



City of Tacoma
**Mitigated Determination of
Environmental Nonsignificance**

**Home in Tacoma Project
Amendment to the Comprehensive Plan and Land Use Regulatory Code
SEPA File Number: LU21-0006**

TO: All Departments and Agencies with Jurisdiction

SUBJECT: Final Revised Mitigated Determination of Environmental Nonsignificance

Following public comment and changes made to the proposals through the City Council Committee process, which reduced the project scope, the City is issuing a revised SEPA determination in preparation for City Council action on November 16, 2021, and November 30, 2021.

In accordance with WAC 197-11-350, a copy of the Mitigated Determination of Environmental Nonsignificance for the project described below is transmitted.

Applicant: City of Tacoma
Planning and Development Services Department
747 Market Street, Room 345
Tacoma, WA 98402

Proposal:

As part of Tacoma's Affordable Housing Action Strategy, the **Home in Tacoma Project** consists of recommended changes to Tacoma's housing growth strategy and housing policies to increase housing supply, affordability and choice for current and future residents. The package includes the following:

- Updates to Tacoma's housing growth strategy and policies to promote housing goals, strengthen anti-racism and anti-displacement policies and programs, and ensure that housing growth supports multiple policy objectives
- Establishment of two new Comprehensive Plan Future Land Use designations in support of future zoning that would allow a range of housing types throughout Tacoma's neighborhoods, and allow mid-scale multifamily housing in areas near shopping and transit
- Adoption of policies calling for design controls, actions to reduce demolitions of viable structures, and other standards to ensure that new housing complements existing neighborhood scale and residential patterns
- Strengthening of policies to make housing more affordable and calling for expansion of Tacoma's affordable housing incentives and requirements

In addition, the proposals include a package of near-term code changes intended to support adopted housing policies and implement direction from the state legislature, and recognition of a Housing Action Plan intended to guide implementation over time.

The complete text of the proposed amendments and the associated analysis are available for review at the address above and posted online at www.cityoftacoma.org/homeintacoma.

Environmental review:

The City has determined that, overall, implementing these proposals would result in a better outcome for the environment as compared to the current housing growth strategy. Adoption of these proposals would make it more likely that Tacoma will meet its adopted local and regional growth goals and will result in improved outcomes in terms of housing, health, transportation, sustainability, economic growth, and other goals. Potential environmental impacts of these proposals will be addressed through existing policies, standards and programs; by policy proposals included in this package; and, by required mitigations detailed below.

As a Metropolitan City, Tacoma is generally well-positioned to accommodate growth. Furthermore, the City has the regulatory, infrastructure and other processes and standards in place to address the majority of impacts that can be anticipated to result from these proposals. Nonetheless, the City recognizes that the proposed changes to Tacoma's housing growth strategy could potentially result in an increase in some growth impacts.

The proposals include policy commitments to study and address those potential impacts as part of the current and future phases of policy development. Under SEPA, the City is also obligated to require action to address project-level impacts at the time of site development. Finally, under the state Growth Management Act (GMA), PSRC Vision 2050 and Countywide Planning Policies, as part of the City's obligation to take actions to meet its growth targets, the City is also obligated to analyze outcomes of its growth strategy and address any unintended consequences, specifically as part of the upcoming GMA-mandated 2024 One Tacoma Comprehensive Plan Update.

Having noted above that, overall, these proposals will result in a range of environmental benefits consistent with adopted state, regional and local policies; and, having noted the requirements and assurances that the City of Tacoma has committed to through adopted policies, codes and processes, is proposing as part of the current package, and is committed to addressing through future actions, the City further finds it prudent to hereby formally commit to mitigation actions to ensure that potential growth impacts of these proposals will be appropriately addressed.

Mitigation:

The mitigation steps associated with this determination are to review and identify policy and other options to address potential impacts, as described below. This analysis will inform Home In Tacoma Project – Phase 2, and the associated environmental review for that phase (including potential additional mitigation). These mitigation actions are required to be complete prior to or at the same time as enacting citywide zoning changes to implement the proposed housing growth strategy.

The changes recommended by the Infrastructure, Planning, and Sustainability (IPS) Committee reduce the likely impacts of the project by substantially reducing the area to be designated as Mid-scale Residential, and by strengthening policy commitments to address design and infrastructure impacts. These recommended changes have been incorporated into the package that the City Council will consider adopting later in November.

Given that the scope of the project has been reduced, the following mitigation actions from the June 15, 2021 revised Mitigated Determination of Non-Significance (MDNS) are deemed appropriate and adequate and are hereby reaffirmed:

Infrastructure and services:

- Work with infrastructure and services stakeholders to conduct a detailed analysis of infrastructure and service capacity relating to the proposed housing growth strategy changes

- Develop a framework of options that can work to balance the infrastructure and services realities with the goals of the Housing Action Plan and the Home in Tacoma Project
- Ensure that necessary actions are taken to continue to meet concurrency requirements for new housing, in consultation with all appropriate departments, public infrastructure entities and service providers

Open space, stormwater and urban forestry:

- Work with appropriate departments, agencies and other stakeholders to review and update code, standards, incentives and processes as appropriate to ensure that housing growth goals are met in balance with environmental, urban forestry and stormwater goals, policies and requirements

Design, scale and demolition risk:

- Utilize the expertise of the City of Tacoma Landmarks Preservation Commission, the Historic Preservation Officer and other stakeholders to develop code, standards, incentives and processes to promote historic preservation and adaptive reuse goals in balance with, and as part of, actions to meet housing goals
- Update City development standards and design controls to ensure that the design and scale of new housing reflects the City's adopted urban design policies as well as the infill design principles included in the Home In Tacoma Project

Ongoing review:

- As part of the upcoming GMA-mandated periodic review and update of the Comprehensive Plan and development standards, ensure that housing growth goals are being evaluated in balance with other applicable goals, as required by the GMA, PSRC Vision 2050 and Countywide Planning Policies, and take action to address any unintended consequences of the City's housing growth strategy

Process summary:

- The Home In Tacoma Project timeline and process prior to February 2021 is summarized in the preliminary MDNS (Attachment 3)
- On February 17, 2021, the Planning Commission (Commission) released a package of preliminary recommendations for public review
- On March 10, 2021, the City of Tacoma issued a preliminary MDNS on the package of housing policy proposals (Attachment 3)
- The Commission and City SEPA Official received comments at its public hearing on April 7, 2021, and accepted written and map comments through April 9, 2021
- The Commission utilized public input to modify the proposals, then forwarded recommendations to the City Council on May 19, 2021, as summarized by the Commission's Findings and Recommendations Report (an exhibit to Attachment 3)
- The SEPA Official released a revised MDNS based on the Commission's recommendations and issues raised through public comments (Attachment 2)
- On July 13, 2021, the City Council held a public hearing and then forwarded the Home Project policy recommendations to the IPS Committee for further analysis
- On October 27, 2021, following two months of review and deliberations, the IPS Committee forwarded recommendations back to the full City Council with significant changes to address public comments (Attachment 1)

- On November 16, 2021, the City Council is scheduled to hold a first reading of ordinance adopting the proposals as modified by the IPS Committee and to hold a final reading on November 30, 2021

Public comments overview:

The City Council held a public hearing on July 13, 2021. A total of 93 people made oral comments and 438 people submitted written comments expressing a wide range of opinions. Links to the written comments and a recording of the oral comments are available at www.cityoftacoma.org/homeintacoma.

General categories of the comments were:

1. For and against the recommendations
2. Design, scale, height, parking, transitions
3. Low-scale versus Mid-scale (building size/height, transitions)
4. Affect on affordability, ownership, displacement, physical accessibility
5. Need for affordability actions
6. Neighborhood impacts/actions needed to support growth
7. Process speed, phasing, piloting
8. Level of detail and specificity in the proposals
9. Environmental review

The City Council then forwarded the package to the IPS Committee for further analysis. The IPS Committee made significant changes to the Commission's recommendations in response to the comments. Specifically, the IPS Committee recommendations reduce the area designated as Mid-scale Residential substantially (from a total of 38% to about 17.5% of the project area) and strengthen policy commitments to address design and infrastructure impacts (see Attachment 1).

At the Planning Commission public hearing on April 7, 2021, 72 people testified. The Commission received a total of approximately 500 written comments through the end of the comment period on April 9, 2021. In addition, the Commission received about 300 comments on the interactive Housing Growth Scenarios Map. The Commission received about 900 public comments in total. Some of the comments were directed to the City SEPA Official. Staff provided a Comments and Responses Summary at the Commission's April 21, 2021 meeting. The comment summary and complete text are available at www.cityoftacoma.org/homeintacoma.

General categories of the comments were:

1. Proposed housing growth vision
2. Project timing and engagement
3. Proposed new residential land use designations
4. Geography of proposed new residential land use designations
5. What actions are needed to accommodate housing growth?
6. Affordability and displacement strategies
7. Near-term Code changes

The Planning Commission made significant changes to their preliminary recommendations to reflect the public comments received, as summarized in the Commission's May 19, 2021 Findings and Recommendations Report. Some of the key modifications made include a compromise approach on the housing growth scenario map, limitations on circumstances when buildings above three stories should be allowed, limitations on the overall scale of infill, stronger

policy commitments to addressing potential unintended consequences including demolitions and loss of trees and open space, and stronger emphasis on anti-displacement strategies.

Comments relevant to this environmental determination:

Some comments in both the City Council and Planning Commission processes raised issues in regards to impacts that are evaluated under SEPA, and to the City's MDNS specifically.

In regards to the SEPA process and preliminary determination, as this is a non-project action with an intent that is consistent with the GMA, PSRC VISION 2050 and adopted City policies, the City of Tacoma has determined that the SEPA process utilized is appropriate and meets applicable legal requirements. The SEPA Official notes that this is a phased SEPA determination which incorporates the commitment to another round of environmental review to support the implementation phase.

In identifying required mitigation actions, the SEPA Official considered public comments, technical input, consultation with appropriate staff and agencies, and other factors. Public comments identified concerns about a range of topics including design, scale, aesthetics, parking, infrastructure and services, affordability and displacement, loss of open space and green features, and others. Both the Planning Commission and City Council made significant changes to address these concerns. The City has further evaluated those comments in light of the intent of SEPA review, and included mitigation actions in this determination to address potential impacts.

Ultimately, the SEPA Official notes that while the City is required to and will meet applicable legal and procedural requirements, many of the issues raised through public comments are fundamentally policy decisions appropriately made by the City Council. As part of Home In Tacoma Project – Phase 2, which will include development of new standards, processes and areawide zoning changes, the public will have an opportunity to participate in the process and identify concerns. The policy actions included in this package, and the mitigation actions included herein, specifically strengthen the City's commitment to a robust public engagement process.

Attached:

1. City Council IPS Committee Recommendations
2. Revised MDNS
3. Preliminary MDNS and attachments

Location: City of Tacoma

Lead Agency: City of Tacoma

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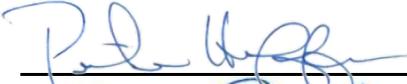
The lead agency has determined that, if mitigation measures are taken as required, this proposal will not have a probable significant adverse impact on the environment. Pursuant to WAC 197-11-350(3), the proposal has been clarified, changed, and conditioned to include necessary mitigation measures to avoid, minimize or compensate for probable significant impacts. An environmental impact statement (EIS) is not required under RCW 43.21C.030(2)(c).

Per the provisions of RCW 43.21C.495 State Environmental Policy, this action is not subject to administrative or judicial appeals, as this action is taken expressly to implement provisions of RCW 36.70A.600 "Increasing residential building capacity". RCW 43.21.C.495 states that amendments to development regulations or comprehensive plans to implement certain portions of RCW 36.70A.600 may not be appealed. This action establishes the policy foundation to implement the following provisions, among others:

- Authorize at least one duplex, triplex, quadplex, sixplex, stacked flat, townhouse, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure of physical constraint that would make this requirement unfeasible for a particular parcel;
- Authorize a duplex, triplex, quadplex, sixplex, stacked flat, townhouse, or courtyard apartment on one or more parcels for which they are not currently authorized;
- Create one or more zoning districts of medium density in which individual lots may be no larger than three thousand five hundred square feet and single-family residences may be no larger than one thousand two hundred square feet;
- Adopt other permit process improvements where it is demonstrated that the code, development regulation, or ordinance changes will result in a more efficient permit process for customers.

Responsible Official: Peter Huffman
Position/Title: Director, Planning and Development Services Department

Signature:





SEPA Officer Signature:

Issue Date: November 12, 2021

NOTE: The issuance of this Final Mitigated Determination of Nonsignificance does not constitute project approval. Future project applicants must comply with all other applicable

requirements of the City of Tacoma and other agencies with jurisdiction prior to receiving development permits.

- c: Puyallup Tribe of Indians, Planning and Land Use Department, 3009 E. Portland Ave., Tacoma, WA 98404 (U.S. mail only)
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- Sound Transit SEPA Official, Perry Weinberg, perry.weinberg@soundtransit.org
- Department of Archaeology and Historic Preservation, sepa@dahp.wa.gov
- Federal Way Planning Manager, plnquiry@cityoffederalway.com
- Federal Way Community Development Director, brian.davis@cityoffederalway.com
- Parties of record to the SEPA Determination (i.e., who provided comments included in Exhibit A of the June 15, 2021 Revised MDNS)