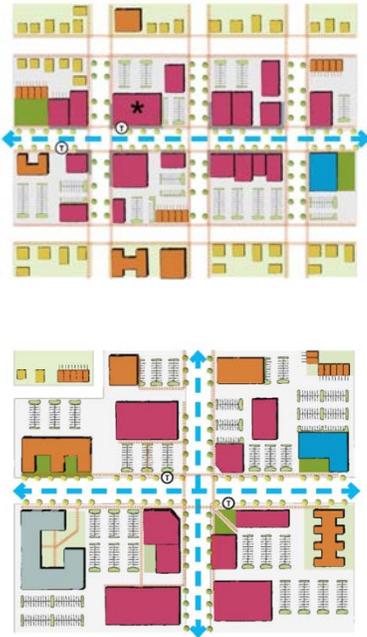


Commercial Zoning Update

Scope and Assessment Report: 2019 Amendment



The Commercial Zoning Update (CZU) will amend Tacoma’s General and Neighborhood Commercial zoning district use and development standards to ensure a more consistent, pedestrian and transit supportive urban environment.

The C-1, C-2, T and PDB districts were created when auto-oriented use and design was more actively promoted. In 2015, the City completed an update to the Comprehensive Plan, One Tacoma, which includes a policy direction to preserve and enhance walk-friendly, pedestrian oriented design where those elements currently exist and to support a transition to a more walk-oriented, pedestrian-friendly street and building design along transit streets and within business districts.

Over the next 20 years, the number of people and jobs will grow significantly in Tacoma. The One Tacoma Plan focuses growth within designated centers, but also encourages growth and development of a variety of scale and intensities in these commercial zones.

Project Summary

Applicant:	Planning and Development Services
Type of Amendment:	Plan and Code Map and Text Amendments
Location and Size of Area:	Citywide
Current Land Use and Zoning:	Land Use Designations: Neighborhood Commercial, General Commercial. Zoning: T, C-1, C-2, PDB.
Neighborhood Council Area:	Multiple, citywide.
Staff Recommendation:	Phase 1: Develop an updated Commercial Zoning Framework as part of the 2019 Amendment. Phase 2: Apply the updated Commercial Zoning Framework as part of the 2020 Amendment.
Date of Report:	June 20, 2018
Project Proposal:	To develop an updated Commercial Zoning Framework that can be applied through Plan, Zoning, and Land Use Regulatory Code amendments. Phases of the project include: <ul style="list-style-type: none"> • Existing Conditions Analysis • Code Audit • Development Scenario Review • Recommended Zoning Framework • Apply the Framework through Code Amendments and Area-wide Rezones



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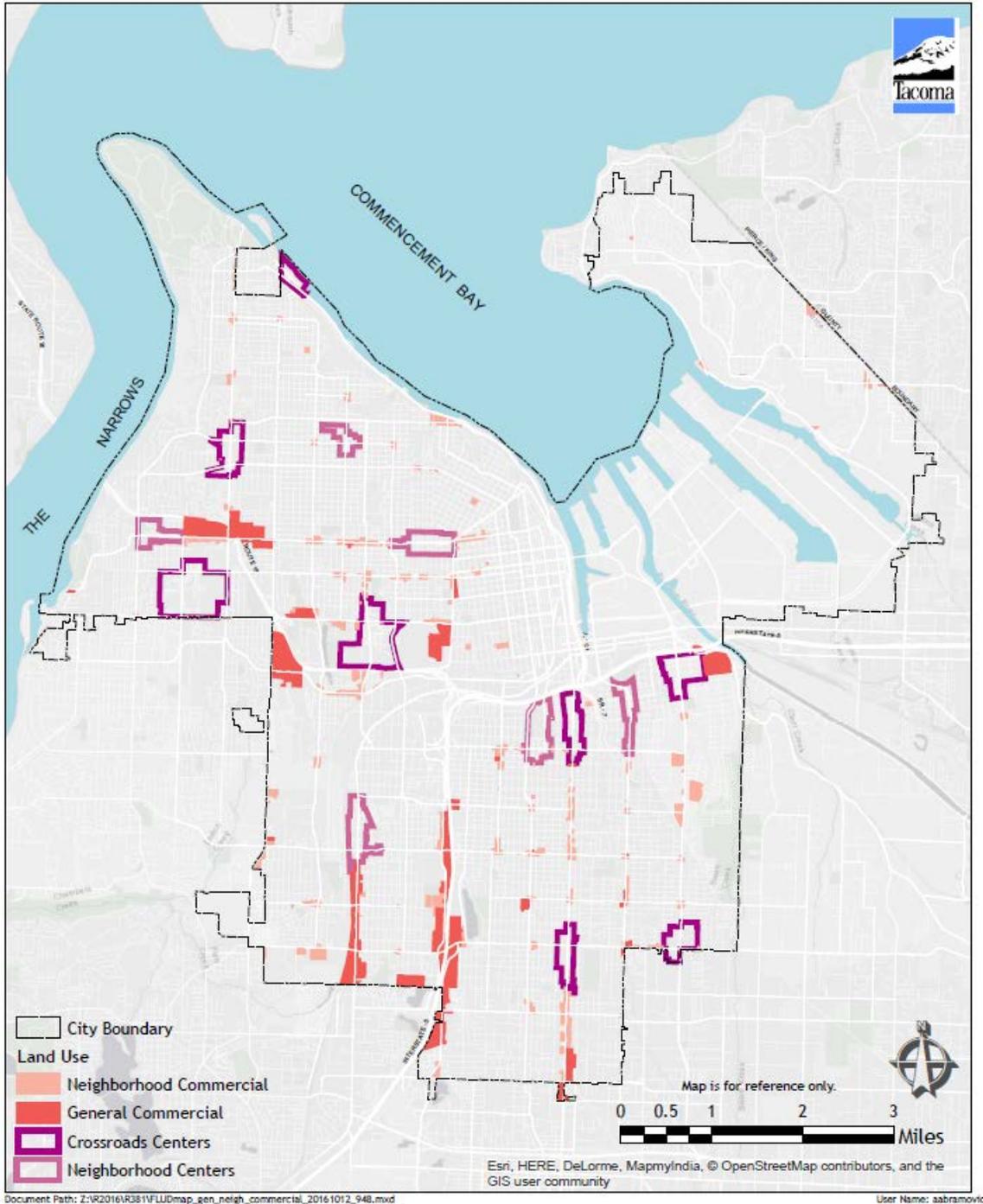
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Section A. Proposed Scope of Work

1. Area of Applicability

The area of applicability for the Commercial Zoning Update will include all areas currently designated as Neighborhood Commercial or General Commercial in the One Tacoma Plan Future Land Use Map (FLUM). The map below depicts these areas in relation to the City's designated Mixed-use Centers (MUCs). While the MUCs are not part of the review, the relationship between the Commercial Areas with MUCs will be part of the review and current design and development standards from the MUCs will help to inform zoning and code amendments that may be proposed for these areas.



2. Background

In 2015 the City of Tacoma completed the periodic update of the Comprehensive Plan, which resulted in the adoption of the One Tacoma Plan – a significant overhaul of the City’s goals and policies. The last time the City undertook a major Comprehensive Plan update was in the mid-1990’s when the City was shifting from the pre-Growth Management Act (GMA) Land Use Management Plans to the new Comprehensive Plan framework as required by the GMA. Following that adoption of the first Comprehensive Plan, the City embarked on a comprehensive update of the Municipal Code and zoning framework. That zoning update was conducted between 1999 and 2000. Subsequent to that update, the City has consistently amended the zoning code to reflect new policies and emerging issues. However, the focal point of these efforts has largely been on the City’s Mixed-use Districts and Residential Districts, or specific types of uses or development issues. While the General Commercial and Neighborhood Commercial districts have been subject to minor amendments, the City has not conducted a comprehensive review of these zoning districts since 2000. Based on the new policies in the One Tacoma Plan, these zoning districts are ripe for a substantive review to ensure consistency with the City’s adopted Plan.

3. Policy Framework

New development and redevelopment can promote vibrant, accessible urban places for people of all ages, abilities and backgrounds, while also enhancing natural resources, providing aesthetically pleasing experiences, protecting health and safety and promoting resilience. As a metropolitan city (per VISION 2040) that is expected to accommodate a significant share of regional growth forecasts, Tacoma faces design and development challenges, as well as opportunities. The policies in the One Tacoma Plan encourage development that respects context, preserves historic and cultural resources, engages innovation and creativity, reduces carbon emissions, improves resource efficiency, and contributes to the beauty, livability, resilience and functionality of the city as a whole.

The following policies provide a framework with which to evaluate the City’s current use and development standards associated with Neighborhood and General Commercial zoning districts:

Design and Development of Centers and Corridors: Centers and corridors are places where large numbers of people live, work, and visit. Careful attention to the design of centers and corridors is necessary to ensure that they become places where people want to live and gather, and where getting around by walking, biking, or wheelchair is an attractive choice. These policies also encourage the development of centers as places that reflect the character and cultures of the surrounding neighborhoods. Policies suggest that site and building design should support a pedestrian-oriented and transit-supportive environment. Policy DD-5.6 identifies specific measures that should be evaluated to ensure that new developments are safe, convenient, connected, and provide attractive pedestrian access.

Transitions and Off-site Impacts: These policies address transitions between areas of differing types of activity and scale of development, such as where centers and corridors interface with adjacent lower-intensity residential zones. These policies also address the consideration and mitigation of offsite impacts from development.

Parking: Vibrant urban places link people and activities. As Tacoma grows, we must manage both the demand and supply of parking. Providing too much parking can lead to inefficient land use patterns and sprawl. Insufficient parking can negatively affect neighborhood livability and economic vitality. These policies provide guidance to manage parking demand and supply to meet a variety of public objectives, including achieving compact walkable communities, reducing overall vehicle use, enhancing livability, reducing pollution, and expanding economic opportunity.

Commercial Uses: Commercial development involves a wide variety of uses and can range in scale from small neighborhood convenience shops to regional shopping centers. Commercial areas are the activity centers of the community. According to the One Tacoma Plan, Commercial districts should be safe, well designed, appropriately scaled, and integrated into the fabric of the community. Infill development and intensification of existing commercial areas will aid their continued economic viability.

The Commercial Districts section of the Urban Form Chapter identifies several typologies of commercial areas:

- Convenience corners are small commercial nodes distributed throughout Tacoma’s neighborhoods, often along historic streetcar routes. These nodes are generally developed at a neighborhood scale, up to 3 stories in height, but more typically 1–2 stories, and serviced by on-street parking and small off-street lots. Convenience corners provide access to daily services, including religious services and small businesses, in close proximity to residential neighborhoods, as well as gathering places for community interaction and mingling, and focal points of neighborhood identity. Due to their small size, convenience corners are more widely dispersed throughout the City. Convenience Corners are not typically zoned for significant growth, but rather to retain and enhance the existing services.
- Neighborhood Commercial districts are characterized primarily by small-scale neighborhood businesses with some residential and institutional uses. Uses within these areas have low to moderate traffic generation, shorter operating hours, smaller buildings and sites, and less signage than general commercial or mixed-use areas. There is a greater emphasis on small businesses and development that is compatible with nearby, lower intensity residential areas. Building heights typically range from 1 to 3 stories. Neighborhood Business Districts typically exhibit a higher concentration of commercial uses than a convenience corner and service a broader area.
- General Commercial districts encompass medium to high intensity commercial uses which serves a large community base with a broad range of larger scale uses. These areas also allow for a wide variety of residential development, community facilities, institutional uses, and some limited production and storage uses. These areas are generally located along major transportation corridors, often with reasonably direct access to a highway. This designation is characterized by larger-scale buildings, longer operating hours, and moderate to high traffic generation.

4. Objectives

This application is responsive to the following objectives for Plan and Code amendments:

- **Address inconsistencies or errors in the Comprehensive Plan or development regulations.**

The proposed amendment would update the City’s commercial zoning districts, specifically C-1, C-2, T, and PDB, to address inconsistencies with policies adopted in the One Tacoma Plan.

- **Respond to changing circumstances, such as growth and development patterns, needs and desires of the community, and the City’s capacity to provide adequate services.**

In 2015 the City Council adopted the One Tacoma Plan, a significant update of the City’s Comprehensive Plan. This update resulted in broad changes to City policies, identifying new areas of focus for design and development. These policies are referenced and discussed in Section 3 of this report. In support of the policy update, the City conducted a multi-year process of community engagement that resulted in the adoption of the Tacoma2025 Strategic Plan and the One Tacoma Comprehensive Plan. Community feedback during the outreach process helped to inform the City’s policy proposals - *reflecting a changing desire in the community*

for more walkable, transit supportive neighborhoods and business districts. In addition, the One Tacoma Plan identifies centers and corridors as a focal point for growth and change within the City. The proposed code amendments are intended to implement the goals and policies of the One Tacoma Plan and will respond to new policy emphases on the use and design of designated pedestrian and transit corridors that connect mixed-use centers.

- **Maintain or enhance compatibility with existing or planned land uses and the surrounding development pattern.**

The proposed amendment will consider changes to the use and development standards for Commercial Zoning districts to enhance compatibility for both existing and planned uses and development patterns. The City's policies in the One Tacoma Plan express a vision for future use and development patterns. This code amendment will implement new standards consistent with adopted policies to ensure that new development meets this planned vision. However, the Comprehensive Plan policies also recognize the ways that new development may impact surrounding areas. Therefore, the proposed amendment will also evaluate ways to implement policies relating to the mitigation of off-site impacts and the use of transitions between land uses and districts.

- **Enhance the quality of the neighborhood.**

High quality design that is context sensitive can support safe, healthy, and livable neighborhoods. Ensuring that development standards implement the City's adopted policies will have a positive impact on the quality of the City's neighborhoods.

5. Options Analysis

A. Existing Conditions Analysis. The first phase of this project will evaluate the existing conditions and characteristics of the City's Neighborhood and General Commercial districts. This evaluation is intended to result in a typology of existing districts that can be compared against the typology of commercial districts as envisioned in the Plan.

Options for evaluation include:

Use

- Inventory of existing use types
- Diversity/concentration of uses types in districts
- Business density

Design

- Parking quantity and location
- Building orientation
- Average lot sizes
- Average building sizes
- Street front setbacks

Scale

- Floor area ratio
- Building coverage

- Building height

Connectivity and Transitions

- Intersection density
- Street orientation

B. Code Audit and Comparison: The second phase of the project will evaluate the degree to which the current policies and codes align with existing commercial districts. This phase will identify, based on adopted policies, characteristics of these commercial centers that are proposed to be retained and those that are intended to be modified over time as redevelopment occurs.

C. Development Scenarios: This phase will utilize development scenarios in each zoning district to identify whether the existing use and development standards are likely to achieve the outcomes for development envisioned in Plan policies. This analysis will result in recommendations that the Commission may utilize in developing the zoning framework.

D. Zoning Framework: This phase of the project will evaluate options that the Commission can consider to more fully implement One Tacoma Plan policies. The intent of this phase is to develop a Commercial Zoning Framework that can be recommended to Council for implementation concurrent with area-wide rezones as part of the 2020 Amendment cycle. Options may include:

- Future Land Use Map: Amendments to the land use designations or adjustments to Table 3 of the Urban Form Element “Comprehensive Plan Future Land Use Designations.”
- Proposed area-wide rezones. This may include areas currently within the scope of the Future Land Use Implementation project as well as recommendations for further zoning changes that are outside the scope of that project.
- Creating or replacing zoning districts. The Commission may consider the need for new zoning districts to better reflect the diversity of commercial areas within the City and the diversity of needs for commercial zoning and development standards. In addition, the Commission may consider replacing existing zoning classifications that no longer implement or reflect established policies.
- Amend use and Development standards. The Commission may consider amendments to TMC 13.06 to amend specific use allowances and permit types per zoning district as well as associated standards, including site and building design standards.

6. Proposed Outreach

Public outreach and engagement will be a significant component of this process. Staff proposes to utilize a variety of methods of notification and engagement to solicit city-wide input into this proposal.

A. Methods of Notification:

- Mailing: Notice will be sent to all taxpayers and tenants in areas currently designated General or Neighborhood Commercial.
- Website: Planning Services will maintain a calendar of events, project updates and public documents on a project website.
- Media: Announcement for key events and document release will be distributed to local media outlets.
- Social Media: Facebook and Twitter will be used to announce project news and promote events.

- **Planning Manager’s Letter:** The Planning Manager’s Letter is distributed widely to Neighborhood Councils, Business Districts, civic organizations, adjacent jurisdictions, and employers. This letter can be utilized to highlight important planning efforts and describe the opportunities for public participation.
- **Partner Agencies:** Other partner agencies maintain interested party distribution lists, websites, and other means of disseminating information. Staff will request that community partners help to disseminate this information as widely as possible.

B. Modes of Engagement:

- **Online Preferential Survey:** Staff proposes to utilize an online webmap to solicit use and development preferences that can be specifically associated with commercial districts around the City. This will help staff evaluate the community preference and/or highlight specific community concerns that may be addressed through the effort.
- **Farmers Markets:** Informational materials and surveys can be utilized at farmers markets throughout the City. The distribution and attendance at the markets provides a rich opportunity to reach community members who may not otherwise participate in planning efforts.
- **Non-English Speaking Communities:** The City has previously partnered with Safe Streets to conduct outreach to community groups that do not speak English as a first language. Safe Streets in partnership with City staff were able to provide interpretation services and translate written survey materials. Staff will explore options to conduct similar outreach to support this project.
- **Walking Tours:** During the 2015 Comprehensive Plan Update, walking tours were utilized with great success to support the development of the Residential Pattern Areas study. This study will complement that work. Walking tours of specific business districts would enable on the ground discussions of design and development issues in these areas.
- **Public Hearing and Comment:** Both the Planning Commission and City Council will conduct a public hearing on the proposals.

7. Impacts Assessment

A. Off-site Impacts

This project may result in area-wide rezone proposals. Typically, area-wide rezones are evaluated under a SEPA non-project action. Additional project-level review is conducted as part of an application for land use or building permits and mitigation for project impacts may be required at the time of permit issuance. When considering area-wide rezones, staff can only consider hypothetical development scenarios. For example, a C-2 General Commercial zoning district may allow single family residential development as well as commercial uses. As a result, the degree of impacts may differ substantially depending on the specifics of the development proposal and unit density. While a more detailed project-level review will occur in conjunction with future development proposals, staff will provide a general evaluation of the potential traffic impacts related to any area-wide rezoning proposals.

B. Historic Resources

This project has the potential to impact historic resources in the City’s commercial areas. This project will be closely related to the Historic Preservation Code Improvement project, which would evaluate code improvements, particularly via demolition review, that can help to mitigate the impacts to historic resources. The project will also take into account known historic resources in making rezone recommendations.

C. Nonconforming Uses

Changes to use and development standards may result in the creation of new nonconforming uses. This project will evaluate the impact of the proposed framework on existing uses.

Section B. Assessment

The applications were reviewed against the following assessment criteria pursuant to TMC 13.02.045:

1. If the amendment request is legislative and properly subject to Planning Commission review, or quasi-judicial and not properly subject to Commission review.

Staff Assessment: The application is legislative and properly subject to Planning Commission review.

2. If there have been recent studies of the same area or issue, which may be cause for the Commission to decline further review, or if there are active or planned projects that the amendment request can be incorporated into.

Staff Assessment: This project is an extension of the Future Land Use Map update that was adopted as part of the 2015 One Tacoma Plan update. The specific issues to be evaluated as part of this proposal were proposed for inclusion in the 2018 Amendment Cycle, but were deferred due to resource limitations. There are no further studies or projects that this request can be incorporated into.

3. If the amount of analysis necessary is reasonably manageable given the workloads and resources of the Department and the Commission, or if a large-scale study is required, the amendment request may be scaled down, studied in phases, delayed until a future amendment cycle, or declined.

Staff Assessment: The amount of analysis is significant. In particular, public outreach and engagement will require substantial staffing resources. In addition, this project is inter-related with the Future Land Use Implementation (FLUM) project. Conducting this study concurrent with the FLUM implementation would shrink the available time and schedule to complete the necessary studies in time to subsequently conduct the area-wide rezone review in time for 2019 adoption. Instead, staff suggests a phased approach may be appropriate. Phase 1 would conduct the baseline analyses and community engagement and result in a proposed zoning framework. Phase 2 would then apply this framework through Plan and Code amendments and Rezones.

Section C. Summary of Public Comments

The Planning Commission conducted a public scoping hearing on June 6, 2018. The following is a summary of public comments pertaining to the scope of work and assessment report for the Commercial Zoning Update.

Issue	Staff Response
<p>Nonconforming Uses: Concern that the commercial rezones, specifically in areas that are identified in the FLUM as Neighborhood Commercial, but have existing General Commercial zoning, could result in creating significant numbers of new nonconforming uses.</p>	<p>While this issue was raised in response to the Future Land Use Map implementation, Staff intends to review this issue primarily through the Commercial Zoning update. The Commercial Zoning update is intended to evaluate the current commercial zoning districts and the balance between use flexibility, scale, and off-site impacts. The Commercial Zoning update will consider methods to promote the implementation of the FLUM while also minimizing impacts to existing</p>

<p>Historic and Cultural Resources: The City should include a cultural/historic inventory as part of this project to identify and map small commercial areas across the City, including an inventory of historic structures.</p>	<p>businesses.</p> <p>Staff proposes to conduct a development pattern and character study, but will be limited in the ability to conduct historic surveys City-wide as part of this scope. However, the project is related to the Historic Preservation Code Improvement project which will include improvements to demolition review and the designation process.</p>
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Section D. Staff Recommendation

According to TMC 13.02.045, the Planning Commission will review this assessment and make its decision as to:

1. Whether or not the application is complete, and if not, what information is needed to make it complete;
2. Whether or not the scope of the application should be modified, and if so, what alternatives should be considered; and
3. Whether or not the application will be considered, and if so, in which amendment cycle. The Planning Commission shall make determinations concerning proposed amendments.

Based on the review of the proposals against the assessment criteria, staff concludes that they are ready for technical analysis. Staff recommends that the Planning Commission accept the application for consideration during the 2019 Amendment cycle, with the following considerations:

1. **Phasing:** Staff recommends a phased approach. The first phase, to be conducted during the 2019 cycle, would develop a new framework for commercial zoning, as outlined in the scope of work, including any new zoning districts and related use and development standards. The second phase, to be conducted in the 2020 amendment cycle, would then apply the framework through code amendments and Future Land Use Map/Zoning Map Amendments. This approach would allow for more time to conduct analysis and outreach to support the development of the commercial zoning framework that would otherwise be infeasible if the project were to move forward on a 2019 track for both development and implementation.
2. **Scope of Work:** Staff recommends modifying the scope of work to specifically identify existing and potential non-conforming uses as a component of the analysis to be conducted. These issues were initially identified within the scope of work for the FLUM implementation, but should be reflected in the scope of work for the Commercial Zoning update as well.

Section E. Planning Commission Determination

On June 20, 2018 the Commission approved the Scope of Work and Assessment Report as recommended by staff and forwarded the application for technical review and analysis as part of the 2019 Amendment.