing

goals and define Affordable Housing consistently with the needs identified in the Existing Conditions report.

Enact an anti-displacement policy and supporting programs to minimize the effect of land use changes on low income renters and owners.

- **Affordability impact:** Target affordable housing to those who most need it.
- **Growth impact:** Ensure that housing units meet employment growth in low wage industries and allow workers in Tacoma to reside in Tacoma.
- **Community impact:** Preserve Tacoma’s socioeconomic and demographic diversity.

The Existing Conditions analysis demonstrated that displacement is occurring in Tacoma for very low income households who do not receive housing subsidies: Between 2016 and 2019, rental units priced between \$625 and \$875 per month, serving households with incomes between \$20,000 and \$35,000, declined by 5,300 units.

The analyses in this Housing Action Plan, and a best practices review of actions in peer communities, informed the following recommended action items tailored to land use interventions that facilitate missing middle and affordable housing opportunities:

1. As the Home in Tacoma project moves forward, strengthen the emphasis on anti-displacement as a primary goal.
2. Use the full spectrum of housing tools to address needs, including:
 - a. Creating new sources of funding for affordable housing
 - b. Expanding the PTE affordability option
 - c. Coordinating affordable housing and economic development strategies (e.g., within Opportunity Zones)
 - d. Increasing city staffing to support housing growth and affordability
 - e. Reviewing and streamlining regulatory processes
 - f. Evaluating potential impacts and actions related to property taxes
3. Implement code changes to encourage missing middle product citywide to ensure that no neighborhoods are excluded from expanding missing middle and affordable housing opportunities.
4. Implement inclusionary zoning in submarkets where it is economically feasible and strive for the most affordability as possible. Tailor affordability tools based on specific affordability needs and market conditions in Tacoma’s neighborhoods.

5. Require that developers benefitting from additional density through expanding medium-scale residential neighborhoods, the Multifamily Property Tax Exemption (PTE), fee waivers, expedited processing, and city-funding (through the Housing Division) adopt affirmative marketing practices—e.g., using multicultural models in advertisements, placing ads in culturally-targeted newspapers and radio stations, using a variety of languages, using accessible formats—when advertising available units.
6. Implement a resident preference policy that applies to both households at risk of displacement and residents living in neighborhoods with high-displacement risk. This policy would apply to developers who receive the PTE, fee waivers, expedited processing, and city-funding.⁶
7. Promote ownership opportunities as a pathway for building wealth. For example, ensure that low income homeowners faced with rising property taxes, and seniors and persons with disabilities, are aware of the property tax exemptions and deferrals available through the Pierce County Assessor’s office. Market the programs through trusted community organizations (<https://www.co.pierce.wa.us/682/Property-Tax-Exemptions-Deferrals>)
8. Promote family-sized units: Seek methods to incentivize creation of affordable housing units suitable for larger households in areas where these are in short supply.
9. Working with local architects and lenders, create a set of affordable ADU designs and a financing package to facilitate construction of ADUs by lower and moderate income owners to add affordable housing and/or create income-building.⁷
10. Require redevelopment of large sites with city investment (e.g., infrastructure expansion, land donation) to include deeply affordable ownership products such as land trust and sweat equity developed communities, as well as publicly-assisted rentals, and affirmatively market these products to households displaced and at-risk.
11. Coordinate with the Tacoma Housing Division to ensure that residents at risk of displacement have the resources they need to mitigate eviction (e.g., tenant based rental assistance, access to landlord mediation services, relocation assistance, financial literacy programs) and other forms of displacement. Target information campaigns in neighborhoods when private sector development is active.

⁶ Seattle’s recent implementation of a community preference policy: <https://www.seattle.gov/housing/programs-and-initiatives/community-preference#:~:text=Community%20preference%20allows%20housing%20developments,%2C%5B1%5D%20and%20redlining.>

⁷ A model program can be found here: <https://www.mywdrc.org/adu-pilot-program.>

12. Support anchor institutions and businesses at risk of displacement due to redevelopment by encouraging redeveloped property owners to continue current leases through city subsidies and/or implementing first rights of refusal for newly created and affordable space created through public investments.
13. Empower people of color and others who have historically been under-represented in policymaking to take a stronger role in shaping policy.

Establish policies to achieve antiracism goals in housing.

This recommendation calls for development of a plan through which housing policy implementation will be evaluated to ensure that policies help undo structural barriers to housing choice caused by historical discriminatory actions. An Antiracism plan for housing is being developed in consultation with the Housing Equity Taskforce (HET).

Recommendations to Improve Housing Options in Tacoma: Land Use/Zoning Actions

Update Code to allow a broader mix of housing types.

- **Affordability impact:** Increase the inventory of affordable homeownership products, tilting the affordability levels closer to 120 percent AMI, from 150 percent+ AMI.
- **Growth impact:** Diversify the supply of unit types for owners and renters.
- **Community impact:** Expand affordable housing options citywide in areas of opportunity, where land is limited to absorb significant amounts of growth.

Low-scale Residential Areas

- Intent: Support diverse housing types in structures that are compatible in scale with houses.
- Allow the following housing types:
 - Detached homes
 - 2-unit and 3-unit dwellings (townhouses, a duplex + an ADU, or a triplex)
 - Townhouses
 - Cottage housing
 - Shared/cohousingIn some circumstances:
 - Fourplex
 - Small multifamily (5-12 units)
 - Tiny homes/mobile homes

Mid-scale residential

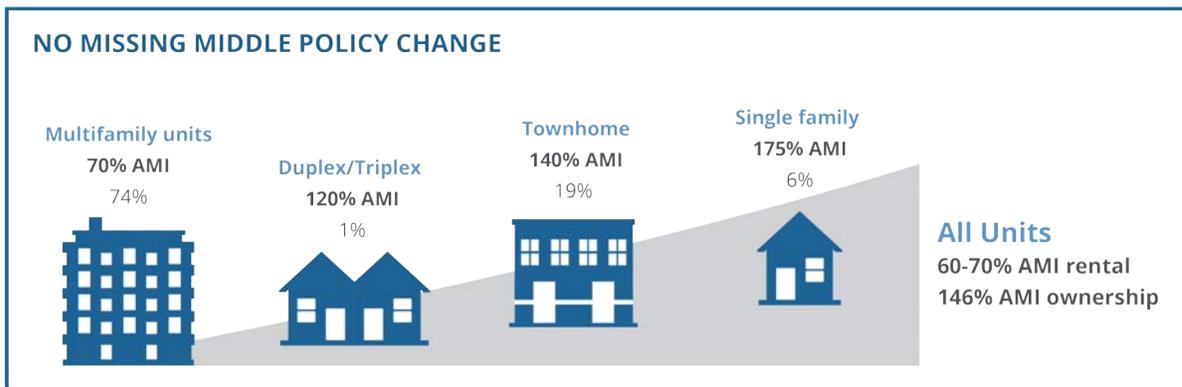
- **Affordability impact:** Increase the supply of a variety of missing middle housing types developments and affordability levels.
- **Growth impact:** Broaden affordable rental products to meet affordability targets; expand land available to repurpose into missing middle products.
- **Community impact:** Expand housing options in walkable areas and near transit, promoting sustainability and community health.

Allow mid-scale multi-family housing, in addition to those allowed in low-scale neighborhoods. with the potential to increase in appropriate areas.

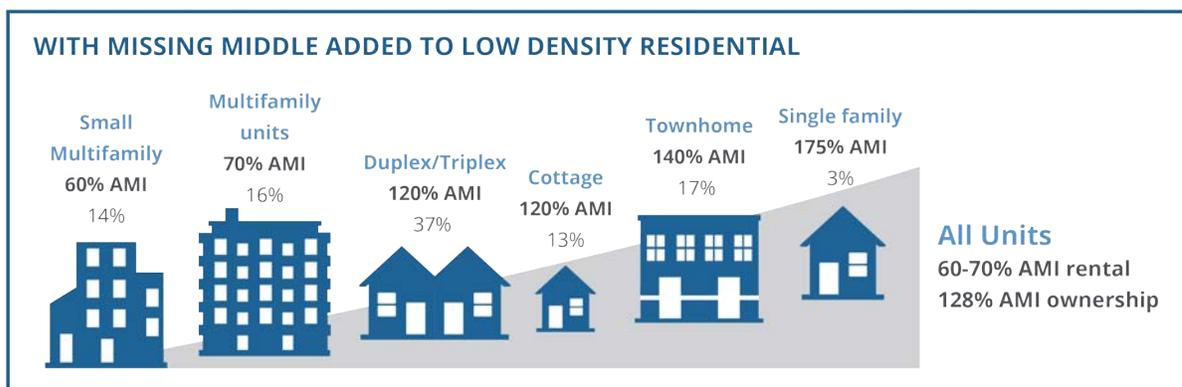
- Intent: Support mid-scale multifamily housing in areas close to shopping and transit.

- In addition to the above, allow the following housing types:
 - Mid-scale multifamily
 - Live-work
 - Limited retail/office

Growth with land use changes compared to past trends. As discussed earlier in this report, 85 percent of the units permitted between 2016 and 2020 were multifamily developments; 13 percent were single family detached homes. The land available for single family detached homes is increasingly limited and, without land use changes, future development is likely to be concentrated in larger multifamily developments in areas like downtown. If past unit development trends continue and development tilts toward the highest value products and sites within Tacoma, this will yield the projected unit distribution shown below. By AMI, this distribution would average 70 percent AMI for rental and 146 percent AMI for ownership.



An increase in the opportunity to develop missing middle unit types—facilitated through land use changes—could result in the following. This would produce the same affordability for multifamily rentals—but a deeper level of affordability for ownership.



If growth is stronger than it has been in the past—and if land use changes are made to allow a wider variety of housing types throughout Tacoma—unit distribution is likely to be more concentrated in small multifamily developments, moderate multifamily developments, and duplexes to fourplexes, as well as ADUs and cottage homes. This would allow an even broader distribution of AMI levels, particularly through small and moderate multifamily developments, in which the inclusion of affordable units is economically feasible.

Modify lot, parking, and access standards to remove barriers to infill.

- **Affordability impact:** Allow moderately-sized rental developments to reach < 60 percent AMIs (parking reductions). Increase the inventory of affordable rentals by up to 40 percent per development (building code changes).
- **Growth impact:** Incentivize the development of multifamily rentals.
- **Community impact:** Facilitate transit-dependent developments.

Constructing structured or underground parking adds a significant cost, generally between \$35,000 to \$50,000 per space, depending on the structure. Surface parking is much less expensive—around \$3,000 per space, yet is an efficient use of increasingly valuable land.

Reducing parking requirements in areas well-served by transit and easing requirements in exchange for affordable units helps rental developments reach 60 to 80 percent AMI rent levels without public subsidies and still achieve returns that remain competitive to investors.

The city should also allow flexibility in building code for wood frame construction, up to 7 stories, for rental developments that are 100 percent affordable in the 60-80 percent AMI range. This is allowed in more recent versions of the International Building Code (IBC). If all new moderately-sized rental developments added two stories using this option, 40 percent more 60-80 percent AMI units could be added to the city's stock, ensuring that the city could reach its 60-80 percent housing goal in less than 20 years.

Recommendations to Improve Housing Options in Tacoma: Administrative and Supportive Actions

Update the Development Regulatory Agreement Code to allow flexible permitting for affordable housing developments.

- **Affordability impact:** Reduce the time it takes for housing to be developed and occupied by low and moderate income households; lower development costs; incentivize the development of affordable units by private sector developers.
- **Growth impact:** Incentivize the development of missing middle and affordable housing products.
- **Community impact:** Improve transparency.

Expedited processing and fee waivers, which Tacoma's original inclusionary zoning ordinance contemplated, have not been fully implemented by the city. The city is currently working toward adopting preapproved plans for ADUs and hiring an affordable housing project coordinator, both expected in 2021.

Expedited review is currently being piloted for a fully subsidized affordable project; the impact of expedited review on other development projects will be evaluated and potentially extended to other mixed-income projects.

The AHAS calls for a project coordinator to assist with permitted processing for affordable development and infill development, as well as an expansion of staff with subject matter expertise and on-call labor to assist with development review as needed.

The city should update the city's Development Regulatory Agreement (DRA) code to establish a flexible permitting pathway for projects that provide substantial affordable housing. This would include flexibility in meeting specific zoning standards for larger sites with a substantial proportion of affordable units.

Developer outreach for the HAP also identified a need for consistency in review of missing middle product types. As the city expands the land available for missing middle development it should avoid slowing down the development process and discouraging these housing types by treating each as a new concept.

Land Use Scenario Analysis

A predictive model was used to estimate the effect of the proposed missing middle code change scenarios. This analysis differs from the 2014 Buildable Lands report, although it does incorporate unit growth targets. This analysis uses a custom model to determine the likelihood that lots will convert to missing middle development types as more flexible land use options are made available. It applies a more nuanced analysis to inform growth scenario development.

The model examined all parcels in Tacoma for development potential. The development potential considered:

- Vacant parcels—vacant parcels are more likely to redevelop;
- Location within a center or corridor—more likely to redevelop;
- Proximity to open space—more likely to redevelop;;
- Re- or development activity in close proximity—more activity indicates a better likelihood of redeveloping; and
- Parcel size—larger parcels are more likely to redevelop.

The model considered the moderate growth scenario used to for the housing growth targets. Preliminary modeling has found:

- Tacoma has limited capacity for future development of small and standard single unit detached lots;
- ADU capacity is strong, has the potential to occur throughout the city in low density residential areas;
- New development will be largely multifamily and occur throughout Tacoma with concentrations downtown, along corridors, and in the mall area;
- Without code changes, duplex/triplex/cottage development will be limited. Cottage housing development is possible and likely under all land use scenarios. Land use changes facilitate broader and more uniform product types across the city; and
- Missing middle infill programs increase housing unit capacity significantly throughout the city.

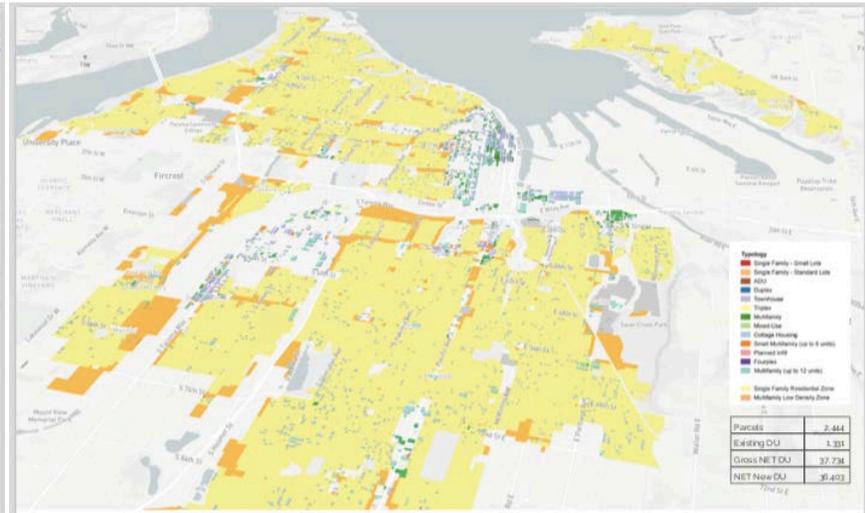
The following maps compare likely growth based on the predictive model without code changes that incentivize missing middle development—and the possibility of development if missing middle products are made more widely available. The first shows a low growth scenario, where units are concentrated in large multifamily developments, and, to a lesser extent, small multifamily products.

The second shows an expansion of small multifamily, townhomes, and cottage housing—and how those intersect with single unit detached home areas.

Growth Form and Potential without Missing Middle Product Opportunities, 2020-2040



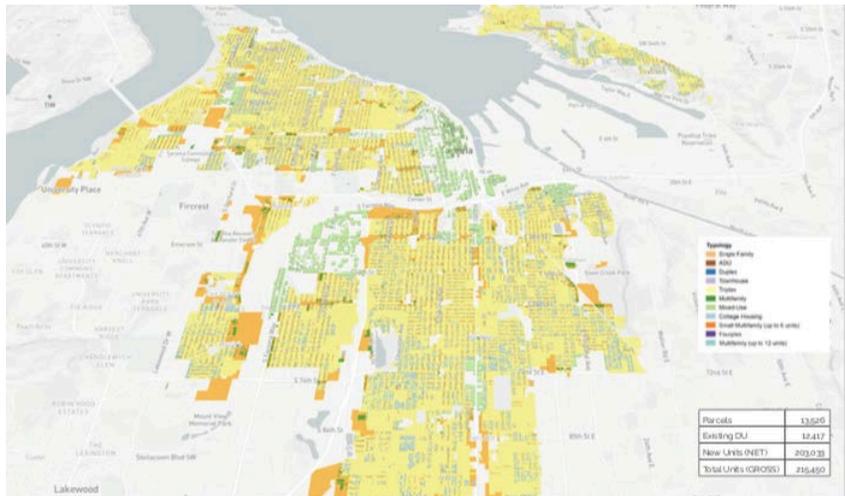
Growth Form and Potential *with* Missing Middle Product Opportunities, 2020-2040



Source: Gridics and Root Policy Research.

The final maps below show full build out scenarios. The map on the left shows full capacity without land use changes, resulting in a unit distribution of mixed-use multifamily (commercial and residential) downtown, along major corridors, and in the mall area. The second map shows more integrated development patterns of lower density products (aqua colored parcels).

Growth Form and Potential without Missing Middle Product Opportunities, full Build Out, 2020-2040



Growth Form and Potential *with* Missing Middle Product Opportunities, full Build Out, 2020-2040



Source: Gridics and Root Policy Research.



Root Policy Research

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APPENDIX A.

City of Tacoma

Home In Tacoma Existing Conditions

PREPARED FOR:

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CREATED

05/13/2021

Table of Contents

A. Existing Conditions

Primary FindingsA-4
Demographic Framework.....A-6
Housing Needs Analysis.....A-19

Appendix A.

Existing Conditions

As stated in the Tacoma 2025 plan, “Diversity is Tacoma’s greatest asset.” Part of the city’s success in supporting diversity has been its relative housing affordability. As housing prices rise more rapidly than incomes, the city’s foundation—as well as potential for economic development—is increasingly threatened.

The City of Tacoma has already taken steps toward addressing housing affordability challenges in the community, as shown in the timeline on the right. In 2010, the Affordable Housing Policy Advisory Group brought forward policy recommendations to address affordable housing. In 2015, Tacoma adopted regulatory reform and incentives for affordable housing.

Finally, in 2018 the Affordable Housing Action Strategy (AHAS) was built on earlier efforts including strategic documents like Tacoma 2025 and One Tacoma Comprehensive Plan. The implementation of the AHAS has the potential to produce 6,000 new affordable units; preserve 2,300 existing affordable units; and serve an additional 2,200 households by 2028. In total, it will reach 10,500 households living in the City of Tacoma.

This Housing Action Plan aims to implement several actions identified in the AHAS to create more homes for more people. In particular, this study will investigate market-based incentives for affordable housing, land use regulations to promote affordability, and policy reform to encourage development in the city.



This section of the report includes an overview of existing conditions in the City of Tacoma to provide context for the Housing Action Plan (HAP). The city last updated housing needs and addressed affordable housing challenges in the Affordable Housing Action Strategy, produced in 2018 and based on 2016 data. Therefore, this existing conditions analysis focuses on market shifts since 2016—the latest year of data available at the time the AHAS was produced—and highlights changes in key housing market indicators.

While the City of Tacoma has seen a recent increase in the rate of new housing production, the City's overall housing growth remains well behind adopted planning targets. Furthermore, despite the adoption of new affordable housing targets, the City continues to see an expanding gap between incomes and housing prices, resulting in a worsening affordability crisis, as well as persistent inequity in residents' access to opportunity and health outcomes. These challenges are likely to be exacerbated by the economic impacts of the COVID-19 pandemic.

Indicators of housing needs. For the purposes of this analysis, housing needs are analyzed and measured using the following indicators:

- Household cost burden and severe cost burden;¹
- Trends in housing supply and cost;
- Location of affordable housing;
- How supply of housing compares with demand by price points and income levels;²
- Home ownership rates; and
- Opportunity areas.

Why addressing housing needs is important. Addressing housing needs has become an increasing priority among local and state governments. This is related, in part, to the federal government's reduced investment and role in providing publicly subsidized housing. In addition,

- Academic studies have consistently demonstrated that stabilizing the housing costs of low income households, especially those with children, facilitates upward mobility and reduces long term public sector human services costs.
- Housing investments that allow workers to live closer to their places of employment can reduce the impacts of commuting on local jurisdictions—e.g., wear-and-tear on roads, and responses to vehicular accidents.

¹ Cost burden occurs when households pay more than 30 percent of their gross income toward housing costs. This is the industry standard for affordability. Severe cost burden occurs when households pay more than 50 percent of their gross income toward housing costs and also indicates risk of eviction, foreclosure, and/or homelessness.

² This is measured by a "gaps analysis" modeling exercise.

- Households in stable housing environments are more likely to spend money in the local economy, through direct spending on goods and services. The negative impact of retracted spending on local economies has, unfortunately, been dramatically exposed with the outbreak of the COVID-19 virus.

Sources of data for this section. This section utilizes current data on the demographics of Tacoma residents from the U.S. Census' American Community Survey (ACS); for sale home pricing from Pierce County Real Estate and Zillow; rental pricing from Rainmaker Insights; and income limits from the U.S. Department of Housing and Urban Development (HUD). The most current data reflects conditions in 2019 and 2020. Historical data from 2010 and 2016 are used to benchmark trends.

This data analysis presents a “baseline” of needs leading up to COVID-19. It is likely, at least in the short-term, that housing needs are more acute than identified in the available data, particularly as the pandemic continues.

Primary Findings

In the three years since the city's housing needs were identified as part of the Affordable Housing Action Strategy (AHAS), the City of Tacoma has experienced significant changes in its demographic and housing market conditions:

- **Households are getting smaller as the population ages.** Households with a householder 65 years and over increased by nearly 2,900 from 2016 to 2019. Seniors aging in Tacoma will create demand for smaller units (one- to two-bedroom) and accessible, visitable housing due to the correlation of age and disability.
- **Incomes have not kept up with housing costs.** From 2016 to 2019, median rent increased by 21 percent while median renter income increased by only 12 percent. Similarly, the median home value of owner occupied housing increased by 44 percent compared to a 22 percent increase in median income for owner households. It is becoming increasingly difficult for renters to afford to rent or buy in Tacoma as wages fail to keep up with rising housing costs.
- **Renters are higher income—and lower income households have declined.** There are now about 2,800 fewer households with incomes of less than \$25,000 in Tacoma than in 2016. This is likely due to a combination of low income households being priced out of the market and renter income increasing. High income renter households (>\$100,000) increased by 2,300 since 2016.
- **Special populations are disproportionately affected by poverty and are especially vulnerable to the changing housing market.** Residents with a disability, seniors, single mothers, and people of color have above average poverty rates and are particularly vulnerable to shifting housing costs. Additionally, populations on a fixed income—mainly residents with a disability and seniors—are especially at risk.
- **The shortage of affordable rental units persists.** In 2019, there was an estimated shortage of 4,897 units for renters with incomes of less than 30 percent of the Area Median Income or AMI—approximately \$20,000 per year for a 2-person household. This shortage declined from 2016 mostly due to a decline in extremely low income renters that was greater than the loss of affordable units. A rental shortage also exists for low income households: Altogether, 7,159 households with incomes of less than 50 percent AMI—with incomes of \$35,000 and less per year—cannot find rental units they can afford. This affordable rental shortage is comparable to the wait list for public housing maintained by the Tacoma Housing Authority, which

approximates 6,500 households. Households typically wait for several years (as many as five years) on the wait lists.³

- Racial and ethnic diversity has increased while disparate trends in homeownership and poverty remain.** The City of Tacoma is becoming more racially and ethnically diverse. However, Black/African American residents, Asian residents, Latino/Latinx/Hispanic residents, and residents of two or more races all have poverty rates higher than the individual poverty rate. Black/African American (30%) and Latino/Latinx/Hispanic residents (47%) have much lower rates of homeownership compared to White/Caucasian residents (61%).
- The city’s highest opportunity areas are the most challenging to access for low and moderate income households.** Generally, opportunity is highest in the north areas of the city and lowest in the south and central areas of the city. Areas of high opportunity have higher median home values.

Figure A-1.
Key Housing Market Change Indicators, City of Tacoma, 2016-2019

	2016	2019	2016-2019	
			Change	% change
Rental Market				
Median rent	\$1,054	\$1,273	\$219	21%
Median renter income	\$40,009	\$44,809	\$4,800	12%
Ownership Market				
Median home value	\$239,100	\$344,500	\$105,400	44%
Median owner income	\$76,544	\$93,765	\$17,221	22%
Rental Gaps				
Rental gap <30% AMI	-6,055	-4,897	1,159	-19%
Renter households <30% AMI	9,077	7,769	-1,308	-14%
Rental units <30% AMI	3,022	2,872	-150	-5%
Cost burden				
Owners	32%	27%	-5%	
Renters	47%	49%	2%	
Homelessness (Pierce County)	627	544	-83	-13%

Source: 2016 and 2019 1-year ACS; Pierce County Point-in-Time County 2016 and 2019; Root Policy Research.

³ City of Tacoma 5-year Consolidated Plan Draft (2020)

Demographic Framework

This section presents demographic trends that impact housing needs for the City of Tacoma and the counties that comprise the Puget Sound Region—King, Kitsap, Pierce, and Snohomish Counties. Trends are benchmarked to 2010 and 2016.⁴

Population and households. Figure A-2 shows population growth from 2010 to 2019 for the City of Tacoma and the counties that comprise the Puget Sound Region. Since 2016, the City of Tacoma grew by more than 6,500 residents (3%) for an estimated total population of 217,834 in 2019. From 2010 to 2019, the City of Tacoma grew by roughly 2,000 residents annually, which is average for the region. King and Snohomish Counties experienced the highest percent growth over the same time.

Figure A-2.
Population, 2010-2019

Jurisdiction	2010	2016	2019	2010-2016		2016-2019	
				Total	% change	Total	% change
Tacoma	198,506	211,304	217,834	12,798	6%	6,530	3%
King County	1,937,961	2,149,970	2,252,782	212,009	11%	102,812	5%
Kitsap County	251,809	264,811	271,473	13,002	5%	6,662	3%
Pierce County	795,628	861,312	904,980	65,684	8%	43,668	5%
Snohomish County	715,470	787,620	822,083	72,150	10%	34,463	4%

Source: 2010, 2016, and 2019 1-year ACS

Household growth from 2010 to 2016 was similar to population growth. However, in recent years—since 2016—the City of Tacoma added roughly 5,200 new households (6%) for a total of 87,016 households in 2019. A higher percent change in the number of households compared to the population indicates a trend toward smaller household sizes in the city. Smaller households in the City of Tacoma are most likely seniors aging in place.

⁴ 2016 American Community Survey Data was used in the Affordable Housing Action Strategy.

Figure A-3.
Households, 2010-2019

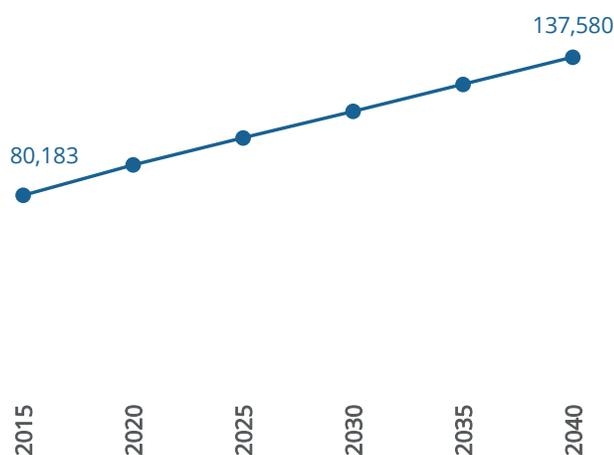
Jurisdiction	2010	2016	2019	2010-2016		2016-2019	
				Total	% change	Total	% change
Tacoma	79,316	81,811	87,016	2,495	3%	5,205	6%
King County	787,809	861,154	907,761	73,345	9%	46,607	5%
Kitsap County	99,150	101,995	107,525	2,845	3%	5,530	5%
Pierce County	299,876	317,671	333,657	17,795	6%	15,986	5%
Snohomish County	266,080	286,116	299,827	20,036	8%	13,711	5%

Source: 2010, 2016, and 2019 1-year ACS

Future growth. Puget Sound Regional Council (PSRC) Land Use Vision model provides population, household, and employment forecasts for the region. According to PSRC’s model, the City of Tacoma is forecasted to add 44,770 new households from 2020 to 2040—an increase of nearly 50 percent (48%). However, since the model’s base year in 2015, citywide growth has not kept pace with the forecast. In 2019, the city is home to an estimated 87,016 households—yet the PSRC forecast estimates the City of Tacoma to have as many as 92,800 households by 2020.

Actual growth is more uneven than forecasts would suggest, and it is likely that the City of Tacoma will need to accommodate more of the region’s projected growth in future years as housing in King and Snohomish Counties becomes increasingly less affordable. Additionally, demographic shifts in the city’s households will necessitate a recalibration of the types and price of housing needed by residents—particularly if the city continues to lose units priced to serve workers in low-wage industries like home health care and basic services.

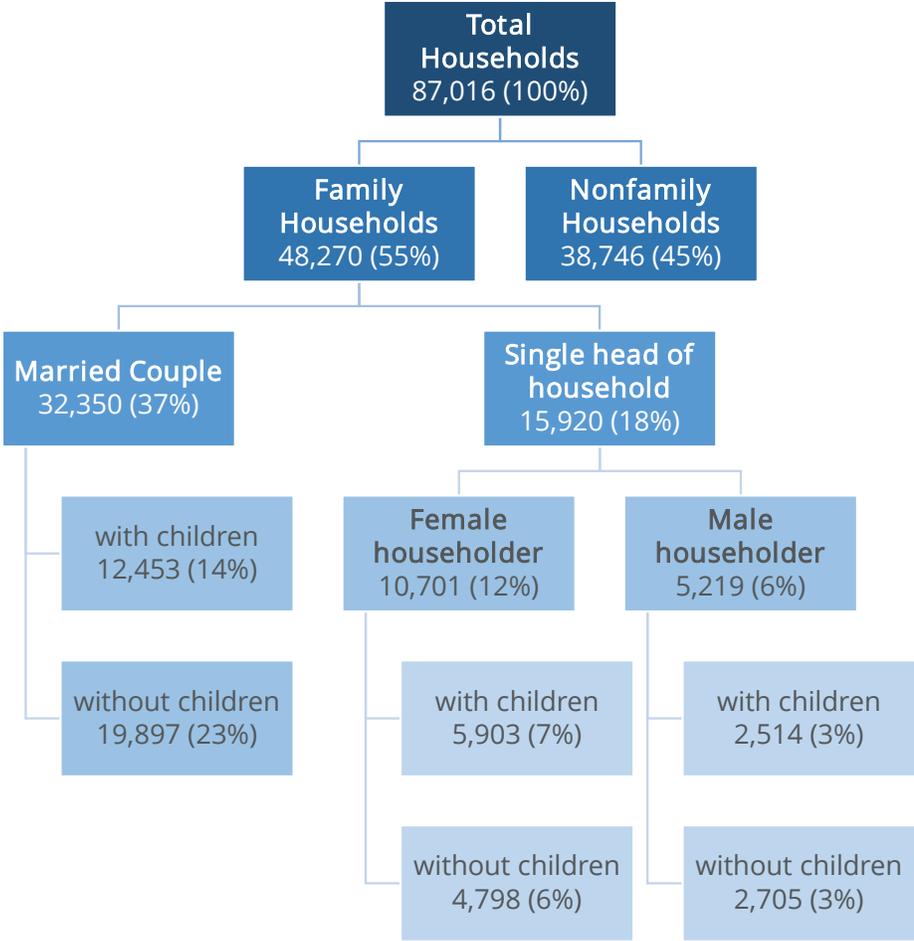
Figure A-4.
Household Projections,
City of Tacoma, 2015-2040



Source:
Puget Sound Regional Council Land Use Vision

Household composition. Most households in the City of Tacoma in 2019 are families (55%), as shown in Figure A-5. The majority of families are married couples (37%) and the remainder are single parents or unmarried partners (18%). One in four households have children under the age of 18 years old. Another 45 percent of households are nonfamily households, most are made up of individuals.

Figure A-5.
Household Composition, City of Tacoma, 2019

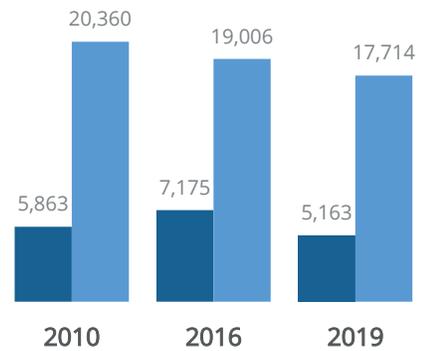


Source: 2019 1-year ACS

Figure 6 shows the total population in the City of Tacoma and Pierce County living in group quarters. Tacoma residents living in group quarters has decreased since 2016—consistent with the countywide decrease. Residents in group quarters represent 2 percent of the population in 2019 in the city and county.

Figure A-6.
Population in Group Quarters, City of Tacoma and Pierce County, 2010-2019

Source:
 2010, 2016, and 2019 1-year ACS



Age. Figure A-7 shows the number of households in the City of Tacoma by the age of the householder. Much like other cities and regions in the country, the population is aging, and young adults and families are not offsetting this change. Since 2010, the number of young adults and families with a householder under the age of 35 in Tacoma has remained largely unchanged, while households with a householder 65 to 74 years old—Baby Boomers entering retirement—increased from 7,200 in 2010 to nearly 12,100 in 2019. The number of young children under five decreased by 23 percent from 2016 to 2019.

Figure A-7.
Households by Age of Householder, City of Tacoma, 2010-2019

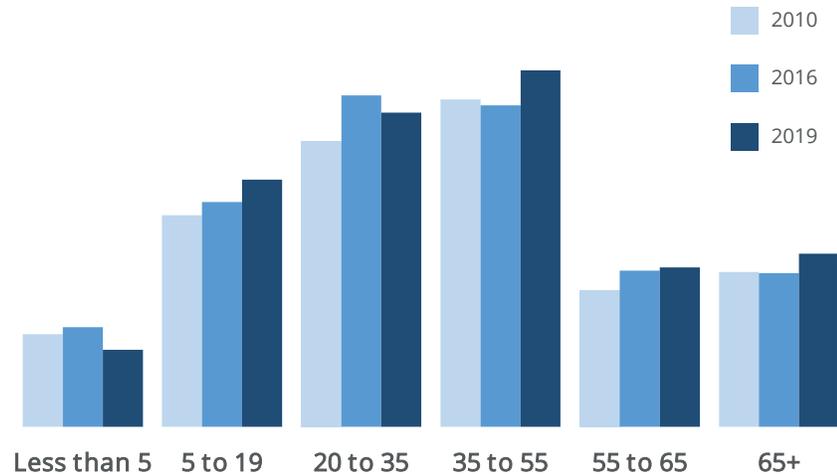
Age of Householder	2010	2016	2019	2010-2016		2016-2019	
				Total	% change	Total	% change
Under 35 years	19,988	21,353	21,381	1,365	7%	28	0%
35 to 44 years	13,960	13,172	19,679	-788	-6%	6,507	49%
45 to 54 years	16,577	16,035	11,737	-542	-3%	-4,298	-27%
55 to 64 years	13,722	15,135	15,216	1,413	10%	81	1%
65 to 74 years	7,218	8,836	12,080	1,618	22%	3,244	37%
75 to 84 years	4,283	4,418	4,139	135	3%	-279	-6%
85 years and over	3,490	2,863	2,784	-627	-18%	-79	-3%

Source: 2010, 2016, and 2019 1-year ACS

Shifting age demographics and the increase in smaller sized households is likely to increase demand for “downsizing” options and one- and two-bedroom units. These changes will also increase demand for services and amenities demanded by seniors and younger adults with smaller household sizes. This will include in-home care for seniors, public transportation, and, once the pandemic is over, restaurants, retail, and basic household services.

Figure A-8.
Age Distribution,
City of Tacoma,
2010-2019

Source:
 2010, 2016, and 2019 1-year
 ACS



Race and ethnicity. The City of Tacoma is becoming slightly more racially and ethnically diverse. The share of the population that identifies as White/Caucasian decreased from 89 percent of the total population in 2010 to 87 percent in 2019. Over the same time, the number of Latino/Latinx/Hispanic and Black residents in the community increased.

Figure A-9.
Share of Population by Race and Ethnicity, City of Tacoma, 2010-2019

Race and Ethnicity	2010	2016	2019	2010-2016 change	2016-2019 change
Latino/Latinx/Hispanic	11%	12%	13%	2%	1%
White/Caucasian	61%	57%	58%	-4%	1%
Black/African American	10%	10%	11%	0%	1%
Asian	8%	10%	6%	2%	-4%
Other	10%	11%	12%	1%	1%

Source: 2010, 2016, and 2019 1-year ACS

Disability. Residents living with a disability over the age of 65 make up 36 percent of Tacoma’s total population with a disability. As the population continues to age, the incidence of disability will likely increase, specifically for residents with ambulatory and independent living difficulties. Again, shifting demographics will result in a shift in housing needs, in this case for accessible and visitable housing units for residents living with a disability.

**Figure A-10.
Incidence of Disability
by Age, City of Tacoma,
2019**

Source:
2019 1-year ACS.

	Residents with a disability	Percent
Total residents with a disability	28,775	100%
Under 18 years old	3,202	11%
With a hearing difficulty	546	2%
With a vision difficulty	614	2%
With a cognitive difficulty	2,406	8%
With an ambulatory difficulty	577	2%
With a self-care difficulty	704	2%
18 to 64 years old	15,159	53%
With a hearing difficulty	3,294	11%
With a vision difficulty	1,502	5%
With a cognitive difficulty	7,281	25%
With an ambulatory difficulty	5,997	21%
With a self-care difficulty	3,096	11%
With an independent living difficulty	5,061	18%
Over 65 years old	10,414	36%
With a hearing difficulty	4,228	15%
With a vision difficulty	1,625	6%
With a cognitive difficulty	2,661	9%
With an ambulatory difficulty	6,942	24%
With a self-care difficulty	2,632	9%
With an independent living difficulty	3,976	14%

Income and poverty. Figure A-11 shows median household income by tenure in 2010, 2016, and 2019. Following the Great Recession—from 2010 to 2016—median renter income increased by 26 percent compared to the 16 percent increase among owner households. Since 2016, however, the trend has reversed and owner median income increased by 22 percent, while renter median income increased by 12 percent.

A note about inflation. When incomes are adjusted for inflation, real incomes have declined since 2000. However, inflation rates are heavily influenced by the housing market, and for the purposes of this comparison between median income and housing costs, inflation is less impactful than the change in income relative to the change in housing costs.

Figure A-11.
Median Household Income by Tenure, City of Tacoma, 2010-2019

Tenure	2010	2016	2019	2010-2016		2016-2019	
				Total	% change	Total	% change
All households	\$47,465	\$55,996	\$70,411	\$8,531	18%	\$14,415	26%
Owner households	\$65,975	\$76,544	\$93,765	\$10,569	16%	\$17,221	22%
Renter households	\$31,736	\$40,009	\$44,809	\$8,273	26%	\$4,800	12%

Source: 2010, 2016, and 2019 1-year ACS

Figure A-12 shows the change in household income distribution by tenure from 2010 to 2019. Among owners, the number of households earning more than \$75,000 increased while households earning less decreased. This trend may be a result of households earning higher incomes or lower income households being priced out of the market and replaced by households with higher incomes. The latter is more likely the case for renters in Tacoma.

Shifts in renter household income are more isolated at the highest and lowest income groups. Renter households earning more than \$100,000 doubled from 3,043 in 2010 to 6,246 in 2019. Over the same time, more than 4,750 extremely low income renters earning less than \$25,000 left the City of Tacoma.⁵

⁵ It is possible that some of these households had increases in earnings. However, the change in \$25,000 to \$50,000 households is very small, suggesting that the lowest income households left the city.

Figure A-12.
Income Shifts by Tenure, City of Tacoma, 2010-2019

Tenure	2010	2016	2019	2010-2016		2016-2019	
				Total	% change	Total	% change
Total households	79,316	81,811	87,016	2,495	3%	5,205	6%
Owner households	41,780	40,185	46,884	-1,595	-4%	6,699	17%
Less than \$25,000	5,479	4,420	3,543	-1,058	-19%	-877	-20%
\$25,000 to \$50,000	9,201	7,434	5,197	-1,767	-19%	-2,237	-30%
\$50,000 to \$75,000	9,870	7,474	8,291	-2,396	-24%	817	11%
\$75,000 to \$100,000	6,901	7,314	8,282	413	6%	968	13%
\$100,000 or more	10,330	13,542	21,571	3,212	31%	8,029	59%
Renter households	37,536	41,626	40,132	4,090	11%	-1,494	-4%
Less than \$25,000	14,992	13,029	10,239	-1,963	-13%	-2,790	-21%
\$25,000 to \$50,000	12,061	12,155	11,704	94	1%	-451	-4%
\$50,000 to \$75,000	5,373	7,992	7,444	2,619	49%	-548	-7%
\$75,000 to \$100,000	2,067	4,537	4,499	2,471	120%	-38	-1%
\$100,000 or more	3,043	3,954	6,246	911	30%	2,292	58%

Source: 2010, 2016, and 2019 1-year ACS.

Figure A-13 highlights the trend toward higher income households from 2010 to 2019, particularly for renter households.

Figure A-13.
Income Shifts by
Tenure, City of
Tacoma, 2010-2019

Source:
 2010, 2016, and 2019 1-year ACS



Figure A-14 shows poverty rate by age cohort in 2016 and 2019. Over this time, poverty rates decreased by 4 percentage points for residents in Tacoma. Similar cities experienced comparable reductions in poverty. From 2016 to 2019 poverty rates in Minneapolis decreased by 3 percentage points, Portland by 2.4 percentage points, and Seattle by 2 percentage points.

Poverty rates decreased from 2016 to 2019 for all age cohorts except seniors 65 years and over. Poverty among seniors increased from 10 percent in 2016 to 13 percent in 2019. Seniors are particularly vulnerable to increased housing costs as many seniors live on fixed or limited incomes (e.g. social security payments).

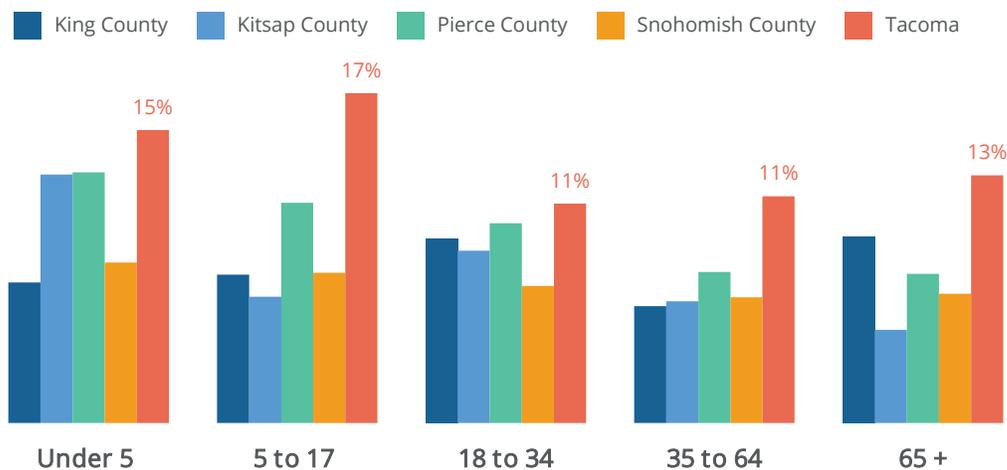
**Figure A-14.
Poverty Rate by Age,
City of Tacoma, 2016-
2019**

Source:
2016 and 2019 1-year ACS.

Age	2016	2019	2016-2019
			Rate Change
Total Population	16%	13%	-4%
Under 5 years	21%	15%	-6%
5 to 17 years	21%	17%	-5%
18 to 34 years	19%	11%	-8%
35 to 64 years	13%	11%	-2%
65 year and over	10%	13%	3%

Figure 15 shows poverty rate by age for the City of Tacoma compared to counties in the larger Puget Sound Region. Poverty rates are highest in Pierce County in every age group except for residents 65 years and older.

**Figure A-15.
Poverty Rate by Age, 2019**

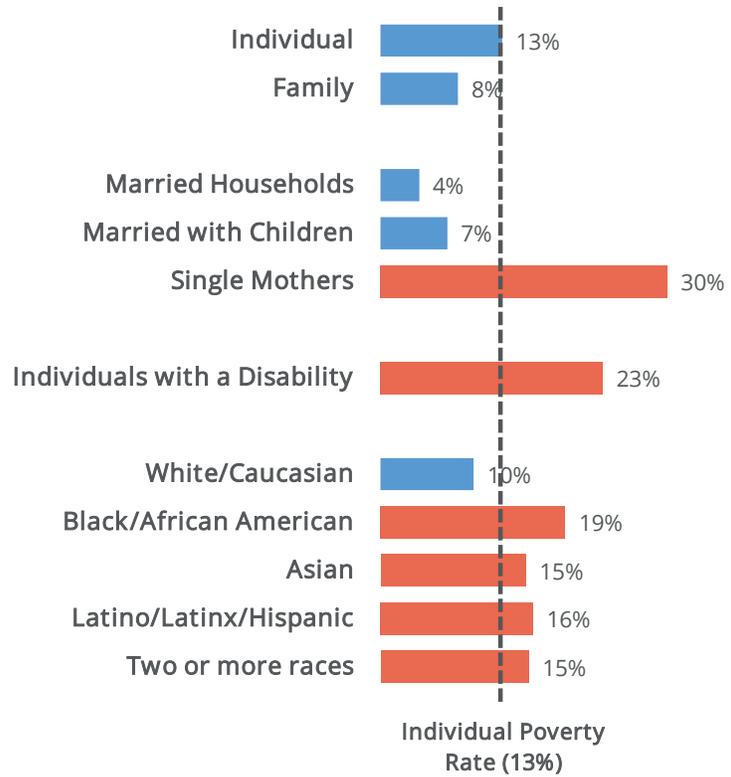


Source: 2019 1-year ACS

Economic recovery from the Great Recession has not been shared equally by all residents in Tacoma. Single mothers, individuals with a disability, Black/African American residents, Asian residents, Latino/Latinx/Hispanic residents, and residents of two or more races all have poverty rates higher than the individual poverty rate. Conversely, families and married family households have lower rates of poverty.

Figure A-16.
Poverty Levels by
Characteristic, City of
Tacoma, 2019

Source:
 2019 1-year ACS.



Employment. Figure 17 shows employment by industry in Pierce County from 2010 to 2019. Employment increased in Pierce County from 270,733 jobs in 2010 to 327,108 in 2019. Industries that added the most jobs during this time include professional and business services, leisure and hospitality, and education and health services. Jobs decreased in the information industry, and government and manufacturing sectors experienced modest growth.

Figure A-17.
Employment by Industry, Pierce County, 2010-2019

Industry	2010	2016	2019	2010-2019	
				Change	% change
Washington State Total	2,836,133	3,242,808	3,468,300	632,167	22%
Pierce County Total	270,733	306,217	327,108	56,375	21%
Mining and Logging	300	300	300	0	0%
Construction	17,183	21,558	25,125	7,942	46%
Manufacturing	16,308	17,150	17,725	1,417	9%
Wholesale Trade	10,858	12,450	13,400	2,542	23%
Retail Trade	31,233	35,525	36,142	4,909	16%
Transportation and Utilities	11,258	17,967	18,542	7,284	65%
Information	2,950	2,692	2,208	-742	-25%
Financial Activities	12,000	14,067	14,733	2,733	23%
Professional and Business Services	23,475	29,650	33,883	10,408	44%
Education and Health Services	48,900	52,617	56,892	7,992	16%
Leisure and Hospitality	25,267	30,725	34,017	8,750	35%
Other Services	12,567	13,883	14,667	2,100	17%
Government	58,433	57,633	59,475	1,042	2%

Source: WA Employment Security Department

Figure 18 shows the Washington State Employment Security Department's employment projections by industry for Pierce County from 2018 to 2028. Pierce County is projected to add 39,700 new jobs by 2028. The majority of new jobs are in education and health services, government, leisure and hospitality, professional and business services, and other services.

**Figure A-18.
Employment
Projections by
Industry,
Pierce
County, 2018-
2028**

Source:
WA Employment Security
Department

Industry	2018	2028	2018-2028	
			Change	% change
Washington State Total	3,402,200	3,896,900	494,700	15%
Pierce County Total	323,200	362,900	39,700	12%
Mining and Logging	400	400	0	0%
Construction	24,400	26,200	1,800	7%
Manufacturing	17,400	17,900	500	3%
Wholesale Trade	13,100	14,300	1,200	9%
Retail Trade	36,100	37,200	1,100	3%
Transportation and Utilities	18,700	19,700	1,000	5%
Information	2,500	2,300	-200	-8%
Financial Activities	14,600	15,700	1,100	8%
Professional and Business Services	35,000	40,700	5,700	16%
Education and Health Services	54,600	65,500	10,900	20%
Leisure and Hospitality	33,000	39,900	6,900	21%
Other Services	14,300	16,300	2,000	14%
Government	59,100	66,800	7,700	13%

Housing Needs Analysis

This section applies the demographics of the City of Tacoma and the greater region to determine current and future housing needs for residents.

Area median income. Eligibility for housing programs is generally based on how a household's income falls within HUD-determined income categories. The categories are based on the regional Area Median Income of AMI. In Tacoma, the AMI used for a family of four is \$87,300, which is the AMI for the City of Tacoma Fair Market Rent (FRM) based on Pierce County.

Although AMI categories can vary by specific housing program, in general, they include:

- Households earning 30 percent of AMI are considered "extremely" low income. These households can also be thought of as those living under the federal poverty threshold.⁶
- Households earning between 31 and 50 percent of AMI are "very" low income.
- Households earning between 51 and 80 percent of AMI are "low" income.
- Those earning more than 80 percent are considered "moderate" income and, in most high cost markets, are eligible for housing programs.

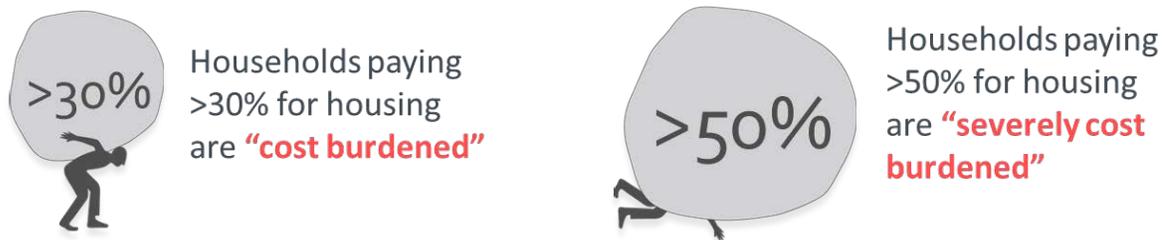
HUD Income Thresholds and Target Housing, 2020



⁶ The federal poverty threshold is not based on the AMI and, as such, does not vary by city and state except for Alaska and Hawaii. For that reason, poverty and 30 percent AMI are generally similar.

Housing cost burden. Cost burden exists when households pay more than 30 percent of their gross household income for housing costs. Housing costs include the rent or mortgage payment, homeowners' association (HOA) fees, utilities, mortgage insurance, renter or homeowner insurance, and property taxes.

Severe cost burden—paying more than 50 percent of monthly gross income on a household rent or mortgage—is an indicator of critical housing needs. Severe cost burden is also linked to a high risk of eviction or foreclosure, and homelessness.



Cost burden does not take into account transportation, education, and childcare costs. When other household costs are included, housing affordability is further beyond many Tacoma households' reach.

Figure A-19 shows the percent of households experiencing cost burden and severe cost burden by tenure in 2016 and 2019. In 2019, nearly half of all renter households (49%) experience cost burden and one in four renters experience severe cost burden and are considered at risk for homelessness, a slight increase from 2016. Owner household cost burden has decreased since 2016. One in four owner households are cost burdened in 2019 and 8 percent of owners are severely cost burdened.

Figure A-19.
Cost Burden and
Severe Cost Burden,
City of Tacoma,
2016-2019

Source:
 2016 and 2019 1-year ACS.

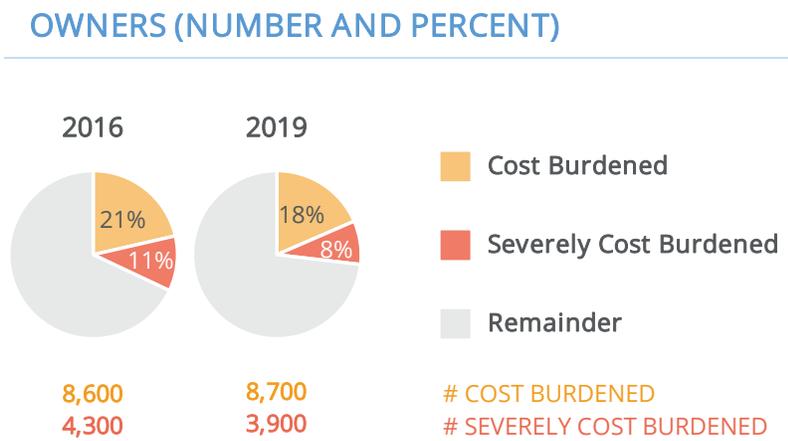
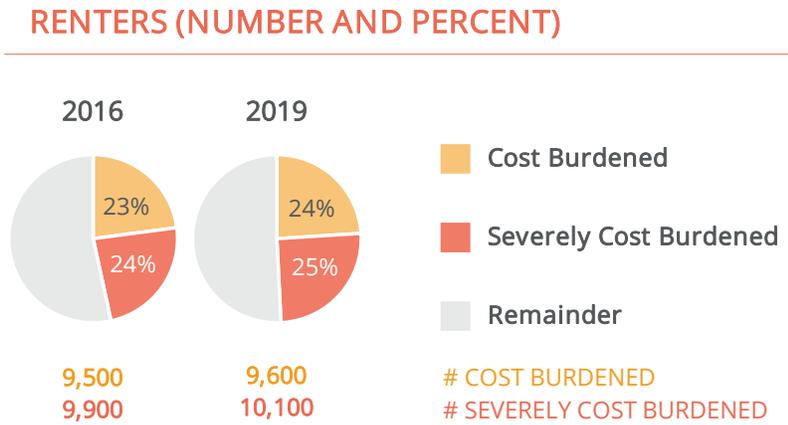


Figure A-20 shows cost burden by household income and tenure in 2016 and 2019. Since 2016, the share of cost burdened households decreased for owner households earning below \$75,000 and renter households earning less than \$25,000. This trend is largely due to income shifts in the city and larger region during this time from low to high income households. At the same time, the instances of cost burden among owners earning more than \$75,000 and renters earning more than \$50,000 increased.

Figure A-20.
Cost Burden by Income and Tenure, City of Tacoma, 2016-2019

Tenure	2016		2019		2016-2019	
	Owner	Renter	Owner	Renter	Owner	Renter
Households						
Less than \$20,000	2,692	8,117	2,543	6,890	-149	-1,227
\$20,000 to \$34,999	3,416	8,242	2,116	6,924	-1,300	-1,318
\$35,000 to \$49,999	5,425	6,619	3,725	6,435	-1,700	-184
\$50,000 to \$74,999	7,474	7,867	8,291	7,213	817	-654
\$75,000 or more	20,856	8,408	29,853	10,532	8,997	2,124
Cost burdened						
Less than \$20,000	2,612	7,160	2,074	5,829	-538	-1,331
\$20,000 to \$34,999	2,572	7,326	1,404	6,445	-1,168	-881
\$35,000 to \$49,999	3,094	3,122	1,802	3,916	-1,292	794
\$50,000 to \$74,999	2,652	1,748	3,981	2,989	1,329	1,241
\$75,000 or more	1,969	0	3,330	573	1,361	573
Percent cost burdened						
Less than \$25,000	97%	88%	82%	85%	-15%	-4%
\$25,000 to \$50,000	75%	89%	66%	93%	-9%	4%
\$50,000 to \$75,000	57%	47%	48%	61%	-9%	14%
\$75,000 to \$100,000	35%	22%	48%	41%	13%	19%
\$100,000 or more	9%	0%	11%	5%	2%	5%

Note: Total household columns do not add to total because some households did not disclose income or have zero income.

Source: 2016 and 2019 1-year ACS.

A note about COVID-19. While cost burden has improved in recent years for low- and moderate-income households, the share of households experiencing cost burden remain high for these groups—more than half. Data are not yet available to accurately reflect the economic outcomes of the COVID-19 pandemic on owner and renter cost burden. However, household stability is expected to become more volatile with the fallout of the pandemic.

Profile of renters and owners. Figure A-21 summarizes characteristics of renters and owners in Tacoma. The figure displays the number and distribution of renter and owner households by demographic characteristic and provides the homeownership rate by age group, household type, education level and race/ethnicity.

Some of the key differences between Tacoma renters and owners include:

- **Owner households have median income more than 2x greater than renter households.** In 2019, the median income for owner households in Tacoma is estimated at \$93,765—compared to renters at \$44,809.
- **Renters tend to be younger than owners.** In 2019, 58 percent of renters were younger than 44 years old, compared to only 37 percent of owners. One in four owner households are seniors 65 years and older.
- **Owner households are more likely to be families.** Two in three owner households are families while most renter households are non-family households (58%).
- **Owner households have higher educational attainment.** In 2019, one in four renter households have a bachelor’s degree or higher compared to 42 percent of owner householders.
- **Owner households lack diversity in race and ethnicity compared to renter households.** Nearly three out of four owner householders are White/Caucasian residents. Conversely, 56 percent of renter households are headed by White/Caucasian residents and the remainder are people of color.

Figure A-21.
Profile of Renters and Owners, City of Tacoma, 2019

Tenure	Renters		Owners		Ownership Rate
	Number	Percent	Number	Percent	
Total Households	40,132	100%	46,884	100%	54%
Median Income	\$44,809		\$93,765		
Age of Householder					
Millennials (under 35)	13,707	34%	7,674	16%	36%
Ages 35-44	9,754	24%	9,925	21%	50%
Ages 45-64	9,446	24%	17,507	37%	65%
Seniors (65 and older)	7,225	18%	11,778	25%	62%
Household Type					
Non-family households	23,364	58%	15,382	33%	40%
Married families	8,282	21%	24,068	51%	74%
Other family	8,490	21%	7,430	16%	47%
Householder Educational Attainment					
Less than high school graduate	3,819	10%	2,234	5%	37%
High school graduate (or equivalent)	10,840	27%	8,701	19%	45%
Some college or associate's degree	14,993	37%	16,293	35%	52%
Bachelor's degree or higher	10,480	26%	19,656	42%	65%
Race/Ethnicity of Householder					
White/Caucasian	22,518	56%	34,647	74%	61%
Latino/Latinx/Hispanic	3,890	10%	3,426	7%	47%
Other	13,724	34%	8,811	19%	39%

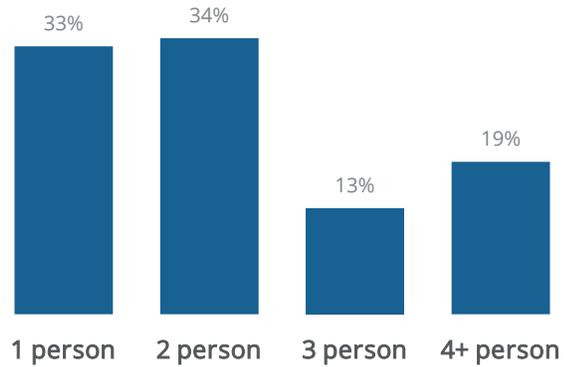
Source: 2019 1-year ACS

Housing units. Figure 22 shows the share of households by size and the share of housing units by number of bedrooms in the City of Tacoma. These two indicators show the demand (households) and supply (units) for housing units by size. For example, while 67 percent of households have two persons or less, only 48 percent of units have two bedrooms or less. With the growing demand for smaller housing units—due to smaller household sizes and aging seniors—the mismatch between household and unit sizes will become starker.

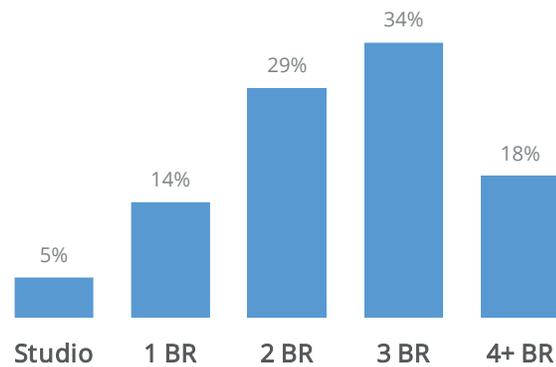
Figure A-22.
Households by Size and Units
by Number of Bedrooms, City
of Tacoma, 2019

Source:
2019 1-year ACS.

Share of Households by Household Size



Share of Units by Number of Bedrooms



Tacoma lost housing inventory between 2016 and 2019 with a decrease of 1,943 housing units over three years. Most housing units in the city are detached single family homes (62%) followed by units in structures with five or more units (27%). Medium density housing is not as common as low and high density housing in the city.

Figure A-23.
Units by Units in Structure, City of Tacoma, 2016-2019

Unit type	2016		2019		2016-2019	
	Units	% of units	Units	% of units	Units	% of units
All units	87,549	100%	85,606	100%	-1,943	0%
1-unit, detached	53,685	61%	52,675	62%	-1,010	0%
1-unit, attached	3,202	4%	1,690	2%	-1,512	-2%
2 units	2,557	3%	2,637	3%	80	0%
3 or 4 units	3,997	5%	4,856	6%	859	1%
5 or more units	23,659	27%	23,372	27%	-287	0%
Mobile home	449	1%	302	0%	-147	0%
Other	0	0%	74	0%	74	0%

Source: 2019 1-year ACS

Figure A-24 shows residential building permits by the number of units in structure from 2010 to 2019. High density multifamily development—with five of more units—has become increasingly common in Tacoma with 665 units permitted in 2019 and 834 units permitted in 2018. Single family residential makes up the majority of remaining units permitted annually. However, in recent years, the number of middle density housing permits—duplexes, triplexes, and fourplexes—have increased to around 30 to 40 units annually.

Figure A-24.
Residential Building Permits by Type, 2010-2019

	Single family	Duplex	3-4 units	5+ units	Other	Total units
2010	110	48	52	336	0	546
2011	119	6	3	75	0	203
2012	161	64	0	530	0	755
2013	162	6	9	233	1	411
2014	216	4	0	31	0	251
2015	243	24	7	840	0	1,114
2016	204	14	6	293	1	518
2017	245	28	8	921	0	1,202
2018*	132	22	11	834	8	1,007
2019*	75	12	7	665	4	763

Note:

Other includes mobile homes permitted 2010 to 2017 and accessory dwelling units permitted in 2018 and 2019.

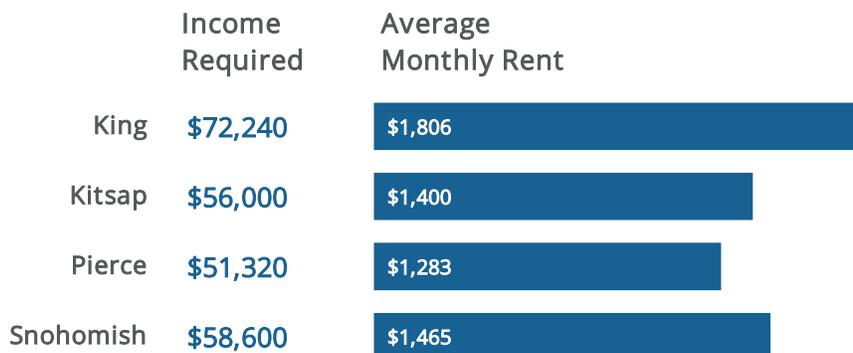
* permit data for 2018 and 2019 were provided by the City of Tacoma and are April to April

Source:

City of Tacoma and Washington State Office of Financial Management

Rental market. Pierce County rental units are relatively affordable compared to other counties in the region. In the Spring of 2020, the average monthly rent in Pierce County was \$1,283 which requires a household income of \$51,320. Comparatively, monthly rents were higher in Kitsap (\$1,400), Snohomish (\$1,465), and King Counties (\$1,806).

Figure A-25.
Average Rent and Required Income, Spring 2020



Source:
Washington State Apartment Market Report Spring 2020 and Root Policy Research

The average rent in Tacoma in 2020 is estimated at \$1,419 for all units, \$1,267 for one-bedroom units, and \$1,516 for two-bedroom units. Since 2016, rents have increased by 22 percent, or between \$250 to \$275 per month. Two-bedroom units saw the largest surge with a 30 percent increase—equal to a \$365 per month increase in average rent.

Figure A-26.
Average Rent by Number of Bedrooms, City of Tacoma, 2011-2020



Source:
Rainmaker Insights

With rising rents, the household income required to afford the average rental unit increased by \$11,000 annually. According to ACS data, renter household median income only increased by \$4,800 annually from 2016 to 2019, placing more units out of reach for the average renter—and increasing the amount of household income that is required to cover rent.

Figure A-27.
Rental Affordability, City of Tacoma, August, 2016-2020

Unit type	2016		2020		2016-2020	
	Average Rent	Income Required	Average Rent	Income Required	Average Rent	Income Required
All units	\$1,246	\$49,840	\$1,419	\$56,760	\$275	\$11,000
1 bedroom	\$1,116	\$44,640	\$1,267	\$50,680	\$247	\$9,880
2 bedroom	\$1,251	\$50,040	\$1,516	\$60,640	\$366	\$14,640

Source: Rainmaker Insights and Root Policy Research.

Subsidized rental housing. For low-and moderate-income households priced out of the increasingly expensive rental market, subsidized housing units are needed to keep residents housed in the city. For households earning less than 30 percent, AMI publicly supported housing is needed in all markets, whereas, for households earning between 30 and 50 percent AMI, subsidies are needed in most markets—particularly as rents continue to outpace income increases.

According to the Tacoma/Pierce County Affordable Housing Consortium,⁷ the City of Tacoma has 6,963 subsidized or assisted housing units. However, among Tacoma’s existing privately owned, federally subsidized supply, 326 units at 9 properties have subsidies that expire as early as 2021.⁸

In 2020 the waitlist for the Tacoma Housing Authority for public housing totaled 6,460 residents, and residents typically wait for several years (as many as five years) on the wait lists.⁹

Rental gap. The rental gaps analysis displayed in Figures A-28 to A-30 compares the number of renter households in Tacoma, their income levels, the maximum monthly housing payment they could afford, and the number of units in the market that were affordable to them. The “Rental Gap” columns show the difference between the number of renter households and the number of rental units affordable to them. Negative numbers (in parentheses) indicate a shortage of units at the specific income level; positive units indicate an excess of units. Two gaps models are shown: The first shows income ranges in dollars; the second shows income ranges by Area Median Income, or AMI.

⁷ The Consortium is made up of the Cities of Tacoma and Lakewood, the Puyallup Tribe of Indians, the Tacoma Housing Authority, Pierce County Housing Authority, and other partners in housing choice development

⁸ City of Tacoma 5-year Consolidated Plan Draft (2020)

⁹ City of Tacoma 5-year Consolidated Plan Draft (2020)

By income range, in 2019, there were 7,159 units for renters with incomes of less than \$35,000. This represents 18 percent of the city's occupied rental units (as a point of comparison, Seattle's gap is 13% of total rental units).

By AMI, there was an estimated shortage of 4,897 units for residents earning less than 30 percent AMI (\$17,400). This shortage decreased from 2016 to 2019 due to low income renters leaving the city—perhaps due to a decline in affordable units. During this time, the number of units affordable to extremely low income renters decreased by 150 units (units priced at less than \$435 per month) while the number of low-income renter households in Tacoma decreased by 1,308 households.

A note about students. In many cities with a college presence, the student population can influence the rental gap, especially when students reside off campus. If all of the students attending colleges in Tacoma lived off campus, had an average household size of 2.5, reported their place of residence as Tacoma, and earned less than \$25,000 per year, the non-student rental gap would be 25 percent smaller.

Figure A-28.
Rental Gaps by Income Range, City of Tacoma, 2016-2020

Income Range	Maximum Affordable Gross Rent	2016				2019				2016-2019	
		Renter Households	Rental Units	Gap	Cummulative Gap	Renter Households	Rental Units	Gap	Cummulative Gap	Renter Households	Rental Units
Less than \$5,000	\$125	2,756	253	(2,503)	(2,503)	1,339	0	(1,339)	(1,339)	(1,417)	(253)
\$5,000 to \$9,999	\$250	2,653	1,337	(1,316)	(3,819)	1,646	1,447	(199)	(1,538)	(1,007)	110
\$10,000 to \$14,999	\$375	2,828	1,171	(1,657)	(5,476)	2,626	1,036	(1,590)	(3,128)	(202)	(135)
\$15,000 to \$19,999	\$500	1,750	752	(998)	(6,474)	2,158	278	(1,880)	(5,008)	408	(474)
\$20,000 to \$24,999	\$625	3,048	2,100	(948)	(7,422)	2,470	658	(1,812)	(6,820)	(578)	(1,442)
\$25,000 to \$34,999	\$875	5,523	7,994	2,471	(4,951)	4,454	4,115	(339)	(7,159)	(1,069)	(3,879)
\$35,000 to \$49,999	\$1,250	6,610	13,981	7,371	2,420	7,250	12,724	5,474	(1,685)	640	(1,257)
\$50,000 to \$74,999	\$1,875	7,985	11,508	3,523	5,944	7,444	15,888	8,444	6,759	(541)	4,380
\$75,000 to \$99,999	\$2,500	4,519	2,726	(5,095)	849	4,499	4,994	(4,814)	1,945	(20)	2,268
\$100,000 or more	\$3,750	3,954	652			6,246	937			2,292	285
Total/ Low Income Gap (<\$25,000/year)		41,626	42,475	(7,422)		40,132	42,077	(6,820)		(1,494)	(398)

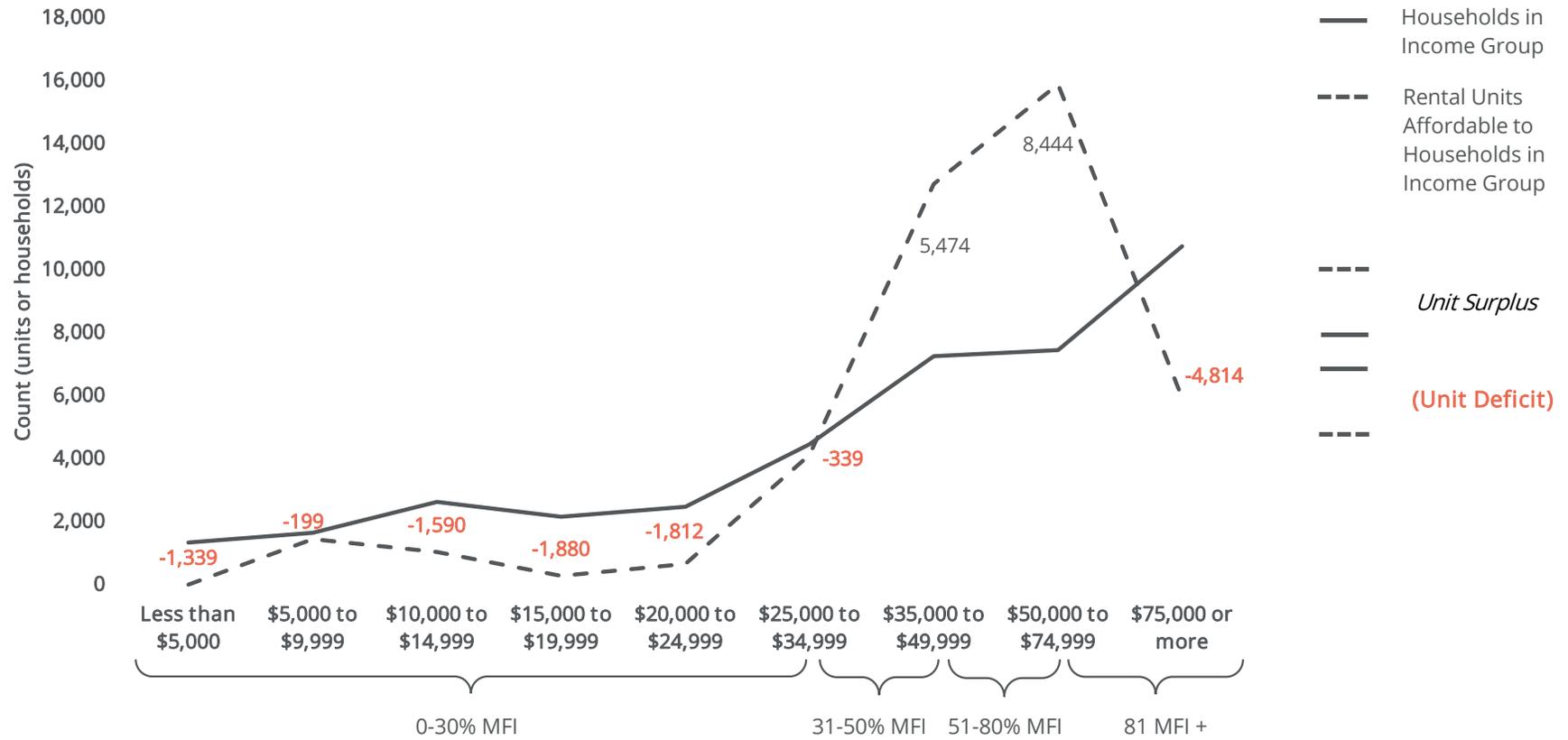
Source: 2016 and 2019 1 year ACS, 2018 and 2020 HUD Income Limits, and Root Policy Research.

Figure A-29.
Rental Gaps by AMI Range, City of Tacoma, 2016-2020

AMI Range	2016				2019				2016-2019	
	Renter Households	Rental Units	Gap	Cummulative Gap	Renter Households	Rental Units	Gap	Cummulative Gap	Renter Households	Rental Units
0-30% of AMI	9,077	3,022	(6,055)	(6,055)	7,769	2,872	(4,897)	(4,897)	(1,308)	(150)
31-50% of AMI	6,140	5,433	(706)	(6,762)	6,924	4,483	(2,441)	(7,338)	784	(951)
51-80% of AMI	8,321	16,152	7,831	1,069	8,878	17,519	8,641	1,303	557	1,367
81-100% of AMI	4,185	8,199	4,013	5,083	4,129	8,457	4,327	5,631	(56)	258
101-120% of AMI	3,705	4,493	788	5,870	3,163	5,709	2,547	8,177	(542)	1,217
121% of AMI or more	10,198	5,176	(5,021)	849	9,269	3,037	(6,232)	1,945	(928)	(2,139)
Total/Low Income Gap (<30% AMI)	41,626	42,475	(6,762)		40,132	42,077	(7,338)		(1,494)	(398)

Source: 2016 and 2019 1 year ACS, 2018 and 2020 HUD Income Limits, and Root Policy Research.

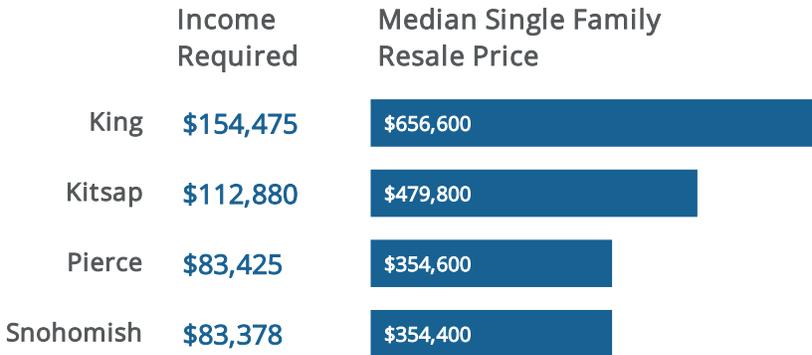
Figure A-30.
Rental Gaps, City of Tacoma, 2016-2020



Source: 2016 and 2019 1 year ACS, 2018 and 2020 HUD Income Limits, and Root Policy Research.

Ownership market. Pierce and Snohomish Counties are relatively affordable for homebuyers compared to Kitsap and King Counties. In the Spring of 2020, the median priced single family home sold for \$354,600 in Pierce County, which requires an income of \$83,425 annually.

**Figure A-31.
Median Resale
Price and Income
Required, Spring
2020**

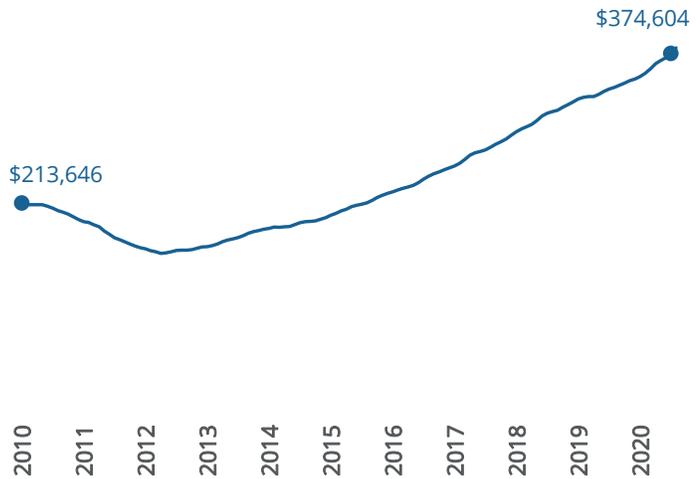


Source:
Washington Center for Real Estate Research and Root Policy Research

Figure A-32 shows the Zillow Home Value Index for the City of Tacoma from 2010 to 2020. The ownership housing market in Tacoma has been on the rise since 2012 as the economy recovered from the Great Recession. The home value reported by Zillow increased from \$241,318 in August of 2016 to \$374,604 in August of 2020—an increase of \$133,286 or more than 50 percent.

**Figure A-32.
Home Value, City of Tacoma,
2010-2020**

Source:
Zillow Home Value Index



Since 2000, the median home value in the City of Tacoma nearly tripled—from \$123,300 in 2000 to \$344,500 in 2019. Over the same time, the income required to purchase the median value home only doubled—due to decreased mortgage interest rates. In recent years, home value experienced a large increase of \$105,000 (44% increase) over three years from 2016 to 2019.

Figure A-33.
Home Value and Required Income,
City of Tacoma, 2000-2019

Source:
 2000, 2010, 2016, 2019 1-year ACS, and Root Policy Research

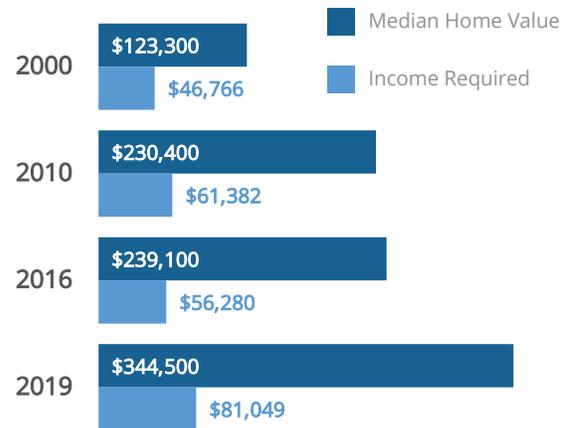


Figure 34 shows affordable housing costs for the middle market in the City of Tacoma. For the purposes of this analysis, the middle market includes households earning between 80 and 120 percent of AMI. As shown, a 3-person middle market household can afford rents between \$1,558 and \$2,334 or to purchase a home priced between \$262,160 and \$392,861. Single middle market households have more constrained affordability.

Figure A-34.
Middle Market Income and
Affordable Housing Costs,
City of Tacoma, 2019

Source:
 2019 1-year ACS and Root Policy Research

	1-Person Middle Market	3-Person Middle Market
Income Range (80-120% AMI)	\$48,450 - \$72,720	\$62,300 - \$93,360
Affordable Rent	\$1,211 - \$1,818	\$1,558 - \$2,334
Affordable Home Price	\$203,879 - \$306,007	\$262,160 - \$392,861

According to data from the American Community Survey, 16 percent of renters could afford to purchase the median priced home in 2016, whereas 21 percent of renters could afford the median priced home in 2019. The increased share of renters able to purchase the median priced home in the city is a result of the shift to higher income renter households and dropping mortgage interest rates.

The for sale market for residents looking to buy a home varies greatly depending on location and amenities such as waterfront properties or areas of high opportunity. Figure 35 shows the average listed and sold price by zip code for single family homes sold in 2016 and 2020—from January to June. Generally, zip codes in the northern areas of the city are priced higher while neighborhoods in the south and east are lower.

Waterfront areas—including zip codes 98403, 98421, and 98422—have the highest average sale prices; whereas, in some cases, zip codes in south Tacoma are half as expensive as waterfront properties with average prices much lower in zip codes like 98408 and 98409. Geographic trends in prices are consistent with the for sale market in 2016—homes for sale in north Tacoma are priced higher than homes in other areas in the city.

Figure A-35.
Average Sold Price of
Single Family Homes by
Zip Code, 2016 and 2020

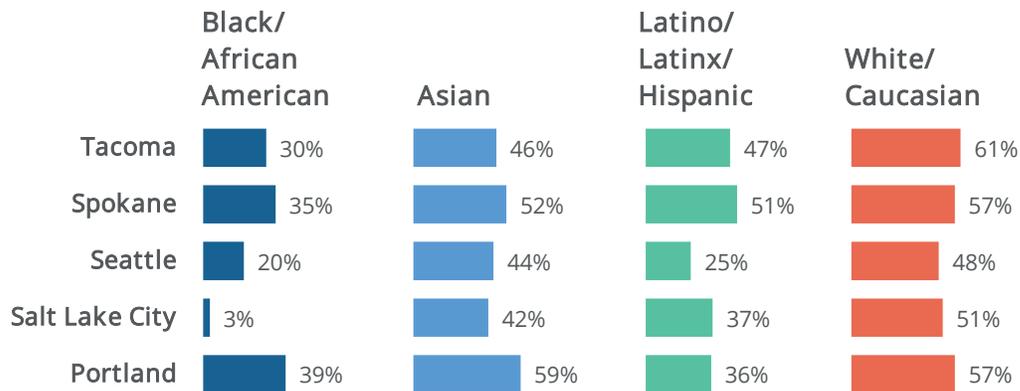
Note:
 Zip code 98402 has very few properties listed
 and sold in the data sample.

Source:
 MLS January to June 2016 and 2020



Figure A-36 shows home ownership rates by race and ethnicity for the City of Tacoma and other cities in the region or of a similar size. Generally, White/Caucasian and Asian households have the highest rates of home ownership—consistent with national trends. Black/African American and Latino/Latinx/Hispanic residents have lower rates of homeownership with 30 percent and 47 percent respectively in the City of Tacoma.

Figure A-36.
Homeownership by Race and Ethnicity, 2019



Source: 2019 1-year ACS.

Transportation. For the median income family in Tacoma, transportation costs make up 20 percent of household income. With most households spending around 30 percent of their income on housing, the costs of transportation and housing make up approximately half of the income for the average household. Low income individuals in Tacoma spend more than half of their income on transportation alone.

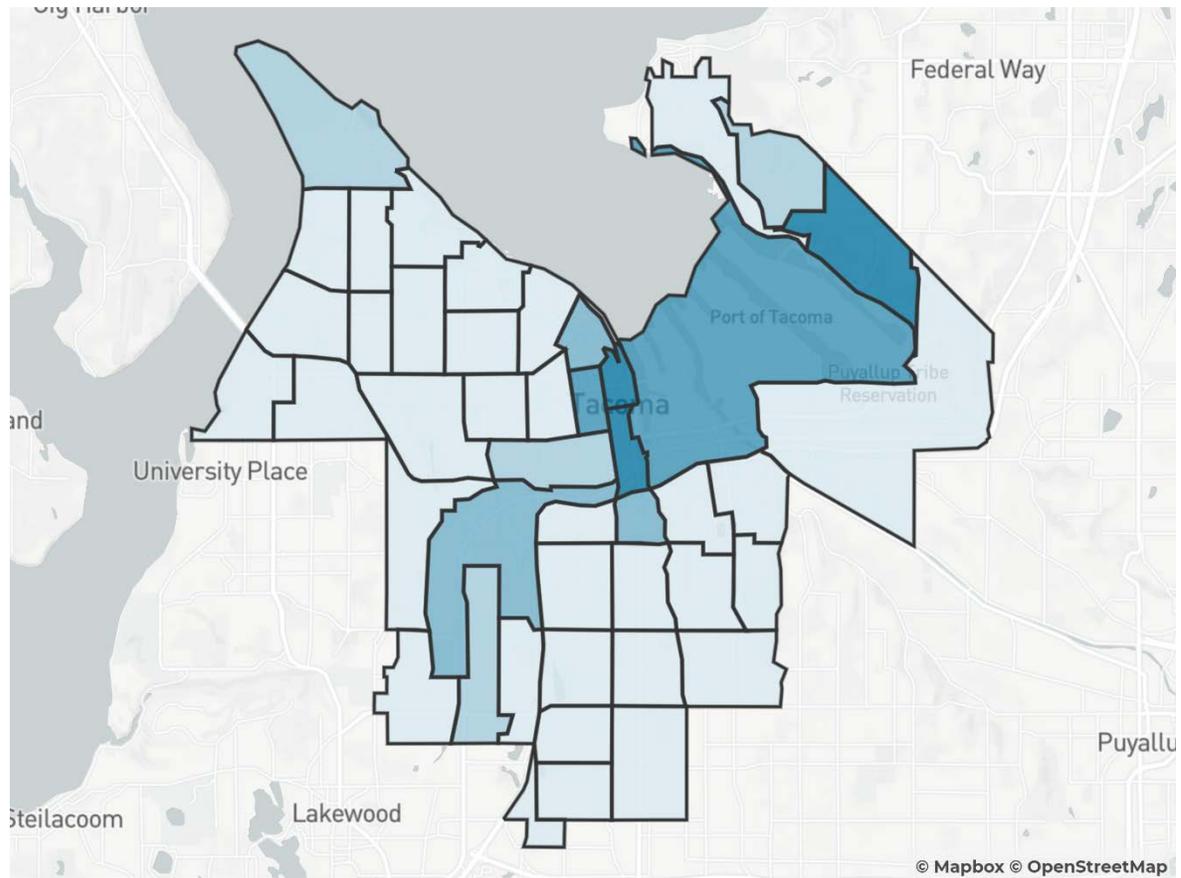
According to AAA, the average annual cost of owning a new car is \$9,561 per year—including depreciation, finance, fuel, insurance, license, registration, taxes, and maintenance—which breaks down to around \$795 per month. The cost to own and maintain a car are out of reach for some households and approximately 9 percent of occupied housing units in Tacoma have no car available. These households must rely on public transportation, ridesharing, and walking.



Sources: US Census ACS 5-year 2015-2019; US HUD & DOT LAI V3.0 2016

The map shown in Figure A-37 shows the transit walkability rating by census tract—this rating represents how easy it is for someone to walk to a transit stop. High values (near 20) indicate it is easy to walk to a transit stop. Downtown and Northeast Tacoma score the highest in walkability to transit.

Figure A-37.
Walkability Rating by Census Tract



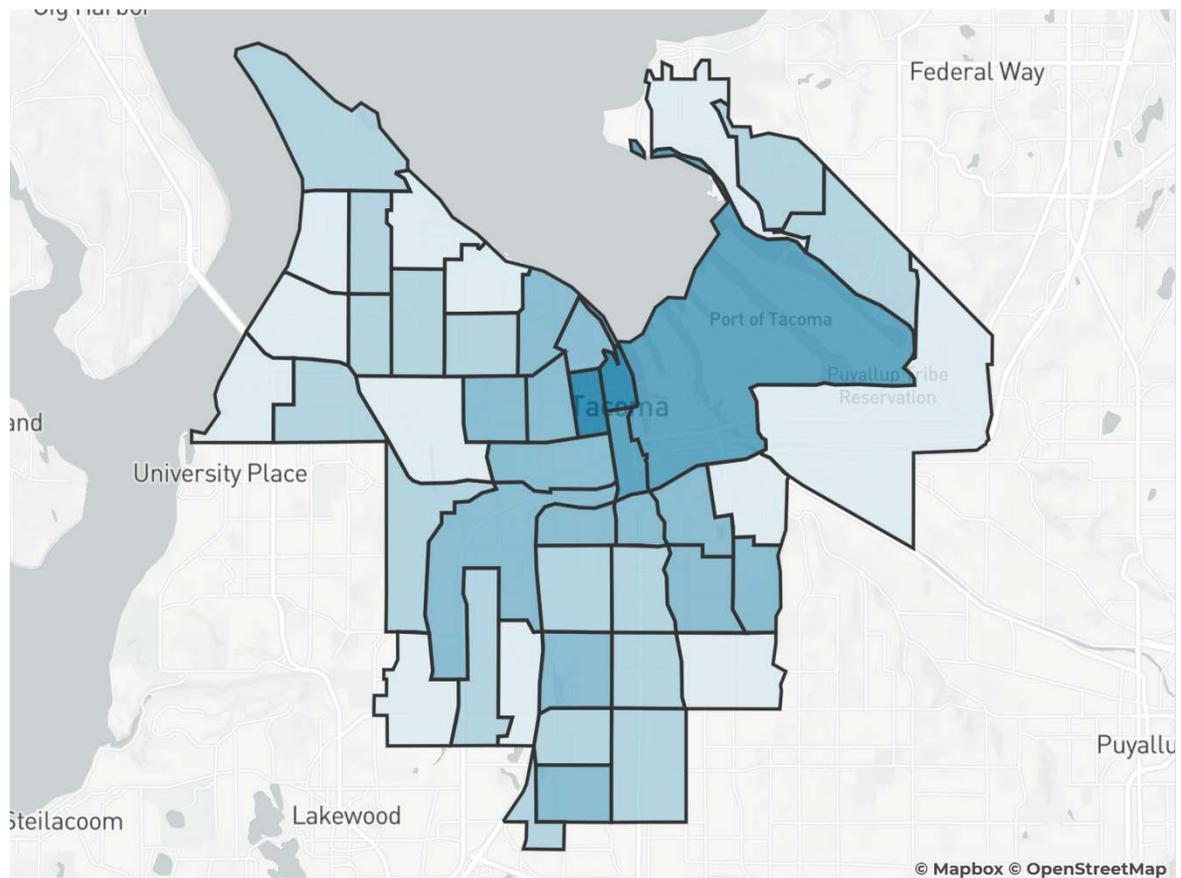
Walkability Proximity to Transit Ranking

- 1 - 4
- 4 - 8
- 8 - 15
- 15 - 17
- 17 - 18

Source: MySidewalk

Similarly, Figure A-38 shows the percent of the workforce that uses public transportation as a means to commute to work. The areas of Tacoma with a high percentage of people who use transit to commute are concentrated in areas with high transit walkability scores.

Figure A-38.
Percent of Workforce Using Public Transit for Commute by Census Tract



Commute Means of Transportation: Public Transit per working capita 16 and Over

- 1% - 4.6%
- 4.6% - 8%
- 8% - 13.2%
- 13.2% - 19.8%
- 19.8% - 20.4%

Source: MySidewalk

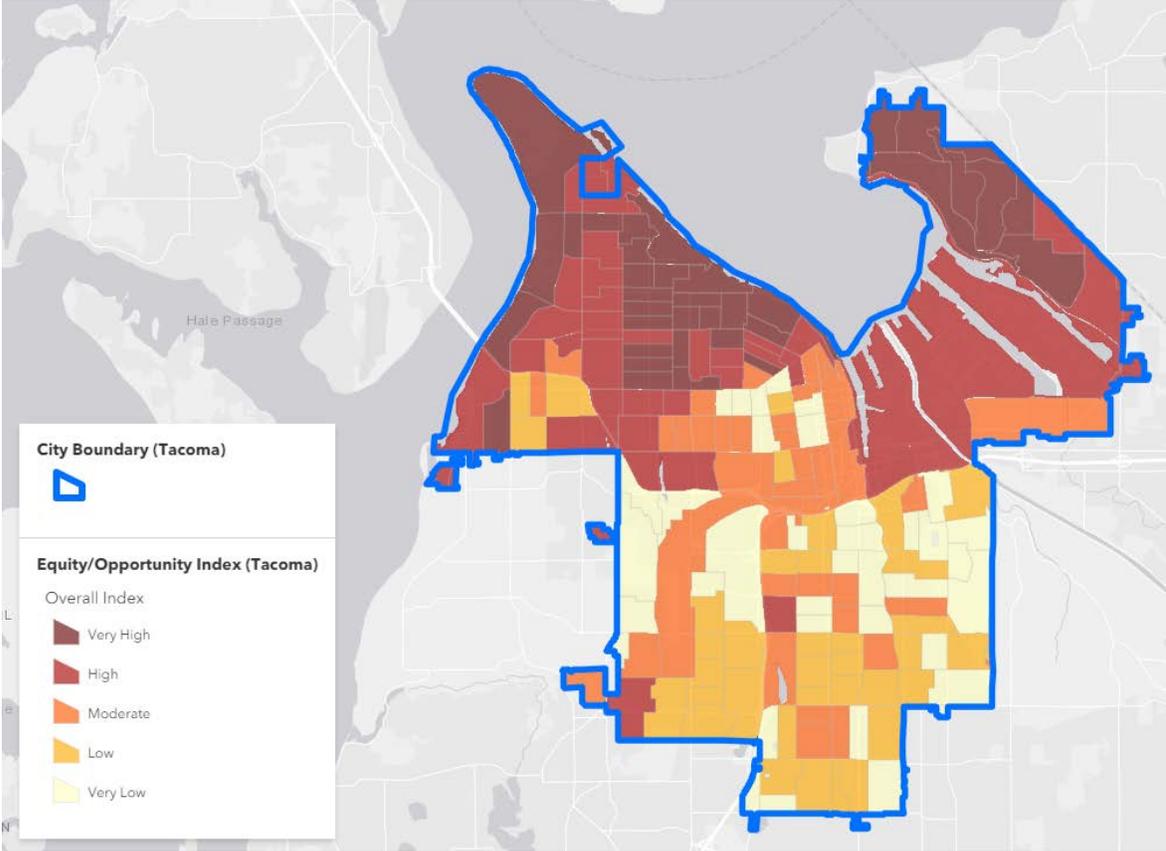
Access to opportunity. The Puget Sound Regional Council (PSRC) developed an opportunity mapping tool to identify areas of opportunity and areas that are vulnerable to displacement. The opportunity map is based on the opportunity index which includes five elements of neighborhood opportunity including:

- Education,
- Economic health,
- Housing and neighborhood quality,
- Mobility and transportation, and
- Health and environment.

Census tracts are given an opportunity score on a scale from very low to very high.¹⁰ Figure A-39 shows the opportunity index for census tracts in the City of Tacoma. Generally, opportunity is highest in the north areas of the city and lowest in the south and central areas of the city.

¹⁰ The level of opportunity score (very low, low, moderate, high, very high) is determined by sorting all census tracts into quintiles based on their index scores. Areas of opportunity that experience greater proportions of growth may experience an increased risk of displacement. (<https://www.psrc.org/opportunity-mapping>)

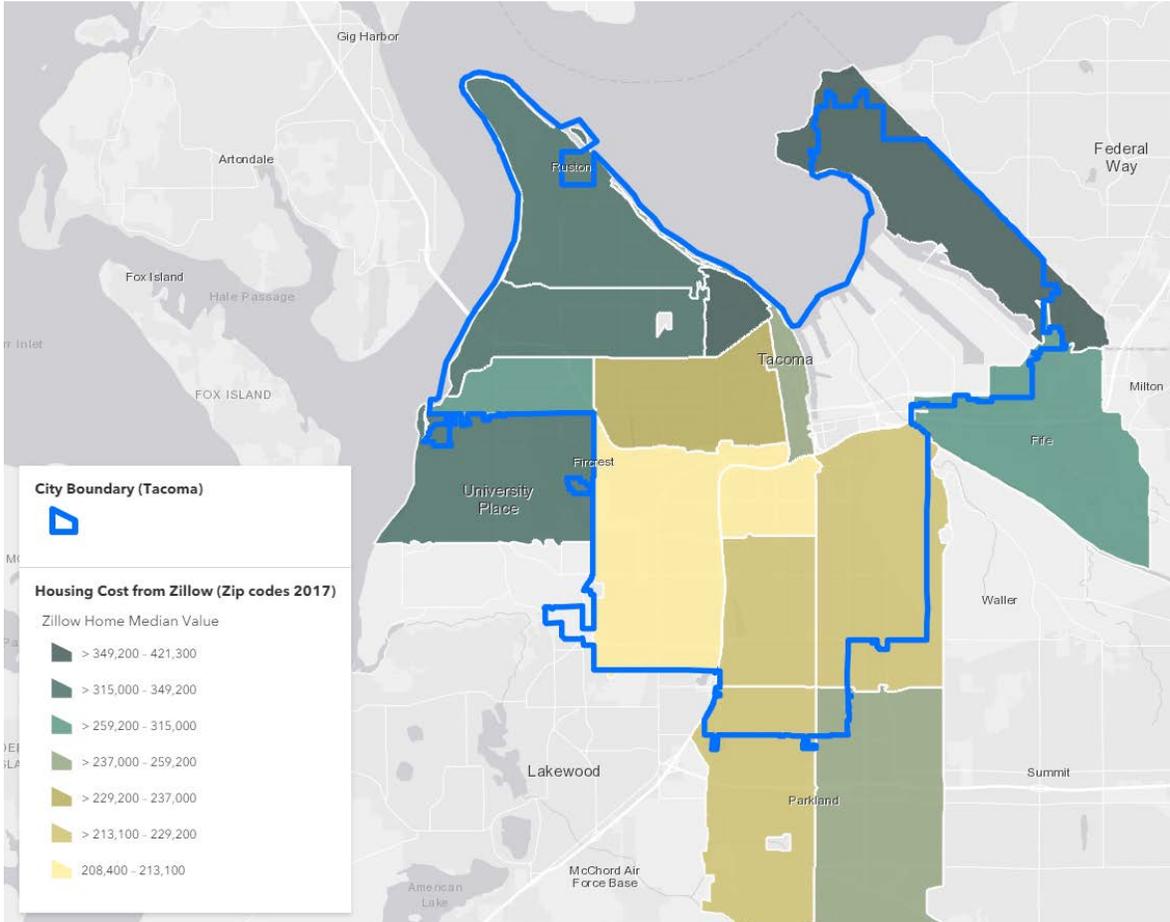
Figure A-39.
Equity and Opportunity Index, City of Tacoma



Source: Esri, HERE, NPS | The Kirwan Institute for the Study of Race & Ethnicity, City of Tacoma | City of Tacoma

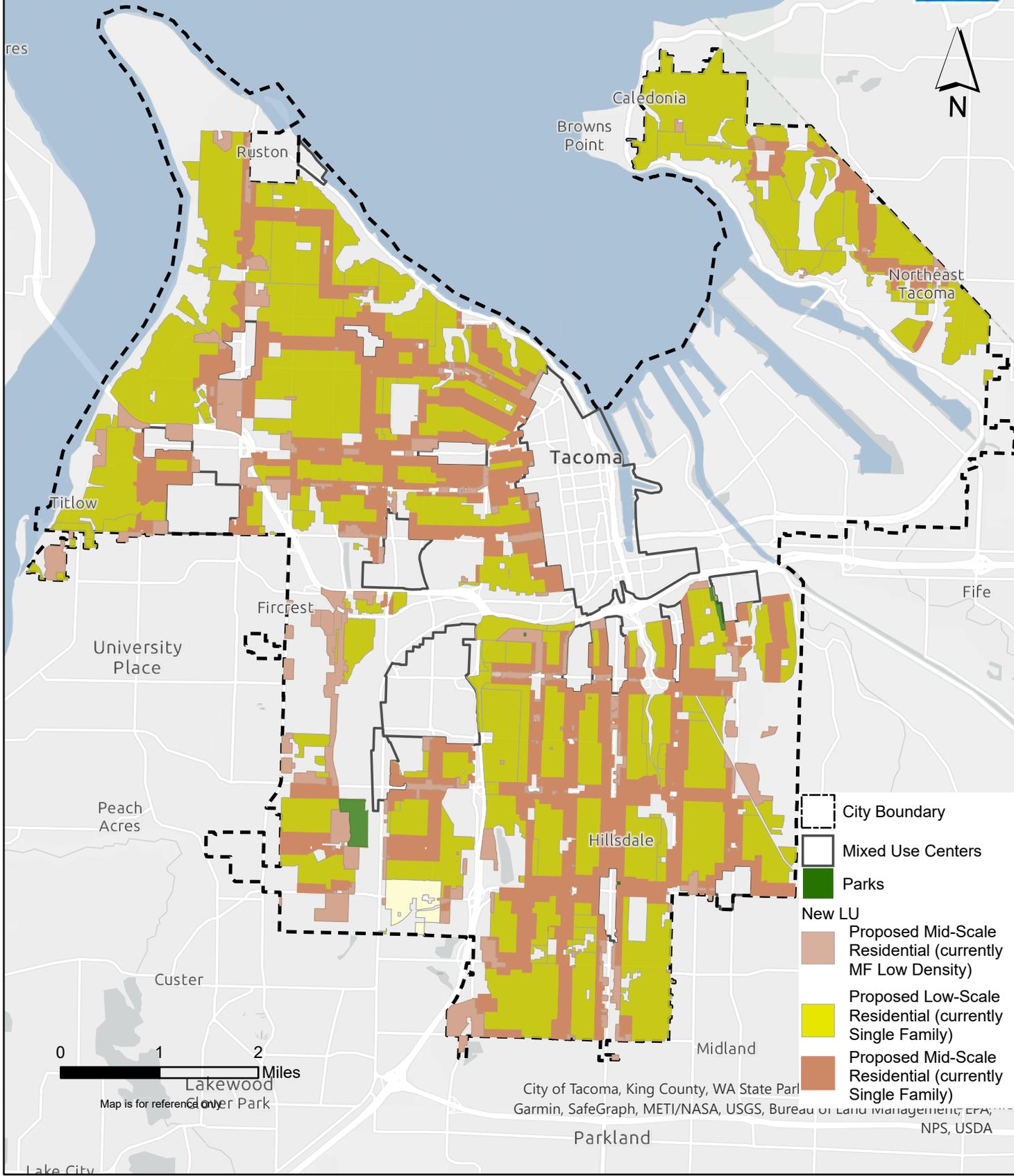
Figure A-40 shows the median home value by zip code in the City of Tacoma. Areas of high opportunity, as indicated in the previous figure, also have higher median home values. North Tacoma's housing stock is valued higher than areas in the south and central parts of the city and is the area with the highest opportunity score according to PSRC.

Figure A-40.
Median Home Value by Zip Code, 2017



Source: Esri, HERE, NPS | City of Tacoma

Recommended Housing Growth Scenario



-  City Boundary
-  Mixed Use Centers
-  Parks
- New LU**
-  Proposed Mid-Scale Residential (currently MF Low Density)
-  Proposed Low-Scale Residential (currently Single Family)
-  Proposed Mid-Scale Residential (currently Single Family)

0 1 2 Miles
 Lakewood
 Map is for reference only

City of Tacoma, King County, WA State Park
 Garmin, SafeGraph, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA