To: Planning Commission
From: Wesley Rhodes, Planning Services Division
Subject: 2023 Amendment – “City-wide Commercial Zoning Code Update”
Memo Date: December 28, 2022
Meeting Date: January 4, 2023

Action Requested:
Comment and Direction.

Discussion:
At the next meeting on January 4, 2023, the Planning Commission will receive an update, for comment and direction, on the project scope and preliminary analytic framework as part of the assessment of the staff-initiated application “City-wide Commercial Zoning Code Update” for the 2023 Annual Amendment to the One Tacoma Comprehensive Plan and Land Use Regulatory Code (“2023 Amendment”).

Staff will present refinements to the proposed scope, planned to occur in two phases over 2023 and 2024. Additionally, staff will discuss a preliminary “commercial pattern area typology” framework and the provisional classification criteria, for comment and direction. Other topics will include a discussion of how this project intersects with the Multi-Family Property Tax Exemption Program’s (MFTE) expansion to include “neighborhood commercial nodes.” Staff will incorporate the Commission’s comment and direction as it moves forward with additional technical analysis for the project.

Project Summary:
The project proposes to update the City’s commercial zoning code classifications (C-1, C-2, T, PDB) to better conform with goals and policies contained within the One Tacoma Comprehensive Plan. The update will address inconsistencies between the Comprehensive Plan goals and policies with existing zoning standards, such as issues that arise with implementing a more pedestrian-oriented design approach as well as areas where more intensive development abuts lower density residential areas.

Prior Action:
• September 7, 2022: Assessment and Determination

Staff Contact:
• Wesley Rhodes, wrhodes@cityoftacoma.org

Attachments:
Attachment A: Commercial Zoning Update – Discussion Outline

c. Peter Huffman, Director
### Background

**Proposal**

The project proposes to update the City’s commercial zoning code classifications (C-1, C-2, T, PDB) to better conform with goals and policies contained within the *One Tacoma* Comprehensive Plan. The update will address inconsistencies between the Comprehensive Plan goals and policies with existing zoning standards, such as issues that arise with implementing a more pedestrian-oriented design approach.

**Area of Applicability**

Citywide in commercial zones:
- C-1, Neighborhood Commercial
- C-2, General Commercial
- PDB, Planned Business Development
- T, Transitional

*Not applicable to commercial uses within designated Mixed-Use Centers.*

**Previous Action**

September 7, 2022: Assessment and Determination
Map showing Commercial Zoned Areas Citywide:

Commercial Zoning and Centers
### Phased Approach

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<thead>
<tr>
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<th>Plan</th>
<th>Code</th>
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<tr>
<td><strong>Phase 1</strong></td>
<td>Create Commercial Pattern Area Typology, Policy Gap Assessment, implementation Framework</td>
<td>MFTE Expansion Area design standards updates</td>
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<td>(2023 Amendment Cycle)</td>
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<td><strong>Phase 2</strong></td>
<td>Adopt Commercial Typologies and associated policies</td>
<td>Adopt the implementing zoning districts</td>
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<td>(2024 Periodic Update)</td>
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**Preliminary Commercial Pattern Area Typologies (for existing commercial areas):**

![Diagram showing different commercial pattern area typologies: Corners, District, Main Street/Corridor, Shopping District, Freeway Interchange]

**Provisional Typology Classification Criteria:**

- Size
  - District size
  - Mean building size
  - Business density
- Orientation (Internal v. Street v. Freeway)
- Service area (Vicinity ← → Region)
- Parking quantity & location
- Street classifications & location
  - Ped Streets, transit service
MFTE Expansion to “Neighborhood Commercial Nodes:”

Ordinance 28798 set provisions for areas in which the 12- and 20-year MFTE could expand to geographies outside of Mixed-Use Centers. These included existing mid-scale residential along corridors which has already taken effect. It also included “Neighborhood Commercial Nodes” along transit, with a provision that:

“...the 12-year and 20-year MFTE... shall not become available in the neighborhood commercial nodes until a comprehensive review and update of the design standards for projects which include residential development in those commercial areas is completed....”

Furthermore it requires “… projects in... Neighborhood Commercial Nodes,... which are located on a corner, must include at least 30 percent of the first floor as commercial space....”

Where the Neighborhood Commercial Node areas for expansion are defined as:
• Neighborhood Commercial FLUM
• Along existing transit
• Node is at least 20,000 sq. ft.
Map showing “Neighborhood Commercial Node” Expansion areas and underlying zoning:

MFTE Expansion: Zoning Analysis
Key Issues to Consider for Expansion Areas:

- Parking between sidewalk and building
- Loss of Ground Floor Commercial
- Build to – frontage requirements and siting (consistency)
- Residential Transitions – commercial v. residential setbacks/build to
- Parking Requirements along transit