Comprehensive Plan
And Land Use Regulatory Code
Proposed Amendments for 2015

Planning Commission
Recommendations

October 7, 2015

City of Tacoma
Planning & Development Services Department
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October 7, 2015

The Honorable Mayor and City Council
City of Tacoma
747 Market Street, Suite 1200
Tacoma, WA 98402

RE: 2015 Annual Amendment

Honorable Mayor and Members of the City Council,

On behalf of the Tacoma Planning Commission, I am forwarding our recommendations on the Proposed Amendments to the Comprehensive Plan and the Land Use Regulatory Code for 2015 (the “2015 Annual Amendment”). Enclosed is the “Planning Commission’s Findings and Recommendations Report, October 7, 2015” that summarizes the proposed amendments, the public review process, and the Planning Commission’s deliberations.

Specifically, we recommend that the City Council:

- Adopt the proposed update to the Comprehensive Plan, which reflects a new and more purposeful statement about the community’s vision and future, its priorities, and its commitment to being an equitable, sustainable, progressive, cohesive city;
- Acknowledge the Mixed-Use Centers Review Study and the recommendations contained therein;
- Adopt proposed regulatory changes to support housing affordability and infill development;
- Adopt various clean-up amendments to the Land Use Regulatory Code; and
- Establish the proposed Narrowmoor Addition Conservation District.

These proposed amendments are the result of intensive analyses, thorough research, and rigorous deliberations performed by the Planning Commission and City staff over the past 18 months. Extensive outreach efforts have been conducted to engage stakeholders, interested parties and concerned citizens, and to ensure early and continuous public participation in the review process. The review process has been driven by, built upon, and consistent with the Growth Management Act’s “2015 Periodic Update” requirements, the Puget Sound Regional Council’s Vision 2040 and Transportation 2040, Pierce County’s Countywide Planning Policies, as well as the Tacoma 2025 Strategic Plan Visioning Process.

Throughout the community involvement process the Commission heard a clear desire from our community to ensure that the policies of the Comprehensive Plan are implemented in a way that is context-sensitive and respects the diverse and unique qualities of our neighborhoods, with a particular emphasis on areas experiencing and planned for further growth and development. It is the Commission’s view that there are additional tools and programs available that the City could be utilizing to support the implementation of the Comprehensive Plan in a way that encourages citizen participation and is responsive to these concerns.

One of these tools, master planning or sub-area planning, has been effectively utilized in the Downtown Tacoma Regional Growth Center and is currently being employed in the Tacoma Mall Regional Growth Center. In addition, the City is currently working on a new template: a revitalization plan for the Lincoln Neighborhood Center that the Commission hopes will be a model for further efforts in the City’s other centers. One of the Commission’s key findings through the Mixed-Use Centers Review is that too often the City is not coordinating programs and resources in a way that is targeted and place-specific. Sub-area planning provides a mechanism to bring the diverse departments, agencies, and private neighborhood and business interests together to collectively address the needs of our districts. And recognizing that there are scarce resources to implement these efforts, the City should undertake a rigorous evaluation of potential financial tools and programs, such as focused utility system and infrastructure upgrades and
transportation impact fees, to improve the City's financial capacity to complete these strategic initiatives while not discouraging the private investment the City seeks.

The second tool, an urban design program, is an issue that has long been simmering without resolution. Community input during this process has again highlighted concerns about growth and change, and whether it will enhance or detract from what we love about this community and its neighborhoods. It is clear that if the City wants to support sustained growth that it will be critical to ensure that such growth is done well. Design review can raise the bar for development in all of the City's centers and neighborhoods, while supporting community engagement and providing greater flexibility to tailor decisions that are sensitive to the context of each center and surrounding neighborhoods. Design review is a strategy that could greatly benefit the City if done correctly and the Commission recommends that the Council consider re-opening that discussion for a more substantive proposal and resolution. Based on the public testimony, the Commission feels that design review would be broadly supported.

Many of these same themes were brought to light in the public process regarding Affordable Housing and Infill Regulations. The Commission is pleased to recommend code amendments that achieve significant progress toward implementing housing choice and affordability goals, as well as enhancing the City's regulatory toolkit for neighborhood-responsive infill development. However, by themselves these proposals are far from equal to the measure of the affordability challenge facing our city. The City should continue to seek resources and opportunities to support the development, rehabilitation and maintenance of housing affordable to Tacoma's lower-income citizens and support the kind of economic and job growth that can provide more resources and more opportunities to more of our citizens. The Commission also wishes to recognize the leadership and dedication of the Affordable Housing Policy Advisory Group, without which this significant step forward would not have been possible.

I would like to point out that the Commission's vote for recommending the proposed code amendments supporting housing affordability and infill development was not unanimous. The vote was 6 to 1, with 7 Commissioners present at the time of voting for this subject. Vice-Chair Wambach, who voted nay, indicated that while he supported the overall concept and intent of the proposal he was concerned that the regulations as proposed may not be adequate. It is noted that the Commission's vote on the Narrowmoor Conservation District was not unanimous, either, with Commissioners Neal and Petersen voting nay. Commissioner Neal indicated that it was an equity issue, in that it would not be fair to ask most neighborhoods to densify while supporting larger lot areas in this area and the associated increase in expenses for infrastructure. In addition to concerns about equity, Commissioner Petersen also noted that the area is zoned R-1 with a View Sensitive overlay and thus is already afforded additional protection, and that the area does not contain a concentration of historically-significant structures that warrant the protections of the proposed district. Concerning the remaining three subjects contained in the 2015 Annual Amendment Package, i.e., Comprehensive Plan Update, Mixed-Use Centers Review and Code Cleanup, the Commission's votes were unanimous. After voting on the five subjects individually, the Commission voted on forwarding the entire 2015 Annual Amendment Package to the City Council, and the vote was also unanimous.

The Planning Commission believes the proposed 2015 Annual Amendment, as a whole, will help achieve the City's strategic goals for a safe, clean and attractive community and a diverse, productive and sustainable economy. We respectfully request the City Council adopt the above-mentioned recommendations of the Planning Commission.

Sincerely,

[Signature]

CHRIS BEALE, Chair
Tacoma Planning Commission

Enclosure
A. SUBJECT:


B. SUMMARY OF PROPOSED AMENDMENTS:

The 2015 Annual Amendment package includes the following five (5) subjects:

<table>
<thead>
<tr>
<th>Subject</th>
<th>Description</th>
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<tr>
<td>1. Comprehensive Plan Update</td>
<td>Amend the Comprehensive Plan pursuant to the Periodic Update requirements of the State Growth Management Act (RCW 36.70A.130); ensure the Plan continues to be consistent with applicable state and regional mandates; update population and employment allocations, and other relevant data; renew the City’s vision and growth strategies based on the community’s needs and desires; enhance the format, style and organization of the Plan; and revise development regulations to be consistent with the Plan amendments.</td>
</tr>
<tr>
<td>2. Mixed-Use Centers Review</td>
<td>Review designated Mixed-Use Centers (MUCs) to determine their effectiveness in achieving the City’s intent and vision and inform the Comprehensive Plan Update in such areas as the growth strategy, development concept, land use, urban form, housing, transportation, and economic development.</td>
</tr>
<tr>
<td>3. Affordable / Infill Housing Regulations</td>
<td>Amend the Tacoma Municipal Code to implement a package of residential infill/affordable building proposals and affordable housing incentive, bonus, and inclusionary strategies which are part of a package of initiatives recommended by the City Council’s Affordable Housing Policy Advisory Group.</td>
</tr>
<tr>
<td>4. Code Cleanup</td>
<td>Amend various sections of the Land Use Regulatory Code to update information, address inconsistencies, correct minor errors, provide additional clarity, and improve administrative efficiency.</td>
</tr>
<tr>
<td>5. Narrowmoor Addition Conservation District</td>
<td>Designate a 129-acre portion of the “West Slope Neighborhood,” including portions of Narrowmoor Additions #1 – 4, as a Conservation Special Review District Overlay Zone (A private application by the West Slope Neighborhood Coalition).</td>
</tr>
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C. FINDINGS OF FACT:

1. Comprehensive Plan and Development Regulations – The Comprehensive Plan, adopted in 1993 by Ordinance No. 25360 and amended by ordinance once every year thereafter, is Tacoma’s comprehensive plan as required by the State Growth Management Act (GMA) and consists of several plan and program elements. As the City’s official statement concerning future growth and development, the Comprehensive Plan sets forth goals, policies and strategies for the health, welfare and quality of life of Tacoma’s residents. The Land Use Regulatory Code, Title 13 of the Tacoma Municipal Code (TMC), is the key regulatory mechanism that supports the Comprehensive Plan.
2. **Planning Mandates and Guidelines** – GMA requires that any amendments to the Comprehensive Plan and/or development regulations conform to the requirements of the Act, and that all proposed amendments, with certain limited exceptions, shall be considered concurrently so that the cumulative effect of the various changes can be ascertained. Proposed amendments to the Comprehensive Plan and/or development regulations must also be consistent with the following State, regional and local planning mandates and guidelines:

- The State Growth Management Act (GMA);
- The State Environment Policy Act (SEPA);
- VISION 2040, the Growth Management, Environmental, Economic, and Transportation Strategy for the Central Puget Sound Region;
- Transportation 2040, the action plan for transportation in the Central Puget Sound Region;
- The Countywide Planning Policies for Pierce County;
- The City Council’s guiding principles for planning the future growth: (1) to protect neighborhoods, (2) to protect critical areas, (3) to protect port, industrial and manufacturing uses, and (4) to increase densities in the downtown and neighborhood business districts (Resolution No. 37070, December 19, 2006); and
- TMC 13.02 concerning the procedures and criteria for amending the Comprehensive Plan and development regulations and for area-wide zoning reclassifications.

3. **Receipt and Review of Applications** – Eleven applications (including one private application) were submitted to the Planning Commission by the deadline of August 1, 2014 for consideration as part of the 2015 Annual Amendment. The Commission conducted an assessment of the applications in August-September 2014, pursuant to TMC 13.02.045.E, and approved the Assessment Report on September 17, 2014. Technical analyses of the applications were conducted in the subsequent months. In March 2015, another private application was submitted, but was denied by the Commission, while the intent of the application was being addressed in one of the 11 applications. In July 2015, the 11 applications were repackaged into five subjects, as described above, and forwarded into the public hearing process in August-September 2015.

The table below illustrates the status of the 12 applications as of July 2015:

<table>
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<th>Applications Considered</th>
<th>Status as of July 2015</th>
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<tbody>
<tr>
<td>1. 2015 GMA Update (Comprehensive Plan Update)</td>
<td>Moving forward</td>
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<tr>
<td>2. Mixed-Use Centers Review</td>
<td>Moving forward</td>
</tr>
<tr>
<td>3. McKinley Mixed-Use Center Boundary Expansion (private application)</td>
<td>Application denied; intent of request to be reviewed upon completion of #2</td>
</tr>
<tr>
<td>4. Land Use Designations – Phase 2</td>
<td>Rolled into #1</td>
</tr>
<tr>
<td>5. Critical Areas Preservation Code Update</td>
<td>Rolled into #1</td>
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<tr>
<td>6. Transportation Master Plan</td>
<td>Rolled into #1</td>
</tr>
<tr>
<td>7. Open Space Habitat and Recreation Element</td>
<td>Rolled into #1</td>
</tr>
<tr>
<td>8. Affordable Housing Planning Work Program – Phase 3</td>
<td>Moving forward</td>
</tr>
<tr>
<td>9. Electric Vehicle Infrastructure – Phase 2</td>
<td>Review in progress; not moving forward at this time</td>
</tr>
<tr>
<td>10. Code Cleanup</td>
<td>Moving forward</td>
</tr>
<tr>
<td>11. Narrowmoor Addition Conservation District</td>
<td>Moving forward</td>
</tr>
<tr>
<td>12. Land Use Designation in North Slope Historic District (private application submitted in March 2015)</td>
<td>Application denied; intent of request reviewed as part of #4</td>
</tr>
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The table below depicts the schedule and timeline for the review of the applications:

<table>
<thead>
<tr>
<th>Date</th>
<th>Actions</th>
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<td>August 1, 2014</td>
<td>Applications for Proposed Amendments due</td>
</tr>
<tr>
<td>September 17, 2014</td>
<td>Planning Commission approval of Assessment Report for applications</td>
</tr>
<tr>
<td>June 2014 – July 2015</td>
<td>Planning Commission reviews and technical analyses</td>
</tr>
<tr>
<td>September 2014 – July 2015</td>
<td>City Council Study Sessions</td>
</tr>
<tr>
<td>September 2014 – May 2015</td>
<td>Infrastructure, Planning and Sustainability Committee reviews</td>
</tr>
<tr>
<td>March – April 2014</td>
<td>Neighborhood and Housing Committee reviews</td>
</tr>
<tr>
<td>September 2014 – August 2015</td>
<td>Public Outreach (including community workshops, meetings with neighborhood councils and stakeholders, exhibitions at famer’s markets, surveys, and correspondence and online communications)</td>
</tr>
<tr>
<td>July 15, 2015</td>
<td>Planning Commission authorization for release of the 2015 Annual Amendment Package for public review</td>
</tr>
<tr>
<td>August 12 &amp; 13, 2015</td>
<td>Community Informational Meetings prior to public hearing</td>
</tr>
<tr>
<td>August 19, 2015</td>
<td>Planning Commission Public Hearing (hearing record open through August 28 to accept written comments)</td>
</tr>
<tr>
<td>September 2 &amp; 16, 2015</td>
<td>Planning Commission review of public comments and consideration of appropriate modifications to the proposal</td>
</tr>
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4. **Public Outreach Efforts** – Staff has conducted extensive outreach efforts to ensure early and continuous public participation in the amendment process. The outreach efforts ranged from providing overviews of the proposed amendments and the process and timeline to neighborhood councils and interested entities, to meeting with stakeholders and applicants to address particular issues and suggestions. The entities that staff has approached and worked with include, but are not limited to: Puyallup Tribe, Pierce Transit, Port of Tacoma, Metro Parks Tacoma, City of Ruston, Ruston Pearl Business District, State and regional agencies, Chamber of Commerce, Citizens for a Healthy Bay, Green Tacoma Partnership, Master Builders Association, South Sound Military and Communities Partnership, Foss Waterway Development Authority, Sustainable Tacoma Commission, Tacoma Housing Authority, Transportation Commission, Neighborhood Councils and Community Council, Neighborhood Business District Associations, Blue Ribbon Panel, as well as the City's departments and offices including Community & Economic Development, Environmental Services, Legal, Public Works, Office of Environmental Policy & Sustainability and Tacoma Public Utilities. Also, a Planning Manager’s Letter to the Community was widely distributed to various interested entities on December 30, 2014, informing the community of the status and schedule of the 2015 Annual Amendment, a summary of the applications being considered by the Planning Commission, and how to obtain more information, make inquiries or provide comments and feedback.

In regards to the Affordable Housing Regulations, additional public engagement and outreach took place. This package of proposed code changes is the latest step in a multi-year, multi-departmental effort to promote housing affordability and choice throughout the neighborhoods of the City. The effort has been spearheaded by the Council-appointed Affordable Housing Policy Advisory Group (AHPAG), an inter-disciplinary group including both market-rate and subsidized-housing representatives tasked with identifying potential steps the City could take to promote housing affordability.

In developing the public review draft proposals, the Planning Commission and staff used the following approach:
- Regular consultation with the AHPAG
- Outreach and engagement with neighborhood interests
- Benchmarking and identification of best practices
- Tacoma code analysis, alternatives development and refinement
• Vetting proposals and developing refinements based on input received
• Coordination with the 2015 Annual Amendments process

Planning staff worked closely with the City’s Housing Division throughout the process. Staff also received direction from the City Council Neighborhoods and Housing Committee. Finally, staff have engaged in discussions with the North Slope Historic District, the Landmarks Preservation Commission, the South Tacoma Neighborhood Council, the North End Neighborhood Council and community stakeholders.

The proposal generated substantial interest and media attention, including concern and opposition for some infill components. Over 75 individual comments were received, as well as a survey with 630 signatures expressing opposition to infill in the North Slope Historic District, and several articles were published in the Tacoma News Tribune and other media outlets. The comments expressed a variety of viewpoints. The issue raised most frequently was concern that infill options could negatively impact historic character by promoting the alteration or demolition of historic structures. Other commenters expressed concern about additional density and new housing options in traditionally single-family neighborhoods. On the other hand, there was significant support for some infill concepts, particularly for lot size flexibility and Detached Accessory Dwelling Units. Comments on the affordable housing incentives components of the proposal were generally supportive. The AHPAG expressed support for the majority of the proposals, but stated their view that the proposal does not go far enough to incentivize development of affordable housing and that they do not support the Mandatory Affordability with Upzones requirement as originally proposed. The comments were summarized and analyzed in the Public Comments and Staff Responses and Suggestions Report of September 11, 2015.

5. Public Hearing Notification Process:

(a) The public hearing was set for August 19, 2015, and the record was kept open through September 11, 2015 to receive written comments. Staff also held Informational Sessions on August 12 and 13 for citizens to learn more about the proposed amendments and ask questions.

(b) The notice of the Public Hearing and the Informational Session was disseminated widely in July-August 2015 as described below:

• Public Hearing Notice – A notice announcing the public hearing on August 19th and the community informational sessions on August 12th and 13th was distributed to the City Council, Neighborhood Councils, business district associations, civic organizations, environmental groups, the development community, the Puyallup Tribal Nation, adjacent jurisdictions, major employers and institutions, City and State departments, the Tacoma Public Library, and other known stakeholders and interested entities. The notice was also mailed to property owners within and within 400 feet of the boundaries of the proposed Narrowmoor Addition Conservation District.

• Public Notice Signs – Pursuant to TMC 13.02.057, public notice signs were installed in the areas associated with the proposed Narrowmoor Addition Conservation District, one sign at each of the following locations: 6th and Jackson, 6th and Mountainview, S. 12th and Jackson, S. 19th and Jackson, and S. 19th and Linden.

• Library – The public hearing notice and the Executive Summary Packet of the Public Review Document were forwarded to the Tacoma Public Library to be available for patrons’ review at all eight branches.

• News Media – An advertisement was placed in The News Tribune on August 7, 2015; a legal notice regarding the environmental determination was placed in the Tacoma Dailey Index on August 7, 2015; a public announcement was broadcast on TV Tacoma from August 4-19, 2015; and an e-mail news release, “Tacoma News”, was issued through the City’s Media and Communications Office on August 7, 2015.

• 60-Day Notices – A “Notice of Intent to Adopt Amendment 60 Days Prior to Adoption” was sent to the State Department of Commerce (per RCW 36.70A.106), and Joint Base Lewis-
McChord (per RCW 36.70A.530(4)). A similar notice was also sent to the City of Tacoma Attorney’s Office, requesting legal review on whether the City Council’s adoption of the proposed amendments might result in an unconstitutional taking of private property (per RCW 36.70A.370). The “Comprehensive Plan Reporting Tool” as required by the Puget Sound Regional Council for the purpose of PSRC’s review and certification of the 2015 Annual Amendment for consistency with VISION 2040 was submitted in early September 2015.

- Community Informational Sessions – Planning staff conducted a question-and-answer, Informational Session on August 12, 2015, at 6:00 p.m., at Baker Middle School, and conducted a second one on August 13, 2015, at 6:00 p.m., at Stadium High School, to provide an opportunity for interested citizens to learn more about the proposed amendments.

- Website – The public hearing notice and all information associated with the 2015 Annual Amendment are posted on the Planning Services Division’s website at www.cityoftacoma.org/Planning, and linked to either “2015 Annual Amendment” or “Tacoma 2040: Growing Tomorrow’s City”.

(c) Environmental Review – Pursuant to Washington Administrative Code (WAC) 197-11 and Tacoma’s SEPA procedures, a Preliminary Determination of Environmental Nonsignificance (DNS) was issued on July 29, 2015 (SEPA File Number SEP2015-40000251556), based upon a review of an environmental checklist. The deadline for comments was set as August 28, 2015 and later extended to September 11, 2015. A comment was received concerning that the DNS may not be adequate given the scope of the proposal and the potential adverse impacts it could have on the built and natural environments, especially with regards to the poor condition of Tacoma’s transportation infrastructure. The commenter also suggested that the City invest time and resources in a proper Environmental Impact Statement. In response to the comment, staff suggested that the proposal is a non-project action which is not anticipated to result in significant environmental impacts, and that future development projects would be subject to environmental review, as appropriate, per the City’s SEPA requirements. The preliminary DNS became final on September 18, 2015.

(a) Public Review Document – The complete text of the proposed amendments, the associated staff analyses, the DNS and the environmental checklist, and relevant background information were compiled into the “Comprehensive Plan and Land Use Regulatory Code – Proposed Amendments for 2015 / Public Review Document / Prepared for Planning Commission Public Hearing, August 19, 2015” document (hereinafter referred to as the “Public Review Document”). The Public Review Document was made available for public review on the Planning Division website and at the office of the Planning and Development Services Department. Its availability was also announced to appropriate entities that had received the public hearing notice.

6. Public Hearing Comments and Responses:

(a) In response to the request for review of the proposed amendments for potential takings, the City Attorney’s Office indicated that the proposed amendments should not cause a substantial concern over potential takings.

(b) As of the day of this report, no comment has been received from Joint Base Lewis-McChord.

(c) At the public hearing on August 19, 2015, 53 people testified. By the close of the comment period on September 11, 2015, 240 letters and e-mails were received, including a petition concerning the Proctor mixed-use center with approximately 1500 signatures and petitions related to affordable housing regulations that included approximately 630 signatures. The public comments were concerning all applications.

(d) Staff prepared a Public Comments and Staff Responses and Suggestions Report, which summarized public comments and staff’s responses, and where appropriate, staff’s suggested revisions to the 2015 Annual Amendment Package as contained in the Public Review Document. The Commission reviewed the report first on September 16, 2015, concurred with most of staff’s suggested revisions, and provided additional modifications. The Commission reviewed the report again on October 7, 2015 and provided final modifications to the 2015 Annual Amendment.
Package. In summary, the Commission determined that additional modifications be made to the 2015 Annual Amendment Package, as described in the subsequent sections below, i.e., sections (e) through (i).

(e) Concerning the Comprehensive Plan Update:

- The Puget Sound Regional Council submitted comments, dated September 25, 2015, with substantive comments on the Transportation Master Plan, the Housing Element’s needs assessment, annexation, and airport compatibility. Staff assessed the comments and found that the information requested was available, but had not been provided in the Draft to the level of detail and specificity PSRC requested. Staff recommended text additions and policy amendments to respond to the comments.
- The Washington State Department of Transportation submitted comments on September 28, 2015 finding that the City’s Transportation Master Plan is clearly consistent with Vision 2040 and Transportation 2040.
- The Port of Tacoma provided comments about the project selection criteria and raised concerns that the criteria may not adequately support freight and Port-related transportation projects, as evidenced by the absence of Port/MIC-related projects being identified in the 20-year funding list. Staff recommended a minor amendment to incorporate the MIC into the scoring criteria and also recognized that additional amendments may be needed to completely address the concern. Until such time as the scoring criteria are re-evaluated, staff recommended adding high-priority MIC projects to the 20-year project list to ensure grant and funding eligibility.
- The South Sound Military and Communities Partnership provided comments on the consistency of the Comprehensive Plan update with the draft Joint Land Use Study (JLUS) for Joint Base Lewis-McChord. Staff responded to the questions and recommends that upon an adopted JLUS the Commission consider further policy or regulatory amendments that may be necessary for consistency with that Plan. The Future Land Use Map was developed with consideration of the JLUS. However, staff recommended that further modifications are premature at this time.
- Staff received four Future Land Use Map amendment requests in the public comments:
  - Land Use Designation request for properties located at 701 E 72nd Street, from proposed Single Family Residential, to a combination of Neighborhood Commercial and Multifamily (low-density).
  - Request for area-wide rezone for Franke Tobey Jones senior housing community.
  - Land Use Designation request for properties at 72nd and Alaska, next to Wapato Park.
  - Land Use Designation request for properties located at 5454 S State Street.
  The Commission did not recommend any further modifications to the Future Land Use Map as a result of the requests but asked staff to consider them as part of a future work program, subject to the full review procedures for land use designation amendments.
- Staff recommended and Commission concurred with further modifications to the proposed Future Land Use Map to address minor clean up items including:
  - Park and Open Space areas that have been developed with intensive land uses.
  - Boundary changes to better align the designations with parcel lines and street center lines.
- Staff recommended minor modifications to the TMP modal priority maps and the Park and Recreation Maps to ensure consistency for trail alignments and characterization.
- Staff recommended minor text modifications throughout the document to more consistently integrate equity concerns.
- Staff recommended addition of an appendix to the Transportation Master Plan designating Centers of Local Importance. The CPPs define Centers of Local Importance (CoLI) as being “designated for the purpose of identifying local centers and activity nodes that are consistent with VISION 2040’s Multi-county Planning Policies. Such areas promote compact, pedestrian-
oriented development with a mix of uses, proximity to diverse services, and a variety of appropriate housing options, or be in an established industrial area” (UGA-51). Staff based the recommended CoLI on policies in the Urban Form Chapter and Transportation Master Plan. The Commission finds that the proposed CoLI are based on established community focal points, including Regional Growth Centers, Manufacturing and Industrial Centers, Mixed-Use Centers, Transit Station Areas, and connective multimodal corridors, as established in the Comprehensive Plan. The Transportation Master Plan prioritizes the identified corridors for future high frequency and high intensity transit facilities. The Future Land Use Map documents the proposed land uses within the CoLI and development capacity within the CoLI have been documented in the 2014 Pierce County Buildable Lands Report.

(f) Concerning the Mixed-use Centers Review:

- The Commission received a petition from the 4Proctor community group requesting an immediate moratorium on development exceeding 45 feet in height in the Proctor Neighborhood Center, and to subsequently amend the Land Use Regulatory Code to reduce the height limit from 65 feet to 45 feet.
- The Commission determined that the request for a moratorium and height amendment was outside the scope of the 2015 Annual Amendment package and that the request for a moratorium more appropriately resided with the City Council.
- Therefore, in a letter dated September 9, 2015, the Commission forwarded the petition and request for a moratorium to the City Council for immediate consideration.
- In response to the comments received on the Mixed-use Centers Study, staff proposed revisions to the report to include additional feasibility analysis for two development scenarios, a 45’ and 65’ mixed-use project, in the Proctor Neighborhood Center.
- In response to comments addressing the unique qualities of the different centers, staff proposed to include a summary of the Mixed-use Center profiles in the Urban Form Chapter of the Comprehensive Plan.
- The Commission also recognized the deep public concerns about implementation of Comprehensive Plan policies and how they translate into design, infrastructure improvements, and the ongoing coordinated management of the impacts from growth and development.
- As a result, staff and the Planning Commission discussed strategies that could be utilized to address these community concerns, with particular focus on actions identified in the Mixed-use Center Study pertaining to design review, tools to finance transportation improvements, and the flexibility to tailor incentives to better fit the market conditions in the individual centers.

(g) Concerning the Affordable/Infill Housing Regulations:

Based on the public comments received, as well as on input from City staff reviewing the proposals, the Planning Commission directed that the following changes be made to the public review draft package. Many of the proposed changes are intended to better protect historic districts and neighborhood character through stronger design controls, as well as additional consultation with the Landmarks Preservation Commission and Historic Preservation Officer on proposals potentially affecting historic buildings or neighborhoods. Some components which generated concerns were removed from the proposal (including some of the minimum lot size reductions in the Special Review Districts). The proposal also responds to concerns about conversions of historic houses to two- or three-family, which is currently permitted in certain districts, by limiting such conversions to only noncontributing houses in Historic Districts.

Based on the AHPAG’s comments, the proposals related to affordable housing requirements with proposed upzone requests was modified. The proposal is based on the concept of capturing a share of the additional land value generated through an upzone for affordable housing. The change would reduce the amount of affordable housing required, in recognition of the cost and uncertainty of applying for an upzone.

Specifically, the Commission made the following changes to the public review draft code proposal:
1) **Additional lot size flexibilities:**
   - Critical areas and buffers not counted toward lot averaging
   - Minimum lot size in the R-1 District achievable through lot size averaging increased to 4,500 square feet

2) **Special Review Districts (SRD) refinements:**
   - Remove proposal to reduce minimum lot size to 3,500 square feet
   - Add proposed alley credit (up to 10 percent of lot area) within SRD Districts
   - Reemphasize restoring converted houses to single-family use by removing proposed HMR-SRD definition change
   - Within Historic Districts, 2-family and 3-family conversions not permitted for contributing structures;
   - City Historic Preservation Officer (HPO) and Landmarks Preservation Commission (LPC) consultation on land use proposals with potential negative impacts to historic character

3) **Pilot Residential Infill Program:**
   - Overall Pilot Program changes:
     - Clarify that additional applications for pilot program infill housing types will not be accepted once three of that housing type have been completed
     - Consultation with the City’s Historic Preservation Officer required to assess potential impacts to historic character
     - 1000 feet minimum separation between pilot program proposals of each type
     - Implementation to begin when Infill Design Guidelines have been approved by the PDS Director
     - Clarify required sustainability features requirement: Built Green 3 Stars or LEED Bronze; or, Greenroads Bronze if roadways are constructed; only for new construction of multifamily or cottage housing
     - Add consideration of shading impacts to design review criteria
   - Detached Accessory Dwelling Units (DADU’s):
     - Only one DADU within any Historic District under the Pilot Program
     - Lots must be a minimum of 50 feet in width
     - Only one accessory structure allowed (either a garage, ADU, or a structure that integrates both)
   - Two-family in R-2 Districts:
     - Increase minimum lot size to 6,000 sf
   - Multi-family (up to 6 dwelling units) in R-3 Districts:
     - Clarify design intent to reduce overall appearance and impacts of additional units
   - Cottage Housing:
     - Remove cottage housing option from Historic Districts

4) **Planned Residential Districts (PRDs):**
   - Clarify the required sustainability features:
     - First tier density bonus requirements: Built Green 4 Stars or LEED Gold; and, GreenRoads Bronze if roadways are constructed
     - Top tier density bonus requirements: Built Green Emerald Star or Living Building Challenge 3 Petals; and, GreenRoads Gold if roadways are constructed
5) Affordable Housing Incentives and Upzone Requirements:
   - Technical clarifications and definitions added to the Affordable Housing Incentives Code
   - Confirmed $10,000 as the fee-in-lieu amount per bonus dwelling unit (see below for Upzones fee-in-lieu amount).
     - A September 25, 2015 study completed by SH&H Valuation and Consulting assessed land cost per dwelling unit as a method to establish the appropriate fee-in-lieu amount. The study identified two tiers – “Downtown” ($7,500 per additional unit), and “Suburban” ($10,000 per additional unit). Utilizing a single in-lieu-fee of $10,000 will provide one consistent amount for ease of administration and understanding, and encourage construction of affordable housing units Downtown.
   - Reduced the number of affordable housing units to be required for upzones to a ratio of 3 (market-rate) to 1 (affordable); established a proportionate fee in lieu of $5,000 per bonus dwelling unit.
   - Revise the city-initiated upzones language to provide flexibility and indicate that the City will evaluate whether there is an affordability challenge and that steps may be taken to address them.

6) City process enhancements:
   - Require the development of the Infill Design Guidelines in advance of implementation of the Residential Infill Pilot Program

(h) Concerning the Code Cleanup Amendments:
   - At the August 19 public hearing, 1 individual testified and 2 written comments were received. The summary and staff responses to the comments were transmitted to the Planning Commission on September 16, 2015. The comments received were supportive of low impact development scenarios. Other comments requested that the City look at fee in lieu, financial incentives and additional ways to ensure that required transportation improvements are tied to the City’s planning process and other ways to incentivize low impact development.
   - In response to comments received and further staff review, staff recommended incorporating changes at the September 16 meeting and the Planning Commission concurred.

(i) Concerning the Narrowmoor Addition Conservation District:
   - At the August 19 public hearing, 11 individuals testified and 18 written comments were received. The summary and staff responses to the comments were transmitted to the Planning Commission on September 16, 2015. The majority of comments received were in favor of the proposed district.
   - In response to specific comments received during testimony and prior feedback from the Commission, staff recommended removing the 60-foot minimum lot width provision from the proposed conservation district, and the Planning Commission concurred.
   - Additional comments from the hearing requested that language for variances be amended to account for historic district guidelines and historic rehabilitation standards. This is consistent with the May 27, 2015 Landmarks Preservation Commission recommendations. Staff recommended incorporating such language into TMC 13.06.645, and the Planning Commission concurred.

D. CONCLUSIONS:

1. Concerning the Comprehensive Plan Update, the Planning Commission concludes that the proposed amendments fulfill the periodic review requirements of the Growth Management Act, advances the regional growth strategy established in VISION 2040, are consistent with Pierce County Countywide Planning Policies, and supports the City’s strategic plan and vision, Tacoma 2025. Specifically, the Commission concludes that the Comprehensive Plan update:
• Promotes compact, complete and connected neighborhoods, anchored by mixed-use centers, where residents have easy, convenient access to many of the places and services they use daily, within an easy walk of home.
• Gives greater priority for investment to areas currently deficient or underserved by public facilities and services, including parks, recreation and transportation facilities.
• Gives greater consideration to the impacts of plans and investments on existing communities, especially those typically underrepresented communities.
• Promotes greater representation in public outreach and engagement processes and the exploration of new tools and strategies to reach typically underrepresented communities.
• Raises the prominence of urban design city-wide.
• Establishes affordable housing targets consistent with County-wide Planning Policies.
• Promotes mitigation and adaptation to climate change and a balance of jobs and housing linked by a multimodal transportation system.
• Protects life and property by discouraging new development in geologically hazardous areas and by encouraging emergency preparedness and disaster recovery planning.
• Provides sufficient development capacity to accommodate the City’s 2040 population and employment allocations as well as the 2030 housing targets adopted in the Pierce County Countywide Planning Policies.
• Expands mobility options and plans for a transportation system that is context sensitive and balances the needs of all users.
• Utilizes the best available science as a policy basis and amends TMC 13.11 Critical Areas Preservation Ordinance to comply with the best available science review and recommendations identified in a memorandum dated June 29, 2015 from Ilon Logan and Teresa Vanderburg of Environmental Science Associates (ESA).

2. Concerning the Mixed-use Centers Review, the Planning Commission concludes that the City’s vision of accommodating growth through the development of compact, complete centers and connective corridors remains sound and is integral to realizing the City’s goals for sustainability, public health, and economic vitality. Furthermore:

• Over the life of the Plan, each designated center exhibits potential to achieve the goals of the Comprehensive Plan.
• The shift to a typology of Neighborhood Centers and Crossroads Centers will provide an improved basis for developing design standards and guidelines specific to the unique characteristics of the centers. Neighborhood Centers and Crossroads Centers require more refined strategies for implementing the vision suited to each type.
• While Mixed-use Centers are organized within a policy typology, the Mixed-use Center profiles describe the unique qualities, characteristics, opportunities and constraints of each center.
• Vertical mixed-use, while desirable, is not essential to achieve the vision of the centers, particularly for the Crossroads Centers.
• While Tacoma’s multifamily residential market is improving, incentives such as the multi-family tax exemption and height bonus program remain important to stimulating private investment in the centers.
• The City’s incentives can, over time, be tailored to reflect the specific market conditions and design objectives of the Neighborhood and Crossroads Centers.
• The City of Tacoma’s financial tools and other programs are not always aligned with the Comprehensive Plan goals and policies for designated centers and the City of Tacoma currently does not utilize certain financial tools and other regulatory and non-regulatory programs that could support the continued development of the City’s Mixed-use Centers.
• Given limited resources to invest in the Mixed-use Centers, coordination and alignment of programs and incentives in focus areas, as well as new resources and tools, will be of the utmost importance to successfully implementing the Mixed-use Center policies.
• Through the public comment received, the Commission concludes that there is widespread public support for the City’s Mixed-use Center growth strategy and that the community’s principal
concerns are about the way the impacts of that growth and development are managed and mitigated.

3. Concerning the Affordable/Infill Housing Regulations, the Planning Commission concludes that the proposed amendments would promote housing affordability and choice throughout the neighborhoods of the City through a range of affordable housing incentive and residential infill proposals. These planning-related policy tools function as part of a portfolio of City strategies to promote affordability, which also includes a range of subsidized housing, housing maintenance and rehabilitation, economic development and other strategies. The proposals also support a broad range of related policy objectives, including economic development, infill, quality urban design, sustainability, transportation choices, efficient use of infrastructure and sustainability.

In addition to supporting housing affordability and choice goals, the approach is also intended to enhance standards for infill to achieve compatibility with the character of the neighborhood. In particular, they emphasize protecting historic character and higher design standards for developments seeking discretionary approvals. This proposal would have a positive economic impact by creating additional opportunities for residential infill development, by providing developers with profitable options to incorporate affordable housing, and by increasing the supply of workforce housing in Tacoma. By increasing housing choices, the proposal would increase neighborhood livability, health, and sustainability by reducing car dependency, making use of existing infrastructure, increasing opportunities to live and work in the same neighborhood, and providing opportunities for multigenerational housing and aging in place.

4. Concerning the Code Cleanup amendments, the Planning Commission concludes that the proposal to amend various sections of the Land Use Regulatory Code will make necessary changes to address inconsistencies, correct minor errors, and provide additional clarity to support the effective administration of the Land Use Regulatory Code.

5. Concerning the Narrowmoor Addition Conservation District, the Planning Commission concludes that the proposed Narrowmoor Addition Conservation District is consistent with the policies and objectives of the Historic Preservation Element of the Comprehensive Plan, specifically recommended Actions HP-7C and HP-8A, as well as other applicable land use policies and regulations. The Commission acknowledges and accepts the findings and recommendations from the Landmarks Preservation Commission, particularly regarding the LPC’s lengthy review of the conservation district proposal under the criteria in TMC 13.07.060. The Planning Commission further concludes that the proposal, as amended, balances the desires of the West Slope Neighborhood to protect historic character with the need to accommodate future growth and development in Tacoma’s residential neighborhoods.

6. The Planning Commission further concludes that the 2015 Annual Amendment Package has received general support and positive feedback from the community, is consistent with the State Growth Management Act and the regional VISION 2040, will benefit the City as a whole, will not adversely affect the City’s public facilities and services, and is in the best interests of the public health, safety and welfare of the citizens of Tacoma.

E. RECOMMENDATIONS:

The Planning Commission recommends that the City Council adopt the Proposed Amendments to the Comprehensive Plan and the Land Use Regulatory Code for 2015, as described below:

1. Comprehensive Plan Update:

The Commission recommends that the City Council adopt the following updated chapters of the Comprehensive Plan (“One Tacoma”), as documented in Exhibit A-1:

- Introduction +Vision
- Urban Form (Replaces Growth Strategy and Development Concept)
• Design and Development (Replaces Generalized Land Use, Arts and Culture)
• Environment and Watershed Health (Replaces Environment, and Urban Forest)
• Housing
• Economic Development (Replaces Economic Development Plan, and Arts and Culture chapter)
• Transportation Master Plan (Replaces Transportation Element)
• Parks + Recreation (Replaces Open Space, Habitat and Recreation)
• Public Facilities + Services (Replaces Capital Facilities, Utilities, and Community Facilities chapters)
• Container Port (Updated format only)
• Engagement, Administration + Implementation (New chapter)

The Commission recommends that the City Council rescind the following as chapters of the Comprehensive Plan:
• Tacoma Dome Area Plan
• MLK Jr. Way Design Plan
• South 38th Street Design Plan
• Sixth Avenue Design Plan

The Planning Commission recommends that the City Council adopt the proposed amendments to TMC 13.11 Critical Areas Preservation as documented in Exhibit A-2.

Furthermore, the Planning Commission recommends the following high priority implementation actions, as identified in Table 11.1 of the Engagement, Administration + Implementation chapter:
• Develop a multifaceted approach to ensure quality, context-sensitive design and development City-wide, including possible updates to development standards, design guidelines, design review, and methods for public involvement.
• Review the City’s various bonus programs in the Land Use Regulatory Code for consistency, improved prioritization, and to better align the bonus programs with City objectives.
• Implement the Future Land Use Map through area-wide zoning amendments.
• Conduct a subarea plan for the Port of Tacoma Manufacturing and Industrial Center.
• Update the Capital Facilities Program and level of service standards to implement the Public Facilities and Services policies and prioritization criteria.
• Update development regulations for steeps slopes and geologically hazardous areas and develop standards to implement the goals and policies for designated Open Space Corridors.

2. Mixed-use Centers Review:

The Commission recommends that the City Council accept and acknowledge Exhibit B, and further, based on the findings of the Mixed-use Centers Review and the public testimony and comment, the Commission recommends:
• The City seek ways to improve the alignment of department work programs and development tools to facilitate the desired development activity in the Mixed-use Centers;
• To compound the benefits of City programs, regulations, and investments, the City should continue to focus on a few centers at a time and remain committed to existing focus areas (Downtown, including Stadium and Hilltop, Lincoln, and South Tacoma Way).
• The City should retain the flexibility to respond to unique circumstances and opportunities as they arise.
• In addition to improving the coordination of existing City resources and programs, the Commission strongly recommends that the City Council consider studying the efficacy of the following tools and resources to advance the goals for the City’s centers:
- A transportation impact fee to help fund completion of the multimodal system;
- Design guidelines and a design review program for Mixed-use Centers and public projects;
- A park, recreation and public space strategy to address current gaps in service;
- Study the potential for a Salishan-oriented neighborhood center on Portland Avenue.
- Sub-area or neighborhood planning for each center to coordinate land use, transportation and utility infrastructure investments.

The Commission understands that each of these recommendations would entail significant resources both to study and, potentially, to implement. Therefore, the Commission recommends that the City seek to implement first those programs that would have the broadest applicability to ensure quality development in all of the centers. While the City cannot control which center sees development, it can better ensure that such development is done well. This is critical because if the denser development that is envisioned is not done well it will likely undermine the long-term ability to meet the City’s overall growth strategy.

Finally, the Commission recommends that the City Council consider amendments to the Land Use Regulatory Code as part of the future Planning Commission work program to begin implementing the Mixed-use Center report recommendations. Specifically:
- RA-1: Tailor the height bonus palette to the Neighborhood Center and Crossroads Center typologies.
- RA-3: Evaluate and define the core commercial area within each Center in which ground floor commercial uses should be required.
- RA-4: Amend the pedestrian standards for multi-family development projects within centers to ensure safe, convenient access, and attractive pedestrian orientation.

3. Affordable/Infill Housing Regulations:

The Planning Commission recommends that the City Council adopt proposed amendments to TMC Title 1 – Administration and Title 13 – Land Use Regulatory Code, as shown in Exhibit C. The Commission also recommends that the following actions be taken:
- Continue study of demolition review process options
- Consider updates of Historic District Design Guidelines
- Continue review of short-term rental code
- Ongoing refinement of affordable housing incentives after the program has been in place
- Building on the Residential Infill Pilot Program, continue to enhance the City’s tools to ensure a high standard of design and neighborhood fit.

4. Code Cleanup:

The Planning Commission recommends that the City Council adopt proposed amendments to TMC 13.02, 13.04, 13.05, 13.06, 13.06A, 13.09, 13.11 & 13.16, as shown in Exhibit D.

5. Narrowmoor Addition Conservation District:

The Planning Commission recommends that the Narrowmoor Addition Conservation District be designated as proposed and the associated amendments to TMC 13.06 and 13.07, as shown in Exhibit E-2, be adopted.

F. EXHIBITS:

Exhibits are organized in the following sections:
- Section A. Comprehensive Plan Update:
  - Planning Commission Recommendation Summary
  - Exhibit A-1: Proposed Amendments to the Comprehensive Plan
• Exhibit A-2: Proposed Amendments to TMC 13.11 Critical Areas Preservation

Section B. Mixed-Use Centers Review:
• Planning Commission Recommendation Summary
• Exhibit B: Mixed-Use Centers Study Report

Section C. Affordable/Infill Housing Regulations:
• Planning Commission Recommendation Summary
• Exhibit C: Proposed Amendments to TMC Titles 1 and 13

Section D. Code Cleanup:
• Planning Commission Recommendation Summary
• Exhibit D: Proposed Amendments to TMC 13.02, 13.04, 13.05, 13.06, 13.06A, 13.09, 13.11 & 13.16

Section E. Narrowmoor Addition Conservation District:
• Planning Commission Recommendation Summary
• Exhibit E-1: Landmarks Preservation Commission’s Recommendation Packet
• Exhibit E-2: Proposed Amendments to TMC 13.06 and 13.07
• Exhibit E-3: Draft Narrowmoor Conservation District Design Guidelines