



MINUTES (Approved on 7-20-16)

TIME: Wednesday, July 6, 2016, 4:00 p.m.
PLACE: Room 16, Tacoma Municipal Building North
733 Market Street, Tacoma, WA 98402
PRESENT: Stephen Wamback (Vice-Chair), Jeff McInnis, Anna Petersen, Brett Santhuff,
Scott Winship
ABSENT: Chris Beale (Chair), Meredith Neal, Dorian Waller

A. CALL TO ORDER AND QUORUM CALL

Vice-Chair Wamback called the meeting to order at 4:05 p.m. A quorum was declared. Lihuang Wung, Planning Services Division, reported that Vice-Chair Wamback and Commissioner Petersen had been reappointed by the City Council to their respective positions on June 28, 2016. Doris Sorum, City Clerk, was present to swear in Vice-Chair Wamback and Commissioner Petersen.

B. APPROVAL OF AGENDA AND MINUTES OF JUNE 15, 2016

The agenda was approved. The minutes of the regular meeting on June 15, 2016 were reviewed and approved as submitted.

C. PUBLIC COMMENTS

Vice-Chair Wamback opened the floor for public comments. The following citizens provided comments:

(1) Marshall McClintock:

Mr. McClintock commented that Historic Tacoma wanted Transfer of Development Rights (TDR) to be used for Historic Preservation as well as preserving rural areas. He noted that the Hosmer House at 309 South 9th Street was a good example of a historic building with a huge amount of development rights above it. He commented that property owners of such buildings in the Downtown core and mixed-use centers should have the ability to monetize the development rights above those buildings, which would serve as an incentive for the preservation of landmarks. He noted that the Hosmer house was the second oldest building in Tacoma and the only building remaining from the first decade of the founding of new Tacoma, but it was sited in an area designated for very dense and high development. He added that there could be other buildings throughout the mixed-use centers and Downtown core that could benefit from TDRs.

D. DISCUSSION ITEMS

1. Transfer of Development Rights (TDR)

Ian Munce, Planning Services Division, provided an update on the status of the TDR program's implementation. Mr. Munce reviewed that for the environmental community, zoning had been a transitory tool that often does not provide permanent protection and the question has been how to permanently preserve rural areas without taking anyone's property rights away. He reviewed that in TDR the property owner is compensated for losing development rights in their agricultural or forest land, which is permanently protected, and those rights are transferred into the City. He noted that there were two ways to use the purchased development rights: in mixed-use centers where the max height can only be achieved with TDRs or through floor area ratio. Mr. Munce reported how the development rights for 20

acres of a farm had been purchased by Pierce County in exchange for 4 development rights, which had been sold to Stadium Apartments for \$40,000, and would be used to gain 20 additional units in their structure. He noted that they had worked out a mechanism to use City open space funds to buy another 55 acres of development rights from the same farm and that the City was setting up a bank so that people could purchase development rights directly from the City. Mr. Munce noted that Historic Preservation was also an eligible sending area, but they would need to work on how to do the formula calculation for historic buildings. He added that another group that had expressed interest in using TDRs had been the affordable housing community. He commented that as they get more density, particularly in Downtown, they can have more discussions on allocations between different sending areas. He reported that they would be having an event to celebrate the first TDR transaction in Tacoma on July 11, 2016.

Commissioners provided the following questions and comments:

- Commissioner McInnis asked what would be allowed if the receiving area was already at its zoning maximum. Mr. Munce responded that there was a bonus feature in each of the mixed-use centers with a top tier where only TDRs could be used to attain the maximum height.
- Commissioner Santhuff asked how the TDR discussion connects with the discussion of affordable housing and increasing the allowable zoning or number of units Downtown. Mr. Munce responded that they don't have a mechanism to do the calculation for how long the units would need to be affordable and that they would need to write code sections to define how they do the calculation and balance the interests so that one party cannot undercut the other on price.
- Commissioner Santhuff asked what the timeframe was for developing options for historic preservation so that they have it in place when the right project comes around. Mr. Munce responded that they would need some financial expertise to do the calculations and determine how it gets integrated. Vice-Chair Wambach suggested that at the next meeting they should introduce the topic for consideration in their next work plan.
- Commissioner Winship asked about the formula for translating, in historic preservation, what is being preserved into development rights and if there were any precedents. Mr. Munce responded that there were active initiatives around the country for historic preservation TDRs, but they needed to do some initial analysis before they could do those calculations.

2. Capital Facilities Program 2017-2022

Mr. Wung facilitated a discussion to review public comments received and consider approving the draft Findings of Fact and Recommendations Report and the draft Letter of Recommendation. Mr. Wung reviewed that at the June 15th public hearing three individuals had testified: two expressing support for various improvements to the Tacoma Dome and another commenter with a variety of recommendations. They had also received seven written comments including support for Tacoma Dome improvements, library improvements, language cleanup for environmental services projects, and some additional various recommendations. In response to the comments received, Mr. Wung reported that the Tacoma Dome and library improvements were already included in the current draft of the CFP; that the environmental services projects text cleanups would be incorporated before the final draft document was reviewed by the City Council; that the various recommendations submitted would require policy discussion; and that some suggestions were operating budget decisions. A summary of the comments and staff responses would be incorporated into the findings and recommendations report.

Mr. Wung reported that the draft Findings of Fact and Recommendations Report laid out nine points including recognition that staff had done its due diligence in response to CFP improvements requested in 2014; a summary of the public hearing process and notification; and a table of public comments and responses. The conclusions included that the CFP document implements and is consistent with the City's Growth Strategy as contained in the Comprehensive Plan. The other categories of conclusions focused on project selection and prioritization criteria, recognizing that responses and review need to be more consistent. Another conclusion was that the criteria could be improved with some consideration of system completeness, giving higher priority to projects with missing links before moving on to new projects. Another improvement needed was recognizing that there are projects that could be bundled together and made more significant. The final point made in the conclusions was that the document lacks Urban Forestry projects, which is a critical infrastructure improvement and should be made a capital investment.

The recommendations to the City Council were to adopt the draft document, incorporate “System Completeness” into the criteria, improve application of criteria, and add “Urban Forestry” as an element of capital investment.

Commissioner Santhuff suggested that on the cover letter the bullet point regarding system completeness would be a good place to emphasize both completing and maintaining facilities in the ranking criteria.

Commissioner Santhuff commented that he was not clear how the public has a chance to state their desire for future projects. Christina Watts, Office of Management and Budget, responded that the projects in the transportation section of the CFP are drawn from the 6 year Transportation Improvement Program and Transportation Master Plan, both of which include significant public outreach for input on the project list. Ms. Watts added that the CFP is meant to be a six year planning document and that they wanted the future projects list limited to projects that would be prioritized in the six year timeframe. Commissioner Winship asked if there was a process by which the Growth Management Plan informs the CFP and moves items from longer term aspirations into shorter term achievable projects. Mr. Watts responded that the Transportation Commission handles a significant portion of that process with their own criteria and rating system to move transportation projects from the 20 year plan to the 6 year plan.

Commissioner McInnis suggested that in future submittals it be noted if projects were funded and that in their recommendations they should call out projects from the list that they would like to see completed. Ms. Watts responded that the City Council wanted to get a sense of the overall prioritization before the funding is allocated and that she would return in December to discuss the final adopted CFP document.

Mr. Wung commented that he would revise the Letter of Recommendation and Findings of Fact and Recommendations Report to expand on the discussion about system completeness and maintenance; to add a bullet point in the letter addressing the consolidation of inter-related projects; and to add bullet point to call out projects that implement the Comprehensive Plan or are missing links that could have been ranked higher for earlier completion. Commissioner McInnis motioned that they forward a letter recommending approval of the 2017-2022 CFP with the recommendations that had been identified in the presentation and with the addition of the items that had been highlighted in the discussion. Commissioner Petersen seconded. The motion was approved unanimously.

E. COMMUNICATION ITEMS & OTHER BUSINESS

Mr. Wung provided the following updates:

- The “History in the Making” Celebration of the first TDR transaction would be July 11, 2016.
- There would be groundbreaking ceremony for the new Amtrak station on July 13, 2016.
- The City Council would be conducting a public hearing on the 2016 Annual Amendment at the Tacoma Public Utilities auditorium on Tuesday, July 19, 2016.
- The deadline for applying for the vacant Commission position representing “Architecture, Historic Preservation and/or Urban Design” would be Wednesday, July 13, 2016.

F. ADJOURNMENT

At 5:06 p.m., the meeting of the Planning Commission was concluded.