

Housing

Existing Conditions Analysis

Tacoma Mall Neighborhood Subarea Plan

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OVERVIEW

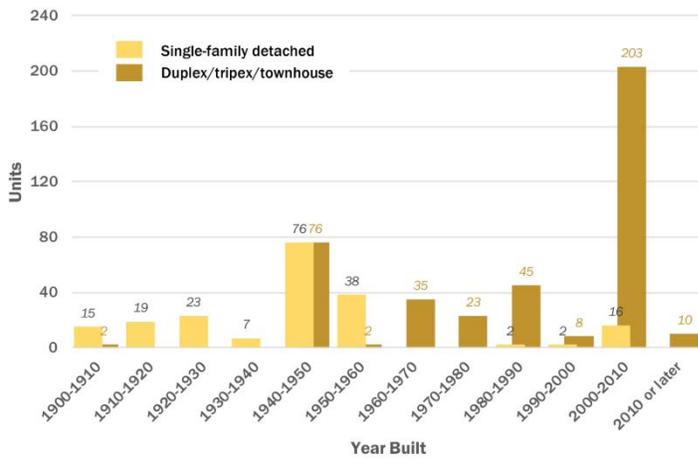
This section provides background information on existing housing conditions within the study area. It includes a discussion of housing stock, housing costs and affordable housing. Nearly all housing in the study area is within the Tacoma Mall Regional Growth Center (RGC). There are an estimated 20 housing units in the study area outside of the RGC (Fehr & Peers, 2016). For this reason, housing trends for the study area and the RGC are essentially the same.

HOUSING STOCK

There are roughly 1,900 housing units in the study area, representing about two percent of the entire City of Tacoma’s housing stock (PSRC, 2014). Analysis conducted by Community Attributes in 2016 using Pierce County Assessor 2015 data shows that the type of housing built in the study area has changed over time. From the early- to mid-1900s, single family detached was the primary type of housing built. In the mid-1900s single family attached housing such as duplexes, triplexes and townhomes began to be built, as well as multifamily housing (FIGURE H-1 and FIGURE H-2). There was a construction boom between 2000 and 2010. During this time the number of housing units nearly doubled (PSRC, 2014) and new construction focused on multifamily and single family attached housing such as townhomes, duplexes and triplexes (Community Attributes, 2016). Current permitting trends indicate continued growth in multifamily housing; City permit records show that between 2010 and 2015 twelve permits were issued for multifamily apartment developments on nine parcels within the study area in the southwest and southeast quadrants.

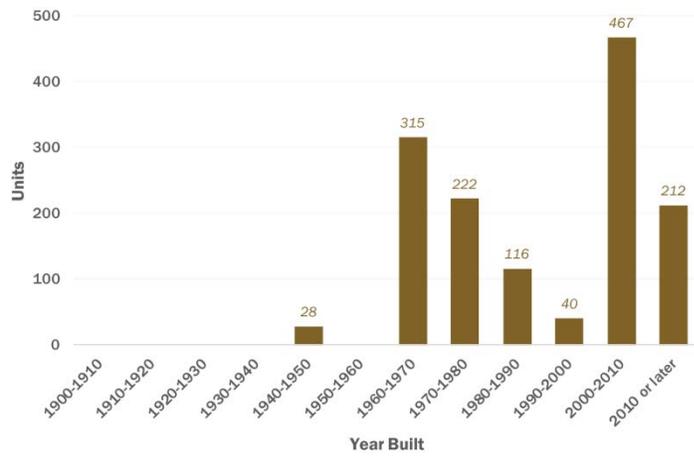
Today over three quarters of housing units in the study area are multifamily (Table H-1). Single family detached housing makes up only eight percent of total housing units in the study area, and is concentrated in the West Mall neighborhood in the southwest quadrant and the Lincoln Heights neighborhood in the northeast quadrant.

Figure H-1. Single-Family Housing by Year built



Source: Community Attributes, 2016

Figure H-2. Multifamily Housing Units by Year Built



Source: Community Attributes, 2016

Table H-1. Housing Units by Types

Type	Percent of Housing Units
Multifamily	76
Low-Rise Apartments (3 stories or less)	44
Apartments (4 stories or more)	26
Multifamily 4-8 Units (2 stories or less)	6
Single Family	24
Duplex/Triplex	13
Single Family Detached	8
Townhome	3

Source: Community Attributes, 2016



Apex Apartments, Southeast Quadrant



Pacifica Apartments, Southeast Quadrant



Townhomes, Southwest Quadrant



Fourplex, Southwest Quadrant



Lincoln Heights, Northeast Quadrant



Single Family Detached, Southwest Quadrant

HOUSING COSTS

Housing costs in the study area are low compared to the City and Pierce County, with 84 percent of housing units in the study area costing below \$1,500 per month, compared to 66 percent in the City and 60 percent in the County (Community Attributes, 2016).

Most of the people living in the study area are renters (PSRC, 2014). As shown in Table H-2, the majority of renters pay under \$1,000 per month in combined average rent and utility payments. About a third of renters pay \$1,000-\$1,500 per month. Very few, only 2 percent, pay over \$1,500 (PSRC, 2014). Average rent prices may increase in the future as a result of new luxury apartment developments such as the Pacifica.

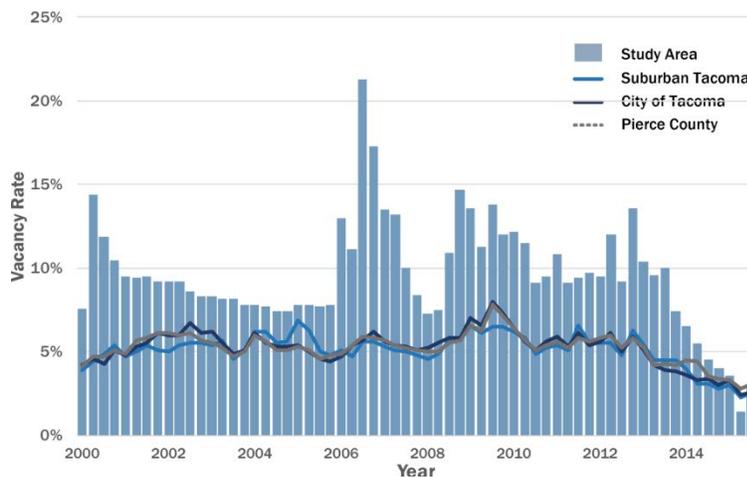
Table H-2. Gross Rental Costs

	< \$500	\$500- \$999	\$1,000- \$1,500	\$1,500- \$2,000	\$2,000+	No Cash Rent
Percent of Renters	1	61	30	2	0	6

Source: PSRC Regional Centers Monitoring Report, February 2014

Multifamily units in the study area are primarily rentals. Multifamily housing vacancy rates in the study area were high during the 2000s but recently there has been a significant drop, suggesting that the rental market may be getting tight and result in price increases (Figure H-3).

Figure H-3. Multifamily Housing Unit Rents by Number of Bedrooms, Study area and City



Source: Community Attributes, 2016

Homeownership rates in the study area are low. Seventeen percent of households in the study area own their own unit, compared to 52 percent in the City and 62 percent in Pierce County (Community Attributes, 2016). The cost of owning a home in the study area is relatively affordable for the region. Over ninety percent of owner-occupied units are valued at less than \$300,000, and 44 percent are valued at less than \$200,000 (Table H-3).

Table H-3. Value of Owner-Occupied Units

	< \$200,000	\$200,000- \$300,000	\$300,000- \$400,000	\$400,000- \$500,000	\$500,000+
Percent of Owners	44	47	6	2	0

Source: PSRC Regional Centers Monitoring Report, February 2014

AFFORDABLE HOUSING

The need for housing that is affordable to all community members is an issue facing Tacoma, the Central Puget Sound region and many other metropolitan areas across the United States. Twenty three percent of households in the study area are below the poverty level (PSRC, 2014) and there is a high demand for housing available to people who have low and very low incomes.

The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual gross income on housing, including utilities. Over this, a household is considered to be cost burdened. As shown in Table H-4, forty six percent of the households in the study area spend more than 30 percent of their income on housing. Of this 46 percent, over half spend more than 50 percent of their income on housing, which the U.S. Census Bureau identifies as a “severe housing cost burden” (PSRC, 2014). This suggests the need for more affordable housing in the study area, despite the fact that housing costs in the study area are already low in comparison to the City and Pierce County. There may also be a need to increase career development and family support services in the study area.

Table H-4. Income Spent on Housing Costs

	30% or Less	30-50%	Greater than 50%	Not Computed
Percent of Households	48	19	27	5

Source: PSRC Regional Centers Monitoring Report, February 2014

3 Square Blocks estimated annual and monthly affordable housing costs for low and very low income Tacoma households (Table H-5). These estimates are based on the assumption that low income households earn 80 percent or less of the median income for Pierce County, and that very low income households earn 50 percent or less. This is consistent with income definitions used for federal housing assistance programs (HUD, 2015). The estimates also assume that housing costs of 30 percent or less of household income are affordable. Comparing these estimates with the rental costs for the study area show in Table H-2, a significant portion of the rental market is affordable to low income households. Access to affordable housing for very low income households appears more limited.

Table H-5. Estimated Affordable Housing Costs for Low and Very Low Income Tacoma Households

	Annual Cost	Monthly Cost
Low Income Households Earning 80% or less of Pierce County median income ¹	\$14,210	\$1,180
Very Low Income Households Earning 50% or less of Pierce County median income ¹	\$8,880	\$740

Source: 3 Square Blocks, August 2015

Note 1: Pierce County's median household income is roughly \$59,200, based on US Census Bureau American Community Survey 2013 5-Year Estimates

Policy Guidance

City and regional policies include guidance for providing access to affordable housing in the study area. Policy H-4.2 in Tacoma's 2040 Comprehensive Plan calls for ensuring that at least 25 percent of the

City's housing targets are affordable to households earning 80 percent or less of area medium income. This is consistent with the Pierce County Countywide Policies and Vision 2040. Given the population growth targets for both the study area and the RGC, in order to meet this policy guidance roughly 1,000 of the new housing units constructed between now and 2040 would need to be affordable to households earning 80 percent or less of area medium income.

Affordable & Special Needs Housing Developments

3 Square Blocks identified housing developments within the study area that currently provide affordable housing, using data from PSRC's Subsidized Housing Database and by contacting housing development managers. Two buildings were identified that offer affordable housing for seniors and people with disabilities: The Vintage at Tacoma and Cascade Park Gardens. Both buildings are located in the southwest quadrant – Cascade Park Gardens is just outside the border of the RGC. The Vintage at Tacoma is at 4023 South Lawrence and has 230 units for seniors over 55 years old. Cascade Park Gardens is at 4347 South Union Ave and has 114 units. In addition to providing affordable housing units for seniors, Cascade Park Gardens also offers memory care and assisted living services for people with disabilities.



The Vintage at Tacoma



Cascade Park Gardens

SOURCES

Cascade Park Gardens, Personal communication with staff, December 2015

City of Tacoma, 2040 Comprehensive Plan, August 2015

City of Tacoma, Permit data provided by staff, August 2015

Community Attributes Inc. (CAI), Existing conditions analysis for the Tacoma Mall Neighborhood Subarea Plan, January 2016

Fehr & Peers, Transportation Analysis Zone data from transportation model for Tacoma, January 2016

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United States Department of Housing and Urban Development (HUD), HUD's Public Housing Assistance Program, Accessed online August 2015,
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Vintage at Tacoma, Personal communication with staff, August 2015