

Home in Tacoma Project

Planning for housing actions: 2020 to 2021

FINAL Scope and Assessment Report: September 2, 2020

Get Involved In the Discussion about Housing

As part of the City's Affordable Housing Action Strategy, we are launching the **Home In Tacoma** project to evaluate diverse housing types and inclusionary zoning options throughout Tacoma. The intent is to increase housing supply, create affordable housing options, and increase the choice of housing types throughout our neighborhoods. Tacoma's Planning Commission is asking the community to join in a discussion about housing needs, development trends, zoning, and neighborhood change. Using community ideas and feedback, the Commission will make recommendations to the City Council on planning, regulatory and administrative actions.

Tacoma residents face increasing challenges in accessing housing they can afford that meets their needs. One part of the solution is to create more homes for more people. This project will implement Tacoma's housing strategy through near-term planning, administrative and zoning actions to start quickly to address housing needs. The effort will also study longer-term changes to Tacoma's housing growth strategy, and present the City Council with options for future Comprehensive Plan, Zoning, and Land Use Regulatory Code amendments.

For more information, visit www.cityoftacoma.org/planningforhousing.

Project Summary	
Project Title:	Home in Tacoma – AHAS Planning Actions 2020 to 2021
Applicant:	City
Location and Size of Area:	City-wide where housing development is encouraged
Current Land Use and Zoning:	Multiple
Neighborhood Council Area:	Citywide
Staff Contact:	Elliott Barnett, Senior Planner, 253-312-4909, ebarnett@cityoftacoma.org
Staff Recommendation:	The Planning Commission will conduct broad community engagement and robust policy analysis to formulate recommendations to the City Council.
Project Proposal:	Scope of work: <ul style="list-style-type: none"> • Implement a broad, inclusive community engagement strategy • Evaluate the effectiveness of existing policies and regulations • Develop and evaluate a range of near and medium-term policy options • Forward recommendations for City Council action • Initiate implementation as directed by the City Council



Planning and Development Services
City of Tacoma, Washington

Peter Huffman, Director

Project Manager

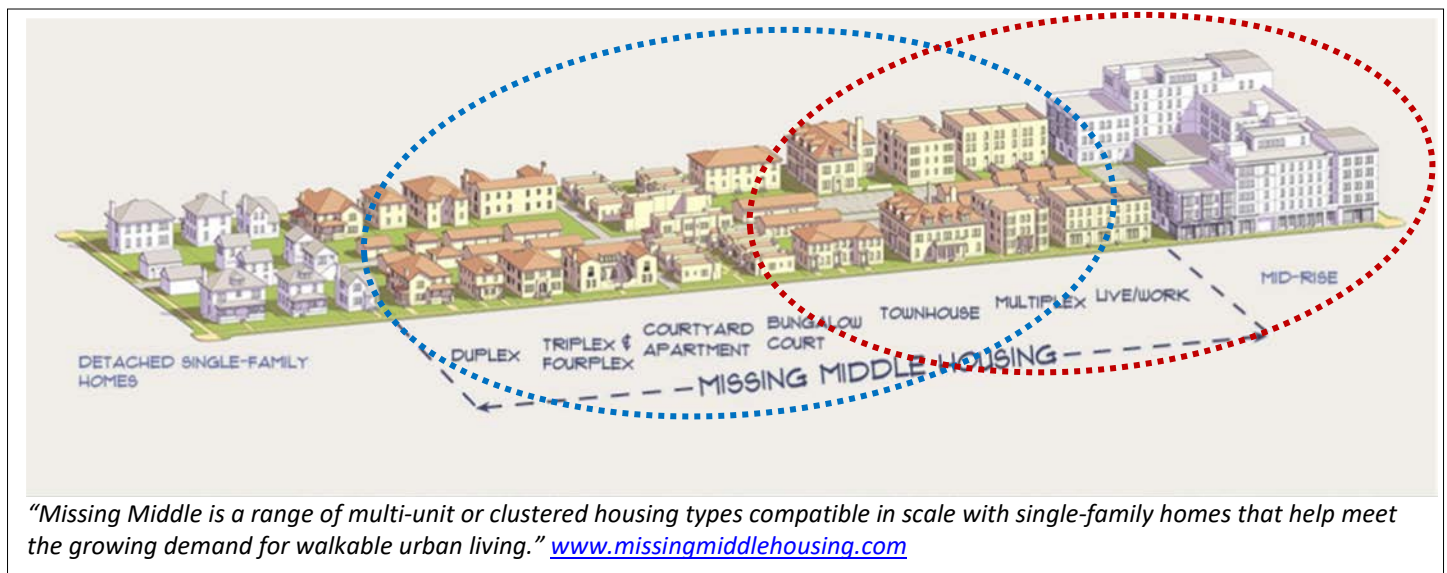
Elliott Barnett, Senior Planner
elliott.barnett@cityoftacoma.org

Section A. Scope of Work

1. Area of Applicability

This effort includes a policy evaluation of Tacoma’s housing growth strategy citywide. At its outset, the discussion will apply to all the areas where housing development is encouraged throughout the City. The **One Tacoma Comprehensive Plan: Urban Form Chapter** includes Tacoma’s Future Land Use Map and designations which set the vision and high level direction for land uses and densities citywide. These land use policies, and related housing policies, set the starting point for this project.

Two broad categories of actions are being evaluated, each of which would likely be applicable in different areas. These two categories are **Inclusionary Zoning**, and **Diverse Housing Types (Missing Middle Housing)**. Diverse Housing Types/Missing Middle Housing strategies typically pertain to housing types between Detached Single-family Housing and Mid-rise Multifamily (circled in blue). Inclusionary Zoning strategies typically pertain to medium to high-density housing types (circled in red).

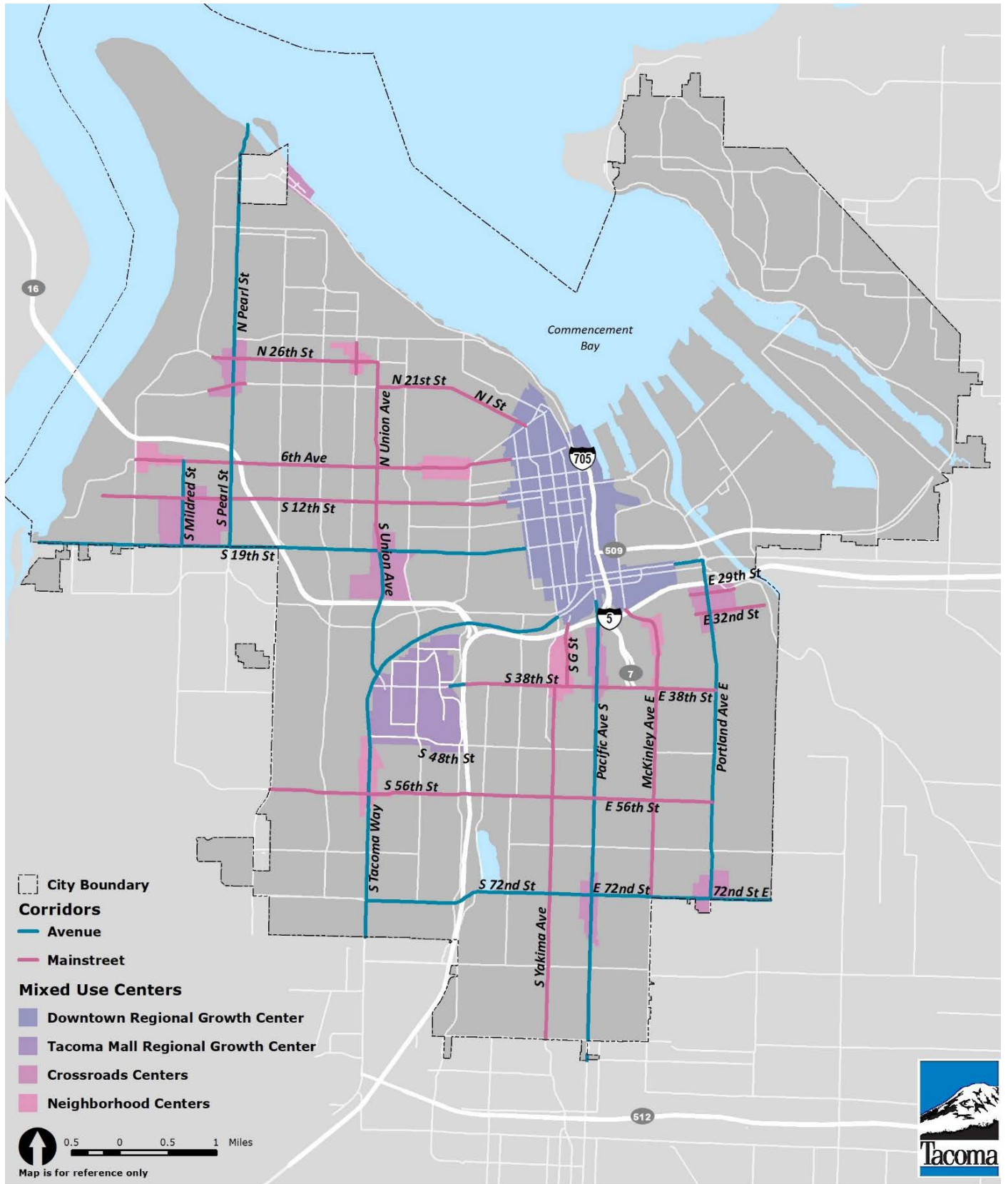


Inclusionary Zoning strategies are generally used in higher-density areas. Map 1 depicts Tacoma’s designated Centers and Corridors, which are likely to be the primary focus for Inclusionary Zoning strategies. Diverse Housing Types strategies are generally applicable in lower-density residential areas.

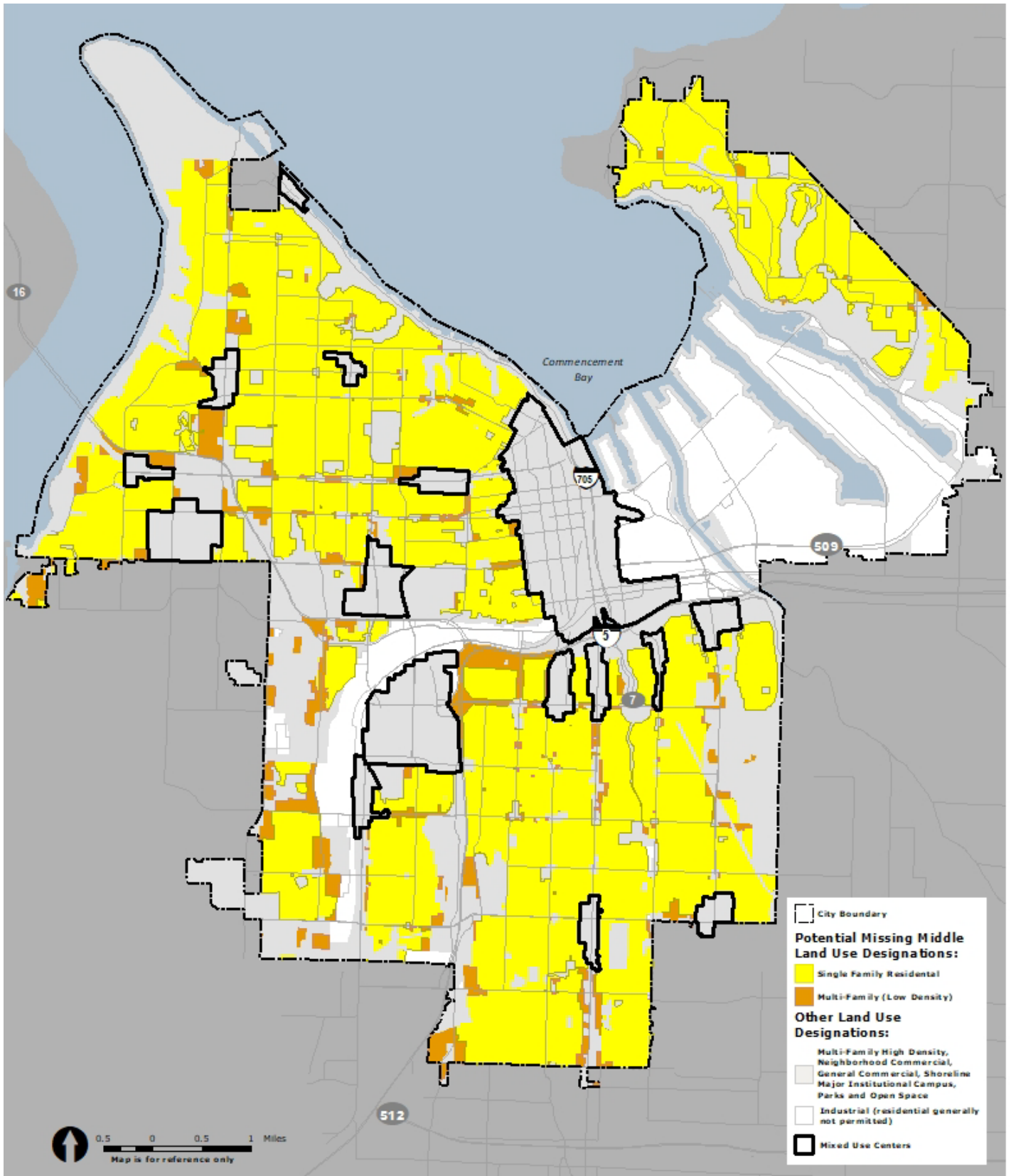
Map 2 depicts Tacoma’s designated Single-family and Multi-family (Low Density) areas, which are likely to be the primary focus for Diverse Housing Types strategies. Both maps exclude Land Use designations where residential development is not encouraged or is prohibited (including designated industrial and commercial areas).

These areas of applicability could be refined through this effort, which could also result in changes to the Future Land Use designations. Furthermore, the current land use and housing policy framework will be evaluated. This could result in recommended changes.

MAP 1: Designated Centers and Corridors Areas
These areas are the likely focus for Inclusionary Zoning strategies



MAP 2: Designated Single-family and Multifamily (Low) Areas
These areas are the likely focus for Diverse Housing Types strategies



2. Background

Multiple layers of city, regional and state policy direction inform this effort. While the current round of work was initiated by the Affordable Housing Action Strategy of 2018, it is a continuation of ongoing and previous efforts.

Affordable Housing Action Strategy (AHAS)

The AHAS is a strategic response to a changing housing market, increasing displacement pressure, and a widespread need for high-quality, affordable housing opportunities for all. The AHAS focuses on how to enhance existing policies and programs to serve more people; identify and deploy additional funding; and establish strong anti-displacement measures to stabilize existing residents over the next 10 years. The AHAS contains 27 recommended actions that are being implemented by multiple city departments and other partners. See **Attachment 1** for AHAS excerpts.

This effort seeks to implement two high priority actions identified by the AHAS to meet Strategic Objective 1: Create More Homes for More People. In 2019 the City Council adopted updates to the **One Tacoma Comprehensive Plan Housing Element** integrating the AHAS as an implementation strategy and updating policies related to “Missing Middle” housing, inclusionary zoning and equitable access to opportunities.

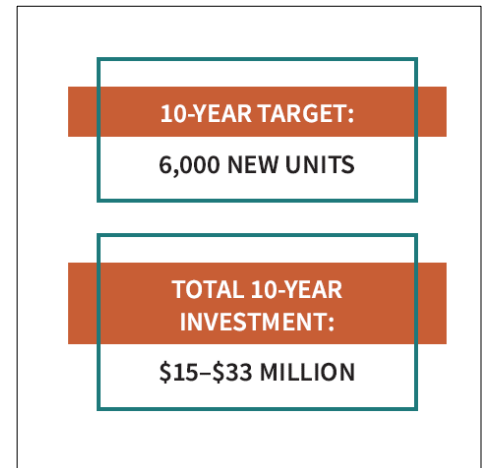
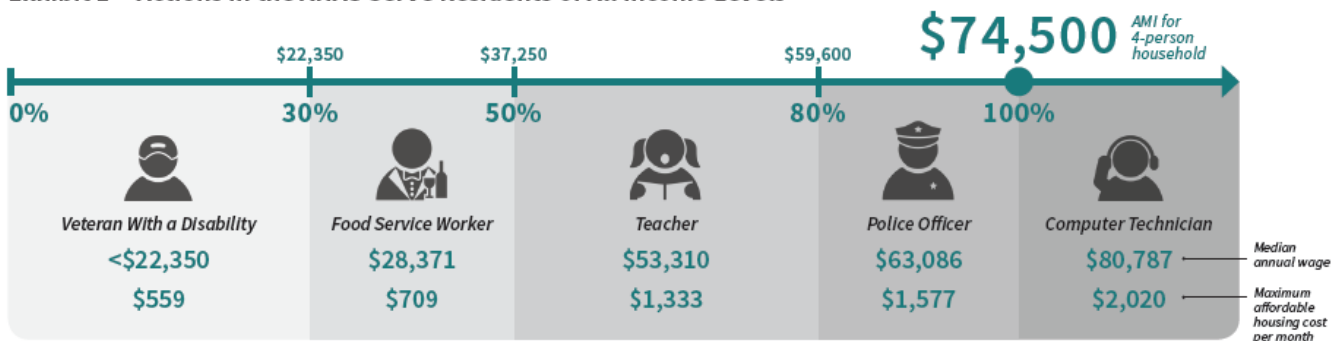


Exhibit 1 Actions in the AHAS Serve Residents of All Income Levels



STRATEGIC OBJECTIVES AND NUMBER OF SUPPORTING ACTIONS



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. Implementation will be coordinated with other related AHAS actions.

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

* The two AHAS actions under consideration as part of this effort are **shown in red**, along with the whole list of all AHAS recommended actions to create more housing. The AHAS includes estimates on the time and level of effort, phasing, income levels served, and other implementation guidance.

Tacoma's Growth Strategy

Creating new housing, particularly at affordable prices, is central to the AHAS recommended actions. Tacoma has a robust growth strategy to accommodate its share of regional growth. Tacoma's official growth targets call for 54,741 new housing units between 2010 and 2040 (see the 2014 **Pierce County Buildable Lands Report**). The City's growth strategy directs the majority of new housing development to designated Centers, including the Downtown and Tacoma Mall Neighborhood Regional Growth Centers. The City's adopted targets allocate about 80 percent to Centers, and about 20 percent (approximately 9,300 new dwellings) to other (primarily residential) areas.

While there is ample space for high density residential and mixed-use development in Centers, land zoned to accommodate significant growth outside of Centers is limited. The Buildable Lands Report identifies undeveloped, multifamily zoned land adequate for approximately 2,000 new dwellings. This leaves a target of around 7,000 new dwellings in land zoned for single-family development. Single-family land constitutes approximately 75 percent of all land where residential development is allowed.

In conclusion, while there is ample single-family development, and capacity for high density development, there is little area zoned to accommodate medium-density housing types such as duplexes, triplexes and small-scale multifamily development. However, most new housing growth is occurring in Tacoma's designated Mixed-Use Centers, including Downtown.

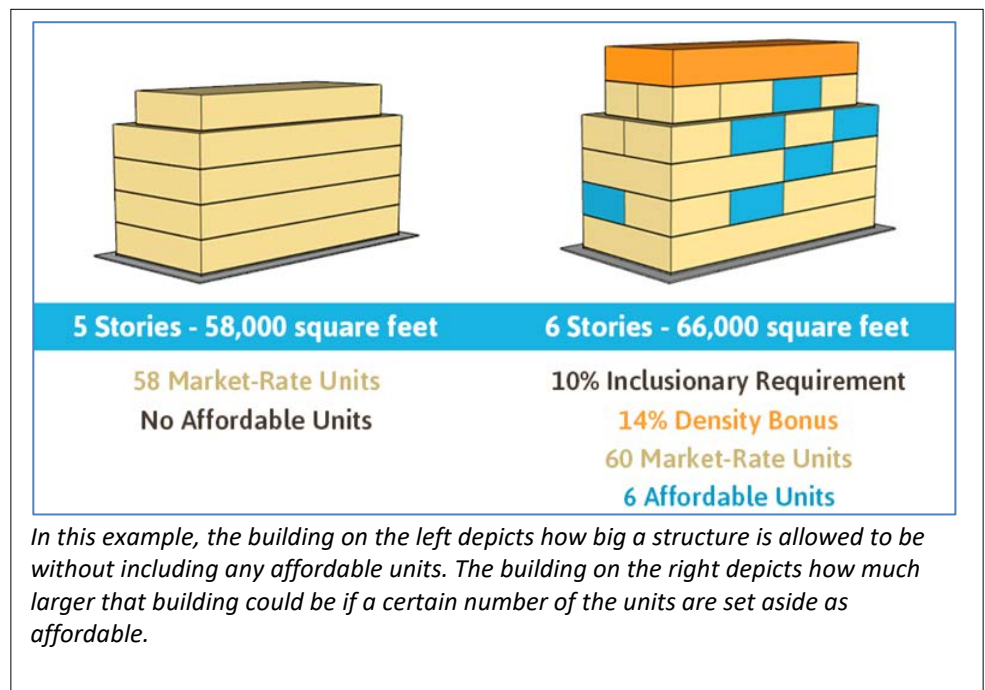
The Future Land Use designations in the Urban Form Chapter of the **One Tacoma Comprehensive Plan** articulate the current land use vision for residentially zoned areas. In the next one to two years, Tacoma will be updating Buildable Lands pursuant to the required 2023 update of the Comprehensive Plan and to reflect the regional Vision 2050 update.

Inclusionary Zoning

This effort will evaluate the potential to modify inclusionary housing provisions to target unmet need and align with market realities. Inclusionary zoning is a broad category of policy tools intended to integrate dedicated affordable units into larger-scale developments. These tools do this by exchanging an incentive (typically a development bonus such as an increase in building height or a reduction in parking) for incorporating a set number of dedicated affordable housing units within the project. Inclusionary zoning projects need to be calibrated to the market conditions in order to function as intended, and can be structured as optional or mandatory.

The City currently has a range of Inclusionary Zoning approaches in place. However, to date the output in affordable housing has been limited. The following existing Inclusionary Zoning strategies will be evaluated through this effort:

- Affordable Housing Incentive Administrative Code
- Tacoma Mall Inclusionary Zoning Pilot Program
- Mixed-Use Centers Height Bonus
- Downtown Density Bonus



Diverse Housing Types (Missing Middle Housing)

This effort will evaluate current land use policies and regulations and identify potential ways to support a wider range of housing types. 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—while they are not dedicated as affordable, they tend to be relatively affordable by virtue of their smaller size and because they are increasing the 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. The outcomes of the following actions will be evaluated through this effort:

- Residential Infill Pilot Program Update (ongoing)
- Accessory Dwelling Unit Code Updates (2019)
- Affordable Housing Policy Advisory Group infill strategies (concluded in 2015)



Housing is a state and regional challenge

Tacoma is not alone in facing challenges resulting from rising housing costs in the face of stagnant incomes. In a recent survey conducted by the Puget Sound Regional Council (PSRC), the region’s residents reported that for the first time, access to affordable housing has surpassed transportation options as the top concern. PSRC has now released a draft of the **Vision 2050**, which updates the regional vision for growth which reflects a strong emphasis on housing. PSRC will be developing a regional housing strategy over the course of the next year or two to implement its direction. This effort will likely highlight potential regional collaboration opportunities around housing.

At the state level, the Washington Legislature has focused extensively on addressing housing challenges in its recent and ongoing (2020) legislative sessions. City staff are reviewing the legislature’s actions to identify whether action by the City of Tacoma is required. If necessary to be consistent with state requirements, policy or regulatory changes could be integrated into the **Home In Tacoma** project.

Related Efforts

In recent years the City of Tacoma has initiated multiple policy initiatives that are related to this scope of work. Other policy efforts will be initiated in the future. These efforts will offer lessons learned and ongoing opportunities to coordinate:

- AHAS implementation efforts (ongoing)
- Buildable lands analysis and updates (upcoming)
- Urban Design Studio (ongoing)
- Future Land Use Map (FLUM) updates (2019)
- Homeless Encampments code updates (2018)
- Antiracism, equity and empowerment efforts (ongoing)

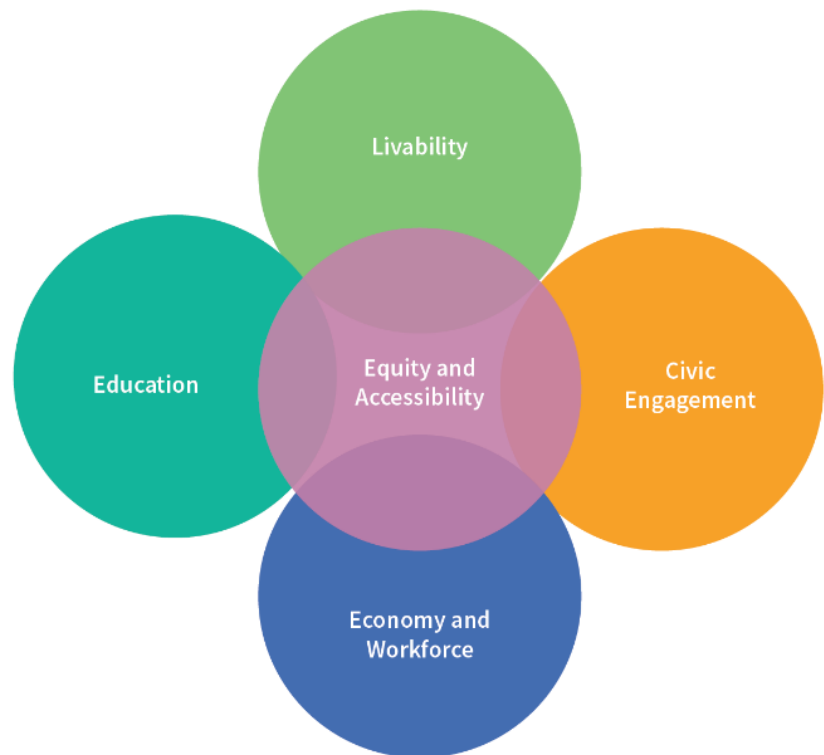
Housing and Opportunity

For several years, policy work at the regional scale has sought to recognize and begin to address differences in opportunities based on location. Acknowledging these inequities can improve City actions such as decisions of where to focus housing investments or incentives to address disparities in access to opportunity. The Housing Element currently references Puget Sound Regional Council's Access to Opportunities analysis, reflecting that there are disproportionate opportunities available to residents of different neighborhoods of the City. The City of Tacoma has now developed a more refined analysis that incorporates more Tacoma-specific data to inform policy and programmatic choices through an equity lens. For more information, visit www.cityoftacoma.org/equityindex.

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).

The Tacoma 2025 Strategic Plan prioritizes equity and access to opportunity.

What are the goals for Tacoma 2025?



Equity Index

The Equity Index is an interactive tool that highlights the disparities within the City. The Index uses 20 data points to determine where people are not able to access services or where services do not meet the community needs. In addition, the Index is a tool to help city and community partners make Tacoma an inclusive and equitable City to live, learn, work and play. The Equity Index is comprised of 20 indicators within the 2025 Strategic Plan goals; Accessibility, Economy, Education, and Livability. The Equity Index is one of the primary tools that city staff, community members, partners, and other decision makers can use to help ensure that they are making data-informed decisions that address these indicators and improve access to opportunity for all Tacoma residents. Visit www.cityoftacoma.org/equityindex for more information.

Redlining

Tacoma is one of the most racially diverse cities in Washington State: nearly 40 percent of people living in Tacoma are Latino, African American, Asian and Pacific Islander, Multiracial or Native American. However, communities of color in our city experience stark inequities, such as significantly higher rates of unemployment and poverty and poorer health outcomes.

Historically, Tacoma has a documented history of redlining that occurred in the late 1930s, in which more than two-thirds of the city had limited or no access to funds for buying or building a home in areas populated primarily by people of color. See the inserted Tacoma Redlined Map from 1937.

Racially restrictive covenants have been used in certain neighborhoods to prevent homeownership by people of color. An example is the Narrowmoor Restrictive Covenant, where there is a provision that states: “No part or parcel of land or improvement thereon shall be rented or released to or used or occupied, in whole or in part by any person of African or Asiatic descent nor by any person not of the white or Caucasian race, other than domestic servants domiciled with an owner or tenant and living in their home.”

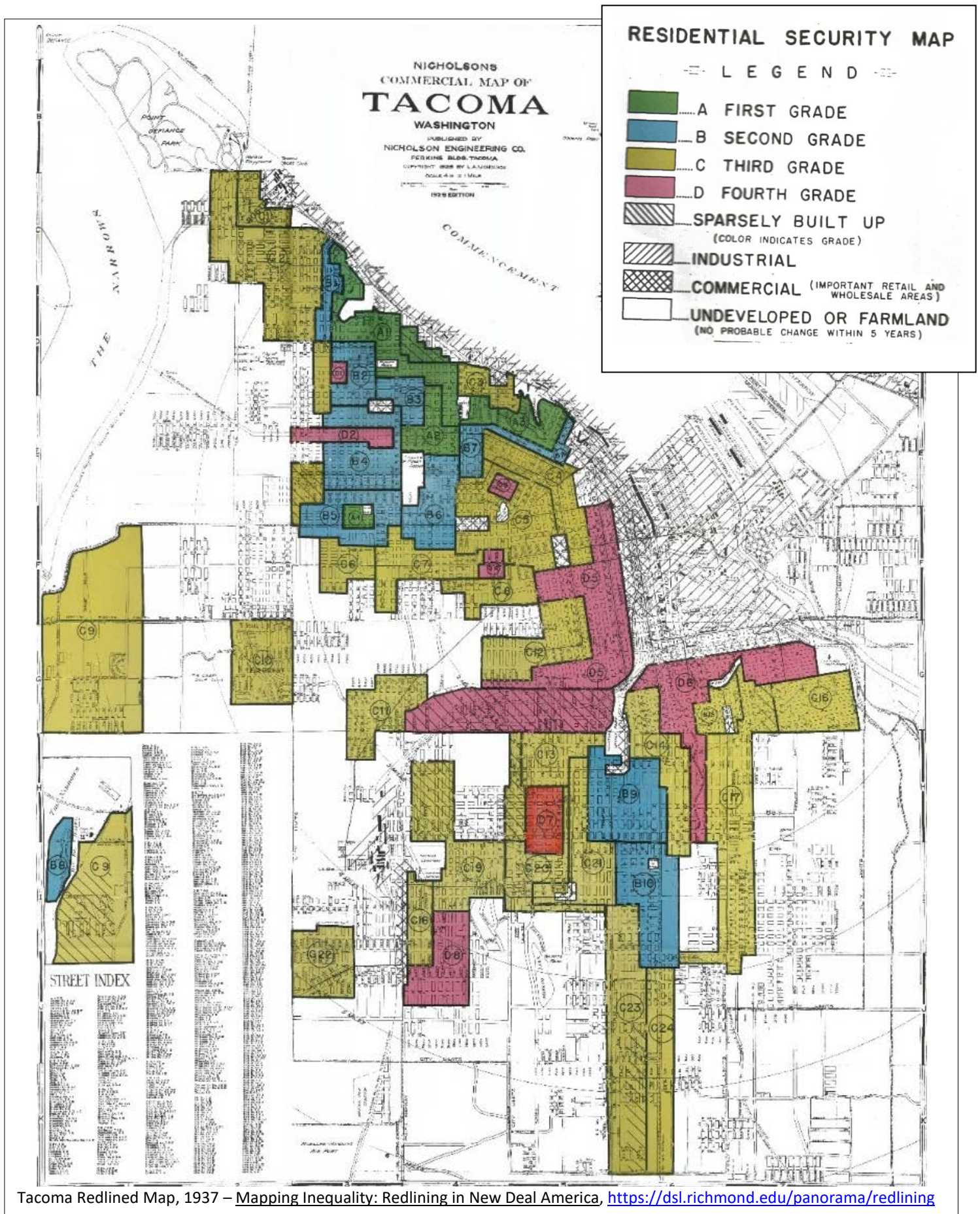
Additionally, our residents of color have reported feeling as if they have fewer opportunities for community engagement and that there is little acceptance for people of diverse backgrounds. Put simply, Tacoma’s communities of color live strikingly different lives than their White neighbors and have far different outcomes. The Office of Equity and Human Rights is committed to uncovering barriers that prevent people from achieving their full potential and creating better outcomes for all.

The 1937 **Residential Security Map of Tacoma**, on the following page, appears to have reinforced patterns that are still in place today.

Anti-racism

On June 30, 2020 the City Council adopted Resolution No. 40622 affirming the Council’s commitment to comprehensive and sustained transformation of all the institutions, systems, policies, practices, and contracts impacted by systematic racism, with initial priority given to policing. The resolution recognizes that systematic racism continues to exert influence on many sectors, including on housing and access to opportunity, and that this influence has an ongoing inequitable impact. The resolution calls for anti-racism to be a top priority and to work toward reform of institutions impacted by systematic racism for the greater equity and wellbeing of all residents of Tacoma, Washington state and the United States.

Tacoma’s Equity Index has demonstrated that there is a correlation between race, housing, and access to opportunity. The **Home In Tacoma** project will integrate the City Council’s direction by seeking actions that make progress toward reducing these inequalities.



3. Policy Framework

Policies at multiple levels require cities to take actions to address housing needs and challenges as well as to promote infill in walkable, urban neighborhoods.

Washington State Growth Management Act (GMA)

GMA Housing Goal: Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

E2SHB 1923: Incentives to Increase Residential Density in Cities

During its last session, the Washington State Legislature adopted E2SHB 1923 (effective July 28, 2019) encourages all cities planning under the Growth Management Act (GMA) to adopt actions to increase residential building capacity. Cities are especially encouraged to increase residential building capacity in areas that have supportive transportation and utility infrastructure, and are served with frequent transit service. Cities are also encouraged to prioritize the creation of affordable, inclusive neighborhoods and to consider the risk of residential displacement, particularly in neighborhoods with communities at high risk of displacement.

This bill provides a total \$5,000,000 in grants assistance, prioritized by the legislature for cities over 20,000 in population. A city may receive up to \$100,000 in grant funds and must take specific actions to increase residential building capacity listed in the legislation, or develop a housing action plan. The **Home In Tacoma** project is a housing action plan partially funded by a grant from the Department of Commerce from this legislative allocation.

VISION 2040 Multicounty Planning Policies (MPPs)

VISION 2040 recognizes that to meet the demands of a growing and changing population in the central Puget Sound, the region needs to develop vibrant communities that offer a diverse and well-distributed mix of homes affordable to both owners and renters in every demographic and income group. VISION 2040 encourages housing production that will meet our needs and places a major emphasis providing residences that are safe and healthy, attractive, and close to jobs, shopping, and other amenities. The Multicounty Planning Policies (MPPs) address 1) housing diversity and affordability, 2) jobs-housing balance, and 3) best practices for home construction. These MPPs place an emphasis on preserving and expanding housing affordability, incorporating quality and environmentally responsible design in homebuilding, and offering healthy and safe home choices for all the region's residents. The Puget Sound Regional Council is currently in the process of updating VISION 2040 to VISION 2050.

Countywide Planning Policies (CPPs)

The Pierce County Countywide Planning Policies (CPPs) are goals, objectives, policies, and strategies to guide the production of the County and municipal comprehensive plans. The CPPs provide strong policy support for affordable housing actions, including:

AH-1. The County, and each municipality in the County, shall determine the extent of the need for housing for all economic segments of the population, both existing and projected for its jurisdiction over the planning period.

Tacoma 2025

Tacoma 2025, City of Tacoma's Ten-Year Citywide Strategic Plan and Vision approved by the City Council on January 27, 2015, represents our community's vision for Tacoma's future. With defined indicators and other ways to measure progress, it is a plan that guides where the City of Tacoma – as both a local government organization and a community – is going over the next 10 years. It is also a plan that helps us direct our efforts and resources in ways that reflect our growing community's evolving needs. Tacoma 2025 contains Five Key Focus Areas: Livability, Economy/Workforce, Education, Civic Engagement, and Equity and Accessibility.

Equity and Empowerment Framework

The Equity and Empowerment Framework, adopted by the City Council in 2014, makes equity a consistent guiding principle across the entire organization and will help the City of Tacoma change the way we do business. The framework calls out five goals:

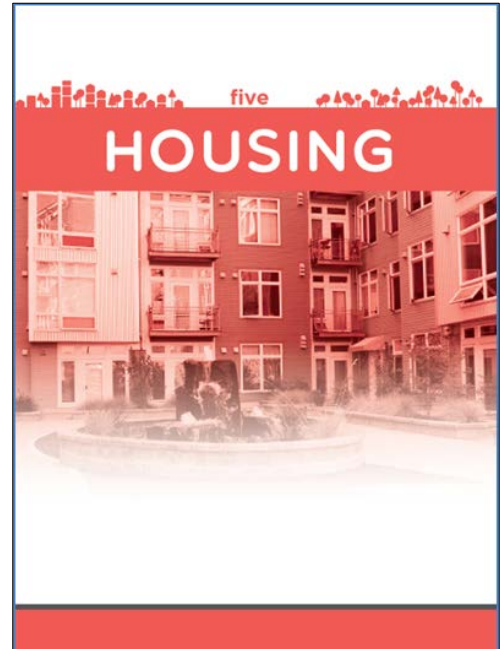
1. The City of Tacoma Workforce Reflects the Community it Serves;
2. Purposeful Community Outreach and Engagement;
3. Equitable Service Delivery to Residents and Visitors;
4. Support Human Rights and Opportunities for Everyone to Achieve their Full Potential; and
5. Commitment to Equity in Policy Decision Making.

One Tacoma Comprehensive Plan – Housing Element:

The Housing Element is the city's policy framework for housing issues. The Housing Element addresses requirements under the Washington State Growth Management Act and the Pierce County Countywide Planning Policies. For example, the City must address housing affordability and access, plan for adequate growth capacity to meet Tacoma's share of regional growth targets, and ensure adequate health and safety in the City's housing supply. The Element also reflects community input on issues related to housing over many years.

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

- 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.



Housing Targets:

- Zoning capacity to accommodate up to 60,000 new units
- Strive for 35% of urban Pierce County's residential growth
- Accommodate 80% of the City's new housing units in and within walking distance of Centers
- Ensure that at least 25% of new housing units are affordable at or below 80% of Pierce County AMI

The Housing Element provides strong policy support for affordable housing actions, and for housing opportunities and choice throughout the City, such as the following:

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, 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-1.8: 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.

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.

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) to promote the development of higher density multifamily housing in designated centers and other areas where housing options are needed.

Policy H-4.15 Modify and expand the City's inclusionary housing provisions to target unmet need and align with market conditions.

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

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.

One Tacoma Comprehensive Plan – Urban Form Element

The following Urban Form policies help to provide guidance on housing growth.

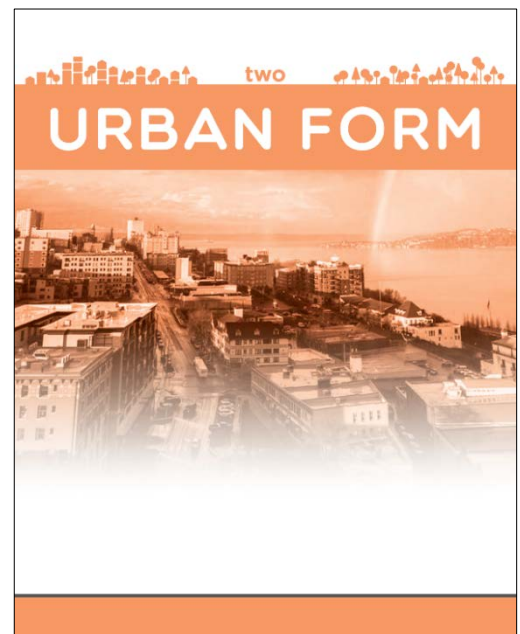
Policy UF-1.2 Implement Comprehensive Plan land use designations through zoning designations and target densities shown in Table 3, Comprehensive Plan Land Use Designations and Corresponding Zoning.

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.

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.

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.

Policy UF-13.2 Promote infill development within the residential pattern areas that respects the context of the area and contributes to the overall quality of design.



Access to Opportunity

The Comprehensive Plan incorporates two primary emphases on the intersection of housing and access to opportunity:

1. Locate affordable housing in high opportunity areas.

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.

H-3.6. Locate new affordable housing in areas that are opportunity rich in terms of access to active transportation, jobs, open spaces, high- quality schools, and supportive services and amenities.

2. Invest in low opportunity areas.

Housing 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.

Public Facilities and Services Policy **PFS-4.9.** Provide equitable levels of service by accounting for existing community conditions, considering how decisions will impact varied geographic, racial and socio-economic groups, and embedding service equity criteria into decision-making processes.

Parks and Recreation Policy **P-1.2.** Prioritize investment in acquisition and development of parks and recreation facilities in areas where need is greatest, including: a. Where availability and access to facilities is lowest; and b. Where the greatest population growth is occurring or forecast, such as the mixed use centers.

Transportation Policy **3.8 Equity in Transportation.** Support the transportation needs of traditionally underserved neighborhoods and vulnerable populations, as listed under Goal 2, through investment in equitable modes of transportation and equal spending throughout the City, in addition to potential catch-up investment for areas in need as necessary.

Economic Development Policy **EC-2.2.** Encourage investment in, and alignment of, public efforts to reduce racial, gender, ethnic and disability-related disparities in income and employment opportunity.

4. Scope of Work

This project will identify and evaluate a range of strategies, based on community input and technical analysis. The current work phase will likely be continued into future rounds of planning.

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

In addition to housing supply, affordability and choice, potential actions and strategies will be assessed in terms of:

- Consistency with Tacoma's growth, transportation, sustainability and other goals
- Urban design and fit with existing neighborhood patterns
- Risk of displacement or other unintended consequences
- Infrastructure and urban services capacity and costs
- Market feasibility and cost-effectiveness for homeowners, non-profit and for-profit housing sectors
- An ongoing commitment to be responsive to community input

WORK PRODUCTS:

1. Tacoma's **Housing Action Plan** to guide current and future actions to promote housing supply, affordability and choice for all Tacomans.
2. A package of near-term legislative and administrative actions implementing existing policy direction.
3. A package of medium-term planning, zoning and regulatory actions reflecting changes to the City's housing growth strategy for future City Council consideration.

Current Work Phase – Project Tasks	
1. Communications and Engagement Strategy	TIMEFRAME
<ul style="list-style-type: none"> Develop a broad, equitable community engagement strategy to involve affordable and market-rate housing providers, residents of all income levels, and the broader community; Initiate a broad, diverse and data-informed public engagement process with an emphasis on engaging under-represented communities to identify options for analysis; Identify and coordinate with related City, state and regional housing policy and implementation strategies. Integrate an active role for internal stakeholders, partner entities and City Commissions, in coordination with broader AHAS implementation steps; 	Fall 2020
2. Existing Conditions and Assessment	TIMEFRAME
<ul style="list-style-type: none"> Housing Needs Analysis: Integrate analyses of housing needs for all income levels, population and employment trends, access to transportation choices, equity and other factors in order to characterize Tacoma's housing needs for a variety of housing types. Benchmark to learn from other communities. Housing Capacity: Evaluate zoning capacity and building rates by housing type, area and cost, under current zoning. Development and Population Trends: Track recent housing permits and construction by housing type and location; Zoning and Housing Profiles: Develop a communitywide and neighborhood based profile of the current zoning make-up and housing unit make-up, including recent trends in unit types and land area by zoning and housing type. Access to Opportunity: Evaluate the current unit types and zoning allowances within walkable proximity to public facilities and services, such as schools, parks, community centers, and transit. Identify lessons learned from ongoing AHAS implementation efforts (including the Residential Infill Pilot Program and existing Inclusionary Zoning standards), and implement near-term enhancements. Feasibility analysis: Conduct a market-based study to determine how to structure proposed housing actions to stimulate production of units of needed types, price points, sizes and locations. Evaluate effectiveness: Evaluate the effectiveness of current regulations to promote affordable housing. 	Fall/Winter 2020
3. Developing High Level Growth Options and Strategies	TIMEFRAME
<p>Develop and evaluate an overarching housing growth strategy, and both near-term and medium-term actions to implement that strategy, including:</p> <p><u>Short-term: Ongoing and new actions consistent with existing policies</u></p> <ul style="list-style-type: none"> Residential Infill Pilot Program 2.0 (integrate lessons learned into policy options) Accessory Dwelling Unit code updates Development barriers review (permit streamlining, cost reduction) Affordable Housing Administrative Code updates Existing Inclusionary Zoning and housing incentive tools updates Updates for consistency with state law Review Land Use Code for barriers Review height, setbacks and lot standards (including small lots) Review zoning and standards along designated corridors Other approaches consistent with current growth strategy 	Fall 2020 to Early 2021

<p><u>Medium-term: Study of changes to housing growth strategy</u></p> <ul style="list-style-type: none"> • Growth Strategies: Based on the findings from Task 2, identify strategies that could be enacted to address those issues. This could include Comprehensive Plan map and text amendments, zoning amendments, or land use regulatory code amendments. • Impacts analysis: Evaluate urban design, infrastructure, transportation, and other factors to inform development of the proposals. • Policy updates: Identify Comprehensive Plan, zoning, and standards changes needed to implement housing actions recommended through this process. <p>Options Evaluation:</p> <ul style="list-style-type: none"> • Policy framework: Summarize One Tacoma Plan policies to create the guiding policy framework and apply to evaluate Growth Strategy Options • Displacement: How will the proposals stimulate or mitigate housing displacement? • Feasibility: How well does the market support the growth options? How likely is the option to result in an increased supply of housing and diversity of housing types? 	
<p>4. Recommend Growth Strategy and Housing Alternatives</p>	<p>TIMEFRAME</p>
<p>Recommendations and options for Council consideration may include:</p> <ul style="list-style-type: none"> • Housing policy and zoning strategies to increase the supply of housing, and variety of housing types, needed to serve the identified housing needs including upzones, affordable housing incentives, Inclusionary Zoning and Diverse Housing Types. These options are expected to include near-term options consistent with the current growth strategy, as well as medium-term options including changes to the growth strategy. • Environmental review under SEPA of any near-term actions • Implementation steps: Identify implementation steps and timeline for the actions recommended through this process • City Council consideration and action 	<p>Planning Commission recommendation in early 2021;</p> <p>City Council consideration April to June 2021</p>
<p>Future Work Phases – Depending on Outcomes of Task 4 Above (These phases would be subject to additional legislative processes prior to adoption and implementation)</p>	
<ul style="list-style-type: none"> • Environmental Review of Growth Alternatives • Additional Comprehensive Plan Future Land Use Map and Text Amendments • Zoning and Land Use Regulatory Amendments 	<p>2021 to 2023</p>

5. Outreach

Communications and Engagement Strategy

The first task of the project will be to develop a broad, equitable, communication and engagement strategy consistent with the City's engagement policies in the One Tacoma Comprehensive Plan and consistent with the adopted Equity Framework. This Plan will identify procedures for notification, methods for engagement, and include actions to engage historically under-represented communities in this process. The following are an initial focal points for the Plan:

➤ Stakeholders

- This project seeks to move forward thoughtfully through inclusive engagement to shed light on policy decisions from a broad range of perspectives. Stakeholders will include residents from all neighborhoods; socio-economic and racial groups; the business and development community; subject matter experts in health, education, equity, and other relevant fields; and internal city departments and partner agencies. Consultant assistance may also be retained. The Planning Commission and staff will utilize the following engagement strategies.

➤ City Council and Council Committees

- Regular updates to the City Council
- Updates as requested or focused discussions with Council committees

➤ City Commissions and Committees

- Planning Commission (lead)
- Human Rights Commission
 - *Joint Housing Equity Taskforce*: Members of the Planning Commission and Human Rights Commission will collaborate to focus on equity and social justice issues associated with housing.
- Sustainable Tacoma Commission
- Landmarks Preservation Commission
- Other commissions/committees that may be identified

➤ Affordable Housing Action Strategy

- Pursuant to the City Council's direction, the City Manager and TPU Director have directed all city staff to support implementation of the AHAS within their subject matter and responsibilities, and have put into place organizational structures to implement the AHAS, including but not limited to:
- AHAS Technical Advisory Group
- AHAS Citywide coordination and working groups
- AHAS analytical tools

➤ Engage with neighborhood and community groups

- Neighborhood Councils and other neighborhood/community groups
- Business Districts
- Community, social, religious and advocacy groups

➤ Online and social media engagement approaches

- Surveys
- Interactive online story map
- Interactive web discussion forum

- **Targeted stakeholder engagement to the following groups**
 - Market and affordable housing development community
 - Tacoma residents of all incomes
 - Advocacy and professional groups in public health and other related topics

7. Impacts Assessment

The **Home in Tacoma** project will seek both to identify near-term actions that can be taken in support of Tacoma's housing growth strategy and also to understand the potential impacts, both positive and negative, of potential changes to Tacoma's housing growth strategy. The effort will evaluate the potential to increase housing supply, affordability and choice as well as how changes could affect displacement risk, urban design, neighborhood patterns and scale, utilities, infrastructure and services and other related issues. Near-term actions consistent with current policies have for the most part been vetted for potential impacts and directed by existing City Council policy decisions.

Impacts related to more significant changes will be evaluated at a high level relative to the generality of the potential options. The current phase of this project will conduct a housing study and public process that will recommended possible housing actions the City may undertake in the coming years. As such, any future phases that include Comprehensive Plan and Land Use Regulatory Code Amendments will be evaluated under the State Environmental Policy Act (SEPA) for potential community and environmental impacts.

Section B. Assessment

The applications were reviewed against the following assessment criteria pursuant to TMC 13.02.045:

1. If the amendment request is legislative and properly subject to Planning Commission review, or quasi-judicial and not properly subject to Commission review.

Staff Assessment: The request is legislative and properly subject to Planning Commission review.

2. If there have been recent studies of the same area or issue, which may be cause for the Commission to decline further review, or if there are active or planned projects that the amendment request can be incorporated into.

Staff Assessment: This effort is a continuation of recent policy and regulatory updates that extends the scope substantially, leading to potential growth strategy alternatives. This work is expected to lead to proposals for further evaluation prior to adoption. Subsequent phases may correspond with and complement parallel planning processes, including the Infill Pilot Program Phase 2, Pierce County Buildable Lands Analysis, and the 2023 Comprehensive Plan Periodic Review.

3. If the amount of analysis necessary is reasonably manageable given the workloads and resources of the Department and the Commission, or if a large-scale study is required, the amendment request may be scaled down, studied in phases, delayed until a future amendment cycle, or declined.

Staff Assessment: PDS staff and the Planning Commission have developed a work program to accommodate this, which is a phased approach allowing adequate time to develop and evaluate policy options. This first phase is predominantly an extended period of scoping and assessment, leading to high-level housing and growth alternatives that would enter into a subsequent public review process.

Section C. Project Scoping Process

The Planning Commission conducted a Public Hearing seeking input on a draft project scope on February 19, 2020. Based on that input, on May 6, 2020 the Planning Commission modified and finalized the scope of work and directed that it move forward.

Public scoping comments summary

About 80 written and oral comments were received, including input from current residents, housing advocates, people facing housing challenges, and the development community.

General themes:

1. Housing growth needs and priorities: Broad support was expressed for actions to create more housing supply and choice of housing types.
2. What types of housing are needed: Support was expressed in a range of housing options, particularly Missing Middle Housing.
3. Inclusionary Zoning and affordable housing incentives: Differing views were shared on the effectiveness and merit of these policy tools.
4. Important features of new housing development: Comments call for study of such features as parking, open space, design, green building and access to transportation choices.
5. What is needed to accommodate growth: Comments emphasized issues including transit, streetscape improvements, schools, and economic opportunities.
6. Considerations for this study: Comments call for evaluating how density could impact neighborhoods, removing barriers to housing development, and equitable engagement efforts.
7. Input on housing programs, funding, management and operational strategies: Topics include rent control, funding public housing, and code enforcement.

COVID-19 impacts

The public health and economic impacts of the pandemic will be a major factor exacerbating housing challenges and affecting public engagement efforts. While the situation is evolving, some things are clear.

- Public engagement efforts will need to be adjusted in light of social distancing, while still engaging broadly and equitably.
- Much of this work focuses on market conditions. The approach will need to accommodate economic uncertainty and focus on building resiliency in Tacoma's housing market.
- Housing needs are changing, generally becoming more urgent as many people face increased risk of losing their jobs or of underemployment.
- Due to budget and scope challenges, some related planning projects have been delayed (including the Pacific Avenue Corridor Plan). Some components of those projects could potentially be integrated into the **Home In Tacoma** project.

Initial Commission direction

The following considerations will be integrated in the analysis, as requested by the Planning Commission at their February 19, 2020 meeting:

- Do benchmarking on Inclusionary Zoning to understand how much affordable housing could be produced and cost-effectiveness per unit. For comparison, seek to compare these outcomes with communities without Inclusionary Zoning tools.
- Study best practices for Missing Middle Housing for parking and proximity to transit.
- Study costs per unit to build different housing types, including non-planning costs such as building code, parking, transportation, insurance and others.
- Evaluate ways to provide incentives and to reduce construction, utilities, infrastructure and permitting costs of affordable housing.
- Identify ways to involve grassroots communities in the process.
- Forward issues not directly linked to planning and zoning to appropriate work groups.

As directed by the Planning Commission on May 6, 2020, the following changes have been integrated into the initial project scope of work.

- *Modify the engagement approach, seeking alternative engagement methods to in-person meetings and events.*
- *Ensure that the housing needs assessment and market feasibility analysis reflect changing market conditions and uncertainty.*
- *Modify the options analysis to increase emphasis on near-term implementation actions.*

THE SCOPE OF WORK IN SECTION 4, ABOVE, HAS BEEN MODIFIED ACCORDINGLY.

Section D. Attachment

1. Excerpts of Affordable Housing Action Strategy (September 2019) – Executive Summary and Actions 1.2 and 1.8