#### **MEMORANDUM**

TO: Tacoma Planning Commission and Tacoma City Council

**FROM:** Tacoma Permit Advisory Group

**SUBJECT:** Home in Tacoma Proposed Regulations

**DATE:** March 8, 2024

CC: Elizabeth Pauli, Kurtis Kingsolver, Peter Huffman

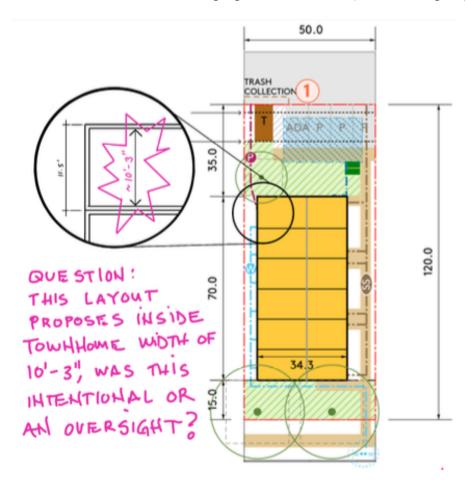
This letter has been collectively drafted by the Tacoma Permit Advisory Group, which is composed of building professionals that meet regularly with the Tacoma Planning Department to provide permitting and policy recommendations. The purpose of this letter is to provide our perspective on the Home in Tacoma proposed regulations.

We can see that Planning Department staff and the Planning Commission are working in good faith to balance many competing priorities. This is not an easy task, and we don't envy their position. However, it's critical to remember that the first priority of Home in Tacoma is to increase missing middle housing production. That must be the North Star in crafting these regulations.

We need <u>60,000 new units by 2040</u>. To meet this goal, we must build 3,750 new units per year for the next 16 years, which is about four times <u>our current rate of housing production</u>. We cannot quadruple housing production without prioritizing it.

Unfortunately, the draft regulations value too many other priorities at the expense of housing. The proposed regulations authorize 6-12 units per lot, but they also require large yards, parking, setbacks, and tree canopy coverage that will make efficient development impossible or economically infeasible in practice. The city is giving with one hand and taking with the other.

As an example, the below layout was drafted by Tacoma's consultant, Mithūn, and shows six units located on a standard 6,000 sf lot in the proposed UR-1 zone (our notes in pink):



Each unit in the above layout is 10 ft, 3 inches wide. With a staircase, these units would have a living space smaller than the minimum allowable dimension for a habitable room (7 ft wide per IRC R304.2). In other words, it's nearly impossible to fit six legal units onto a standard 6,000 sf residential lot under the proposed regulations. Even the city's own consultant can't make everything fit.

Several of the other layouts drafted by Mithūn are equally infeasible, particularly those showing "backyard buildings" constructed behind existing homes (more on this below). We have also attached a complete set of Mithūn's site plans with our annotations to further demonstrate some of the issues we noted (see **Exhibit A**).

Notably, Mithūn did not test the proposed regulations on substandard lots—meaning lots smaller than 6,000 sf or lots burdened by easements, slopes, wetlands, and other impediments to development. The proposed regulations will be even more difficult to accommodate on these substandard lots.

In sum, there simply isn't enough room for everything. If Tacoma truly wants to enable missing middle housing development at the scale we need, Tacoma must relax many of its proposed regulations.

To be clear, we are *not* suggesting that missing middle housing production should be the city's only priority; just that it should be the city's first priority. In the remainder of this letter, we dive into the details, discussing each of the major problems with the proposed regulations and recommending a solution to each. In drafting our recommended solutions, we tried to respect each of the city's competing priorities while centering missing middle housing production as the primary goal. We hope we've struck the right balance.

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After reviewing this letter, we hope that the Planning Commission and/or City Council will formally direct the Planning Department to adopt our solutions as revisions to the proposed Home in Tacoma regulations. We would be happy to present our solutions at a study session to provide more context.

Thank you for your consideration.

—Docusigned by: Justin Goroch

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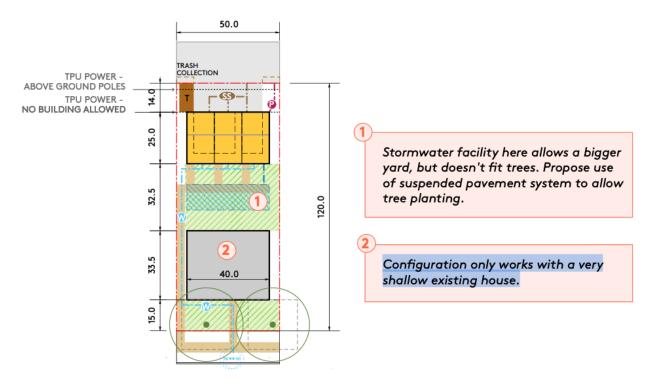
Co-Chair, Tacoma Permit Advisory Group

# Problem: The proposed regulations make it impossible to construct backyard buildings behind most existing houses

Tacoma's proposed regulations make it almost impossible to build behind most existing houses. The two main issues are:

- 1. The pedestrian egress requirement (8 ft side yard setback, 5 ft path width)
- 2. That all other requirements apply to the entire lot, not just the area being developed (tree coverage, amenity space, parking, floor area ratio (FAR), and potentially stormwater filtration).

As a result of these issues, very few existing houses can accept additional units. Below is a backyard building site plan drawn by Tacoma's consultant Mithūn in which they note their "[c]onfiguration only works with a very shallow existing house" because the existing house cannot be deeper than about **48.5** ft from the front lot line:



(Note that Mithūn omitted to provide the required 8 ft pedestrian setback on the left side in their above drawing.)

A huge majority of existing houses extend beyond **48.5** ft from the front lot line. As a result, we estimate that around 90% of existing homes can't support a backyard unit under the proposed regulations. This is a dramatic step backward from current ADU code where backyard units are possible on the majority of lots.

Below is a random screenshot of several blocks near Jefferson Park with a blue line superimposed at approximately 48.5 ft from the front boundary. Any house that crosses this blue line would be unable to support a backyard unit per Mithūn's findings. As you can see below, a maximum of about 15 of 120 lots (87.5%) may be able to accommodate additional units under this restriction (those sites are marked with red dots):



From our brief review, the outlook appears to be much worse in other neighborhoods where existing homes are larger or set further back from the front boundary. We have attached several other screenshots of random neighborhoods around Tacoma as **Exhibit B**.

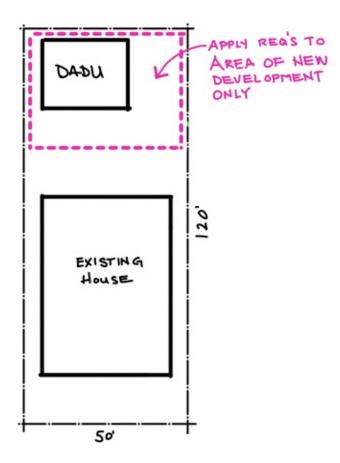
This is a huge concern, since preserving existing "heritage buildings" is one of Tacoma's goals. If Tacoma does not change this requirement, then many owners will either be unable to build more units, or they'll need to tear down perfectly good existing homes to do so. Obviously, tearing down existing homes is bad for the environment and bad for preserving neighborhood character.

### Recommended Solution: Apply new regulations solely to the area of the property being developed and relax pedestrian egress requirements

Our recommended solutions consist of several elements:

- 1. Only apply setback, tree coverage, amenity space, stormwater filtration, parking, and FAR requirements (if any) to the redeveloped portion of the lot and not to the portion of the lot containing the existing house.
- 2. Eliminate minimum pedestrian path widths (building code minimum widths would still apply to allow safe emergency access).
- 3. Eliminate pedestrian path requirements entirely when existing homes are constructed within 3 ft of both side property lines if: (a) the backyard units have alley-loaded parking, *and* (b) the backyard units have sufficient alley access for emergency vehicles.

Below is an illustration of our recommended solution #1:



#### Advantages of these recommended solutions:

- 1. As written, Tacoma's proposed regulations will leave approximately 90% of existing lots with no potential for backyard units. Our recommended solution will make backyard units viable on most lots without the need to tear down existing homes.
- 2. The recommended solution will result in more existing structures being retained, more housing development, and a larger net contribution to the city's housing and tree canopy goals through increased development.

#### Possible criticisms of this recommended solutions:

1. In an ideal world, the city would probably like to see old sites fully comply with modern requirements. However, that's infeasible on the vast majority of old sites. If the city doesn't relax these requirements, many owners will be left with two options: (a) tear down their homes to completely redevelop their lot, or (b) build nothing. Both outcomes are bad. We hope our solution offers a sensible middle-ground where heritage buildings don't need to be dramatically altered or removed to accommodate new development. When heritage buildings reach the end of their useful life, they can be redeveloped according to current code, bringing the entire site into compliance.

### Problem: Existing multi-unit buildings cannot be subdivided for separate sale, eliminating an affordable homeownership option

It appears to be almost impossible to unit-lot subdivide existing multi-unit developments under the proposed regulations because all unit-lot subdivisions must "comp[y] with all standards applicable" under modern code. TMC 13.04.093.B.2. Unfortunately, the vast majority of older developments cannot feasibly be brought into compliance with modern standards.

This requirement inhibits perhaps the most affordable homeownership option possible. Older rambler style multifamily units have the lowest cost per unit of any housing type. If they could be affordably subdivided, they could be sold for much less than any newly constructed unit. Thus, the inability to subdivide existing multi-unit buildings dramatically limits affordable homeownership opportunities.

Note that these older developments can already be lawfully partitioned for separate sale as condominiums under state law without any alterations (see Common Interest Communities Act, RCW 64.90.025). However, we don't often see condo conversions of small properties because of the expense and complexity of the legal process involved. It would be simpler and more cost-effective if the city would allow unit-lot subdivision.

# Recommended Solution: Allow subdivision of multi-unit developments without requiring costly updates

Tacoma should allow unit-lot subdivision of all multi-unit developments that were lawfully permitted at time of construction, regardless of whether these developments meet modern code. Homeowner's associations or easements should be required on a case-by-case basis (note that the Common Interest Communities Act may require a homeowner's association anyway for certain properties). The one exception would be individual units in a stacked multi-unit building (e.g., multi-story apartments and over-under duplexes), since condo conversion is better suited to buildings with this configuration.

#### Advantages of this recommended solution:

- 1. Our proposal would dramatically increase the potential supply of affordable homeownership opportunities. If these older units could be cheaply and simply split up for separate sale, they would be a cheaper homeownership option than any new housing type available.
- 2. Our proposal would not alter the way in which older buildings are used, meaning that there would be no decrease in occupant safety. A subdivided rambler-style duplex built in 1950 would continue to house two families, as it has for 74 years. The only difference is that renters could become owners and start building generational wealth rather than continue to enrich landlords.

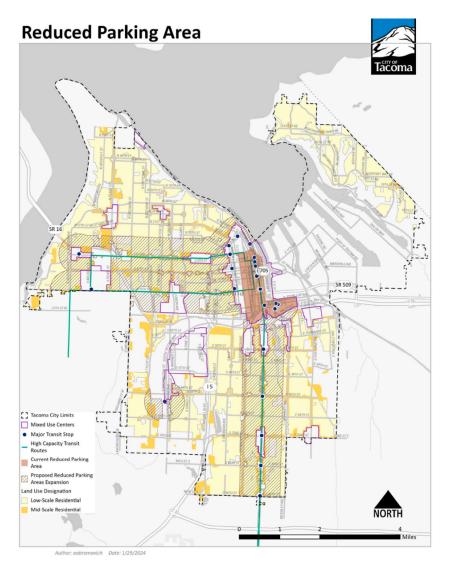
#### Possible criticisms of this recommended solution:

1. In an ideal world, the city would probably like to see old sites fully comply with modern requirements (as noted in the previous section). However, that's not a real option here. If the city requires major updates for unit-lot subdivision, multi-unit owners will either (a) choose to continue renting out these buildings as they are, or (b) pursue the costly condominium conversion process to partition the units for sale, which will add costs to the buyer. In neither case will these buildings ever be brought up to modern code. The only way to open this affordable homeownership option is to relax the unit-lot subdivision requirements for older properties.

# Problem: Retention of existing parking requirements in the X-districts, downtown districts, and commercial districts is bad policy and may violate HB 1110

Huge swaths of the new Urban Residential zones will have no parking requirement due to their proximity to transit. This is due to the requirement in HB 1110 that missing middle housing types shall not be required to provide parking within one-half mile of a major transit stop. However, Tacoma appears to be leaving the existing parking requirements within the X-districts, downtown districts, and commercial zones, meaning that residential developments in those areas must provide for up to one stall per unit regardless of their proximity to a major transit stop.

The below map shows the areas exempt from parking due to proximity to transit. Notice that the X-districts, downtown districts, and commercial zones (outlined in purple) remain unshaded (i.e., not exempt from parking):



There are two problems with not exempting these dense zones from parking requirements. First, it's contrary to good policy because the X-districts, downtown districts, and commercial zones are intended to be more densely developed than the adjacent Urban Residential zones. It makes no policy sense that these supposedly denser areas will now have a greater parking requirement than the new Urban Residential zones.

Second, HB 1110 will require the city to exempt all middle housing from parking requirements within a half-mile distance of a major transit stop, regardless of zoning. Below is the relevant section:

(6) Any city subject to the requirements of this section [including Tacoma]:

. .

(d) Shall not require off-street parking as a condition of permitting development of *middle housing* within one-half mile walking distance of a major transit stop

In other words, it does not matter under HB 1110 whether the missing middle housing is in a commercial, downtown, or mixed-use zone—all missing middle housing is exempt from parking requirements if it is built within one-half mile of a major transit stop.

# Recommended Solution: Apply the transit parking exemption to all housing types, regardless of zoning

To comply with HB 1110, only missing middle housing needs to be parking exempt. Therefore, the city could narrowly apply the transit parking exemption only to missing middle housing types but leave the parking requirement for apartment buildings. However, we believe this would be a policy mistake because doing so would disincentivize apartment construction in the city's densest zones (downtown, X-districts, commercial). To avoid this outcome, we recommend that the city apply the transit parking exemption to all housing types, regardless of zone.

#### Advantages of this recommended solution:

- 1. This proposal enhances parking requirement consistency citywide, ensuring that the new Urban Residential districts don't become more densely developed than the X-district, downtown, and commercial zones that are intended to provide more density.
- 2. This proposal ensures compliance with state law.

#### Possible criticisms of this recommended solution:

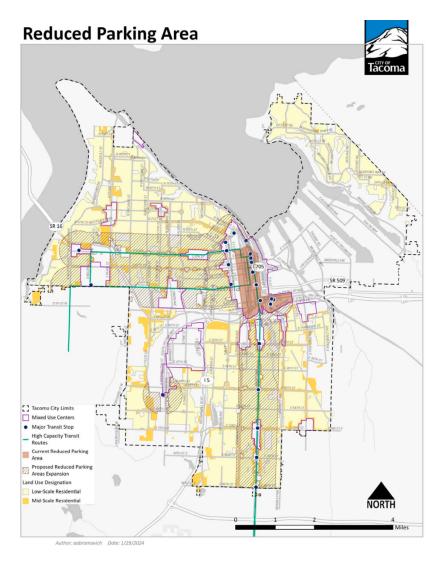
- 1. Staff seemed to generally agree that our proposal made sense from a consistency standpoint. However, staff expressed concern that altering parking requirements within the X-district, downtown, and commercial zones is outside the purview of Home in Tacoma, which was not intended to alter non-residential zones. We have two responses to this:
  - a. First, Home in Tacoma is already altering these zones to eliminate the existing parking exemption for units 450 sq ft and smaller. This is a big blow to residential developability in these zones, as many of the big apartment projects in recent

- years have relied on this exemption. It's inconsistent to argue that Home in Tacoma isn't allowed to alter these zones when it already proposes to do so.
- b. Second, these zones should be considered residential. The X-district zones in particular are primarily residential with limited commercial allowed. Downtown and commercial zones are less residentially oriented, but, as noted above, many of the new units built in Tacoma over the last few years have been in the downtown zone (utilizing the 450 sq ft parking exemption that Home in Tacoma proposes to remove). Thus, even if Home in Tacoma is only intended to apply to residential zones, it should still apply to the X-district zones and probably also the downtown and commercial zones.

### Problem: Citywide parking requirements are contrary to parking needs, incentivize inequitable development, and disincentivize a pedestrian-oriented city

The proposed regulations require between .5 and 1 parking stalls per unit where the transit parking exemptions don't apply. Most properties will be subject to the 1 parking stall per unit requirement applicable in the UR-1 zone. Five and six-unit developments in the UR-1 zone will be subject to a maximum of four parking stalls due to bonusing incentives.

As discussed above, a large proportion of the city is fully exempt from parking requirements due to proximity to transit:



Ironically, the neighborhoods where parking will still be required are the neighborhoods with the most available street parking. Off-street parking will only be required in the neighborhoods that least need it.

Furthermore, the proposed parking requirements may inadvertently exacerbate inequality. To avoid the costs and inefficiencies of adding parking, development will tend to gravitate towards parking-exempt areas. These areas happen to be the historically diverse and lower-income neighborhoods close to transit (Hilltop, Central Tacoma, and the South End). Meanwhile, wealthier areas further from transit (North End and Northeast Tacoma) will see less development. Thus, the proposed parking requirements will likely exacerbate gentrification, displacement, and further existing inequality. If development still occurs in the areas without parking exemption, it will inherently be more expensive due to the added costs and inefficiencies of providing parking.

Lastly, parking requirements perpetuate the cycle of reliance on cars for transportation. By providing parking, we help subsidize and incentivize car ownership, reducing the demand for public transit. If we are serious about creating a green city, parking requirements are a step in the wrong direction.

# Recommended Solution: Make parking optional to create space for people instead of cars

#### Advantages of this recommended solution:

- 1. Allow much needed housing for people rather than storage for vehicles.
- 2. Encourage the use of public transit as well as expansion of the transit system by making transit the easiest way to get around the city.
- 3. Meet Tacoma's long-term goals of promoting walkable neighborhoods and a walkable city.
- 4. Unburden residents from the added cost that required vehicle storage adds to new housing units.
- 5. Minimize driveway crossings over pedestrian sidewalks creating a safer pedestrian environment.
- 6. Promote the use of alternative modes of transportation for those able to do so including walking, biking, car-sharing, and ride-share.
- 7. Increase space on private property for landscaping, trees, and outdoor recreation space for residents.
- 8. Reduces incentives that will concentrate development in poorer neighborhoods, exacerbating inequality,
- 9. Increase simplicity of planning review.

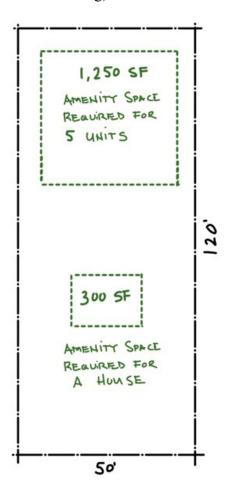
#### Possible criticisms of this recommended solution:

1. The city may be concerned about insufficient parking in neighborhoods where off-street parking is currently proposed. However, these neighborhoods (North Tacoma, Northeast Tacoma, and Southwest Tacoma) are lower density neighborhoods where most existing houses have garages or alley-loaded parking stalls. As a result, there is plenty of street parking in these neighborhoods. These neighborhoods should not have serious issues accommodating more street parking in the foreseeable future.

# Problem: Amenity space requirements penalize missing middle housing types

The proposed regulations require 100-300 sf of amenity space per unit. Most properties will be subject to the 300 sf per unit requirement applicable in the UR-1 zone.

This proposed regulation incentivizes owners to build fewer units per lot because building fewer units increases developable area. For example, a massive 6,000 sf house with eight-bedrooms located in the UR-1 zone would only be required to have 300 sf of amenity space. Compare that to a five-plex of studio units, which would be required to have an unnecessarily large 1,250 sf of amenity space (250 sf per unit due to bonusing).



For context, studio units often aren't much larger than 300 sf. Residents living in a studio don't need or expect an amenity space nearly as large as their entire apartment. Likewise, buyers of a 6,000 sq ft house expect much more than 300 sf of amenity space.

Notably, this proposed regulation may violate HB 1110's requirement that standards for middle housing cannot be "more restrictive than those required for detached single-family residences." RCW 36.70A.635(6)(b). As written, single-family homes have a substantially smaller amenity

space requirement than comparably sized multi-unit building types, regardless of number of occupants. For example, an eight-bedroom house would have a smaller amenity space requirement than a duplex with two total bedrooms (one per side).

# Recommended Solution: Calculate amenity space as a percentage of lot size

We recommend that the city calculate amenity space as a percentage of the lot size, regardless of unit count:

- 1. UR-1: Amenity space to be 10% of lot area (equivalent to 600 sf on a standard lot)
- 2. UR-2: Amenity space to be 7.5% of lot area (equivalent to 450 sf on a standard lot)
- 3. UR-3: Amenity space to be 5% of lot area (equivalent to 300 sf on a standard lot)

Minimum dimension for amenity space should be 7 ft. All amenity space may be shared. All amenity space may double as tree canopy coverage space. No limitation to amenity space provided on balconies, porches, or rooftop decks.

Additionally, we recommend that properties within one-quarter mile walking distance of a public park or open space be exempt from amenity space requirements. This is an exemption that currently exists under zoning for X-district properties (TMC 13.06.040.I.3.d(1)).

#### Advantages of this recommended solution:

- 1. Right-sizes the amenity space requirements, increasing the amount of amenity space required per unit for single-family homes and decreasing the amount required for denser unit types.
- 2. Eliminates the incentive to build fewer units to maximize developable space.
- 3. Creates a more uniform and predictable amount of amenity space in each zone, contributing to neighborhood cohesion.
- 4. Avoids a potential conflict with state law.

#### Possible criticisms of this recommended solution:

1. The city may be concerned that the proposed amenity space is insufficient. However, the amenity space we're suggesting per lot would be equivalent to the amenity space required in this draft for two or three units (depending on the zone). Thus, we're suggesting more amenity space per unit for single-family homes, duplexes, and some triplexes, and less total amenity space for fourplexes and larger. We believe this makes sense.

# Problem: Setbacks take up 40-70% of most sites and the rear height restriction inhibits townhome construction

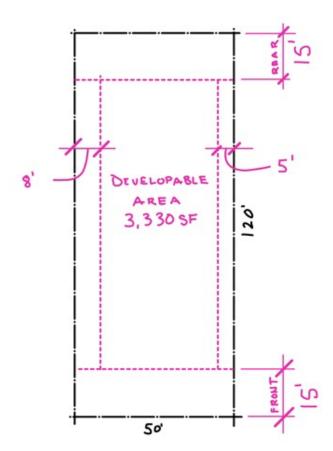
Setbacks are the minimum allowed distance between a property line and a building envelope. Most residential properties in Tacoma will be subject to the following proposed setbacks applicable in the UR-1 zone (without bonusing):

Front: 15 ftRear: 15 ft

• Side: 5 ft or 8 ft with pedestrian egress

• Building separation: 10 ft

These large setbacks are perhaps the single biggest blow to developability. As shown below, the proposed setbacks wipe out around 44% of a standard site, reducing it from 6,000 sf (measuring 50 ft x 120 ft) to a maximum buildable area of 3,330 sf (measuring 37 ft x 90 ft).



The numbers get even worse on smaller sites. On a 2,500 sq ft site (measuring 25 ft x 100 ft), these setbacks **would wipe out 77% of the site**, leaving a maximum buildable area of just 840 sf measuring 12 ft x 70 ft (far too narrow for a healthy floorplan).

Similarly, the city has imposed a 25 ft height restriction on the rearmost 25 ft of UR-1 and UR-2 lots. This makes it impossible to build a third story adjacent to the alley. This is bad for all

housing types, but it's particularly bad for townhomes, which typically feature a garage on the ground floor and two stories of living space above. Townhome construction will not be viable if this regulation remains unchanged.

Please note that setbacks and height restrictions are purely about aesthetics, not safety. The building code already includes requirements for fire separation and emergency access (e.g., IRC table R302.1-2).

#### Recommended Solution: Reduce setbacks and rear height limit

Tacoma's setback requirements take up more of a developable lot than any other single proposed requirement. Therefore, we recommend that Tacoma reduce or eliminate setbacks as follows:

- Front: No change for mid-block lots. For corner lots, 0' setback (see below).
- Rear: 0 ft
- Side: 3 ft for UR-1 and UR-2, 0 ft for UR-3
- Building separation: 5 ft

We are not recommending a change to Tacoma's proposed front setback for mid-block lots because we believe the front setback is the most important setback for bulk and scale compatibility. However, we do recommend elimination of the front setback for corner lots. Corner lots have the added benefit of two open sides. This allows for additional housing fronting the long side of the lot. Eliminating front setbacks will also facilitate corner stores or small athome businesses on the corner (e.g., attorney or other professional), which are uses incentivized with Home in Tacoma. As part of this proposal, corner lots should be allowed to orient the building towards either (or both) frontages at the election of the property owner.

Likewise, we recommend that the city eliminate the 25 ft rear height restriction to allow townhome development.

#### Advantages of this recommended solution:

- 1. Dramatically increases developable area without having much impact on the bulk or scale appearance of the new structure from the street.
- 2. Help facilitate neighborhood business uses on corners (the classic "corner store" or neighborhood professional).

#### Possible criticisms of this recommended solution:

1. Aesthetically, some people may prefer to see buildings set back further from the property lines and alleys. However, we believe that neighborhood compatibility is mostly a function of the building's appearance from the front. Side and rear setbacks have much less impact than the front setback, which is why we are not proposing a change to most front setbacks. We hope our recommendation strikes the right balance between aesthetic preferences and missing middle housing production.

# Problem: Floor area ratio (FAR) requirements could hurt affordable housing development if other recommendations are adopted

Floor area ratio (FAR) is the measurement of a building's floor area in relation to the size of the lot on which the building is located. Under Tacoma's proposed regulations, the FAR requirements are mostly redundant. Almost any development that would comply with the proposed setback, amenity space, and tree canopy requirements would also comply with FAR restrictions.

However, if the city adopts our recommended solutions set out above, the existing FAR limits will become a significant limiting factor.

#### **Recommended Solution: Eliminate FAR requirements**

#### Advantages of this recommended solution:

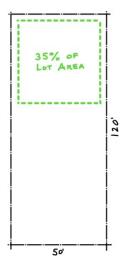
- 1. Eliminate redundant requirement and allow additional development.
- 2. Ease the difficult for staff of administering this increasingly complex code.

#### Possible criticisms of this recommended solution:

1. Some of the criticisms noted in other sections may apply here too. No other criticisms known.

# Problem: Tree canopy coverage requirements impair affordable housing development

The proposed regulations require 25-35% tree canopy coverage on all residential lots in Tacoma. Most lots will be subject to the 35% coverage requirement applicable in the UR-1 zone:

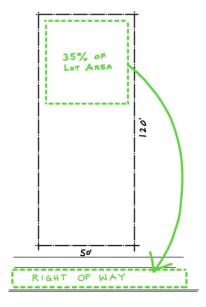


This is a huge amount of developable area taken up by trees. While we applaud the city for its goal of increasing canopy coverage, this 35% coverage requirement will make many housing developments infeasible, leading to fewer projects and probably (counterintuitively) fewer net trees planted. We believe there is a better way for the city to pursue its canopy coverage goals.

[Recommended solution on next page]

#### **Recommended Solution: Tree-in-lieu**

The city should offer owners the alternative of planting an equal number of trees within a nearby right-of-way, or other underutilized property (private or public):



Importantly, we aren't asking for a reduction to the total canopy coverage requirements in each zone. Instead, we're asking that the city count trees planted within the right-of-way towards the canopy coverage goal and provide owners with the flexibility to relocate all the required trees to nearby unplanted areas (perhaps within a ten-block radius, larger radius with a variance). We believe this solution would be a true win-win because Tacoma will still gain the benefits of dramatically increased tree canopy coverage without hampering housing developability in the process.

In most cases, moving all the trees to a nearby right-of-way will be the simplest solution. However, if there is a nearby park, public property, or willing neighbor, these areas could serve as alternative planting destinations. By moving the required trees off-site, we can make the most of developable land while still furthering Tacoma's tree planting goals.

As part of this proposal, we recommend that Tacoma take responsibility for maintaining trees in the right-of-way once owners have planted them. We believe local tree advocacy groups would support this element of our proposal.

#### Advantages of this recommended solution:

- 1. The city will end up with a similar amount of total new trees planted in approximately the same area without sacrificing unit count or square footage, leading to more units and larger units being constructed at a lower total cost to buyers.
- 2. One developed lot could equate to about two or three lot frontages worth of street trees when the trees are moved to the right-of-way. Thus, this proposal will help rapidly and uniformly beautify entire streets and neighborhoods by planting street trees in front of

- properties that won't be redeveloped soon and therefore wouldn't otherwise be required to plant street trees.
- 3. This proposal will increase the value of entire neighborhoods rather than individual properties (a prominent study <u>conducted in Portland</u> found that street trees increase adjacent property values whereas trees located on a lot do not appear to increase values).
- 4. Economically, a street tree maintenance program may pay for itself because street trees are proven to increase property values and tax revenues (that's another conclusion of the above study).
- 5. Developers can install trees more economically than private owners or the City of Tacoma (since if the city wanted to plant trees, it would need to engage in the costly RFP process). Thus, tying street tree planting to private development is the most economically efficient way to plant street trees citywide.

#### Possible criticisms of this recommended solution:

- 1. The city may be concerned about the costs or logistics of maintaining street trees once they're planted, however, we think the city should embrace this role. Historically, the city has saddled adjacent owners with maintaining street trees while simultaneously threatening them with up to 30 days in jail for pruning them illegally (see TMC 9.18.040). This is probably why Tacoma has so few street trees today. The city can incentivize more street tree planting and ensure tree survival by taking the burden off property owners. As mentioned above, this program may eventually pay for itself by increasing real estate tax revenue through increased property values.
- 2. The city may be concerned about adjacent owners objecting to trees being planted without their permission in the right-of-way in front of their property. However, most owners wouldn't object so long as the city maintains the trees. Even if they do, Tacoma has broad authority to use the right-of-way in <u>nearly any manner that is advantageous to the public</u>. Trees are, by all accounts, highly advantageous to the public.
- 3. We heard concerns from Tacoma Tree Foundation members that the city may eventually run out of plantable right-of-way to utilize for this program. This would be a good problem to have, as it would mean every plantable right-of-way has been filled. If we run out of right-of-way before reaching our citywide canopy coverage goal of 30%, this program would effectively terminate. Owners would need to begin making room on their properties for the requisite trees.

# Problem: Tree retention requirements impair affordable housing development, create bad incentives, further inequality, and are not as good for the environment as might be expected

Tacoma's proposed regulations require owners to retain existing trees larger than 12 inches in diameter except with permission from the city. Even if the city grants permission to remove trees, owners must pay a canopy loss fee of \$125 per inch (around \$3,000 per tree for a 24-inch tree). This canopy loss fee also applies to trees as small as 6 inches. On a heavily treed site, these costs can add up. There are four main downsides to tree retention requirements, as outlined below.

#### Impact on missing middle housing development

Tree retention requirements will dramatically limit development potential and increase costs in many ways. Obviously, owners will need to reduce unit count or cut bedrooms, which may render some projects economically infeasible. When buying a property, developers will need long due diligence periods to request permission to cut. Building plans that work on one site may not work on another site, requiring developers to customize each project, which will cause delay and expense. Measuring each tree and obtaining an arborist's assessment is costly and time consuming. The list goes on and on.

#### **Furthering existing inequalities**

Tree retention requirements will further existing inequalities by forcing development out of Tacoma's wealthier neighborhoods that tend to be more heavily forested, like the North End, the North Slope, and Northeast Tacoma. As with parking requirements, tree retention imposes additional costs on development (or, in some cases, makes it completely impossible). Thus, development will tend to focus disproportionately in areas with fewer existing trees such as Hilltop, Central Tacoma, and the South End. This will exacerbate gentrification, displacement, and further existing inequality in these lower-income neighborhoods. When development occurs in the wealthier areas, it will inherently be more expensive due to the added costs and inefficiencies of tree retention, which will be passed on as to the buyer or renter in the form of increased housing costs.

#### **Creating bad incentives**

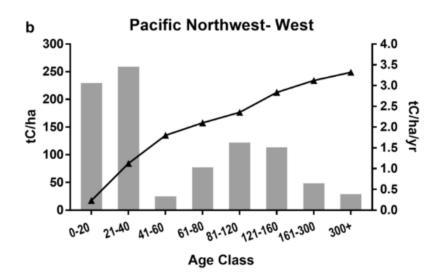
Tree retention creates bad incentives by punishing behaviors we should be encouraging:

 Tree retention requirements discourage existing homeowners from planting discretionary trees. Many homeowners have planted trees on their property or may wish to do so in the future. Instead of rewarding these owners for investing in the urban tree canopy, tree retention requirements penalize these owners by reducing their property values and development potential.

- 2. Many owners will clearcut their properties ahead of implementation to avoid diminished development potential. If not for an impending tree retention requirement, many of these trees might otherwise remain for years or decades until the properties are ripe for redevelopment.
- 3. Unscrupulous owners will circumvent tree retention requirements by illegally poisoning trees. There's generally no reliable way to detect poisoning, so only law-abiding owners are likely to suffer from tree retention restrictions.

#### Younger trees have a carbon sequestration advantage

Lastly, retention of mature trees is less environmentally friendly than one might expect. Recent studies have concluded that young trees are much better at carbon sequestration than mature trees, perhaps due to increased growth rate during youth. See the following graph reflecting a dramatic drop-off in carbon sequestration after around 40 years of life for native Pacific Northwest tree species:



Citation: Hoover, C.M., Smith, J.E. Aboveground live tree carbon stock and change in forests of conterminous United States: influence of stand age. Carbon Balance Manage 18, 7 (2023). https://doi.org/10.1186/s13021-023-00227-z

In sum, we don't mean to imply that mature trees aren't beneficial or beautiful. However, Home in Tacoma requires balancing priorities. It's not clear that mature trees are so beneficial that the city should be prioritizing their retention at the cost of the major downsides we've noted above.

#### **Recommended Solution: Make tree retention optional**

We recommend making tree retention optional (except in the right-of-way) while keeping retention incentives.

The city could also consider leaving the canopy loss fee as a disincentive to tree removal. In other words, owners would not need to ask for permission to cut down trees, but they would still need to pay the \$125 per inch fee if they chose to do so. This policy has the major advantages of predictability and consistency. However, it still the other downsides mentioned above, like increasing housing costs for buyers and renters, penalizing discretionary tree planting, incentivizing unscrupulous behavior by owners, adding complexity to the permitting process, and disincentivizing development in wealthier, more heavily treed, neighborhoods.

#### Advantages of eliminating tree retention requirements and canopy loss fees:

- 1. Eliminate the incentive for property owners to quickly clearcut existing trees before tree retention requirements take effect.
- 2. Eliminate inequitable neighborhood impacts resulting from existing disproportionate canopy coverage (more development in areas with less existing tree canopy).
- 3. Eliminate the disincentive for property owners to avoid planting trees around existing homes for fear that those trees may eventually pose an impediment to future development.
- 4. Increase carbon sequestration by requiring new tree plantings rather than retaining mature trees that sequester less carbon.
- 5. Increase housing production dramatically.
- 6. Increase permitting consistency, predictability, and speed.
- 7. Increase the ease of code administration for staff.

#### Possible criticisms of this recommended solution:

1. Fewer mature trees will be retained, which may increase urban heat island and decrease habitat (at least until newly planted trees mature). We don't take the loss of mature trees lightly, but we do see it as a worthwhile trade-off when considering the benefits (more carbon sequestration, more housing production, no last-minute clearcutting, no disincentive for planting around existing structures, etc.).

# Problem: There is no efficient method to patch regulations that don't work as expected

It's almost impossible for a sweeping municipal code change like Home in Tacoma to be perfect on its first attempt. As we've noted, the current draft has many unexpected consequences and problems that will undermine missing middle housing production. Even if the problems we've noted are resolved, there are probably many more problems we missed.

Ordinarily, these unforeseen problems could only be resolved by passing code changes through the City Council. However, this is a slow and clunky process, especially for minor tweaks that may only affect a handful of properties.

# Recommended Solution: Empower the Planning Department to make temporary edits to code

To provide a more expedient alternative, we ask that the planning director be empowered with the discretion to relax regulations that aren't working as expected. This discretion should be subject to the following limitations:

- 1. In general, this discretion should only be used when the regulations are unclear, or have unforeseen consequences, or render missing middle housing construction infeasible.
- 2. This discretion shall only apply to residential projects (including those in the commercial, downtown, and x-district zones).
- 3. The discretion cannot be used to increase regulations, complicate permitting, add costs, or otherwise inhibit housing production.
- 4. All discretionary changes must be universally applied and published on the city's website so that no individual owner obtains a unique benefit.
- 5. At regular intervals (perhaps once every six months), the list of discretionary changes must be brought before the City Council for review, approval or disapproval, and codification.

The purpose of our suggested solution is to provide an expedient and flexible way to patch unforeseen problems without waiting for City Council to act. Notably, this recommended solution is broader than a variance because a variance does not empower planning staff to implement policy changes affecting multiple properties. It will also be fairer and more efficient than a variance because once a policy is changed, it applies to all properties and no individual owner will obtain a unique benefit.

#### Advantages of this recommended solution:

- 1. Staff can rapidly patch unforeseen code problems, which will allow more predictable and affordable construction.
- 2. The City Council will review these patches at regular intervals to assure they align with the council's goals.

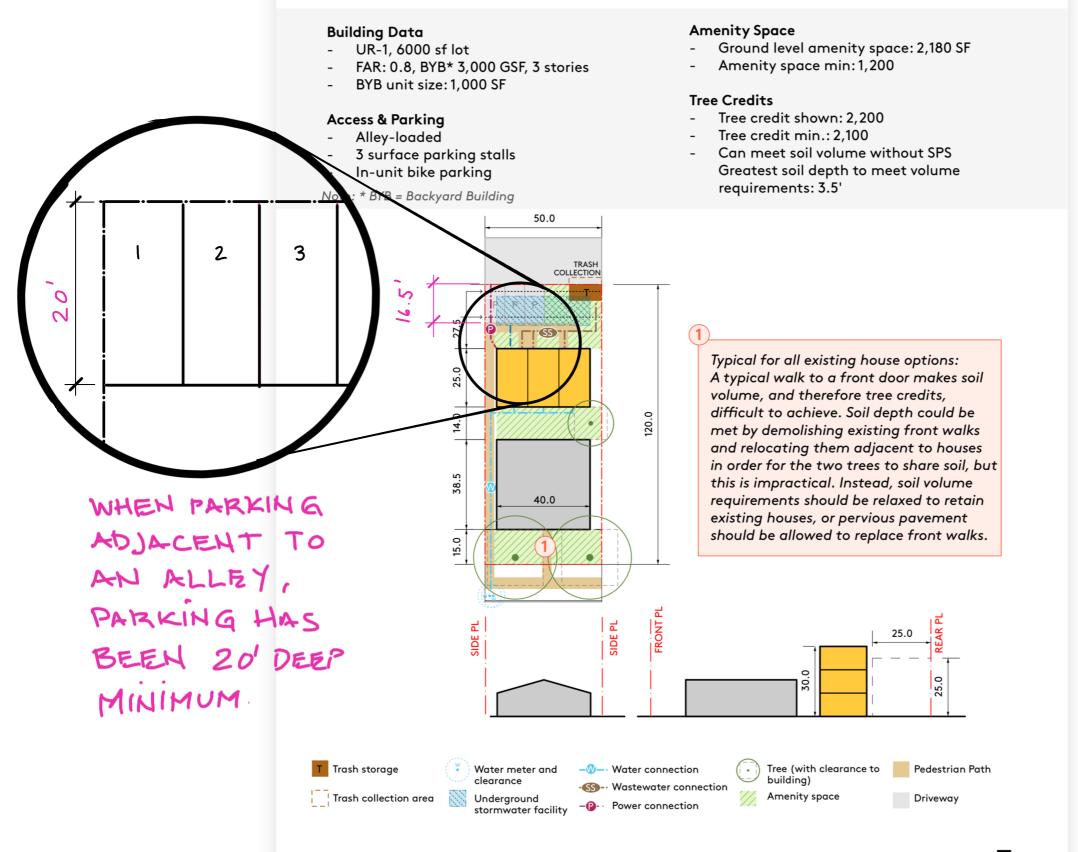
#### Possible criticisms of this recommended solution:

1. Planning staff could theoretically relax development regulations too much and the City Council may not catch the issue until the next scheduled review date. However, in our experience, planning staff isn't inclined to recklessly facilitate development. We think the risk of abuse is very low compared to the risk of allowing unforeseen regulatory consequences to persist for months or years pending a fix from the City Council.

### Exhibit A – Annotated test site plans

This exhibit consists of our rough annotations of consultant Mithūn's test site plans. These annotations were initially created by the Tacoma Permit Advisory Group to illustrate issues to Planning Department staff. Note you will notice the same site plan multiple times because there are multiple pages of annotations for the several plans (e.g., #1A, #3A, and #3B).

# #1A Retain House + 3-Unit Backyard Building





# #1A Retain House + 3-Unit Backyard Building

#### **Building Data**

- UR-1, 6000 sf lot
- FAR: 0.8, BYB\* 3,000 GSF, 3 stories
- BYB unit size: 1,000 SF

#### **Access & Parking**

- Alley-loaded
- 3 surface parking stalls
- In-unit bike parking

Note: \* BYB = Backyard Building

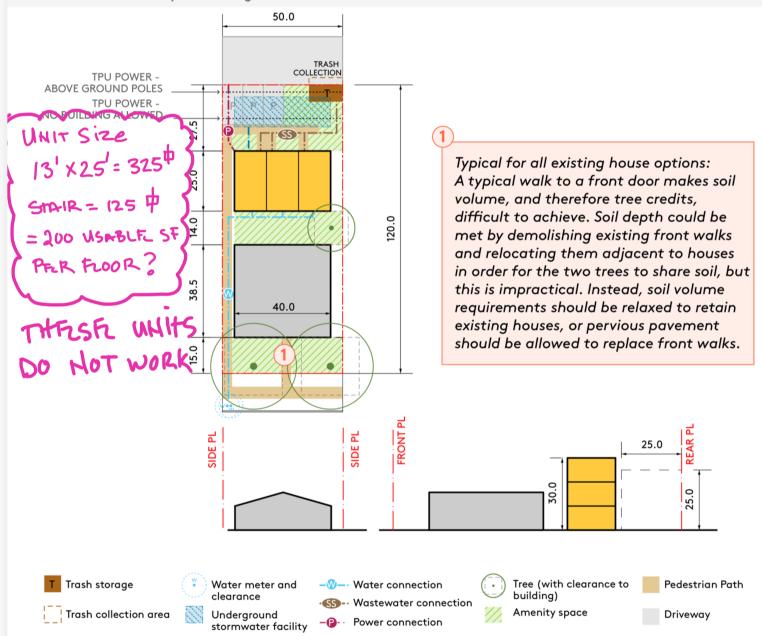
#### **Amenity Space**

- Ground level amenity space: 2,180 SF

- Amenity space min: 1,200

#### **Tree Credits**

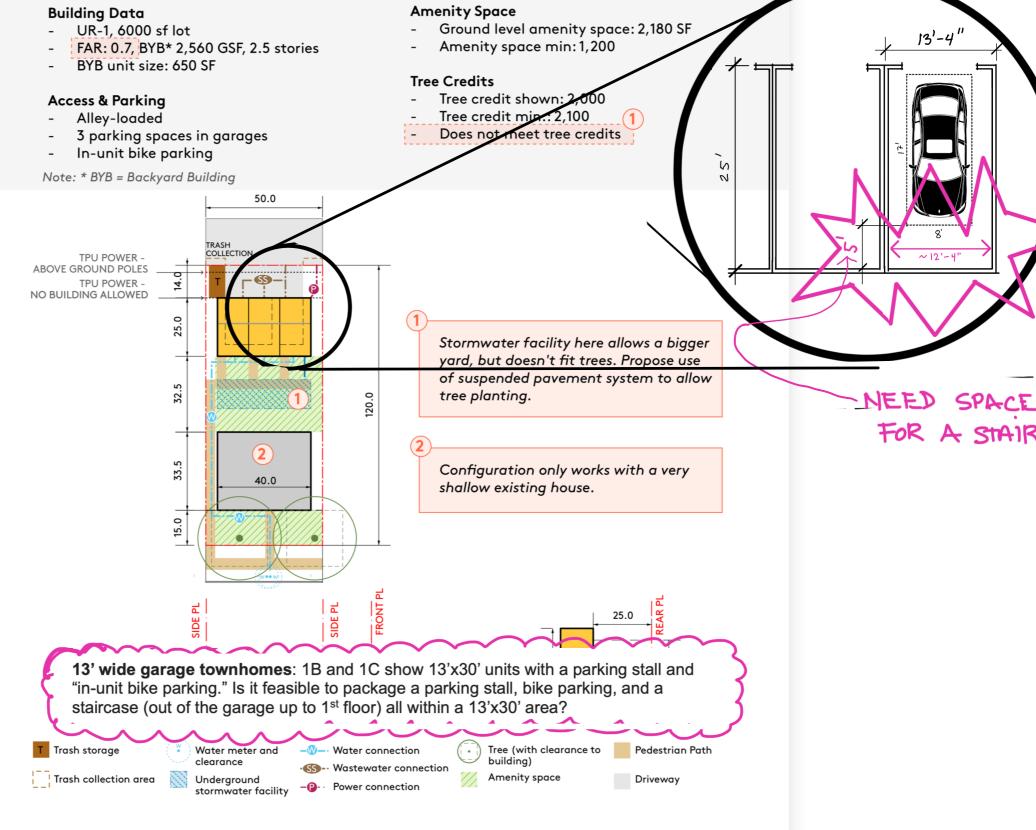
- Tree credit shown: 2,200
- Tree credit min.: 2,100
- Can meet soil volume without SPS Greatest soil depth to meet volume requirements: 3.5'



HOME IN TACOMA PHASE 2 | SITE PLANNING STUDY | DECEMBER 2023

MITHUN

# #1B Retain House + 3-Unit Backyard Building



\*HOTE: A WORKABLE WIDTH FOR A MULTI STORY UNIT 15 17-18 WIDE AND 30 LONG, IT CAN BE DONE W/ LESS BUT RECOMMEND · BuILDING IH .. SOME FLEXIBILIN 13'-4"

FOR A STAIR

#1C Retain House + 3-Unit Backyard Building

#### **Building Data**

- UR-1, 6000 sf lot
- FAR: 0.7, BYB\* 3,000 GSF, 3 stories
- BYB unit size: 1,000 SF

#### **Access & Parking**

- Street-loaded
- 3 parking spaces in garages
- In-unit bike parking

Note: \* BYB = Backyard Building

#### Amenity Space

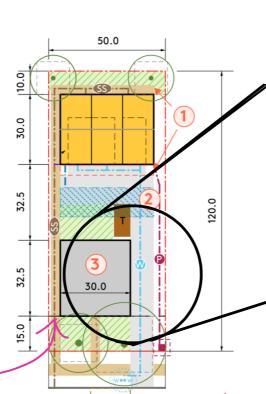
- Ground level amenity space: 1,300 St
- Amenity space min: 1,200

#### **Tree Credits**

- Tree credit shown: 1,900
- Tree credit min.: 2.1
- Does not meet tree credits 2

EXISTING HOUSE

SETBACK REQ'D



Requirement for separated pedestrian and auto access puts rear sidewalks too close to building and negates private yards for the units. Discuss moving sidewalk to cross driveway.

Stormwater facility here allows a bigger yard, but doesn't fit trees. Propose use of suspended pavement system to allow tree planting.

Configuration only works with a shallow existing house with a sideyard large enough for a driveway.

SERVING BACKYMED UHITS

Small existing homes: 1A, 1B, and 1C all picture small existing homes with very specific footprints/positions on the lot. 1C is the worst, as the existing home would need to be about 900 sf and must be positioned about 15' from one property line (to accommodate driveway and power) and 8' away from the other property line (for pedestrian egress). What proportion of existing homes fit these parameters? My guess is less than 5%--probably much less.

Forgotten sewer: 1A, 1B, and 1C don't show sewer from the existing home. How would this affect the drawings? In 1A, I believe it would wipe out a tree.

#### **Building Data**

- UR-1, 6000 sf lot
- FAR: 0.8, 4800 GSF, 2.7 stories
- Unit size: 1,200 SF

#### **Access & Parking**

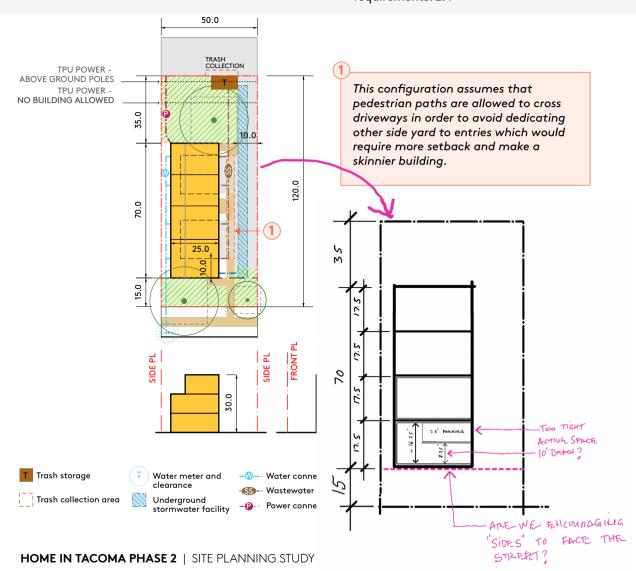
- Alley-loaded
- 4 parking spaces in garages
- In-unit bike parking

#### **Amenity Space**

- Ground level amenity space: 2,050 SF
- Amenity space min: 1,200

#### Tree Credits

- Tree credit shown: 2,200
- Tree credit min.: 2,100
- Can meet soil volume without SPS Greatest soil depth to meet volume requirements: 2.4'



#### **Building Data**

- UR-1 with bonus, 6000 sf lot
- FAR: 1.0, 6,000 GSF, 2.5 stories
- Unit size: 1.000 SF

#### **Access & Parking**

- Alley-loaded
- 4 surface parking stalls (including one accessible stall)
- 2 in-unit bike parking; 2 spaces in bike lockers

#### **Amenity Space**

2

- Ground level amenity space: 1,570 SF
- Amenity space min: 1,800

#### **Tree Credits**

- Tree credit shown: 2,200
- Tree credit min.: 2.100
- Can meet soil volume without SPS
- Greatest soil depth to meet volume requirements: 2.6'





#### **Amenity Space Building Data** Ground level amenity space: 1,570 SF UR-1 with bonus, 6000 sf lot Amenity space min: 1,800 FAR: 1.0, 6,000 GSF, 2.5 stories Unit size: 1,000 SF **Tree Credits** Tree credit shown: 2,200 **Access & Parking** Tree credit min.: 2.100 Allev-loaded Can meet soil volume without SPS 4 surface parking stalls (including one Greatest soil depth to meet volume accessible stall) requirements: 2.6' 2 in-unit bike parking; 2 spaces in bike lockers 50.0 ~23'(VS 17 35.0 TACOTAA SOLID WASTE HAS REQUIRED 4' CLEAR CANS WHEN SET õ. YOU UPDATE SUB COMMITTEE NOW BE R.O.W. 7 15 THE 4 LEARA S CLEARANCE NO LONGTER SIDE PL SIDE PL 25.0 30.0 25.0 20.0 Trash storage Water meter and Tree (with clearance to —W—· Water connection Pedestrian Path clearance building) Wastewater connection Driveway Trash collection area Underground -- Power connection Amenity space stormwater facility

Bicycle Parking

#### **Building Data**

- UR-1 with bonus, 6000 sf lot
- FAR: 1.0, 6,000 GSF, 2.5 stories
- Unit size: 1,000 SF

#### **Access & Parking**

- Alley-loaded
- 4 surface parking stalls (including one accessible stall)
- 2 in-unit bike parking; 2 spaces in bike lockers

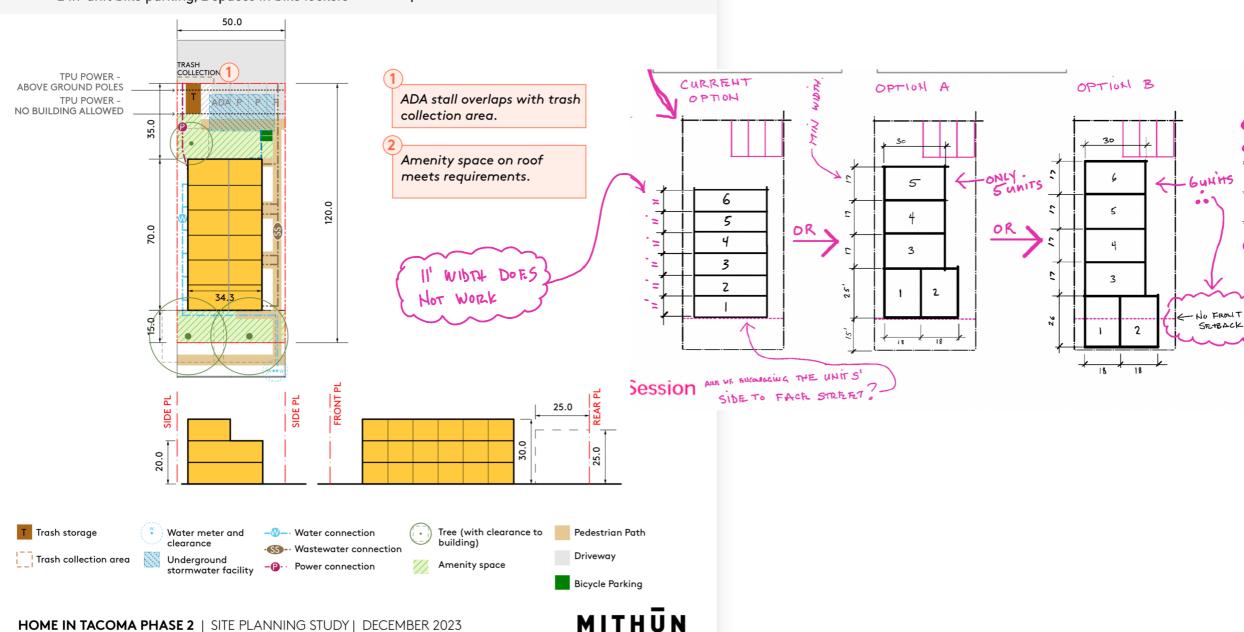
#### **Amenity Space**

\_2

- Ground level amenity space: 1,570 SF
- Amenity space min: 1,800

#### **Tree Credits**

- Tree credit shown: 2,200
- Tree credit min.: 2,100
- Can meet soil volume without SPS
- Greatest soil depth to meet volume requirements: 2.6'



#### **Building Data**

- UR-1 with bonus, 6000 sf lot
- FAR: 1.0, 6,000 GSF, 2.5 stories
- Unit size: 1,000 SF

#### **Access & Parking**

- Alley-loaded
- 4 surface parking stalls (including one accessible stall)
- 2 in-unit bike parking; 2 spaces in bike lockers

#### **Amenity Space**

Ground level amenity space: 1,570 SF

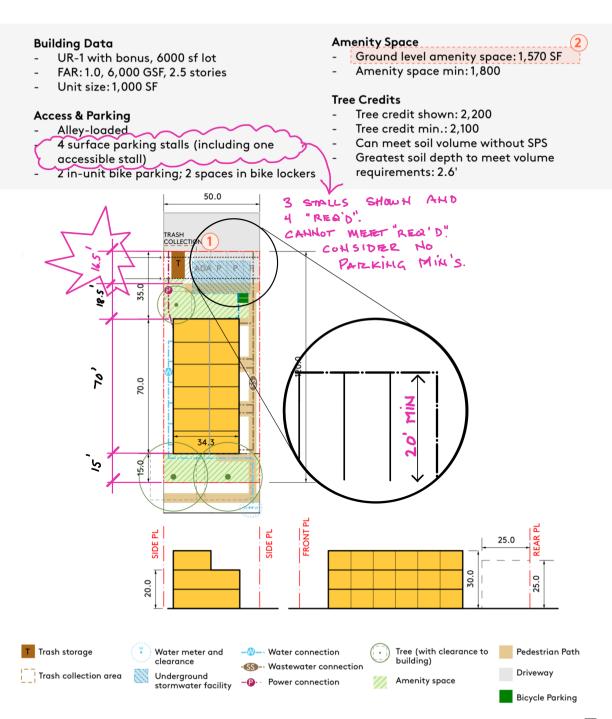
- Amenity space min: 1,800

#### **Tree Credits**

- Tree credit shown: 2,200
- Tree credit min.: 2,100
- Can meet soil volume without SPS
- Greatest soil depth to meet volume requirements: 2.6'









#### **Building Data**

- UR-1 with bonus, 6000 sf lot
- FAR: 1.0, 6,000 GSF, 2.75 stories
- Unit size: 1,000 SF

#### **Access & Parking**

- Street-loaded
- 3 surface parking stalls (including one accessible stall)
- In-unit bike parking

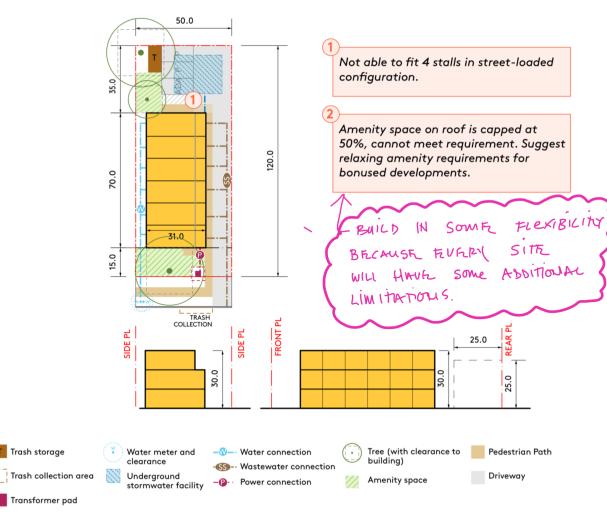
#### **Amenity Space**

- Ground level amenity space: 790 SF

- Amenity space min: 1,800

#### **Tree Credits**

- Tree credit shown: 2,200
- Tree credit min.: 2,100
- Can meet soil volume without SPS Greatest soil depth to meet volume requirements: 3.6'





#### **Amenity Space Building Data** Ground level amenity space: 790 SF UR-1 with bonus, 6000 sf lot Amenity space min: 1,800 FAR: 1.0, 6,000 GSF, 2.75 stories Unit size: 1,000 SF Tree Credits Tree credit shown: 2,200 **Access & Parkina** Tree credit min.: 2.100 Street-loaded Can meet soil volume without SPS 3 surface parking stalls (including one Greatest soil depth to meet volume accessible stall) requirements: 3.6' In-unit bike parking ACK-UP SPACE? 50.0 Not able to fit 4 stalls in street-loaded configuration. 35.0 Amenity space on roof is capped at 50%, cannot meet requirement. Suggest relaxing amenity requirements for bonused developments. BECAUSE EVERY SITE 15.0 WILL HAVE SOME ADDITIONAL LIMITATIONS. TRASH 25.0 SIDE 0 0 25.0 80. 8 Trash storage Tree (with clearance to Pedestrian Path Water meter and —₩—· Water connection clearance building) S -- Wastewater connection Trash collection area Underground Driveway Amenity space -- Power connection stormwater facility

Transformer pad

## #6 Multiplex with 24 Units

#### **Building Data**

- UR-3 with bonus, 12,000 sf lot
- FAR: 1.6, 19, 200 GSF, 4 stories
- Unit size: 680 SF (Excluding 650 SF per level for access and ground-floor bike room)

#### Access & Parkina

- Street-loaded
- 12 surface parking stalls (including one accessible stall)
- Bike room: 260 SF, 18 spaces

#### **Amenity Space**

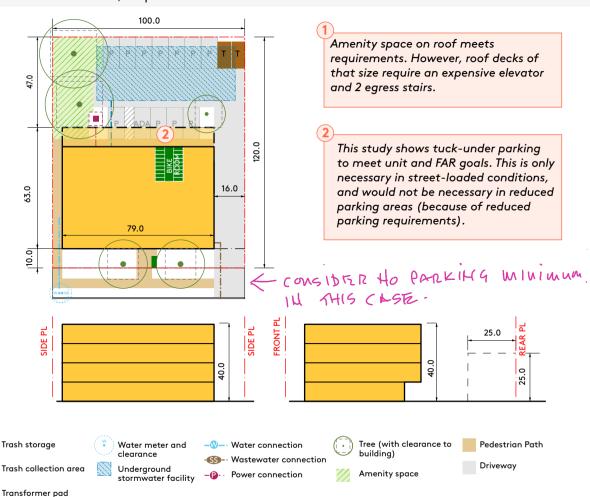
- Ground level amenity space: 1,200 SF

- Amenity space min: 2,400

#### Tree Credits

- Tree credit shown: 3,200
- Tree credit min.: 3,000
- Can meet soil volume without SPS Greatest soil depth to meet volume requirements: 2.1'

4 STORIES W/O ELEVATOR ?



### Exhibit B – Backyard building map overlays

This exhibit shows the backyard building potential of several additional neighborhoods around Tacoma, selected at random. As noted by Mithūn, backyard buildings generally won't fit if the existing house extends beyond around 48.5 ft from the front property line. In this exhibit, we have superimposed lines at approximately 48.5 ft from the front property line. The vast majority of existing homes extend beyond this line, making them ineligible for backyard buildings.

Note that many of the lots in the following images are smaller than a standard lot that Mithūn used in creating these site plans (6,000 sq ft, measuring 50 ft x 120 ft). Therefore, the proposed regulations may prohibit even more backyard development than it appears from the following images.







