



**To:** Planning Commission  
**From:** Adam Nolan, Planning Services Division  
**Subject:** **2023 Amendment – Assessment of “Regulating Delivery-Only Businesses of Food and Other Consumables” Application**  
**Memo Date:** August 31, 2022  
**Meeting Date:** September 7, 2022

**Action Requested:**  
Comment and Determination.

**Discussion:**

At the next meeting on September 7, 2022, the Planning Commission will conduct an assessment of the staff-initiated application “Regulating Delivery-Only Businesses of Food and Other Consumables” (“delivery-owned” business) for the 2023 Annual Amendment to the [One Tacoma Comprehensive Plan](#) and [Land Use Regulatory Code](#) (“2023 Amendment”).

For identification purposes, the application is referenced as “Delivery-Only Businesses.” The Commission will review this application and determine, in accordance with the requirements of the [Tacoma Municipal Code](#) (TMC), Section 13.02.070.E, whether the application will be accepted onto the 2023 Annual Amendment package and moved forward for technical analysis.

Attached to facilitate the Commission’s assessment and determination is the Assessment Report for “Delivery-Only Businesses.”

**Project Summary:**

The Comprehensive Plan and its elements, as well as development regulations and regulatory procedures that implement the Comprehensive Plan, shall be adopted and amended by ordinance of the City Council following the procedures identified in TMC 13.02.070. Proposed amendments may be considered annually, for which the amendment process shall begin in July of any given year and be completed, with appropriate actions taken by the City Council by the end of June of the following year. The process for the [2023 Amendment](#) began with accepting applications during January-March 2022 and is slated for completion in June 2023.

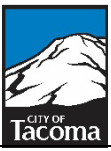
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**Attachment:**

1. Assessment Report – “Delivery-Only Businesses”
- c. Peter Huffman, Director





**2023 ANNUAL AMENDMENT  
TO THE COMPREHENSIVE PLAN AND LAND USE REGULATORY CODE**

**Application:  
Code Amendments Regulating Delivery-only Businesses  
of Food and Other Consumables**

**Assessment Report  
September 7, 2022**

This application, “Code Amendments Regulating Delivery-only Businesses of Food and Other Consumables” (delivery-only businesses) is being considered as a part of the 2023 Annual Amendment to the *One Tacoma* Comprehensive Plan and Land Use Regulatory Code (“2023 Amendment”). The intent of this application is to seek appropriate amendments to the Tacoma Municipal Code, Title 13 to include definitions and development/performance standards specific to delivery-only business uses. This assessment report is compiled for review by the Tacoma Planning Commission to determine acceptance as part of the 2023 Amendment work program.

| Project Summary                     |   |
|-------------------------------------|---|
| <b>Application ID:</b>              | Code Amendments Delivery-only Businesses of Food and Other Consumables  |
| <b>Applicant:</b>                   | Planning and Development Services   |
| <b>Staff Contact:</b>               | Adam Nolan, Associate Planner, <a href="mailto:anolan@cityoftacoma.org">anolan@cityoftacoma.org</a>   |
| <b>Location and Size of Area:</b>   | Citywide  |
| <b>Current Land Use and Zoning:</b> | Various   |
| <b>Neighborhood Council Area:</b>   | Citywide  |
| <b>Project Proposal:</b>            | This staff-initiated amendment is in response to the increasing interest from the community in establishing and operating delivery-only businesses of food and other consumables. The Tacoma Municipal Code (TMC), Title 13 does not have a clear category for delivery-only businesses. The proposal is to amend the TMC Title 13 to provide appropriate definitions and development/performance standards specific to delivery-only businesses. |



# Section A. Proposed Scope of Work

## 1. Area of Applicability

Citywide and applicable to zoning districts that allow Commercial uses.

## 2. Background

The City of Tacoma has received recent requests to locate “delivery-only” businesses within the City and the Tacoma Municipal Code does not have a clear category for “delivery-only” businesses, also commonly referred to as “ghost”, “cloud”, or “virtual” kitchens. An example of “delivery-only” businesses could be a small grocery or convenience market that does not allow public entry and exclusively serves delivery services (such as Door Dash or Uber Eats). The physical location may include one or more separate business entities preparing materials for delivery. Due to their unique operations, “delivery-only” businesses do not adequately fit into uses currently defined in Tacoma Municipal Code (TMC), Title 13.

“Delivery-only” business has grown significantly in recent years on account of the rise of mobile-based applications that allows consumers to easily order food and have it delivered to their location. The public health measures and restrictions associated with the global COVID-19 pandemic further fueled the demand for “delivery-only” food and products. While some COVID-19 restrictions have been lifted on restaurants and businesses, the demand for products and services provided by “delivery-only” businesses is likely to continue and grow. These changing circumstances necessitate an evaluation of location and regulatory standards for “delivery-only” businesses.

## 3. Policy Framework

According to TMC 13.02.070.D.5.c, the applicant must address the following criteria:

- Identify and cite any applicable policies of the Comprehensive Plan that provide support for the proposed amendment

The proposed code amendments would define “delivery-only” businesses and provide regulatory components guidance for these uses, including for location, parking, loading zones, and design and development standards. The following table outlines policy support for these regulatory components as well as general standards that apply to additional City policies (land use planning, employment, economic development, etc.).

| <i>One Tacoma Plan Chapter</i> | <b>TABLE 1: Relevant Goals and Policies</b>   | <b>Relevant Regulatory Framework</b> |
|--------------------------------|---|--------------------------------------|
| URBAN FORM Chapter             | GOAL UF–1 Guide development, growth, and infrastructure investment to support positive outcomes for all Tacomans.   | GENERAL                              |
|                                | Policy UF-1.5 Strive for a built environment designed to provide a safe, healthful, and attractive environment for people of all ages and abilities.              | DESIGN                               |
|                                | Policy UF–1.6 Support energy-efficient, resource-efficient, and sustainable development and transportation patterns through land use and transportation planning. | GENERAL, DESIGN, LOCATION            |

|                                     |  |  |
|-------------------------------------|--|--|
|                                     | <p>Policy UF–1.11 Evaluate the impacts of land use decisions on the physical characteristics of neighborhoods and current residents, particularly underserved and under-represented communities.</p> <p>a. Avoid or reduce negative development impacts, especially where those impacts inequitably burden communities of color underserved and under-represented communities, and other vulnerable populations.</p> <p>b. Make needed investments in areas that are deficient in infrastructure and services to reduce disparities and increase equity and where growth and change are anticipated.</p> | GENERAL, DESIGN, LOCATION                  |
|                                     | GOAL UF–8 Ensure the continued growth and vitality of Tacoma’s employment centers.   | GENERAL                                    |
|                                     | Policy UF–8.4 Consider the land development and transportation needs of Tacoma’s employment geographies when creating and amending land use plans and making infrastructure investments.   | GENERAL, LOCATION, PARKING/LOADING         |
| <b>DESIGN + DEVELOPMENT Chapter</b> | GOAL DD–2 Ensure that parking area design and management balances the needs of all users, supports modal priorities, and is responsive to site context.  | GENERAL, DESIGN, LOCATION, PARKING/LOADING |
|                                     | Policy DD–2.1 Promote site design that minimizes the impacts of vehicular access and parking lots on pedestrian safety and the visual environment.   | GENERAL, DESIGN, LOCATION, PARKING/LOADING |
|                                     | Policy DD–2.5 Develop parking management plans for centers and commercial areas that address pricing, enforcement, parking duration and turnover, strategies for preventing spillover into surrounding residential areas (such as Residential Parking Zones), revenue and cost sharing options, and that identify SEPA mitigation opportunities.   | GENERAL, DESIGN, LOCATION, PARKING/LOADING |
|                                     | GOAL DD–9 Support development patterns that result in compatible and graceful transitions between differing densities, intensities, and activities.  | DESIGN, LOCATION                           |
|                                     | Policy DD–9.3 Use land use and other regulations to limit and mitigate impacts, such as odor, noise, glare, air pollutants, and vibration that the use or development of a site may have on adjacent residential or institutional uses, and on significant fish and wildlife habitat areas.  | GENERAL, DESIGN, LOCATION                  |
|                                     | Policy DD–9.4 Minimize the impacts of auto-oriented uses, vehicle areas, drive-through areas, signage, and exterior display and storage areas on adjacent residential areas.   | GENERAL, DESIGN, PARKING/LOADING           |
|                                     | GOAL DD–10 Ensure that all citizens have nearby, convenient, and equitable access to healthy foods.  | GENERAL, DESIGN, LOCATION                  |
| <b>ECONOMIC DEVELOPMENT Chapter</b> | GOAL EC–1 Diversify and expand Tacoma’s economic base to create a robust economy that offers Tacomans a wide range of employment opportunities, goods, and services.   | GENERAL                                    |
|                                     | Policy EC–1.8 Encourage the establishment and expansion of commercial businesses that produce goods locally, increase local spending and provide needed goods and services to local residents and businesses in Tacoma.  | GENERAL                                    |

|  |  |         |
|--|--|---------|
|  | GOAL EC–3 Cultivate a business culture that allows existing establishments to grow in place, draws new firms to Tacoma and encourages more homegrown enterprises.  | GENERAL |
|  | Policy EC–3.1 Support efforts to attract, expand and retain large, medium, and small businesses that offer high quality jobs, generate local tax revenue and/or provide needed goods or services to residents. | GENERAL |
|  | Policy EC–3.6 Support development of flexible workspaces where people with shared interests can meet, collaborate, and develop their business ideas and products.  | GENERAL |

Table 1. Applicable policy from One Tacoma Comprehensive Plan related to “Delivery-only” Businesses

## 4. Objectives

As outlined in TMC Section 13.02.070.D.5.d, the application must adequately respond to the following objectives to be considered in the Annual Amendment docket:

- Address inconsistencies or errors in the Comprehensive Plan or development regulations;  
**Staff Response:** The application seeks to address inconsistencies and provide clarity to City policy and development regulations by defining and regulating “delivery-only” business.
- 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;  
**Staff Response:** City of Tacoma staff have received requests to locate “delivery-only” businesses within the City. The City lacked a clear categorical definition and development/performance standards for “delivery-only” businesses.
- Maintain or enhance compatibility with existing or planned land uses and the surrounding development pattern; and/or  
**Staff Response:** It is noted that “delivery-only” business use does not meet compatibility standards of similar commercial land uses. The proposal intends to address this by providing a definition and development/performance standards for “delivery-only” business.
- Enhance the quality of the neighborhood.  
**Staff Response:** As “delivery-only” businesses are citywide and applicable to zoning districts that allow Commercial uses, assessment of how uses enhance quality of neighborhoods is not applicable in this case. Nonetheless, “delivery-only” business uses may enhance goals around food access, employment opportunities, and other goals.

## 5. Impacts Assessment

“Delivery-only” businesses could have a number of impacts that merit additional analysis. If the amendment moves to technical analysis, staff will assess, at minimum, the anticipated impacts outlined in TMC 13.02.070.F.2.d.

Data from the Tacoma Equity Index will be thoroughly evaluated to determine potential impacts of these uses as they pertain to the city’s equity goals, especially in prioritizing structurally under-resourced and environmentally vulnerable neighborhoods in the city. This analysis will need to consider impacts to health, sustainability, and equity.

## 6. Proposed Outreach

From TMC Section 13.02.070.D.5.e.1, the applicant is required to provide a description of any community outreach and response related to the proposed amendment:

**Staff Response:** Outreach will include meetings with the Neighborhood Councils, City Departments and Commissions, and stakeholders. Consultation with the Puyallup Tribe will be conducted. The public will be informed throughout the process as outlined in TMC 13.02.070.G. In addition to standard public notification and outreach, staff will conduct outreach to neighborhood business districts to identify level of concerns about delivery-owned businesses. Staff will consult with Media and Communications for communications and outreach strategies. Staff will collaborate with City staff and stakeholders to determine the scope of technical analysis and impacts analysis needed.

## Section B. Assessment

Per TMC 13.02.070.E.2, the application was reviewed against the following assessment criteria:

- If the amendment request is legislative and properly subject to Planning Commission review, or quasi-judicial and not properly subject to Commission review.  
**Staff Response:** The proposed amendment to the *One Tacoma Plan* and the Tacoma Municipal Code, primarily Title 13 – Land Use Regulatory Code, are legislative and properly subject to the Commission’s review.
- 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 Response:** There are currently no other projects or commercial zoning that address “delivery-only” business uses. While separate from the commercial zoning update, staff would coordinate “delivery-only” business uses work with the commercial zoning review.
- 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 Response:** Staff believes that this code amendment request could be accomplished within a year’s time, but this is dependent upon the docketing process and accumulative departmental workload.

## Section C. Recommendation

Per TMC 13.02.070.E.3, the Planning Commission will review this assessment and make its decision as to:

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

**Staff Recommendation:** Based on the review of the proposals against the assessment criteria, staff concludes that this application is complete and ready for technical analysis. Staff recommends that the Planning Commission accept the application as submitted and move it forward to the technical analysis stage.