



Allan Ekberg, Mayor

INFORMATIONAL MEMORANDUM

TO: Planning and Community Development Committee

FROM: Nora Gierloff, Director of Community Development

BY: Meredith Sampson, Associate Planner

CC: Mayor Ekberg

DATE: July 19, 2021

SUBJECT: Transit Oriented Development Housing Strategies Plan

ISSUE

Staff would like to present a resolution to adopt the Transit Oriented Development Housing Strategies Plan.

BACKGROUND

In the summer of 2019, the State legislature passed HB 1923 providing grants to local jurisdictions to prepare housing action plans. Staff applied for the grant at the end of September 2019 after receiving approval to move forward by the Community Development and Neighborhoods (CDN) Committee, and the City was awarded the full \$100,000. Council approved and authorized the Mayor to sign an Interagency Agreement with the WA Department of Commerce to accept grant funding at the December 2, 2019, Regular Meeting.

The work has been divided into two distinct parts. The first part was the development of a Sub-Regional Framework and is collaborative with Auburn, Burien, Federal Way, Kent, Renton, and Tukwila. This is designed to inform the second part of the plan, the development of a Tukwila Specific Transit Oriented Development Housing Strategies Plan. The Tukwila-specific portion of the plan focuses on the transit-oriented development (TOD) area around the Tukwila International Boulevard Link Light Rail Station, and ECONorthwest was the consultant selected to prepare both the joint and the Tukwila-specific portions of the plan.

The primary focus of the TOD Housing Strategies Plan is to identify pathways to increase residential building capacity while minimizing displacement of existing residents in the TIB Station Area which includes properties within a half-mile walkshed of the Tukwila International Boulevard Link Light Rail Station. The creation of this plan is consistent with the vision in the TIB District Element and goals in the Housing Element of Tukwila's Comprehensive Plan. The TIB District is a local center where existing and future land use and infrastructure capacity will be used to accommodate some of the City's designated future growth, consistent with the Puget Sound Regional Council Vision 2040 goals and policies, and the King County Countywide Planning Policies.

Public Engagement

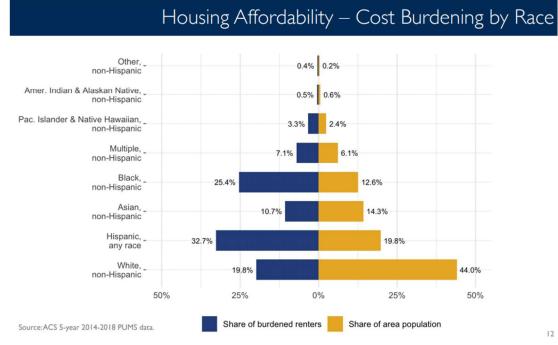
The public outreach process began with the creation of a Public Engagement Plan outlining priorities and goals for the outreach process. Outreach included stakeholder interviews and focus groups involving participants from key groups, including: Tukwila residents and people with lived experiences in the TOD area; faith-based organizations; city staff; housing developers with experience in Tukwila; cultural organizations; landlords; and children/youth. These interviews and focus groups were conducted virtually from October 2020--December 2020. Thirteen interviews and four focus groups were conducted in this portion of the public outreach

process. Feedback from these interviews and focus groups was used to inform the recommendations outlined in the Draft TOD Housing Action Plan.

The City hosted a virtual community open house on May 12th to discuss the findings and recommendations of the Draft TOD Housing Action Plan, and to solicit feedback. Invitations were sent to all stakeholder interview and focus group participants, community-based organizations, all City staff, all City boards and commissions, and City Council. Invitations were also distributed to businesses along Tukwila International Boulevard and posted to the City's social media accounts and there were 23 non-staff attendees. Following the presentation, the group was divided into smaller breakout sessions of 4 to 5 participants each, plus two room facilitators who were a mix of Tukwila staff and members of the consulting team.

In the breakout rooms, participants were asked their reaction to the data presented relative to their perception of Tukwila, how they envision the new housing needed to meet future needs in the City, and what types of incentives they would be comfortable with the City offering to encourage new housing.

Workshop attendees commented that they were surprised that Tukwila has a higher share of low-income residents than surrounding cities, and that the percentage of renters who are costburdened — spending more than 30% of their income on housing — is disproportionately greater among Tukwila's Black and Hispanic populations compared to their proportion of the population.



Participants voiced concerns that there are not enough affordable multi-bedroom units in Tukwila, which was a key theme heard during the stakeholder interviews and focus groups as well. Participants would like to see current residents able to continue living in Tukwila without being priced out and wondered if new housing units built in Tukwila would serve Tukwila's population (i.e., would new housing serve people priced out of other communities, or would it serve local residents needing affordable housing?).

Attendees commented that parking requirements can quickly make a development project infeasible due to the high costs associated with providing surface parking stalls and the space it takes up. Participants also noted that adjusting parking requirements needs to be a balancing act -- that parking supply is important to support the diverse mobility needs of the population,

and that localized parking analysis should factor into decisions about how much parking is needed in an area. Many participants brought up the importance of open space in urban areas and that it contributes to a higher quality of life and helps to build places that contribute to a sense of community. There was support for more rooftop gardens and recreation space for children.

Overall, participants noted that a lack of housing options and low availability levels seem to be an issue across the region, and if nothing is done, housing needs could become more dire. Overall, most participants stated that they love the community of Tukwila. They have seen displacement happen and want to be able to continue living in their community without being priced out.

A Public Hearing with the Planning Commission was held on June 24, 2021. Planning Commission made amendments to the Draft Housing Strategies Plan and forwarded the amended document to City Council. One public comment letter was received by the Department of Commerce and is attached, and no members of the public provided public comment at the meeting.

DISCUSSION

Recommended Actions

Below are the recommended actions contained in the Draft TOD Housing Strategies Plan showing the language amendments made by Planning Commission at the Public Hearing held on June 24, 2021. By itself, Plan adoption does not implement any code changes. After adoption of the Plan by the City Council, staff will look for opportunities to incorporate recommendations into future zoning code and city policy updates.

Objective A: Encourage Higher Density Development

A1. Modify Unit Mix Requirements: Modify Unit Mix Requirements Focusing on Share of 2-Bedroom Units.

Next Steps:

- Consider modifying unit mix standards in the zoning code to target and regulate minimum thresholds of two-bedroom units, as opposed to limiting the share of studio units, to support more family-sized multifamily units in the TIB Station Area.
- The City could consider a requirement that at least 25% of new units in a project in the TIB Station Area are 2- or 3-bedrooms instead of regulating unit mix by a limitation on studio units in the current code.

Planning Commission recommendation: Keep as written.

A2. Reduce Parking Ratios to 1.0 Stall Per Unit in HDR and NCC Zones for Studio and 1-Bedroom Units and 2.0 Stalls for 2+ Bedroom Units. and in URO District.

Next Steps:

The City should consider reducing parking requirements to 1.0 stall per unit for studio and one-bedroom units within the TIB Station Area. for all zones and unit types in the TIB Station Area. Reducing the parking requirements in mixed-use developments in the NCC zone or URO district will help support the development of larger units, make more development feasible, and increase the amount of housing available in the TIB area. Planning Commission recommendation and reasoning: Adjust recommendation to reduce parking ratios to one stall per unit for studio and one-bedroom units, and two stalls for two+bedroom units. One parking stall for a two-bedroom unit will not fit the community needs.

A3. Modify Parking Standards for 4-over-1 Development

Next Steps:

- The City should eliminate the structured parking requirement as an option in the Urban Renewal Overlay so that 4-over-1 podium prototypes can be developed in the TIB Corridor. This change would encourage higher density development and mixed-use development with commercial space and make development of new housing in the TIB much more feasible.
- The City should consider regulating 4-over-1 development in the zoning code without the additional <u>structured parking requirements</u> restrictions that come along with accessing additional density through the Urban Renewal Overlay.

Planning Commission recommendation and reasoning: Specify in the next steps that this recommendation only impacts the structured parking requirements that come along with the Urban Renewal Overlay zone.

A4. Adjust Recreational Space Requirements

Next Steps:

- The City should consider revising the approach to regulating recreational space requirements to regulate by lot area, rather than per residential unit.
- The City could consider requiring that 10% of the lot area be dedicated to recreational space.
- The City could also create minimum and maximum recreational space requirements to ensure that households in developments have access to a minimum amount of recreational space but also to ensure the requirements do not disproportionately impact higher density development in the station area through a maximum.
- The City could also consider developing a fee-in-lieu structure to satisfy open space requirements. This fee-in-lieu structure would require a future study and analysis to calibrate the fee rate to not be cost prohibitive to development. The fee rate should be calibrated along with any modification to on-site open space requirements.

Planning Commission recommendation: Keep as written.

A5. Reduce Step Back Requirements

Next Steps

- The City should consider removing or modifying step back requirements for development sites adjacent to LDR zones.
- If the City chooses to include some form of step back requirements, it should consider requiring the step backs beginning on the fourth or fifth floor to reduce the negative impact to development feasibility while also mitigating the impact of higher density podium development on adjacent LDR zones.

Planning Commission recommendation and reasoning: Strike this recommendation from the plan. Removing or altering step back requirements, especially for parcels that border low-density residential zoned parcels, may create abrupt transitions in density that affect the quality of life on single family parcels that border higher density zones.

A6. Promote Site Assembly for Smaller Parcels

Next Steps:

- The City could explore opportunities to support and negotiate land sales between different property owners and a developer.
- The City could work with a real estate broker to track data on properties that are available for sale in the TIB Station Area to help inform land assembly strategies. The City could then use this information to work with developers and help facilitate land transactions that support assembly.

Planning Commission recommendation: Keep as written.

Objective B: Anti-Displacement and Community Stabilization

B1. Consider a 12-year Multi-Family Tax Exemption (MFTE) Program

Next Steps:

- The City should consider developing and adopting a 12-year MFTE program that requires the provision of affordable units for the duration of the tax exemption.
- The City could consider at least 20% set-aside requirement for units to be available at 80% or below AMI for the MFTE program.
- The City should pursue further analysis and look to policies of neighboring cities to determine the appropriate targets for the income requirement and affordable units, before passing an ordinance to authorize 12-year MFTE in the TIB Station Area. The City will want to ensure that set-aside targets and affordable levels are comparable to other cities within the South King County market to make enrollment in the MFTE program attractive to developers.
- The City should conduct a financial analysis of the impacts of potential tax exemptions through an MFTE program on the City's budget and service and infrastructure delivery.

Planning Commission recommendation and reasoning: Adjust the recommendation to spell out Multi-Family Tax Exemption for clarity.

B2. Identify Opportunities to Increase Home Ownership

Next Steps:

- The City should work with South King Housing and Homelessness Partners (SKHHP) and regional partners to collaborate with the Washington State Housing Finance Commission to develop area-specific down payment assistance funding and programs for South King County. in the same way that is done with A Regional Coalition for Housing (ARCH) in East King County, in Pierce County, and in Tacoma.
- City staff could also work with community organizations, landlords, and housing providers to encourage referrals to homebuyer education programs sponsored by the Washington State Housing Finance Commission and the Washington Homeownership Resource Center.

 Identify opportunities to promote development of a wider variety of housing types including, but not limited to, townhomes at diverse income levels including medium and high income.

Planning Commission recommendation and reasoning: Remove references to South King Housing and Homelessness Partners (SKHHP) in favor of more general language. Add a next step that focuses on promoting the development of townhomes at a range of income levels. Development of housing at all income levels is needed to meet the future housing demand in Tukwila, and townhomes are a desirable "missing middle".

B3. Support Community and Faith-Based Institutions' Efforts to Develop Affordable Housing

Next Steps:

- The City should offer an expedited or simplified development review processes, so that community and faith-based institutions.
- The City could establish an ombudsman to act as a development point of contact for non-experts or create a development guide that outlines the necessary steps and actions for non-experts to walk through. The City of Portland recently created a two-part development guide specifically for faith-based institutions who want to turn their underutilized property into mission-serving affordable housing.
- The City should offer reduced permitting costs, including fee waivers to lessen the need for development expertise and financial resources necessary to fund predevelopment.

Planning Commission recommendation and reasoning: Strike this recommendation from the plan. No special assistance should be given to these organizations that is not given to any other affordable housing permit applicant.

B4. Expand Tenant Supports

Next Steps:

- The City should strengthen enforcement of fair-housing and anti-discrimination policies.
- The City could explore additional requirements beyond source of income regulations to support low-barrier application screening (e.g., <u>Fair Choice Housing</u> or <u>Ban the Box</u> efforts).
- The City could consider a good-landlord incentive program to benefit landlords (and tenants) when properties routinely pass inspections. These types of incentives do not need to have costs: inspecting less often or inspecting fewer units can actually save the City's code enforcement time and resources.
- The City could create tenant's rights and education resources (e.g., funding for <u>RentWell</u> programs).
- The City should ensure language translation of tenant information for increased education is available for immigrant and refugee communities.
- <u>The City could seek out funding or technical assistance to incentivize landlords to</u> improve their rental properties.

Planning Commission recommendation and reasoning: Add a Next Step to prioritize assistance to landlords for rental property improvement to increase the quality of the existing housing stock.

B5. Monitor and Track Regulated Affordable Housing

Next Steps

- The City should ensure that it has strong, ongoing relationships with, and proper contact information for, all the mission-driven developers and affordable housing property owneroperators in the City.
- The City should work with these housing providers to ensure data sharing is possible. It could consider setting up a reporting agreement with these organizations where they provide affordability restriction information and expiration deadlines. Along with strong partnerships with these agencies, tracking this information would allow the City to create a database that monitors upcoming expirations so it can prepare in advance of affordability expirations.
- The City should ensure it is familiar with the various funding sources that are available to support recapitalization and rehabilitation of its existing multifamily housing stock, including the Low-Income Housing Tax Credit, HUD Funding (such as CDBG or HOME funds), funding opportunities through the Washington State Housing Finance Commission, and funding programs through the Washington State Department of Commerce.

Planning Commission recommendation and reasoning: Strike recommendation from the plan. This is time consuming, there is no plan for how to use this information, and they are concerned that staff does not have the capacity to fit it into the work plan.

B6. Monitor and Track Unregulated Affordable Housing

Next Steps:

- The City should continue to support SKHHP in developing a sub-regional approach to monitoring and tracking unregulated affordable housing.
- The City could consider dedicating staff resources to create a database of information to track potential low-cost market rentals and track information overtime.
- Planning Commission recommendation and reasoning: Strike recommendation from the plan. This is time consuming, there is no plan for how to use this information, and they are concerned that staff does not have the capacity to fit it into the work plan.

B7. Offer Tools and Strategies for Housing Preservation

Next Steps:

- The City should explore a policy or ordinance that requires landlords to provide advanced notice when they intend to sell a property containing units that rent below a certain income level. If the City has a robust database that allows it to monitor and track redevelopment risk, it can be ready to contact landlords and work with them when they are looking to sell. Strong relationships — not only with these landlords but also with nonprofit affordable housing developers who can be ready to act — will be critical. Advanced notice to sell can be helpful in a fast-moving market when cash buyers and investors are present. The City of Auburn's "Notice of Intent to Sell" is a great example of such a policy.
- If funding sources and restrictions allow, the City should consider expanding the Human Services Department's Minor Home Repair Grant program to qualified multifamily property owners. The Department of Community Development should collaborate with the Human Services Department to gauge this program's effectiveness and see if there are opportunities to tweak, expand, or pilot changes in the TIB Station area.

Planning Commission recommendation and reasoning: Strike recommendation from the plan. Asking landlords for a notice of intent to sell puts a burden on them and the City has no plan for how to use that information.

B8. Evaluate a Preservation Funding Program in Exchange for Affordability Restrictions

Next Steps:

- The City could engage with regional affordable housing partners <u>through contractual</u> <u>agreements</u> to explore the efficacy and funding sources of a preservation and rehabilitation incentive program for existing housing.
- The City could continue partnerships in South King County and work with other cities and community-based organizations to establish a regional rehabilitation fund through the SKHHP.
- The City should could partner with mission-oriented acquisition funds like the <u>REDI Fund</u> or Sound Transit's Transit-Oriented Development <u>Revolving Loan Fund</u>. These funds stand ready to deploy capital aimed at acquiring and rehabilitating low-cost market rentals and create new, affordable units.

Planning Commission recommendation and reasoning: Amend Next Steps to specify that all partnerships should occur through contractual agreements so that Tukwila maintains control of the housing and remove specifications for acquisition funds.

B9. Develop TIB Community Economic Development Strategies

Next Steps:

- The City should include developing TIB community economic development strategies as part of the upcoming Citywide Economic Development Strategy.
- The City should explore grant opportunities to fund the implementation of community economic development strategies that will be developed as part of the forthcoming Citywide Economic Development Strategy.

Planning Commission recommendation: Keep as written - there was strong support for this effort.

Objective C: Station Area Planning and Infrastructure

C1. Create a Development Framework and Planned Street Network for Parcels South of SR 518

Next Steps:

- The City should define staff and financial resources as part of the Department of Community Development's work planning over the next two fiscal years to create a development framework and street plan for the future development area South of SR 518.
- The City could consider allocating local fiscal recovery funds from the American Rescue Plan to fund and support the creation of a development framework and street plan. Having a development framework and street plan in place would make Tukwila more competitive for additional federal resources that might come from a future infrastructure funding bill that could help support funding of pedestrian bridge that better connects transit stations with current and future development opportunities.

Planning Commission recommendation and reasoning: Strike this recommendation from the plan. Development should be provided as much flexibility as possible and a street network would compromise that.

C2. Create a TIB Station Area Parking Strategy

Next Steps:

- The City should explore a district parking strategy as part of a development framework for the area south of SR 518.
- The City should explore allowances in the zoning code to support shared parking between development projects as part of a development framework.

Planning Commission recommendation: Keep as written.

C3. Connect the Station Area to Parcels South of SR 518

Next Steps:

- The City should continue to collaborate with the Washington State Department of Transportation (WSDOT) and Sound Transit to improve pedestrian connectivity between current and future transit stations to support transit-oriented development in the area south of SR 518.
- The City should collaborate with WSDOT and Sound Transit to explore opportunities for funding through infrastructure funding identified in the American Rescue Plan and a potential forthcoming infrastructure spending bill.

Planning Commission recommendation and reasoning: Keep as written.

FINANCIAL IMPACT

Grant funded. No financial match needed.

RECOMMENDATION

Forward this resolution to the Committee of the Whole meeting on July 26, 2021.

ATTACHMENTS

- A. Public Review Draft of the Transit Oriented Development Housing Strategies Plan, with strike-out underline of Planning Commission and associated edits
- B. Transit Oriented Development Housing Strategies Plan, with edits incorporated
- C. Public Comment Letter from the Department of Commerce
- D. Tukwila Housing Plan Engagement Memo
- E. Tukwila Housing Plan Community Forum Summary
- F. Draft Resolution

Attachment C



STATE OF WASHINGTON

DEPARTMENT OF COMMERCE

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June 21, 2021

City Council City of Tukwila c/o Ms. Meredith Sampson 6300 Southcenter Boulevard Tukwila, Washington 98188

Sent Via Electronic Mail

Re: City of Tukwila - Draft Transit-Oriented Development Housing Strategies Plan

Dear Tukwila City Council:

Thank you for the opportunity to comment on Tukwila's proposed draft of the Transit-Oriented Development (TOD) Housing Strategies Plan. We appreciate your coordination with our agency as you work to fulfill the grant contract to develop this plan. Tukwila has done an excellent job through this draft plan to address all the required elements of a housing action plan as outlined in RCW 36.70A.600.

The plan, if implemented as designed, will help the city address its future housing needs by accommodating the future population demand with a greater diversity of housing options and greater affordability, while addressing displacement and preserving affordable housing in the Tukwila International Boulevard (TIB) station area. We appreciate that this plan recognizes the benefit of focusing on a specific area for transit-oriented development (TOD) while supporting the city's larger efforts to create a diverse range of housing options to meet the needs of its residents.

The following parts of the city's Housing Strategies Plan are strong and commendable:

- The thorough examination of development feasibility was helpful in developing targeted and specific strategies that will help the city move forward with specific changes quickly. This analysis looks at the real world implications of how the city can achieve the desired development identified in the plan.
- The recommendations are presented so that readers understand the impacts of each recommendation based on the development feasibility, where applicable, and what next steps would be for implementation.
- The wide range of anti-displacement strategies is laudable. While planning has typically focused on new housing and preservation of housing, displacement is becoming an important area to focus on as residents are increasingly priced out of areas.

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• Figure 55. *Recommended Actions and Implementation Considerations* ties the plan together giving an easy visual to help the city and decision makers decide how and when to implement this plan. As indicated in the plan, the TOD Housing Strategies Plan will assist and can be incorporated in the city's upcoming required Growth Management Act (GMA) comprehensive plan and development regulation update process.

As the city looks to adoption and implementation of this robust set of housing strategies, we have a few suggestions for strengthening your plan:

- Explore tax increment financing (TIF) for infrastructure (re: D1, D3). This new tool for Washington jurisdictions has been successfully used throughout the nation for infrastructure in urban areas.
- Consider expansion of income streams for affordable housing. Affordable housing at the lowest income levels will not be provided by the private market and will require government support, therefore having as many tools as possible to support this critical need is important.
- Explore the feasibility of allowing a wider variety of housing types in more zones. For example, allowing duplexes in the LDR zone and townhomes in the RC zone could allow more affordable home ownership options in more areas of the city.
- Develop a list of indicators and a monitoring plan to track progress. Such a plan would allow the city to measure its progress and evaluate which changes have been effective at meeting the goals, and which might need modifications to meet the intended purpose.

Congratulations to the staff for the good work that the draft TOD Housing Strategies Plan represents. We extend our continued support to the City of Tukwila as you work toward setting your intended direction for housing policy. If you have any questions or need technical assistance, please feel free to contact me at laura.hodgson@commerce.wa.gov or (360) 764-3143.

Sincerely,

Laura K Hodgen

Laura Hodgson Associate Planner Growth Management Services

cc: Nora Gierloff, Community Development Director, City of Tukwila David Andersen, AICP, Managing Director, Growth Management Services Steve Roberge, Deputy Managing Director, Growth Management Services Ben Serr, AICP, Eastern Region Manager, Growth Management Services Anne Fritzel, AICP, Senior Housing Planner, Growth Management Services



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To:	Minnie Dhaliwal, Meredith Sampson + Niesha Fort-Brooks – City of Tukwila
Cc:	Tyler Bump + Madeline Baron – ECONorthwest
From:	Andrea Petzel + Valerie Pacino – Broadview Planning
Re:	Summary of Tukwila Housing Action Plan Public Engagement - Final
Date:	13 January 13, 2021

This memorandum summarizes stakeholder feedback for developing the City of Tukwila's new Housing Action Plan (HAP).

Project Overview

The purpose of the community engagement element of the HAP is to connect with residents, workers, businesses, non-profit organizations, service providers, and other key stakeholders to discover qualitative data and stakeholder stories to support and ground-truth the HAP's quantitative data. As captured in the project's initial public engagement plan, the dual priorities for this work are to:

- 1. Assess Tukwila's housing needs in the context of social equity, demographic changes, and market dynamics.
- 2. Develop a suite of strategies that respond to the unique opportunities of Tukwila and its residents.

The public outreach process includes three iterative phases: stakeholder interviews, focus groups, and a final community open house. This report provides analysis of feedback from all interviews and focus groups to inform HAP recommendations and strategies. Teens, in particular teens of color, are typically underrepresented and undervalued in traditional planning processes. In order to elevate the voices of our teen focus group, we've highlighted their feedback in a dedicated section of this report.

In March 2021, the third phase of outreach, a community open house, will invite the public to consider and react to draft housing recommendations and strategies.

Qualitative Research Methodology

Qualitative data and community stories provide insight and a greater understanding of community perceptions and experiences with housing and what types of housing choices community members seek now and in the future. One-on-one and small group interviews allow stakeholder participation on their own terms and with a sense of empowerment and inclusion. Qualitative research is also beneficial because it:

- Supports quantitative data meaningfully and purposefully, allowing for more detailed understanding of complex issues.
- Values lived experiences and expresses data in people's own words, with the capacity to uncover multiple perspectives or unconventional thinking.
- Informs and enhances decision-making and adds immeasurably to our understanding of human, institutional, and systems behavior.

However, the quantitative research process generates a tremendous amount of information that must be thoughtfully analyzed, edited, and presented. It is also important to remember that a qualitative research process will never reach all stakeholders, and while participants are considered "representative," they are speaking from their own lived experiences. A final note: analysis is through the lens of the interviewer, and even with an emphasis on neutrality interpretation can carry elements of our own biases.

Outreach Approach

The community engagement process began with a collaborative effort to identify specific outreach goals. These goals are detailed as follows:

- 1. Conduct community engagement based on clear and reasonable expectations for stakeholder participation.
 - This includes timely and advance notice and paying for participation (if possible given funding guidelines).
- 2. Tailor stakeholder outreach to help inform housing strategies that are anti-displacement and focused on transit-oriented development.
- 3. Authentically engage a broad range of people that reflect the cultural and demographic diversity of Tukwila and translating that qualitative data into actionable housing strategies.
- 4. Maintain flexibility and focus given the challenges of the COVID-19 pandemic.
- 5. Use community engagement to inform elected officials and decision makers.
- 6. Demonstrate the significance of public participation and how community engagement influences housing policy solutions.

Building on the outreach goals, we established a process designed to maximize inclusion of voices that are historically underrepresented in traditional planning processes and representative of Tukwila's cultural and demographic diversity. This process included:

<u>Stakeholder Interviews</u>: We conducted 13 interviews with 15 people across a broad range of community stakeholders representing City staff, non-profits, social service providers, faith-based organizations, apartment owners, and community residents.

<u>Focused Group Conversations</u>: We held four focused conversations of two or more people, representing faith-based community leaders, youth, and shelter/service providers. Ten people participated in focused conversations.

Interview + Focused Conversation Results

The cumulative content of each interview was analyzed to identify key themes and insights that should be proactively considered when developing housing policy recommendations. Most stakeholders are not housing policy experts, and while some feedback may provide direct recommendations for housing strategies, the real value of their perspective is what we glean from their lived experiences and use to develop housing policies to directly address their concerns. Some examples of questions we asked participants are:

- How would you describe the perception of housing availability and the quality of housing stock in Tukwila ?
- What are the unfilled housing needs in Tukwila?
- Thinking about the area around the light rail station, do you feel that this should be an area of focus for housing Tukwila? Why or why not?
- Do you feel that Tukwila is inviting for new businesses to locate along TIB? What are some things that could improve Tukwila's support of businesses along TIB?
- Ten years from now, what <u>should</u> housing look like in Tukwila?
- How can the City of Tukwila think more creatively about providing housing for all?

After reviewing all stakeholder input, we identified the following key themes, summarized below. Each theme is further supported by quotes, insight, and recommendations from stakeholders in their own words and detailed in Appendix B.

Key Themes

- The richness of Tukwila is its diversity of people and businesses, and that should be celebrated and built upon. It's a special place to live, and residents, especially teens, strongly identify with
- being from Tukwila. People want to stay but are already facing displacement due to housing costs.
- Stakeholders perceive that Tukwila's greatest housing need is for family-sized (3+bedroom), affordable housing for 50% AMI and under.
- City staff should be on the forefront of communicating to the public about housing needs, and have explanations for the differences between multifamily housing, affordable housing, and low-income housing.
- Tukwila has several land use and infrastructure code requirements that are outdated, reflecting the City's suburban past rather than the urban center it is today. This impacts all development potential, but particularly affordable housing.
- The business area around Tukwila International Boulevard (TIB) is suffering from COVID impacts and while vulnerable before, is particularly fragile now. Businesses need support from the City in advance of more changes coming to the TIB.

"Many business owners in this area very intertwined with this area – they live/work here, or close by, and are very connected to their community. They are worried about displacement but aren't supported enough to understand their options." - Tukwila business owner

- There are still unsettled feelings from the lack of outreach and engagement and subsequent displacement of businesses related to the Justice Center development. However, people understand the need for housing along the TIB and want to be engaged in the planning process and to participate in shaping the look and feel of the area.
- Tukwila should provide a diverse range of housing options for people in all stages life; from new families to single renters, seniors, and intergenerational families, everybody has healthy and safe options for a home in Tukwila.
- People recognize change is coming, and City staff should immediately begin engaging with the diverse ethnic and cultural communities along the TIB. Engagement should be meaningful and authentic, involve community leaders, and be conducted by people who reflect Tukwila's diverse communities and that can communicate with people in their primary (non-English) languages.
- In addition to needing more housing (and diverse types), there should more opportunities for home ownership in the form of townhomes and condos. The City should sponsor financial/home-buying educational opportunities so people invest in a home and start to build intergenerational wealth.
- Many seniors want to live in Tukwila, and some feel the city treats them well. However, many
 others can't afford to live here, and state that even the SHAG development is too expensive.
- There are slightly different perspectives between residents and developers about the need for parking in the TIB area. While both perspectives agree that there is now, and will continue to be, a need for parking for new residential units, residents feel a much greater need for more parking while developers feel requirements are too onerous.
- City staff, including police and fire, are perceived as open and approachable.

Unique Statements

In addition to themes that were consistently repeated, we captured stakeholder comments that offered new, or important insights:

- Developers should be required to include culturally relevant voices at the table, and the City should hold them accountable, and spearhead partnerships between community members and developers.
- Respect the voices and time commitment of community members and compensate them for the time they take to participate in planning and engagement processes.
- Low-income homeowners, in particular seniors, need more assistance to maintain their property. This allows them to take care of their property, age in place, and in some instances earn additional rental income. They also don't lose money due to declining property value when they sell their home.

"Recognize that generational shift in need and focus on the need. Lots of retirees are looking for other economic opportunities: sell part of your land, build an ADU. If people want to stay and not leave, give them a chance to do something new." -Tukwila resident

 City staff has an important role to play in humanizing the need for housing, and it should involve all departments working together to educate the public about the overall need for more housing (and affordable housing), in Tukwila.

- Create an enforcement option for landlords that continue to cause problems and disregard tenant wellbeing or consistently have problematic properties. Develop an incentive program for landlords with properties that routinely pass inspection, for instance inspecting less often or receiving a smaller percentage of inspections.
- Allow senior housing residents to live with a younger companion. The East African community does not allow seniors to live alone, but senior housing complexes don't recognize this need and have policies that prohibit younger family members from living with their senior family member.
- Find innovative ideas to support small businesses so they aren't displaced. Offer them right of first return after development and find a transitional business location/building to support them during development. Meet with businesses now to help them plan and survive.
- Create a structured, or tiered, permitting process that prioritizes and expedites permitting for affordable housing projects. Also apply that privilege to any business who risks displacement due to development.

Prioritizing Input from the Next Generation

Although we plan with their future in mind, children and teens are typically left out of planning processes. Research suggests that civic engagement in adolescence is positively associated with subsequent income, education, mental health, and health behaviors.¹ Given the synergies between

civic engagement and a community's housing opportunities and challenges, we hosted a focus group to hear directly from the young people of Tukwila.

This online conversation was held with three eleventh-grade students (and one adult proctor) to learn about their housing experiences. One was a current Tukwila resident, and two recently moved to another city after their family could no longer afford to stay in Tukwila. This dynamic group of teen leaders is experienced communicating about complex policy issues, and raised many thoughtful concerns about displacement and gentrification, transit-oriented development, and the intersection of housing and education.

Meeting with the teens allowed us to note that there is potential for schools and community organizations to partner with the fire department to address smoke alarm batteries which disrupt classrooms and present safety hazards. There are exciting examples of this kind of partnership.²

HOW WOULD YOU DESCRIBE? ...your home? messy small compact comfortable ...your neighborhood? poor communal safe familiar walkableTukwila? home community together strong opportunity learning

¹ Ballard PJ, Hoyt LT, Pachucki MC. Impacts of adolescent and young adult civic engagement on health and socioeconomic status in adulthood. Child Dev. 2018; 00(0):1-17.

² Stein P. Chirping smoke detectors at students' home were disrupting virtual classes. Now firefighters are helping to fix them. *The Washington Post*. 2020, September 21. Available at: <u>https://www.washingtonpost.com/local/education/chirping-smoke-detectors-at-students-home-were-disrupting-virtual-classes-now-firefighters-are-helping-to-fix-them/2020/09/21/eb3f37e4-f9f0-11ea-be57-doobb9bc632d_story.html</u>

These students (and likely others) would love the opportunity to speak directly with elected officials about their concerns and would welcome engaging in a future dialogue with city leaders.

"...just being a bit more comfortable. We've moved 9 times and were evicted once. We're moving to messy apartments over and over and we shouldn't have to worry about it. It shouldn't be that hard. I want to be relaxed and secure. Stable. "

"The residential area is hard to walk and bike."

"In my experience, almost no one who wants to live here can. Nobody living outside of Tukwila was living there by choice. [School] attendance is super hard when you have to bus so far – nearly an hour."

"This is my perfect community. If I could stay [in Tukwila] forever, I would. So having to move out of my number 1 spot to spend my days...kinda sucks. It's so approachable and communal and was so easy to develop natural relationships."

"We need to be able to get more places safely. I imagine just walking to my friends' houses after school, and it's such a dream."

"Nobody in my friend group lives there anymore. Very few people can actually live there, or at least somewhere they enjoy living. I know so many people who what to and can't and I'm one of those people."

"My ideal housing development – I'm imagining all the parking near the middle school. I would take that parking and build housing for students and families to live there so they don't have to worry about attendance."

 In response: "That would be such a dream – I would LIVE for that. Imagine going to your friend's house and meeting up before school."

"I would eliminate \$600,000 houses – they're so unnecessary. We do need diversity in price and a range of houses, but it's hard to see them go up right across from our school. But we rarely have enough money to do what we want in school, and taxes are one of the few ways we get money for schools. Bellevue and Kirkland schools do so well because they have housing taxes to do so. "

Development Standards + Housing: Developers' Perspectives

To a gain better understanding of the experience of building new housing in Tukwila, we hosted two focus groups with developers who had either completed housing developments or had projects currently under construction. Their feedback helped understand the current and historical development process through their professional experience. Below is a summary of their feedback which is more technical in nature and provides insight into opportunities and challenges associated with Tukwila's development standards, city permitting processes, and the limitations of project financing.

"We could have put on another floor of housing units but couldn't make it make sense to provide the parking required."

-Non-profit Housing Developer

- Parking standards are incredibly outdated. The city is willing to negotiate reductions, but it's still too high. Parking will get built because there's demand, but the requirements are too high.
- Outdated infrastructure drives up the cost of development. The city has stricter fire codes than the state and development had to upgrade in order to meet the requirements, which is costly.
- A lot of the sites along TIB will have issues meeting the turning radius of fire department trucks, which will need a huge amount of space. The shape of the lots makes this difficult.
- The requirement for dedicated walking paths also reduces development capacity and doesn't really add much value to the site.
- The city's requirement for restrictive covenants is redundant with what's already required.
- Construction projects that intersect between private development projects and city projects needs to be aligned and coordinated.
- Understand the need for larger units (average size), and units with more bedrooms. Seniors in particular want larger spaces and we will rarely build studio senior apartments. It diminishes the livability for seniors.
- Understand the need for more family sized units, but financing those projects is more difficult than 1 bedroom. And 1 bedrooms are more valuable that 2/3-bedrooms.
- Affordable housing that's been built is long-term with King County covenants in place. These
 projects are still very valuable and marketable even with the affordability requirements. They
 are strong long-term values that should be kept in the hands of affordable housing and not
 shared with the overall real estate investment community.

Outreach Challenges + Opportunities

Conducting community outreach with the challenges of COVID-19 is difficult. All outreach was held via video or phone calls, with people who had access to technology. Scheduling was relatively easy, and groups for focused conversations never exceeded more than four people. While somewhat small, the size of the group allowed for more in-depth conversation and shared ideas.

Next Steps

Community input from this phase of the outreach process will be used to shape the direction of the HAP's strategies and recommendations. Draft strategies and recommendations will be reviewed by staff and City Council, and a community open house will be held in January or February 2021 for further refinement and feedback.

Appendix A. Participants

Stakeholder Interviews

Abidirasak Ahmed, Abu Bakr Islamic Center Lina Ali-Stenson, Tukwila Health Point Arash Aminpour, Edgewood Apartments (owner) Mohammad Aminpour, Edgewood Apartments (owner) Jan Bolerjack, Riverton Park United Methodist Church Margaret Bratcher, resident Pam Carter, TIBAC Eileen English, SHAG resident Andrea Gamboa, Foster High School Stacy Hansen, City of Tukwila Hodo Hussein, City of Tukwila Jonathan Joseph, resident Nichelle Paige, Church by the Side of the Road, Foster High School Chris Smith, Church by the Side of the Road

Focused Conversations

Kasey Liedtke, Bellwether Housing Richard Loo, Bellwether Housing Kara Martin, Food Innovation Network (Spice Bridge) AJ McClure (Global to Local) Bryan Park, SHAG Nate Robinson, Teens for Tukwila Jonathan Smith, Bellwether Housing Three anonymous Foster High School students

Appendix B. Stakeholder Feedback Organized by Theme

Below is a summary of feedback received, organized thematically. Where noted, the statement is a verbatim quote from a stakeholder.

TIB Development

- TOD is a huge opportunity, and we should maximize it. "We might already be behind the ball in terms of the station area."
- The TIB needs a vision a real VISION not just a mix of different housing types and businesses. It need a community driving vision.
- Make sure there's a business mix, and especially keep in mind senior housing. They need
 places to go, and places to sit and commune.
- Could bring more traffic.
- High density is ok if there are opportunities for condos/home ownership.
- It's a great place to live for people who don't need a car. Because of that there should be a lot
 of space for small, diverse businesses to try and keep the existing business dynamic.
- "The TIB area must include affordable, lovely business spaces, too. They should be safe, accessible, and affordable for the business model that is small, family-run, and communitysupported."
- There's not a lot of land to build on, but we can go high. Increase the zoning so more people can live here. The look and feel will be fine.
- TIB has the best opportunity for housing development in the community. Multi-unit model with corner stores/shops along the Blvd. Get a great mixed dynamic.
- "We really focus on suspending some of the zoning requirements and think about big-picture goals. Really go into negotiations w/developers and not use this archaic zoning: parking requirements too much and green space requirements too much. Maybe charge impact fees – every year your profit goes to parks and rec or community services."

City Government/staff

- "Tukwila is pretty open the City Council is approachable and make time for you. City departments make time for you. Police and fire have been really approachable."
- The city is conscious of their citizens and want a safe and harmonious place to live.
- "The Community Development Department staff, they don't live in Tukwila, but they decide what Tukwila needs. They don't think about the demand for parking."
- COVID has dismantled a lot of cultural norms and traditions, and changed what people said couldn't be done Tukwila could be a leader in showing other communities how housing can be done. Engage with community leaders to break down existing norms and narratives for new and innovative ideas.
- "We have good working relationships with the city, but there are a lot of wounds from the justice center. The boulevard was always about businesses and allowed them to flourish. Now they are gone."
- "A different way of thinking would be the city knowing they don't have to be the decision makers you can be the convener to build a collaborative process to find the solution. Help guide the process forward with community investment."
- "We live and die by sticking to schedules and we need the City to know that and stick to it."

Immigrants/Refugees Housing Needs

- "Immigrant families need 3+ bedrooms and you're driving people out of Tukwila by not building the housing they need."
- Many in the immigrant business community feel as though they're being erased and as they
 move out it's changing the look and feel of the TIB. It's been East African and LatinX driven,
 with some Bosnian and Cambodia communities as well.
- Many would love to purchase a home, but don't have a sense of what the process looks like. They need financial coaching, and a way to get out of the cycle of renting and start to build intergenerational wealth. Develop programs to transition from renter to homeowner because a lot of people just don't think it's possible.
- "For a long time Tukwila residents complained about everyone new was too transient. We came and we stayed, and we didn't get the reward. We lost our community when the Justice Center went in."

Communities of Color

- Do the research on how some policies created and the historical disparities and know what's happening now. What made Tukwila, Tukwila?? Understand this is what communities of color are fighting against – this historical oppression.
- "City tactics haven't adjusted, and they haven't made the moves be truly inclusive. And with the Justice Center it was really siloed conversations that happened only with targeted audiences."
- The city could sponsor a tour where people could learn about different ethnic businesses and what makes Tukwila unique. Give people an opportunity to learn from each other and more about the city."
- As Seattle gentrifies Tukwila is just one step behind and the impacts are starting to be felt.
 Housing costs are up, and people are leaving.

Seniors

- For a lot of Tukwila seniors, even SHAG isn't considered affordable.
- A lot of seniors want to live in Tukwila the city treats their seniors well. But many can't afford it here.
- Help low-income seniors maintain their homes (provide more grants or assistance) to keep their housing stock in good condition so they don't have to leave or lose money when they have to sell.
- There's a catch-22 for a lot of senior housing. SSI income is too much to qualify for many places, but it's not enough to live on.

Outreach + Engagement

- "Each community has a way then like to engage with the city from their background. What's the best way to connect with them? Ask them!"
- "Engage people in solutions don't just come and tell them things."
- "Have the complete circle have initial meetings, make a decision, and then come back and tell them how the decision was made".

- There should be a lot of investment in community members participating in decisions.
- "Good working relationships would be more community meetings. All of us know we need housing; we can't deny that. More one-on-one meetings with the community are necessary."
- "Our high school speaks 45 different languages if we're proud of that we have to do the outreach."

TIB Businesses

- With COVID, they need a lot of support right now.
- "People from the outside perceive these businesses aren't kept up enough, so they should be gone. The buildings don't look great to white people. They don't understand it's about their livelihood".
- There needs to be more awareness/education about the diverse businesses.
- Feels like there's a lack of engagement with business owners who are mostly minorities, and more engagement needs to happen, and done by people who represent these communities.
- Business owners want to participate and be a part of what the city is proposing the change that is coming.
- Look at the different ways people shop don't need an abundance of products, bazaars are awesome.

Missing Housing

- Supported housing for homeless with mental health services
- Workforce housing
- Studios/"apodments" for workers.
- Units that are 3+ and affordable.
- In terms of missing housing types, it's all over the board: independent living, small affordable spaces, disabled need housing – they have limited incomes, but aren't seniors. We also need apartments that are 3+ bedrooms."
- Look at examples (Georgia) where malls added housing options.
- More townhome models. Starter home model/growing and creating intergenerational wealth.

Perceptions of Housing

- There's some fear of multifamily zoning because of concerns about decreased property values, lack of parking, and too many cars. But the city can lead on educating about perception versus reality.
- There's a bias against renters even in single family units.
- The city should provide opportunities for affordable housing developers to educate the public about their projects, like leading tours for residents to show them what affordable housing looks like.
- People confuse affordable housing and Section 8 housing all the time.

Housing Stock

- Most housing was built in the 6o's and doesn't fit today's families. They need more space.
- There are a lot of buildings that need maintenance.

- ADUs seem to be trending but can't rent out both units. But over the last two years there's been an uptick.
- There are a lot of substandard buildings and that will pay off in the long run as they will eventually be redeveloped.

More Community Needs

- Housing should also address food access issues.
- If you can't get rid of single-family zoning, at least reduce the minimum lot size requirements.
- "Living here is a thing. It's an attachment. Kids really care about living here and being from here and it's devastating for their social life and perception of self when they have to move."
- Tukwila is unique there's just one of everything. One Catholic church, one mosque, one cemetery, one high school. People strongly identify with living in Tukwila.

10 years from now:

- "People should be able to live and work in Tukwila, with more mixed housing in neighborhoods that include cute starter homes, and mother-in-law apartments. Just smaller houses in general."
- "People are able to come to Tukwila and find housing that changes with you as you change in your life. Housing has to be safe and health can't be old and dilapidated. To live in safe, maintained housing is a right. Anybody in our community can find a safe, healthy place to afford to live and can start to build community. They invest in community and we invest in them by having housing for them."
- "Tukwila will be a place where diversity is welcome and embraced both cultures and people. I already know me; I want to see and meet people from other cultures and places."
- Housing for different people at different stages of life.

Attachment E

City of Tukwila: Housing Action Plan Community Forum

Meeting Notes

May 12th, 2021, 4:30-6:00 pm – Zoom

Facilitators:

- Andrea Petzel, Broadview Planning
- Clair Leighton, Broadview Planning
- Tyler Bump, ECONW
- Andres Arjona, ECONW
- Nora Gierloff, City of Tukwila

- Meredith Sampson, City of Tukwila
- Niesha Fort-Brooks, City of Tukwila
- Nancy Eklund, City of Tukwila
- Heidi Watters, City of Tukwila
- Jaimie Reavis, City of Tukwila

Overview:

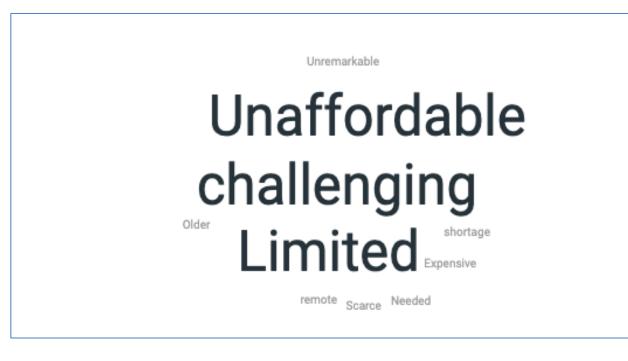
On May 12th the City of Burien hosted an online community meeting to discuss the recommendations of the draft Housing Action Plan. Twenty-six people participated (excluding city facilitators + consultants). The meeting included an interactive poll to gauge who was participating and their understanding of housing issues.

After a presentation of findings and initial recommendations in the draft Housing Action Plan, meeting participants were split into 3 breakout rooms to have a discussion and provide feedback on the recommendations. Staff and consultants facilitated the breakout rooms and took notes. Below is a summary of the major themes and stakeholder suggestions as captured by the facilitators, followed by each facilitator's notes and quotes in the Complete Notes section.

1. What is your primary connection to Tukwila? (18 responses)

Homeowner 17 %	
Renter 0 %	
Business owner 0 %	
Work in Tukwila	44 %
Service provider	
Student 6 %	
Developer 6 %	
Other 17 %	

1



2. What is one word you would use to describe housing in Tukwila? (13 responses)

3. What does affordable housing mean to you? (18 responses)



In addition, participants submitted the following questions and comments via chat or in the breakout sessions. These will also be taken as feedback in the process of updating the HAP.

• That cost burdening is more impactful to Black + Latino families is an important point for us to acknowledge. Tyler can you say that one more time please?

- Is it possible to further explain which income groups are in greatest need of new housing? I was not clear on that part.
- Examples of innovative thinking: Evanston, IL where they are providing money to black families to purchase homes (part of a "reparations" strategy.
- Why was King County AMI used instead of Tukwila's AMI? Some additional context of why a more local value cannot be used and how equitable that AMI process was, would be helpful.
 - The King County AMI is the standard method used at the federal and state level for affordable housing subsidies, such as federal tax credits. The county-level AMI is used as a starting place to compare the community with the region.
- Who will be prioritized to live in the affordable housing units when they are built in Tukwila? Will they be prioritized for people who are housing insecure in Tukwila or will people from elsewhere be able to fill them? If other cities aren't doing much to build affordable housing, they will be in high demand. How does Tukwila's response fit within a county-wide response?
- How do we ensure that people who are already living in Tukwila don't get displaced by people moving from more expensive places? Does the Puget Sound Regional Council consider movement of people across areas in determining population growth and projected housing need in individual communities?

Does the data presented on housing need and affordability match your perception of Tukwila's housing?

• Not surprised at most of the information presented, but some surprise that there is a higher percentage of lower-income families in Tukwila than other South King County cities and surprise at the significant cost-burdening that people of color experience.

If you could reimagine what your community could look like with more housing, what would that be?

- More affordable mixed-use multi-family housing.
- A community where fewer people are cost-burdened.

Are there any recommendations that we should know to keep existing businesses on Tukwila International Boulevard?

- Acknowledgement that this would be challenging.
- Interest in increased density in the area, while maintaining businesses on the ground floor.

What types of incentives are you comfortable with the City offering to encourage new housing?

- Increased density / taller buildings.
- Address parking requirements.
- Remember community and quality of life are important

Complete Notes

Does the data presented on housing need and affordability match your perception of Tukwila's housing?

- I was a little surprised that we had a higher percentage of lower income folks in Tukwila than other cities. As I think about it that may be because Tukwila is so much smaller, physically, than others, and we don't have the wealthier enclaves that some cities do, such as Burien, which has more expensive homes along the water.
- When was the data collected? 8 months old is pretty good. A lot of the models have been presented before. Areas of Tukwila are different Cascade View is not majority white. Tukwila Hill was predominantly white, now becoming more diverse.
- The data was not surprising from an affordability perspective. Shocked at the cost burden information and the racial disparities for black, Hispanic, and Asian populations. The white population may be a larger home owning population. How do we build/provide opportunities for black and brown people? Tukwila has covenants that prevented black and brown people from owning property. This is an opportunity to try to repair that. In my neighborhood, a lot of the black and Hispanic people have moved out, more Asians and whites are moving in.
- Not surprised at the data. King County released rental data and it showed that we have low housing stock everywhere, housing is going to continue to be a big issue for awhile.
- Between 2013-2020, housing costs have gone up 126 percent, rents up 30+ percent. There is an expected big jump in rental rates. The situation could become more dire.

If you could reimagine what your community could look like with more housing, what would that be?

- More affordable housing units for families, so that people can stay in Tukwila in homes that fit their families.
- Multifamily units for community members with larger families.
- A community where fewer people are cost burdened.
- Mixed-income developments where there are middle- and lower-income families living together in the same area. This is important so that one area does not become labeled as the low-income housing area where no one wants to live.
- Having newer, well-maintained multifamily buildings with various income levels.

Are there any recommendations that we should know to keep existing businesses on Tukwila International Boulevard (TIB)?

- Build developments with businesses in the first floor. Increase density with businesses on the first floor.
- The challenge is that businesses may be located there because rents are low. There is also a lack of certain local services along TIB (such as hairdressers).
- It will be challenging to keep local businesses as development happens.

What types of incentives are you comfortable with the City offering to encourage new housing? (examples: higher buildings, less parking, less open space).

- Higher buildings and density.
- Higher buildings and density with rooftop gardens.

- Addressing parking requirements (surface stall = \$35K, structured=\$65K). We want to provide the amount of parking that meets the demands of our tenants. The 2 stalls per unit parking requirement applied to their project would require another floor of parking. Were already stretched to the build the project as-is. Need to find a middle ground.
- From my point of view, I want to look at the quality of life for the people who are going to live there. Children play in the parking lot because there's not enough green space. It's a huge financial puzzle to solve to be able to build an affordable housing project. Is it possible to monetize the parking spaces that are in excess, for example as a park and ride in proximity to light rail? Then, after 5-10 years, the spaces revert back to the property owner. Interested in creative solutions, that may require changes at higher than the local level.
- Focus on the goal of building community. Look at every lever.

DRAFT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ADOPTING THE TRANSIT-ORIENTED DEVELOPMENT HOUSING STRATEGIES PLAN.

WHEREAS, a priority of City Council is to respond to regional growth and better meet the needs of the community; and

WHEREAS, the City Council authorized the acceptance of grant funds from the Washington Department of Commerce and approved the scope of work to create a South King County Housing Framework and a Transit-Oriented Development Housing Strategies Plan on December 2, 2020; and

WHEREAS, the South King County Housing Framework indicated that South King County is projected to need 63,090 new housing units by 2040, and Tukwila is projected to need 4,224 new housing units by 2040; and

WHEREAS, between 2012 and 2016, 84% of renters and 60% of homeowners earning less than 50% of the area median income in Tukwila were cost burdened by housing; and

WHEREAS, the Housing Needs Assessment created by ECONorthwest indicated that the need for affordable housing is especially critical for people earning less than 50% of the area median income; and

WHEREAS, the transit-oriented development area around the Tukwila International Boulevard Link Light Rail Station has been planned and zoned to accommodate higher densities and some of the City's future housing needs; and

WHEREAS, targeted growth in the transit-oriented development area around the Tukwila International Boulevard Link Light Rail Station is consistent with the City's Comprehensive Plan, King County Countywide planning policies, and Puget Sound Regional Council's Vision 2040 goals and policies; and

WHEREAS, staff and the City's consultant, ECONorthwest, conducted public outreach through stakeholder interviews, focus groups, the project website, and a virtual open house; and

WHEREAS, an environmental review was conducted on the Transit-Oriented Development Housing Strategies Plan and a Determination of Non-Significance was issued on XXXX; and

WHEREAS, the Planning Commission held a properly noticed public hearing on June 24, 2021, to review the Transit-Oriented Development Housing Strategies Plan; and

WHEREAS, the Planning Commission has forwarded their recommended draft of the Transit-Oriented Development Housing Strategies Plan to the City Council;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

The City Council approves adoption of the document entitled "Transit Oriented Development Housing Strategies Plan" dated June 2021 and hereby incorporated by reference as Attachment A.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2021.

ATTEST/AUTHENTICATED:

Christy O'Flaherty, MMC, City Clerk Kate Kruller, Council President

APPROVED AS TO FORM BY:

Filed with the City Clerk:_____ Passed by the City Council:_____ Resolution Number:

Office of the City Attorney

Attachment A: Transit-Oriented Development Housing Strategies Plan dated June 2021



Department of Community Development July 19, 2021

Transit Oriented Development Housing Strategies Plan

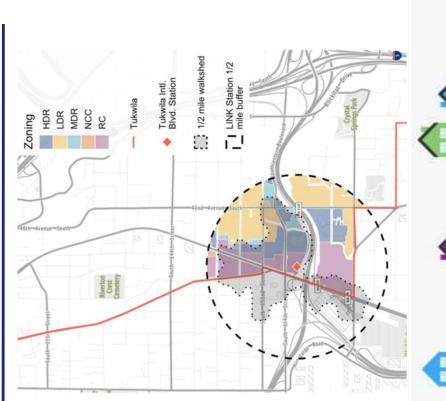
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• Background	 The rest provided grams to increase residential building capacity in Washington communities. Staff applied and Tukwila was awarded \$100,000 to create a Housing Action Plan. The plan can be broken down into 2 distinct sections: 	1. A collaborative effort with Auburn, Burien, Federal Way, Kent, Renton, and Tukwila to create a Sub-Regional Housing Framework.	2. A Tukwila-specific Transit Oriented Development (TOD) Housing Action Plan which builds upon the results from the sub-regional framework.		Department of Community Development Transit Oriented Development Housing Action Plan
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Housing Strategies Plan Focus

TIB Station Area: ½ mile walkshed around the TIB Link Light Rail Station

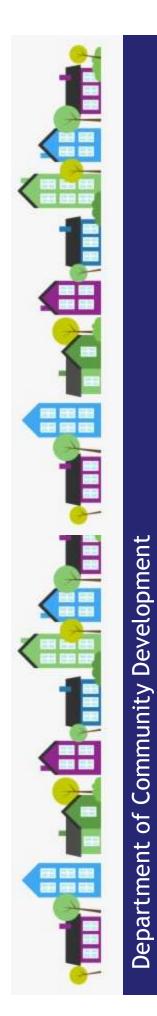


Transit Oriented Development Housing Action Plan Department of Community Development



Public Outreach

- Creation of a Public Engagement Plan
 - 13 stakeholder interviews
- 4 stakeholder focus groups
- Virtual community open house (May 12th)
- housingactionplan@tukwilawa.gov
- www.tukwilawa.gov/housingaction



Transit Oriented Development Housing Action Plan



Public Outreach

Themes:

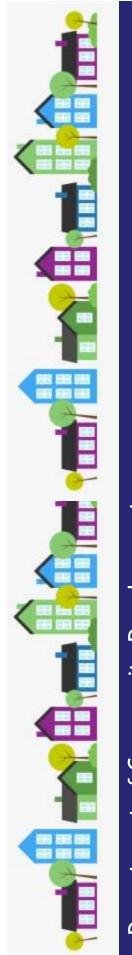
- Cost-burdening by race
 - Multi-bedroom units
- Parking requirements
- Open space requirements
 - Faith-based institutions
- Housing as a regional issue
 - Displacement



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Draft Recommendations

- 18 draft recommendations to meet 3 objectives:
 - Higher density development
- Anti-displacement and community stabilization
- Station area planning and infrastructure
- Recommended actions are all applicable to TIB Station Area with a few that extend city-wide



 Consider modifying unit mix standards in the zoning code to target and regulate minimum thresholds of two-bedroom units, as opposed to limiting the share of studio units, to support more family-sized multifamily units in the TIB Station Area. 	 The City could consider a requirement that at least 25% of new units in a project in the TIB Station Area are 2- or 3-bedrooms instead of regulating unit mix by a limitation on studio units in the current code. 	Planning Commission Recommendation: Keep as written.	Department of Community Development Transit Oriented Development Housing Action Plan
	 Consider modifying unit mix standards in the zoning code to target and regulate minimum thresholds of two-bedroom units, as opposed to limiting the share of studio units, to support more family-sized multifamily units in the TIB Station Area. 	 Consider modifying unit mix standards in the zoning code to target and regulate minimum thresholds of two-bedroom units, as opposed to limiting the share of studio units, to support more family-sized multifamily units in the TIB Station Area. The City could consider a requirement that at least 25% of new units in a project in the TIB Station Area are 2- or 3-bedrooms instead of regulating unit mix by a limitation on studio units in the current code. 	 Consider modifying unit mix standards in the zoning code to target and regulate minimum thresholds of two-bedroom units, as opposed to limiting the share of studio units, to support more family-sized multifamily units in the TIB Station Area. The City could consider a requirement that at least 25% of new units in a project in the TIB Station Area are 2- or 3-bedrooms instead of regulating unit mix by a limitation on studio units in the current code.

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Encourage Higher Density Development **Draft Recommendations**

A2) Reduce Parking Ratios to 1.0 Stall Per Unit in HDR and NCC Zones for Studio and 1-Bedroom Units and 2.0 Stalls for 2+ Bedroom Units.

– Next Steps:

Reducing the parking requirements in mixed-use developments in the NCC zone The City should consider reducing parking requirements to 1.0 stall per unit for development feasible, and increase the amount of housing available in the TIB studio and one-bedroom units all zones and unit types in the TIB Station Area. or URO district will help support the development of larger units, make more area.

Planning Commission Recommendation: Adjust as shown above.

Draft Recommendations Encourage Higher Density Development	A3) Modify Parking Standards for 4-over-1 Development	 Next Steps: The City should eliminate the structured parking requirement as an option in the Urban Renewal Overlay so that 4-over-1 podium prototypes can be developed in the TIB Corridor. This change would encourage higher density development and mixed-use development with commercial space and make development of new housing in the TIB much more feasible. 	 The City should consider regulating 4-over-1 development in the zoning code without that additional <u>structured parking requirements</u> restrictions that come along with accessing additional density through the Urban Renewal Overlay. 	Planning Commission Recommendation: Adjust as shown above.	Department of Community Development Transit Oriented Development Housing Action Plan
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Draft Recommendations Encourage Higher Density Development A4) Adjust Recreational Space Requirements	Next Steps: The City should consider revising the approach to regulating recreational space requirements to regulate by lot area, rather than per residential unit. The City could consider requiring that 10% of the lot area be dedicated to recreational space.	The City could also create minimum and maximum recreational space requirements to ensure that households in developments have access to a minimum amount of recreational space but also to ensure the requirements do not disproportionately impact higher density development in the station area through a maximum.	The City could also consider developing a fee-in-lieu structure to satisfy open space requirements. This fee-in-lieu structure would require a future study and analysis to calibrate the fee rate to not be cost prohibitive to development. The fee rate should be calibrated along with any modification to on-site open space requirements.	Planning Commission Recommendation: Keep as written.	Department of Community Development Transit Oriented Development Housing Action Plan
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Draft Recommendations Encourage Higher Density Development	A5) Reduce Step Back Requirements	Next Steps The City should consider removing or modifying step back requirements for development sites adjacent to LDR zones. If the City chooses to include some form of step back requirements, it should consider requiring the step backs beginning on the fourth or fifth floor to reduce the negative impact to development feasibility while also mitigating the impact of	higher density podium development on adjacent LDR zones. Planning Commission Recommendation: Strike recommendation from plan.	Department of Community Development Transit Oriented Development Housing Action Plan
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Braft Recommendations Encourage Higher Density Development	A6) Promote Site Assembly for Smaller Parcels	Next Steps: The City could explore opportunities to support and negotiate land sales between different property owners and a developer.	The City could work with a real estate broker to track data on properties that are available for sale in the TIB Station Area to help inform land assembly strategies. The City could then use this information to work with developers and help facilitate land transactions that support assembly.	Planning Commission Recommendation: Keep as written.	Department of Community Development Transit Oriented Development Housing Action Plan
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Draft Recommendations

Anti-Displacement and Community Stabilization

B1) Consider a 12-year Multi-Family Tax Exemption (MFTE) Program

– Next Steps:

- The City should consider developing and adopting a 12-year MFTE program that requires the provision of affordable units for the duration of the tax exemption.
- The City could consider at least 20% set-aside requirement for units to be available at 80% or below AMI for the MFTE program.
- The City should pursue further analysis and look to policies of neighboring cities to determine the appropriate targets for the income requirement and affordable units, before passing an ordinance to authorize 12-year MFTE in the TIB Station Area. The City will want to ensure that set-aside targets and affordable levels are comparable to other cities within the South King County market to make enrollment in the MFTE program attractive to developers.
- through an MFTE program on the City's budget and service and infrastructure delivery. The City should conduct a financial analysis of the impacts of potential tax exemptions

Planning Commission Recommendation: Adjust as shown above.

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Draft Recommendations Anti-Displacement and Community Stabilization	 Develop Affordable Housing Next Steps: The City should offer an expedited or simplified development review processes, so that community and faith-based institutions. 	The City could establish an ombudsman to act as a development point of contact for non- experts or create a development guide that outlines the necessary steps and actions for non- experts to walk through. The City of Portland recently created a two-part development guide specifically for faith-based institutions who want to turn their underutilized property into mission-serving affordable housing.	The City should offer reduced permitting costs, including fee waivers to lessen the need for development expertise and financial resources necessary to fund predevelopment.	Planning Commission Recommendation: Strike recommendation from plan.	Department of Community Development Transit Oriented Development Housing Action Plan
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Draft Recommendations Anti-Displacement and Community Stabilization B5) Monitor and Track Regulated Affordable Housing	Next Steps The City should ensure that it has strong, ongoing relationships with, and proper contact information for, all the mission-driven developers and affordable housing property owner- operators in the City.	The City should work with these housing providers to ensure data sharing is possible. It could consider setting up a reporting agreement with these organizations where they provide affordability restriction information and expiration deadlines. Along with strong partnerships with these agencies, tracking this information would allow the City to create a database that monitors upcoming expirations so it can prepare in advance of affordability expirations.	The City should ensure it is familiar with the various funding sources that are available to support recapitalization and rehabilitation of its existing multifamily housing stock, including the Low-Income Housing Tax Credit, HUD Funding (such as CDBG or HOME funds), funding opportunities through the Washington State Housing Finance Commission, and funding programs through the Washington State Department of Commerce.	Planning Commission Recommendation: Strike recommendation from plan.	Department of Community Development Transit Oriented Development Housing Action Plan
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Draft Recommendation Anti-Displacement and Community Stabilization Anti-Displacement and Community Stabilization B) Monitor and Track Unregulated Affordable Housing B) Monitor and tracking unregulated affordable housing. C) The City should continue to support SKHHP in developing a sub-regional approach to monitoring and tracking unregulated affordable housing. D: The City could consider dedicating staff resources to create a database of information to track potential low-cost market rentals and track information overtime. Danning Commission Recommendation: Strike recommendation from plan. Department of Commission Recommendation: Strike recommendation from plan.

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ti-Displacement and Community Stabilization

B7) Offer Tools and Strategies for Housing Preservation

– Next Steps:

- critical. Advanced notice to sell can be helpful in a fast-moving market when cash buyers and investors The City should explore a policy or ordinance that requires landlords to provide advanced notice when andlords and work with them when they are looking to sell. Strong relationships – not only with these they intend to sell a property containing units that rent below a certain income level. If the City has a andlords but also with nonprofit affordable housing developers who can be ready to act – will be robust database that allows it to monitor and track redevelopment risk, it can be ready to contact are present. The City of Auburn's "Notice of Intent to Sell" is a great example of such a policy.
- Department of Community Development should collaborate with the Human Services Department to If funding sources and restrictions allow, the City should consider expanding the Human Services gauge this program's effectiveness and see if there are opportunities to tweak, expand, or pilot Department's Minor Home Repair Grant program to qualified multifamily property owners. The changes in the TIB Station area. I

Planning Commission Recommendation: Strike recommendation from plan.

Draft Recommendations	B8) Evaluate a Preservation Funding Program in Exchange for Affordabili	Next Steps:
Anti-Displacement and Community Stabilization	Restrictions	The City could operate with regional offerdeble boucies portages contracted
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hange for Affordability

- agreements to explore the efficacy and funding sources of a preservation and rehabilitation I he City could engage with regional affordable housing partners through contractual incentive program for existing housing. T
- The City could continue partnerships in South King County and work with other cities and community-based organizations to establish a regional rehabilitation fund through the SKHHP. I
- The City should could-partner with mission-oriented acquisition funds like the <u>REDI Fund</u> or <u>Sound Transit's Transit-Oriented Development Revolving Loan Fund</u>. These funds stand ready to deploy capital aimed at acquiring and rehabilitating low-cost market rentals and create new, affordable units. I

Planning Commission Recommendation: Adjust as shown above.

Draft Recommendations Anti-Displacement and Community Stabilization	B9) Develop TIB Community Economic Development Strategies	Next Steps: The City should include developing TIB community economic development strategies as part of the upcoming Citywide Economic Development Strategy. The City should explore grant opportunities to fund the implementation of community economic development strategies that will be developed as part of the forthcoming Citywide Economic Development Strategy.	Planning Commission Recommendation: Keep as written.	Department of Community Development Transit Oriented Development Housing Action Plan
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Draft Recommendations

Station Area Planning & Infrastructure

C1) Create a Development Framework and Planned Street Network for Parcels South of SR 518

- Next Steps:
- The City should define staff and financial resources as part of the Department of Community Development's work planning over the next two fiscal years to create a development framework and street plan for the future development area South of SR 518.
- The City could consider allocating local fiscal recovery funds from the American Rescue Plan development framework and street plan in place would make Tukwila more competitive for additional federal resources that might come from a future infrastructure funding bill that could help support funding of pedestrian bridge that better connects transit stations with to fund and support the creation of a development framework and street plan. Having a current and future development opportunities.

Planning Commission Recommendation: Strike recommendation from plan.

Draft Recommendations Station Area Planning & Infrastructure C2) Create a TIB Station Area Parking Strategy	 Next Steps: The City should explore a district parking strategy as part of a development framework for the area south of SR 518. The City should explore allowances in the zoning code to support shared parking between development projects as part of a development framework. 	Planning Commission Recommendation: Keep as written.		Department of Community Development Transit Oriented Development Housing Action Plan
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 Draft Recommendations Station Area Planning & Infrastructure Station Area Planning & Infrastructure Station Area to Parcels South of SR 518 Che City should continue to collaborate with the Washington State Department of Transportation (WSDOT) and Sound Transit to improve pedestrian connectivity between current and future transit stations to support transit-oriented development in the area south of SR 518. The City should collaborate with WSDOT and Sound Transit to explore opportunities for funding through infrastructure funding identified in the American Rescue Plan and a potential forthcoming infrastructure spending bill.



Recommendation

Forward this resolution to the Committee of the Whole meeting on July 26, 202.