

Section III

Determination of Environmental Nonsignificance and Environmental Checklist





City of Tacoma
**Preliminary Determination of
Environmental Nonsignificance**

**2019 Annual Amendment
to the Comprehensive Plan and Land Use Regulatory Code
("2019 Amendment")**

SEPA File Number: LU19-0068

TO: All Departments and Agencies with Jurisdiction

SUBJECT: Preliminary Determination of Environmental Nonsignificance

In accordance with WAC 197-11-340, a copy of the Preliminary Determination of Environmental Nonsignificance for the project described below is transmitted:

Applicant: City of Tacoma
Planning and Development Services Department
747 Market Street, Room 345
Tacoma, WA 98402

Proposal:
2019 Annual Amendment to the *One Tacoma* Comprehensive Plan and the Land Use Regulatory Code (or "2019 Amendment"), which includes the following six subjects:

- (1) Future Land Use Map Implementation
- (2) Shoreline Master Program Periodic Review
- (3) Affordable Housing Action Strategy Incorporation into Comprehensive Plan
- (4) Historic Preservation Code Amendments
- (5) Manitou Potential Annexation
- (6) Minor Plan and Code Amendments

The complete text of the proposed amendments and the associated staff analysis reports are available for review at the Planning and Development Services Department at the below address and posted on the website at www.cityoftacoma.org/2019Amendments.

Location: City of Tacoma

Lead Agency: City of Tacoma


City Contact: Lihuang Wung
Planning and Development Services Department
747 Market Street, Room 345
Tacoma, WA 98402
(253) 591-5682 or lwung@cityoftacoma.org


The lead agency for this proposal has made a preliminary determination that this project does not have a probable significant adverse impact on the environment. An environmental impact statement (EIS) is not required under RCW 43.21C.030 (2) (c). This decision was made after review of an environmental checklist and other information on file with the lead agency. This information is available to the public

upon request. This Preliminary Determination of Nonsignificance (DNS) is issued under WAC 197-11-340(2). **Comments must be submitted by 5:00 p.m. on May 17, 2019.** The Responsible Official will reconsider the DNS based on timely comments and may retain, modify, or, if significant adverse impacts are likely, withdraw the DNS. **Unless modified by the City, this determination will become final on May 24, 2019.** There is no administrative appeal for this determination. Appeals must be filed in conjunction with appeals of the adopted amendments to the Growth Management Hearings Board; appeals shall be taken in accordance with procedures and limitations set forth in RCW 43.21C.075 and WAC 242-02. In addition to Growth Management Hearings Board requirements, a copy of the appeal shall be filed with the Planning and Development Services Department, 747 Market Street, Room 345, Tacoma, Washington 98402.

The Puyallup Tribe is notified that this initiates the consultation process.

Responsible Official: Peter Huffman
Position/Title: Director, Planning and Development Services Department

Signature: 

SEPA Officer Signature: 

Issue Date: April 19, 2019
Comment Deadline: May 17, 2019, 5:00 p.m.

NOTE: The issuance of this Preliminary Determination of Nonsignificance does not constitute project approval. Future project applicants must comply with all other applicable requirements of the City of Tacoma and other agencies with jurisdiction prior to receiving development permits.

- c: Puyallup Tribe of Indians, Planning and Land Use Department, 3009 E. Portland Ave., Tacoma, WA 98404 (U.S. mail only)
Puyallup Tribe of Indians, David Duenas, Building Official, David.Duenas@PuyallupTribe.com
Puyallup Tribe of Indians, Brandon Reynon, Tribal Archeologist, Brandon.Reynon@PuyallupTribe.com
Puyallup Tribe of Indians, Jeffrey Thomas, TFW Program Director, Jeffrey.Thomas@puyalluptribe.com
Puyallup Tribe of Indians, Russ Ladley, Fisheries Program Director, Russ.Ladley@PuyallupTribe.com
Puyallup Tribe of Indians, Andrew Strobel, Planning and Land Use Director, Andrew.Strobel@PuyallupTribe.com
Puyallup Tribe of Indians, Jennifer Messenger, Land Use Planner, Jennifer.Messenger@PuyallupTribe.com
Puyallup Tribe of Indians, Robert Barandon, Land Use Planner, Robert.B.Barandon@PuyallupTribe.com
Puyallup Tribe of Indians, Carol Ann Hawks, Historic Preservation Director, CarolAnn.Hawks@PuyallupTribe.com
Puyallup Tribe of Indians, Charlene Matheson, Special Project Planner, Charlene.Matheson@Puyalluptribe.com
Puyallup Tribe of Indians, Char Naylor, Assistant Director Fisheries/Water Quality, Char.Naylor@puyalluptribe.com
Puyallup Tribe of Indians, Lisa A. Anderson, Environmental Attorney, Lisa.Anderson@PuyallupTribe.com
Tacoma Public School District 10, Robert Sawatzky, Planning & Construction Director, planning@tacoma.k12.wa.us
Tacoma Planning and Development Services Department, Shirley Schultz, Shirley.schultz@cityoftacoma.org
Tacoma Planning and Development Services Department, Reuben McKnight, reuben.mcknight@cityoftacoma.org
Tacoma Pierce County Health Department, SEPA Review Team, sepa@tpchd.org
Port of Tacoma, Jason Jordan, jjordan@portoftacoma.com
Metro Parks Tacoma, Matthew F. Keough, matthewke@tacomaparks.com
Metro Parks Tacoma, Joe Brady, joeb@tacomaparks.com
Pierce Transit, Bus Stop Program, Tina Vaslet, tvaset@piercetransit.org
Puget Sound Clean Air Agency, Steve Van Slyke, stevev@pscleanair.org
Department of Ecology, separegister@ecy.wa.gov
Department of Natural Resources, SEPA Center, sepacenter@dnr.wa.gov
Department of Transportation, Olympia Region Development Services Team, OR-SEPA-REVIEW@wsdot.wa.gov

File: Planning and Development Services

SEPA ENVIRONMENTAL CHECKLIST

SEPA File Number: LU19-0068

A. BACKGROUND

1. Name of proposed project, if applicable:

2019 Annual Amendment to the Comprehensive Plan and Land Use Regulatory Code ("2019 Amendment"), which includes the following six subjects:

- (1) Future Land Use Map Implementation
- (2) Shoreline Master Program Periodic Review
- (3) Affordable Housing Action Strategy Incorporation into Comprehensive Plan
- (4) Historic Preservation Code Amendments
- (5) Manitou Potential Annexation
- (6) Minor Plan and Code Amendments

2. Proponent/applicant:

City of Tacoma
Planning and Development Services Department
747 Market Street, Room 345
Tacoma, WA 98402-3701

3. Contact:

Lihuang Wung
Planning and Development Services Department
747 Market Street, Room 345
Tacoma, WA 98402-3701
Phone: (253) 591-5682
E-mail: lwung@cityoftacoma.org

4. Date checklist prepared:

April 19, 2019

5. Agency requesting checklist:

City of Tacoma, Planning and Development Services Department

6. Proposed timing or schedule (including phasing, if applicable):

Dates	Events
May–June 2018	Planning Commission assessment and development of proposed 2019 Amendment package, including a Public Scoping Hearing on June 6, 2018
July 2018 – March 2019	Planning Commission and staff conducting technical analysis and outreach (including five open houses on February 21, February 25, February 27, March 13, and March 18)
May 1 and 15, 2019	Planning Commission Public Hearings
June 2019	Planning Commission making recommendations to the City Council
July–August 2019	City Council Actions (i.e., committee reviews, Council study sessions, Council public hearing, and Council adoption)
July 2018	Changes take effect

7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain.

The *Comprehensive Plan* and implementing development regulations are amended on an annual basis consistent with the State Growth Management Act. The proposed changes to the text, maps and policies of the *Comprehensive Plan* will apply to future land use and development. Proposed changes to the Land Use Regulatory Code and the Official Zoning Map will provide the basis to evaluate and regulate future development proposals.

Concerning Subject #1, the proposed Future Land Use Implementation Project has been phased into two sequential but related projects. The first phase is primarily focused on lands designated for multi-family residential development. The second phase, which is expected to occur in the next several years, will be focused on evaluating potential commercial and industrial zoning amendments to assure consistency between the One Tacoma Plan Future Land Use Map and the implementing commercial and industrial zoning.

Concerning Subject #2 of the 2019 Amendment package, the periodic review of the City's Shoreline Master Program is required every eight years in accordance with RCW 90.58.080.

Concerning Subject #3, the proposed Housing Element updates reflect and integrate the City's Affordable Housing Action Strategy (AHAS) as an implementation element of the One Tacoma Comprehensive Plan. Implementation of the AHAS will involve actions in multiple categories taken in collaboration with multiple city departments, public agencies, the private sector and citizens.

Concerning Subject #5, the proposed land use designations and zoning classifications for the Manitou Potential Annexation Area, upon adoption by the City Council, would be applicable to the area if and when the area is annexed to the City. The City is currently working with Pierce County on the proposed annexation of the area through an Interlocal Annexation Agreement. The agreement is anticipated to be effective in late 2019 or early 2020.

8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal.

SEPA analyses have been prepared for amendments to the *Comprehensive Plan* and Land Use Regulatory Code on an annual basis since 1994. Listed below are those for the last three years, with the rest on file and available for review upon request:

- LU18-0068 Adoption of 2018 Annual Amendment to the Comprehensive Plan and Land Use Regulatory Code
- LU16-0076 Adoption of 2016 Annual Amendment to the Comprehensive Plan and Land Use Regulatory Code
- SEP2015-40000251556 Adoption of 2015 Annual Amendment to the Comprehensive Plan and Land Use Regulatory Code
- Attachment A: Housing Impact Analysis of the Proposed Future Land Use Map Implementation

9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain.

There are no known applications; however, future development applications would be subject to the approved amendments to the *Comprehensive Plan* and the Land Use Regulatory Code.

Concerning Subject #1, permit applications may be pending in areas proposed for area-wide rezone which would typically be vested to the regulations in place at the time that application was complete.

Concerning Subject #2, permit applications may be pending in the Shoreline Districts which would typically be vested to the regulations in place at the time that application was complete.

Concerning Subject #5, various permit applications may be pending for Pierce County's approval in the Manitou Potential Annexation Area. Upon the area's annexation, those applications would typically be vested to the County's regulations in place at the time the applications were completed, subject to appropriate stipulations that may be deliberated and established collaboratively by the County and the City,

10. List any government approvals or permits that will be needed for your proposal, if known.

The proposed amendments are subject to the following governmental approvals:

- State Environmental Policy Act (SEPA) review and threshold determination for non-project actions
- Adoption by Tacoma City Council
- Verification of GMA compliance by Washington State Department of Commerce
- The proposed SMP updates will also be subject to approval by the Washington State Department of Ecology approval (RCW 90.58.090)
- Plan Certification by Puget Sound Regional Council

Future development applications will be subject to the amended Plan, SMP, regulations, and zoning classifications and be approved through issuance of various permits and approvals as required.

11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site.

The 2019 Amendment includes six subjects, as described below. The complete text of the proposed amendments and the associated staff analysis reports are available for review on the website at www.cityoftacoma.org/2019Amendments.

Proposal (Subject)	Description (Scope of Work and Intent)
(1) Future Land Use Map Implementation	The Future Land Use Map in the One Tacoma Plan illustrates the City's intended future land use pattern through the geographic distribution of residential and commercial areas, the designation of mixed-use and manufacturing/industrial centers, as well as shoreline and single-family detached designations. The map is to be used in conjunction with the adopted policies of the One Tacoma Plan for any land use decision, including rezoning. This project seeks to apply appropriate area-wide rezones that implement the Future Land Use Map and One Tacoma Plan policies where the current zoning is inconsistent with the adopted Plan. This may result in amendments to the City's official zoning map throughout the City. This phase of the project is intended to primarily address areas planned for multi-family residential development.

Proposal (Subject)	Description (Scope of Work and Intent)
(2) Shoreline Master Program Periodic Review	<p>The Shoreline Management Act (SMA) requires a periodic review of comprehensively updated Master Programs (SMPs). The purpose of the statutorily-mandated periodic review is to assure that the City's SMP complies with the SMA and its implementing guidelines, WAC 173-26 to 173-27, and to assure consistency with the City's comprehensive plan and development regulations adopted under the Growth Management Act (GMA), RCW 36.70A. Local governments should consider whether to incorporate amendments to reflect changed circumstances, new information or improved data. The following actions are proposed:</p> <ul style="list-style-type: none"> • Updates to reflect the Dept. of Ecology Periodic Review Checklist • Update Geologically Hazardous Area standards • Integrate Biodiversity Areas/Corridors standards in shorelines • Updates to address sea level rise and Base Flood Elevation • Updates for second-story additions on Salmon Beach • General edits to clarify the intent and improve consistency
(3) Affordable Housing Action Strategy Incorporation into Comprehensive Plan	<p>The proposed Housing Element updates reflect and integrate the City's Affordable Housing Action Strategy (AHAS) as an implementation element of the One Tacoma Comprehensive Plan. The AHAS is a strategic response to a changing housing market, increasing displacement pressure, and a widespread need for high-quality, affordable housing opportunities for all. Implementation of the AHAS will involve collaborative actions by multiple city departments, public agencies, the private sector and citizens. The following changes are proposed to the Housing Element:</p> <ul style="list-style-type: none"> • Incorporate the AHAS as a housing implementation strategy • Add a summary of the AHAS • Update data pertinent to housing affordability • Add and update policies consistent with the AHAS
(4) Historic Preservation Code Amendments	<p>This proposal seeks to improve the effectiveness of the Historic Preservation Program through a series of code amendments, including: enhancement of demolition/cultural resources impact review within Tacoma Municipal Code (TMC) 13.12.570; enhancements to TMC 13.07, including clarification of the nomination and designation process for City landmarks and enhancements to project review, and the Historic Conditional Use Permit at TMC 13.06.640 F.</p>
(5) Manitou Potential Annexation	<p>This application would amend the <i>One Tacoma Plan</i> and the Zoning Map with proposed land use designations and zoning classifications to be applicable to the Manitou Potential Annexation Area located near Lakewood Dr. W. and 66th St. W. if and when the annexation becomes effective.</p>
(6) Minor Plan and Code Amendments	<p>This application would amend the <i>One Tacoma Plan</i> and the Tacoma Municipal Code intended to correct minor errors, address inconsistencies, and improve provisions that, through administration and application of the plan and the code, are found to be unclear or not fully meeting their intent.</p>

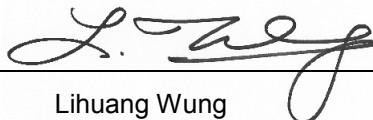
12. Location of the Proposal: (Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any. If a proposal would occur over a range of area, provide the range or boundaries of the site(s).)

Proposal (Subject)	Location of the Proposal (Area of Applicability)
(1) Future Land Use Map Implementation	Citywide. Maps of the specific sites are available at www.cityoftacoma.org/flum .
(2) Shoreline Master Program Periodic Review	The SMP periodic review is a non-project action that affects activities, uses, and developments within shoreline jurisdiction. Shoreline jurisdiction within the City of Tacoma generally includes all shorelines city-wide, both marine and freshwaters, and lands within 200 feet of the ordinary high water mark. This includes approximately 33.6 miles of marine shoreline, 2.7 miles of the Puyallup River, 0.5 mile of Hylebos Creek, and Wapato Lake.
(3) Affordable Housing Action Strategy Incorporation into Comprehensive Plan	Citywide where residential development is permitted.
(4) Historic Preservation Code Amendments	Citywide; however, amendments to the Cultural Resource Review requirements at TMC 13.12.570 apply specifically to Subareas with adopted Subarea plans (currently the Downtown Subarea and Tacoma Mall Subarea), and the Demolition Review provisions proposed have lower review thresholds in designated National Register Historic Districts and Mixed Use Centers.
(5) Manitou Potential Annexation	The 37-acre subject area is bounded by 64 th St. W., Lakewood Dr. W., 70 th St. W., and the County-City borderline to the east of 52 nd Ave. W.
(6) Minor Plan and Code Amendments	Citywide

C. SIGNATURE

The above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make its decision.

Signature: _____



Name of signee: _____

Lihuang Wung

Position and Agency/Organization: _____

Senior Planner, City of Tacoma

Date Submitted: _____

April 19, 2019

D. SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS

Because these questions are very general, it may be helpful to read them in conjunction with the list of the elements of the environment. When answering these questions, be aware of the extent the proposal or the types of activities likely to result from the proposal that would affect the item at a greater intensity or at a faster rate than if the proposal were not implemented. Respond briefly and in general terms.

1. How would the proposal be likely to increase discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise?

All subjects of the 2019 Amendment are non-project actions and as such would not directly impact water and air quality, release hazardous substances, or produce noise.

Concerning Subject #1, the Future Land Use Implementation Project would rezone approximately 500 acres of urbanized land area predominantly characterized by single family residential detached housing units to allow for an increase in residential building types and densities. This approach to urban infill, seeking to accommodate new housing in areas already urbanized with access to transit and walkable neighborhood amenities, is a smart growth best management practice for managing stormwater runoff and air pollution which will result in probable overall improvements to air quality and stormwater runoff.

According to the EPA's report "Using Smart Growth Techniques as Stormwater Best Management Practices," smart growth infill can reduce the amount of stormwater runoff generated by new development by accommodating new housing growth in already impacted areas rather than greenfield areas. As new housing units are accommodated vertically, a higher density of housing is provided within the same overall impervious footprint as a new single family unit in a greenfield site. As a result, the proposed area-wide rezones will achieve probable overall reduction in stormwater runoff and the City's Stormwater Management BMPs would ensure that minimum water quality standards are met for discharge to streams.

In terms of air quality impacts, the predominant form of emissions to air would be generated from new vehicular trips. While multifamily housing units typically result in an overall increase in total vehicular trips, the new units will likely result in a reduced rate of trips per unit, as single family development typically has a higher overall rate of daily trips as well as vehicles per unit than multifamily.

The rezones are predicated on the region continuing to grow at a significant pace. Accommodating this growth in locations that support walkability and transit access is likely to reduce the demand for single occupancy vehicles and overall vehicle miles traveled, particularly as compared to the alternative housing growth occurring in suburban or rural areas that lack transit access, bicycle and pedestrian infrastructure, and walkable neighborhood amenities. The long term impact of the proposed rezones would result in a probable reduction of overall air quality impacts.

Concerning Subject #2, the "SMP Periodic Review" proposal would not increase discharges to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise. The proposals make no substantial changes to the overall growth and development envisioned for Tacoma's shoreline districts. The package instead would have an overall positive environmental and public safety effect by strengthening critical areas protections for Fish and Wildlife Habitat Conservation Areas and geologically hazardous areas. These will indirectly benefit water and air quality by retaining tree canopy coverage and preventing or limiting runoff associated with land development.

Concerning Subject #5, the proposed scheme of land use designations and zoning classifications for the Manitou Potential Annexation Area represents a more conservative approach to the land

use planning than what is currently allowed by Pierce County regulations. The County currently regulates land and building in the area under the Mixed Use District (MUD) designation, which allows a broad variety of mid-density residential, commercial, and industrial land uses. The proposed scheme, however, would allow only residential development of single-family and low-density multifamily and commercial development generally at the neighborhood level. In general, the proposal would generate less environmental impacts than what the current regulations potentially can.

Proposed measures to avoid or reduce such increases are:

Future project-specific development proposals that may result in these impacts would be reviewed, and properly mitigated, at the permitting level consistent with the applicable provisions of the Tacoma Municipal Code and SEPA procedures.

Concerning Subject #1, as projects are permitted, current development standards would be implemented through building and site development permits that would likewise mitigate the impacts of new impervious surfaces. These include the City's landscaping and tree canopy standards, minimum parking reductions for projects located near transit facilities, yard space requirements and setback standards, as well as the implementation of updated stormwater standards in the City's Stormwater Management Manual. Furthermore, the proposed rezones are generally located in areas that are already urbanized and which are supported by transit and walkable urban amenities, reducing the footprint of new development and reducing dependence on single occupancy vehicles.

2. How would the proposal be likely to affect plants, animals, fish, or marine life?

All subjects of the 2019 Amendment are non-project actions and as such would not directly impact plants, animals, fish, or marine life.

Concerning Subject #1, the proposed area-wide rezones are concentrated in areas that are already developed with residential use or which are highly impacted, where impacts to plants, animals, fish and marine life would be avoided or minimized.

Concerning Subject #2, the "SMP Periodic Review" proposal would update standards for Fish and Wildlife Habitat Conservation Areas to ensure no net loss of critical areas functions and values for Biodiversity Areas/Corridors. The proposal would also establish parameters generally limiting impacts to the least sensitive portions of the Biodiversity Areas/Corridors, and no more than 35% vegetation disturbance maximum. The SMP was developed, in part, to meet the goal of "no net loss" of shoreline ecological functions. Degradation of the natural environment and shoreline ecological functions due to development will be avoided, minimized, or mitigated in accordance with the SMA. The proposal is expected to result in positive impacts to the protection of plants, animals, fish and marine life.

Proposed measures to protect or conserve plants, animals, fish, or marine life are:

Future project-specific development proposals that may result in impacts to plants, animals, fish or marine life would be reviewed, and properly mitigated, at the permitting level consistent with the applicable provisions of the Tacoma Municipal Code and SEPA procedures.

3. How would the proposal be likely to deplete energy or natural resources?

All subjects of the 2019 Amendment are non-project actions and as such would not directly impact energy or natural resources.

Proposed measures to protect or conserve energy and natural resources are:

Future project-specific development proposals that may result in these impacts would be reviewed, and properly mitigated, at the permitting level consistent with the applicable provisions of the Tacoma Municipal Code and SEPA procedures.

4. How would the proposal be likely to use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands?

All subjects of the 2019 Amendment are non-project actions and as such would not directly impact environmentally sensitive areas or areas designated for governmental protection.

Concerning Subject #1, the proposed area-wide rezones are concentrated in areas that are already developed with residential use or which are highly impacted, where impacts to endangered species, sensitive areas, or parks would be avoided or minimized. The age of the City's housing and location of the rezones makes it likely that the rezones may ultimately impact some historic or cultural sites.

Concerning Subject #2, the "SMP Periodic Review" proposal would have an overall positive environmental and public safety effect by strengthening critical areas protections for Fish and Wildlife Habitat Conservation Areas and geologically hazardous areas. The "SMP Periodic Review" proposal would focus on Critical Areas standards updates to better protect Biodiversity Corridors and Steep Slope areas. Integrating these changes to Tacoma's current standards will significantly improve the City's capacity to identify, assess and appropriately review development proposals located in proximity to potential hazards in shoreline districts.

In addition, the proposal would allow for additional flexibility to add second-story additions to existing, nonconforming overwater houses located at Salmon Beach. This location is the site of multiple overlapping critical areas and buffers, including geologically hazardous areas, floodplains/ways, and Fish and Wildlife Habitat Conservations Areas. The proposal has been crafted with the intent to allow minor flexibility to expand these homes, while requiring an improvement in public safety, and no net increase in impacts to the environment.

Concerning Subject #4, the proposed Historic Preservation Code Amendments are designed to increase the level of protection for both identified and unknown sites of cultural significance by enhancing the review process for developments over a certain scale or located within specific areas. The amendments to the Cultural Resources Review requirements (TMC 13.12.570) are designed to improve the clarity of process and outcomes in the code, and the citywide Demolition Review amendments will address an existing regulatory gap between existing SEPA review thresholds and the protections in place for designated historic landmarks.

Proposed measures to protect such resources or to avoid or reduce impacts are:

Future project-specific development proposals that may result in these impacts would be reviewed, and properly mitigated, at the permitting level consistent with the applicable provisions of the Tacoma Municipal Code and SEPA procedures.

Concerning Subject #1, in general the Future Land Use Map recognizes and preserves established historic districts and landmarks and retains 45% of the City's land area as existing single family residential areas, minimizing the potential long term loss of historic single family residential structures. Likewise, the City's growth strategy is to focus development in appropriate locations, without probable significant historic or cultural resources. Any unanticipated discovery would be addressed through SEPA at the permitting level. Over time, new historic districts or

landmarks may be established to manage the design and compatibility of residential development.

Concerning Subject #2, proposed additions to nonconforming overwater homes would also be subject to review by other agencies including Federal Emergency Management Agency (FEMA), Washington Department of Fish and Wildlife (WDFW), and others.

Concerning Subject #4, demolitions involving greater than 4,000 SF within a parcel, or that occur within Mixed Use Centers or National Register Historic Districts, would require review by the Historic Preservation Office.

5. How would the proposal be likely to affect land and shoreline use, including whether it would allow or encourage land or shoreline uses incompatible with existing plans?

All subjects of the 2019 Amendment are non-project actions and as such would not directly impact the compatibility of land or shoreline uses with the Comprehensive Plan.

Concerning Subject #1, the “Future Land Use Implementation” proposal involves area-wide rezones throughout the City, which are expected to induce more development and the potential conversion of existing single family residences to other housing types, including duplexes, triplexes, townhouses, and low to medium density multi-family buildings. The proposals are limited to areas currently designated for multi-family residential development within the One Tacoma Comprehensive Plan. As such, the proposed rezones are generally consistent with adopted policies and will rectify existing inconsistencies between the City’s One Tacoma Plan and the implementing zoning and development standards. Overall, the proposed area-wide rezones are likely to have a generally positive impact on the overall supply of housing, housing affordability, and equitable access to housing. Attachment A: Housing Impact Analysis, provides further information on the following:

1. Consistency with the One Tacoma Comprehensive Plan
2. Maintaining the General Character of Single Family Neighborhoods
3. Housing Capacity
4. Housing Production
5. Housing Affordability
6. Housing Equity and Access

The proposed zoning amendments will result in a probable increase in the potential buildable lands in the City of Tacoma, which should result in a slight increase in the pace and type of development. However, the rezones are unlikely to result in a pace of development or overall housing production that exceeds the City’s 2040 housing targets or planned development pace.

The zoning amendments are targeted to support low to mid-density housing developments, such as duplex, triplex, townhouses, and small multi-family projects that will increase the City’s housing affordability and will likely have a positive impact on naturally occurring affordable housing. These types of units are typically available at a lower price point than traditional detached single family unit or new high density units.

Concerning Subject #2, the “SMP Periodic Review” proposal does not significantly change or expand the growth vision or allowed development patterns within Tacoma’s shoreline districts. Rather, it updates existing standards to better reflect Best Available Science and current conditions. The proposals would address inconsistencies and code gaps in the City’s critical areas standards, specifically relating to the Biodiversity Areas/Corridors and implement best practices for regulating geologically hazardous areas. The proposal would also allow

development to occur as intended under the SMP by allowing height to be measured in a manner that takes increased Base Flood Elevation levels into account.

Concerning Subject #3, the Housing Element policy changes currently proposed would have no direct impacts at this time. Rather, they will lend support to housing actions the City may undertake in the coming years, each of which will need to be analyzed to determine the impacts in terms of organizational resources, potential change at the neighborhood scale, equity and other topics.

Concerning Subject #5, the proposed scheme of land use designations and zoning classifications for the Manitou Potential Annexation Area is similar to and compatible with the existing land uses in the surrounding South Tacoma Neighborhood area.

Proposed measures to avoid or reduce shoreline and land use impacts are:

Future project-specific development proposals that may result in these impacts would be reviewed, and properly mitigated, at the permitting level consistent with the applicable provisions of the Tacoma Municipal Code and SEPA procedures.

Development standards in place such as maximum lot coverage would limit the overall intensity of development and mitigate view impacts.

6. How would the proposal be likely to increase demands on transportation or public services and utilities?

All subjects of the 2019 Amendment are non-project actions and as such would not directly impact the transportation system or public services and utilities.

Concerning Subject #1, the proposed area-wide rezones are consistent with the City's existing policies and, specifically, the Future Land Use Map in the Comprehensive Plan. During the last periodic review of the Comprehensive Plan, the City updated housing and employment targets, buildable lands inventory, and travel modeling. This proposal is within the scope of work that was undertaken in 2015 to evaluate the traffic impacts of the City's proposed housing targets. The response to question #5 in this SEPA report provides more detailed information on the City's adopted housing targets and buildable lands inventory.

The Growth Management Act (GMA) requires that the City's Transportation Master Plan support the land uses envisioned in the Comprehensive Plan. Thus, an important component of the TMP's development was forecasting how growth in the City, as well as throughout the region, would influence demand on Tacoma's transportation network.

The travel demand modeling used in 2015 assumed a population increase of 127,000 new residents (based on an average 2.32 people per household, this roughly translates to 54,000 new housing units). Of this target, 9,300 units are planned for non-mixed-use centers. While the City's land use policies support concentrating dense new housing in centers, the Plan also supports some distribution of new housing throughout the City.

Based on the 2015 Travel Demand Analysis, in general, the City's network has sufficient capacity to absorb the forecast growth. The most significant travel delays on the City's network are a result of backups on the regional network, rather than local-level capacity constraints; however, only a small portion of the City's system is expected to exceed capacity and will do so only for a small part of the day. The forecast operations would meet existing standards for concurrency.

Current growth trends in the City suggest that the overall growth rate continues to lag the year over year growth rate necessary to achieve the City's housing targets. As such, the proposed rezones are expected to provide additional capacity for new housing supply, and to support an

increase in new housing production, without resulting in the City housing trend surpassing the 2040 planned housing targets.

While the City's adopted level of service standards are based on long-term growth expectations, concurrency is managed on a permit basis and through ongoing capital facility planning which enables the City to be more responsive to locations where growth is occurring and to adaptively manage service provision.

Concerning Subject #5, the proposed scheme of land use designations and zoning classifications for the Manitou Potential Annexation Area represents a more conservative approach to the land use planning than what is currently allowed by Pierce County regulations. The area's demands for transportation, fire protection, police services, and public services and utilities are not expected to increase as significantly as what potentially could under the current land use and zoning regulated by the County.

Proposed measures to reduce or respond to such demand(s) are:

Concerning Subject #1, based on the existing Comprehensive Plan Future Land Use Map and the City's share of the regional growth allocations, the City's transportation network, public services and utilities have the capacity to support and accommodate planned growth. Future project-specific development proposals that may result in these impacts would be reviewed, and properly mitigated, at the permitting level consistent with the applicable provisions of the Tacoma Municipal Code and SEPA procedures.

As part of the 2015 Comprehensive Plan update, the City shifted from a vehicular delay level-of-service standard to a performance standard based on system completeness. This plan-based system is a tool to manage the pace of development while providing transportation improvements for all users including bicyclists, pedestrians, drivers, and transit riders, which may also help alleviate projected shortcomings on the State system.

Lastly, the proposed rezones are planned in areas that are generally supported by transit and are conducive to walking or biking to neighborhood parks, schools, and commercial areas.

Concerning Subject #5, a preliminary fiscal impact analysis conducted by the City of Tacoma indicates that, upon the annexation of the Manitou area, the City would have the fiscal and operating capabilities to meet the area's demands for transportation, fire protection, police services, and public services and utilities.

7. Identify, if possible, whether the proposal may conflict with local, state, or federal laws or requirements for the protection of the environment.

In general, the proposal package of the 2019 Amendment as a whole seeks to protect the natural and built environment, so conflicts with local, state or federal laws for the protection of the environment are not anticipated. Furthermore, the proposal package is being reviewed for consistency with the Washington Growth Management Act, the Washington Shoreline Management Act, the Puget Sound Regional Council Vision 2040 and the Pierce County Countywide Planning Policies. If conflicts with local, state or federal laws for the protection of the environment are identified, they will be rectified prior to adoption.

Attachment

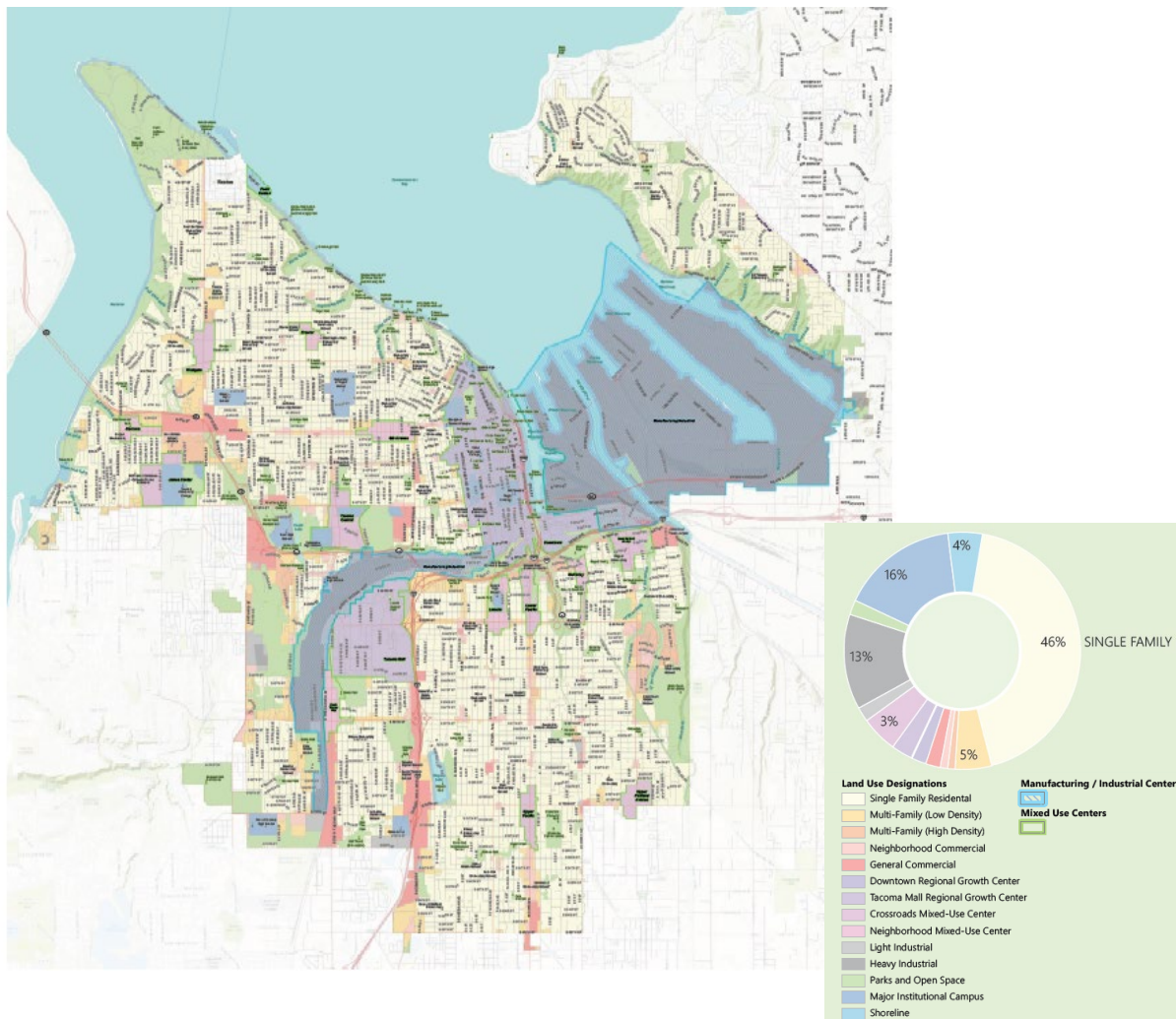
Attachment A: Housing Impact Analysis of the Proposed Future Land Use Map Implementation

SEPA File Number: LU19-0068
Attachment A:
Housing Impact Analysis of the Proposed Future Land Use Map Implementation

Issue 1: Maintaining Neighborhood Patterns

The One Tacoma Plan policies provide for a balance between creating opportunities for infill housing in all neighborhoods and maintaining the general neighborhood patterns that characterize many single-family areas. Current zoning and development capacity provide limited opportunities for infill housing types—particularly for low to moderate density housing types such as 2-family, 3-family and low density multi-family housing. The following map depicts the geographic distribution of land uses and the accompanying chart expresses the overall land uses planned for in the One Tacoma Plan. The Multi-family land use designations constitute 7% of the City's land area, while the long-term plan maintains 45% of the City's land area for single-family detached housing.

The proposed area-wide rezones would improve the alignment of the current zoning with the planned Multi-family land use designations as envisioned in the One Tacoma Plan. The multi-family designations are typically clustered along transit corridors, arterials, and adjacent to commercial nodes or corridors. Where feasible, the Multi-family designation boundaries are based on right-of-way and alleys to maintain appropriate transitions between higher and lower intensity uses. The proposed rezones would maintain the overall pattern and character of the City's neighborhoods while have localized impacts on land use.

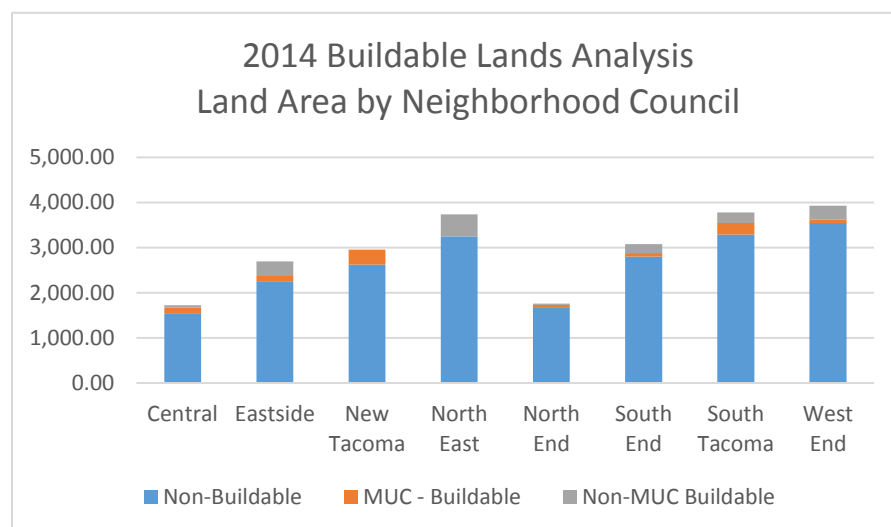


Housing Capacity

The proposed area-wide rezones would result in an increase in the City's buildable lands and overall housing capacity, and a probable increase in the pace of development. The 2014 Buildable Lands Report conducted by Pierce County details the City of Tacoma's housing capacity based on existing zoning. According to this report, the city's housing targets and existing capacity are distributed as follows (note: this report uses a 2030 horizon):

Planned Housing Units (2010-2030)	Housing Capacity (with Market Factor)	Geographic Area
33,879 (100%)	97,692	Citywide
20,327 (60%)	41,232	Downtown Tacoma Regional Growth Center
2,155 (6%)	16,120	Tacoma Mall Regional Growth Center
5,698 (17%)	28,750	Neighborhood and Crossroads Centers
5,698 (17%)	11,567 units	Non-Mixed-use Centers

The following graph visualizes the distribution of buildable lands by neighborhood council area and by Center/non-Center zoning categories. The City's buildable lands are concentrated in two areas: Lands located in higher intensity areas including Downtown and Centers, and single-family areas. In the case of the latter, development capacity is likely lower than that shown in the buildable lands analysis, particularly in Tacoma's North East and West End neighborhoods, due to limitations imposed by critical area regulations that have been updated since the 2014 Buildable Lands analysis was conducted.



The proposed rezones would add an additional 587 acres of multi-family zoned land. While this shift in zoning would increase buildable lands, the total acreage and housing capacity would be limited by the following factors:

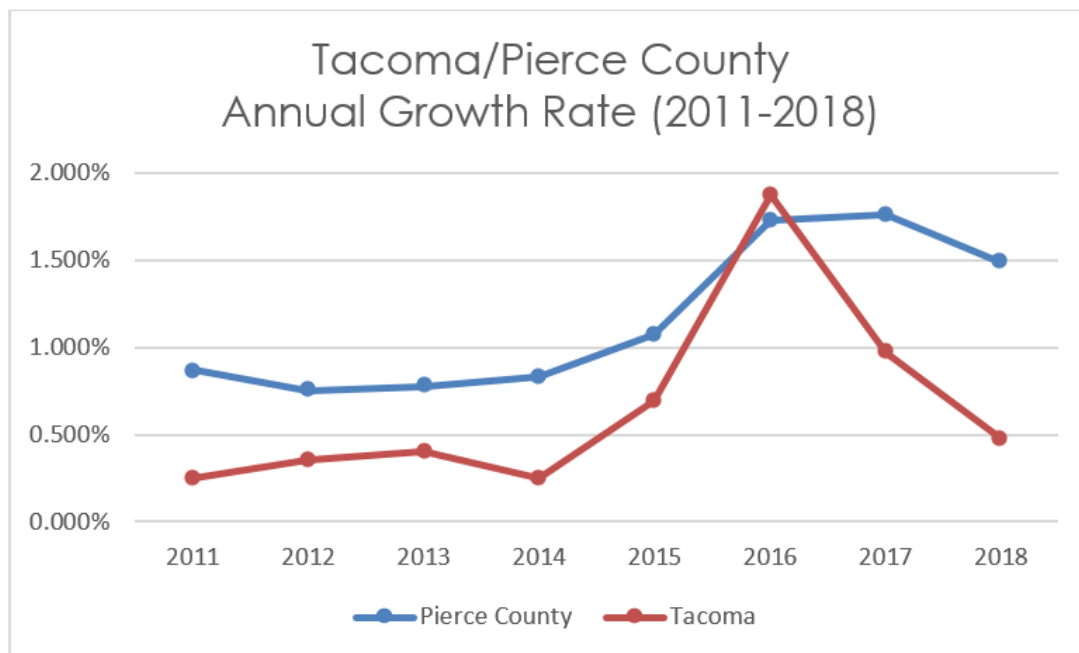
- Presence of critical areas;
- Presence of public facilities that are unlikely to be developed;
- The sites are typically developed as existing single family with standard lot sizes which increases that acquisition costs necessary to consolidate property for development, or conversely, encourages re-use of existing structures;
- Despite the added zoning flexibility, many property owners will choose to maintain the existing facility.

In addition, the total shift in zoning acreage does not distinguish between properties that are split zoned and those that are not, where the zoning change does not necessarily create new development opportunities, but reflects existing development.

Housing Production and Supply

The proposed area-wide rezones are likely to result in probable increase in housing production in the City of Tacoma, though the City's growth rate is not expected to exceed planned targets. According to the Puget Sound Regional Council Vision 2050 Housing Background Paper, housing construction slowed considerably during the recession and has yet to make up for the production loss from that time period. Figure 47 of that report further identifies that since 2010 housing demand has outpaced housing production across the region.

In Tacoma, new population estimates from the State Office of Financial Management show that population growth in Tacoma during this time period remained below .5% annually from 2011 until 2014. The City experienced an uptick in population growth starting in 2015, but this remains a fragile period of growth as the rate dropped back to .5% in 2018 after peaking at almost 2% in 2016. The number of projects currently in the permitting pipeline suggest that this growth rate is likely to increase again in 2019 but may continue to fluctuate annually.



Data from the Office of Financial Management also illustrates the City's annual housing production by unit type. Approximately 29% of units constructed since 2010 have been single-family units, whereas 65% of the City's housing production has been in multi-family of five or more units. Since 2010, 3-4 units buildings types account for only 2% of the new housing construction. Unfortunately, the data consolidates all multi-family of more than 5 units, obscuring the gradations of housing construction between low, mid, and high density construction.

Development by housing type:

Year	Single-family	Duplexes	Multifamily 3 or 4 units	Multifamily 5+ units	Mobile Homes	Total permitted Units
2010	110	48	52	336	0	546
2011	119	6	3	75	0	203
2012	161	64	0	530	0	755
2013	162	6	9	233	1	411
2014	216	4	0	31	0	251
2015	243	24	7	840	0	1,114
2016	204	14	6	293	1	518
2017	245	28	8	921	0	1,202
Total	1,460	194	85	3,259	2	5,000
<i>Percent of total</i>	29%	4%	2%	65%	0%	-
<i>Per year</i>	182.50	24.25	10.63	407.38	0.25	625.00
<i>Per year since 2015</i>	230.67	22.00	7.00	684.67	0.33	944.67

Source: Washington State Office of Financial Management, 2017

In general, despite the City's significant housing capacity in high-density zoning districts, the overall pace of growth remains low. However, demand for housing in the City of Tacoma remains high and, in conjunction with low housing availability, is a primary driver behind the increasing costs of housing.

Housing Affordability

Housing affordability is directly related to housing supply as well as building type. The proposed area-wide rezones would support both an increase in housing production as well as diverse housing types that are, generally, more affordable than single-family detached housing or new high density multi-family.

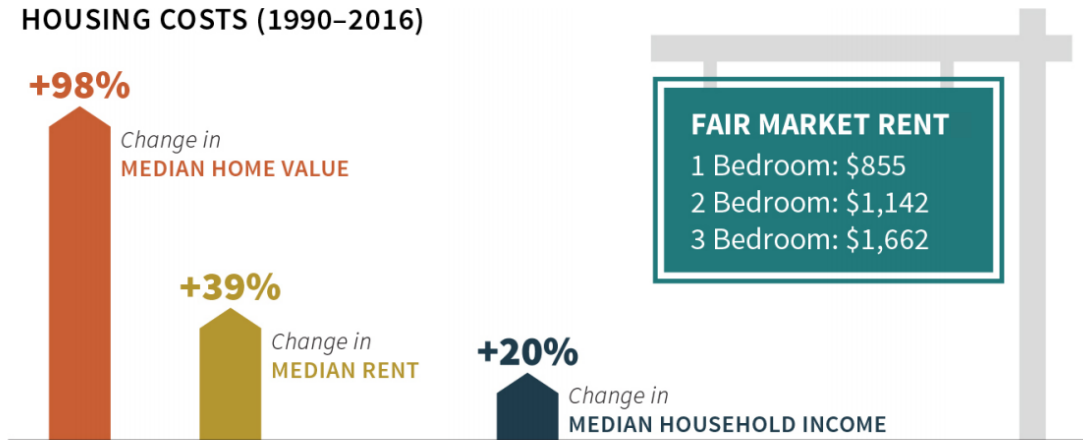
According to PSRC, factors affecting housing affordability in Puget Sound include:

- Demand outpacing new housing supply;
- The loss of housing production from the recession and slow recovery of annual housing production;
- Vacancy rates are at historic lows across the region;
- The inventory of residential properties for sale are at an historic low;
- The region has experienced sustained employment growth which has contributed to the surge in the demand for housing;
- The predominant housing type available in the region is single-family detached housing, which is also generally more expensive than other housing types;
- Apartment rents in Centers are, on average, higher than the regional average, with housing in Downtown Tacoma costing approximately 5% above the regional average.

The following graphic depicts these long term trends as they have impacted the City of Tacoma's housing market:

Long-term market trends

HOUSING COSTS (1990–2016)



SOURCE: 1990 & 2000 DECENNIAL CENSUS, 2005-2016 ACS PUMS 1-YEAR ESTIMATES.

Housing affordability, however, is also differentiated by unit type and regional market context. For example, the PSRC identifies naturally occurring affordable housing and an uneven distribution of naturally occurring affordable housing across the region. 63% of Pierce County's multi-family rental units are currently affordable at 0-80% AMI, which is a larger concentration of naturally affordable housing than any area in Central Puget Sound next to South King County. The Pierce County affordable monthly rent (80% of AMI) is estimated at \$1305.

Naturally Occurring Affordable Housing

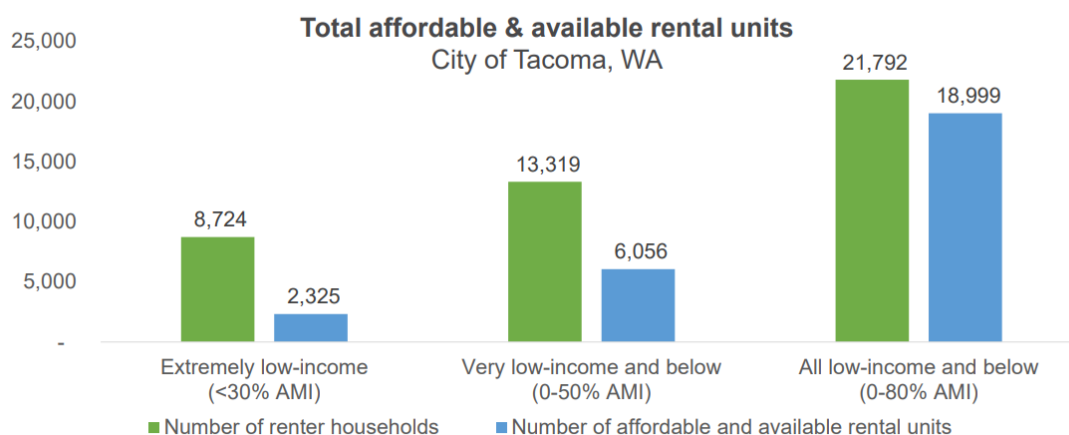
Region	% Affordable 0-80% AMI	Total Market Rate Multi-family Rental Units (2017)
Seattle-Shoreline	25%	75,262
Snohomish County	59%	33,787
East King County	9%	44,693
South King County	79%	49,316
Kitsap County	51%	6,292
Pierce County	63%	39,573

Furthermore, housing cost is differentiated by housing type.

- Multi-family construction (new) typically costs 30% more than overall average multi-family rent;
- 5-19 Unit multi-family overall typically rents at 88% of the overall average;
- For ownership, the median sales price for a townhouse is approximately 86% of the single-family detached median; and
- Condominiums prices are 63% of the single family detached median price.

The following graphic depicts the demand for affordable housing in the City as compared with the supply of affordable units.

The City of Tacoma has a shortage of affordable and available rental units for low-income households.



SOURCE: AMERICAN COMMUNITY SURVEY PUMS 2016 / NOTE: A UNIT IS CONSIDERED "AVAILABLE" AT A GIVEN LEVEL OF INCOME IF IT IS (1) AFFORDABLE AT THAT LEVEL AND (2) IT IS OCCUPIED BY A RENTER EITHER AT THAT INCOME LEVEL, OR AT A LOWER INCOME LEVEL, OR IS VACANT / ALL TOTALS CUMULATIVE.

It is probable, that given Pierce County's relative affordability as well as the greater affordability of low-density multi-family and single-family attached housing in comparison to single-family detached and higher density multi-family, that the proposed rezones would result in an increased supply of naturally occurring affordable housing that could, in conjunction with ongoing investments in permanently affordable housing, better align housing supply with housing demand.

Housing Diversity

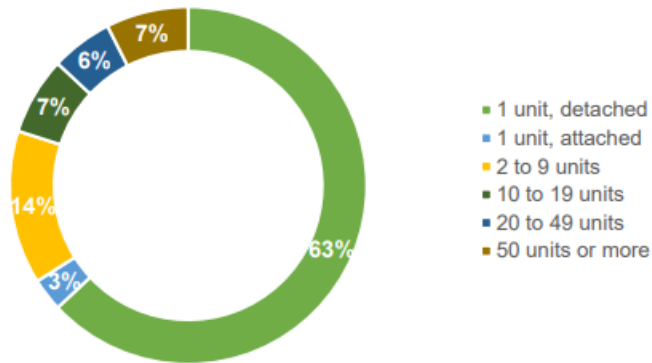
According to the Puget Sound Regional Council, the region is becoming older and more diverse and as a result, expanded housing diversity will be necessary to respond to both changing housing preferences and cost burden. The PSRC identifies three key drivers behind the need for greater housing diversity:

- Seniors, as a share of the region's total population are forecasted to grow from 11% to 18% (in 2050).
- In addition, the number of Millennial headed households is expected to triple nationally by 2035 and the Millennial age brackets are less able to form new households in less affordable markets, like Central Puget Sound.
- The region is expected to see continued increase in diversity, with more minority households and first and second generation immigrant households.

The implication of these changes is a likely increase in the demand for multigenerational living and/or an increased demand for housing that is available for first time homebuyers and renters. Expanding the range of housing options is necessary to respond to these demographic changes.

In Tacoma this diversity of housing need is not yet reflected in housing choice as much of the City's housing stock remains single family detached units. Overall, 63% of the City's housing is single family detached.

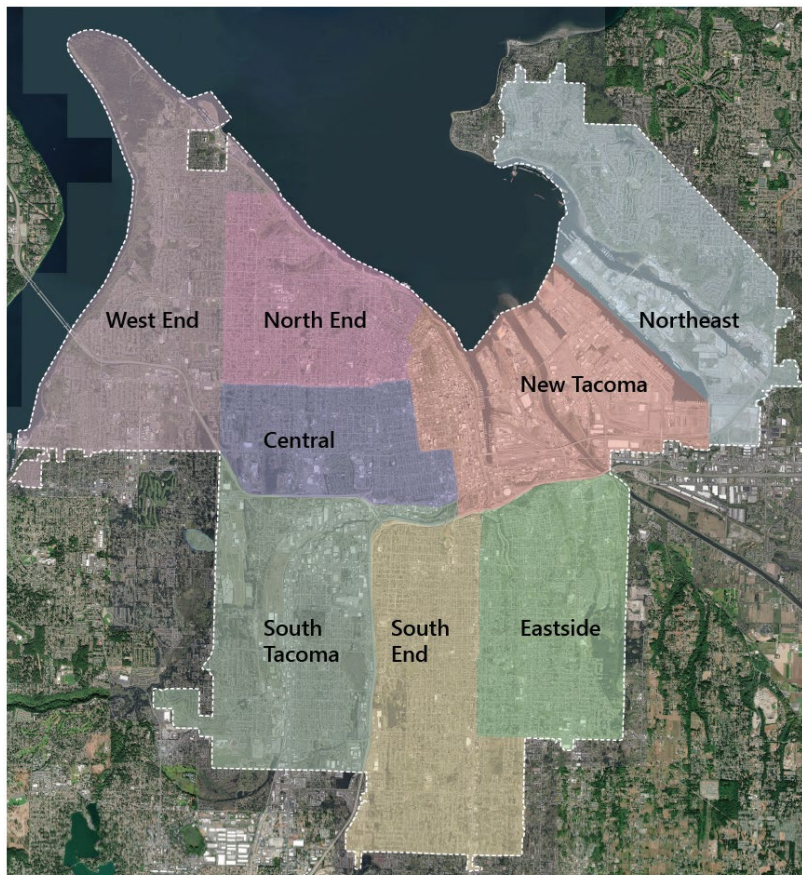
Citywide housing unit composition:



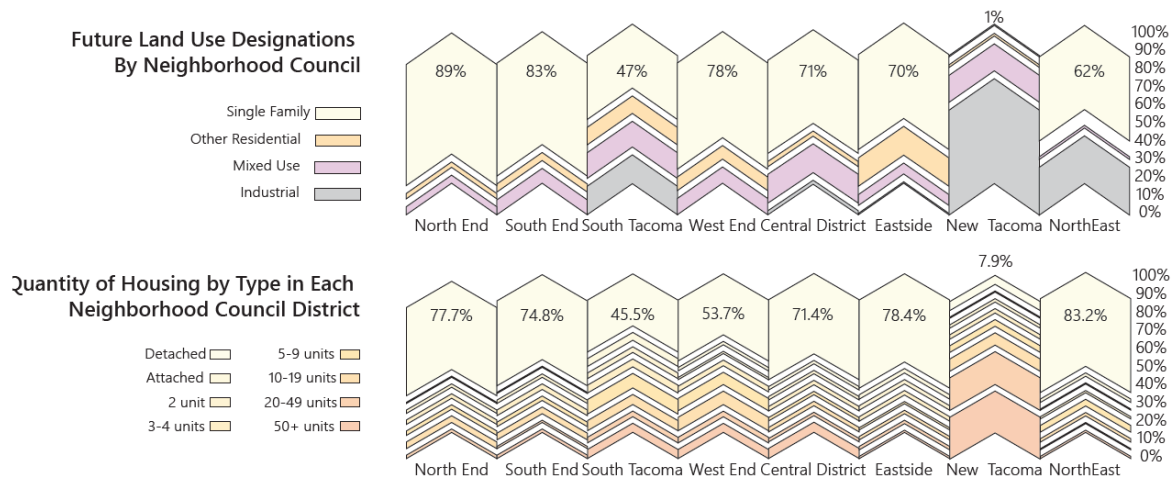
Source: 2012–2016 American Community Survey 5-Year Estimates

However, the Citywide figures obscure the distribution of these housing types across the City. The following information shows the composition of housing by Neighborhood Council District.

The City of Tacoma is divided into eight Neighborhood Areas, each with a representative Neighborhood Council that advises the City Council on land use and other policy matters. The following map identifies these Neighborhood Councils.



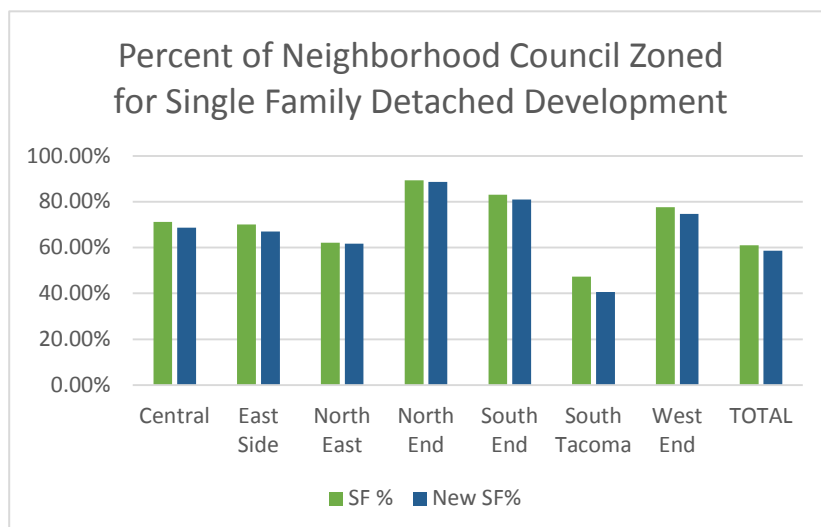
The first graphic shows the zoning composition (generalized in four land use categories) for each Neighborhood Council and the second depicts the specific composition of housing units in the district.



In many cases, existing housing diversity is representative of periods of Tacoma's growth in which either no zoning was in place to limit the types of housing, or periods where zoning was more permissive. The composition of the zoning is critical to understanding the potential to achieve greater housing diversity as the prevalence of single-family zoning places significant limitations on the supply of new housing broadly, but even more significantly on the limitation of housing diversity as single family zoning districts predominantly allow only new single family detached housing production.

Tacoma's current zoning and buildable lands will likely reinforce this bifurcation. In Tacoma, 83% of the City's buildable lands are in zoning categories that support high density mixed-use development. 10% of the City's buildable lands capacity is in single family zoning districts.

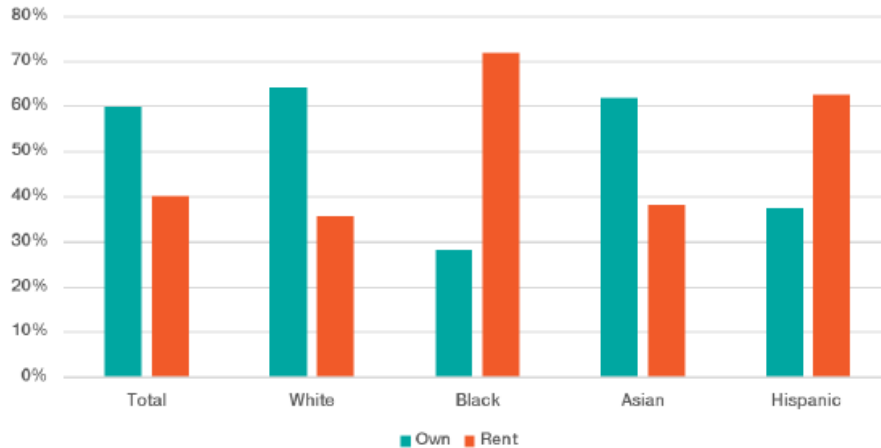
The proposed area-wide rezones would shift 2.5% of the City's overall single-family zoned lands to a zoning classification that supports multi-family development. This shift would be experienced differently in different areas of the City. The largest shift would be in South Tacoma (7%) with the North End and North East Tacoma at less than 1%. Where the City's single-family zoning districts typically allow up to 10 units per acre via the small lot standards, the low density multi-family districts allow up to 29 units per acre.



Housing Equity and Access

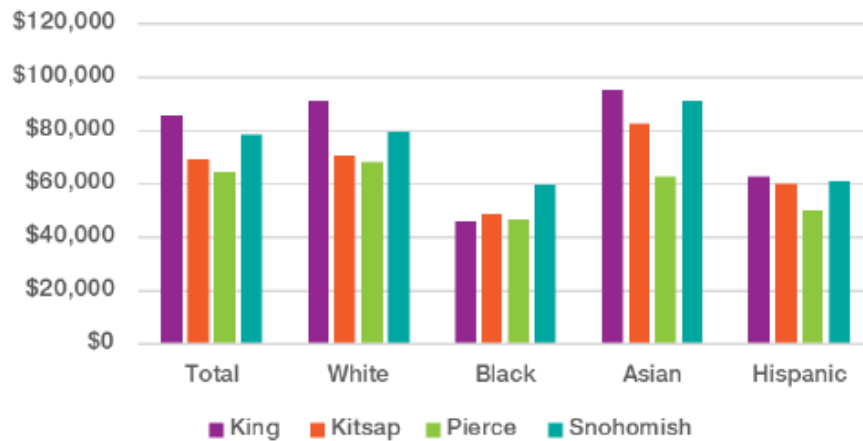
The rezones may result in an improvement of equitable housing access for black and Hispanic households, which, as the PSRC Data show, suffer from greater cost burden, lower rates of housing ownership, and significant disparities in overall household income when compared to the median income for predominantly white and Asian households.

Figure 23 in the PSRC Report shows the following breakdown of tenure type race/ethnicity:



Source: ACS

Figure 25 provides a similar snapshot of median income by race and ethnicity:



Source: ACS

While zoning does not determine the specific occupant of a household, by supporting new housing that is affordable to a more diverse income range, the zoning amendments have the potential to provide for housing options that are responsive to these disparities in income and home ownership and to provide alternative housing options for households displaced either directly by redevelopment or by rising rents.

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