AGENDA

MEETING: Regular Meeting

TIME: Wednesday, October 2, 2019, 5:00 p.m.

LOCATION: Council Chambers, 1st Floor, Tacoma Municipal Building
747 Market Street, Tacoma, WA 98402

A. Call to Order and Quorum Call

B. Approval of Agenda and Minutes (September 18, 2019)

C. Public Comments
  - Comments are accepted on Discussion Items and are limited to 3 minutes per person.

D. Discussion Items
  1. Tideflats Subarea Plan Update
     - Description: Review the Tideflats Subarea Planning Work Plan.
     - Action: Informational
     - Staff Contact: Stephen Atkinson, 253-591-5531, satkinson@cityoftacoma.org

  2. Affordable Housing Action Strategy – Planning Actions
     - Description: Initial discussion and guidance on a multi-phased work program for Affordable Housing Action Strategy – Planning Actions, including policy analysis for Inclusionary Zoning and Diverse Housing Types.
     - Action: Guidance
     - Staff Contact: Elliott Barnett, 253-591-5389, elliott.barnett@cityoftacoma.org

E. Communication Items
  (1) The Planning Commission’s meeting on October 16, 2019 has been canceled. The next regularly scheduled meeting is on Wednesday, November 6, 2019, at 5:00 p.m., in the Council Chambers.
  (2) 2019 APA Washington Annual Conference – Staff will attend the conference from Wednesday, October 16, 2019 to Thursday, October 17, 2019, at the Greater Tacoma Convention Center.
  (3) WA State Department of Commerce’s Short Courses – There will be a Short Course on Local Transportation Planning on Thursday, October 10, 2019, at 6:15 p.m., in the Tacoma Municipal Building; and a Short Course on Local Planning on Tuesday, October 15, 2019, at 6:15 p.m., at the Greater Tacoma Convention Center.
  (4) Readings of the Tideflats Interim Regulations Reauthorization Ordinance – The City Council will conduct a meeting on Tuesday, October 8, 2019, at 5:00 p.m., in the Council Chambers, to have the first reading of the ordinance; and a meeting on Tuesday, October 15, 2019, at the same time and location to have the final reading.

(Continue on the Back)
(5) The next meeting of the Infrastructure, Planning and Sustainability Committee is on Wednesday, October 2, 2019, at 4:30 p.m., in Room 248. Tentative agenda (subject to change) includes: Pierce Transit and City Goal Alignment, Transportation Commission Work Plan and Accomplishments, Sidewalk Projects and Missing Links Updates and Progress

A. Adjournment
MINUTES (DRAFT)

TIME: Wednesday, September 18, 2019, 5:00 p.m.

PLACE: Council Chambers, Tacoma Municipal Building, 1st Floor
747 Market Street, Tacoma, WA 98402

PRESENT: Anna Petersen (Chair), Jeff McInnis (Vice-Chair), Carolyn Edmonds, Ryan Givens, David Horne, Brett Santhuff

ABSENT: Christopher Karnes, Andrew Strobel, Alyssa Torrez

A. CALL TO ORDER AND QUORUM CALL

Chair Petersen called the meeting to order at 5:03 p.m. A quorum was declared.

B. APPROVAL OF AGENDA AND MINUTES

The agenda for the meeting was approved and the minutes for the meeting of August 21, 2019 were approved as submitted.

C. PUBLIC COMMENTS

None.

D. DISCUSSION ITEMS

1. Urban Design Program

Mesa Sherriff, Planning Services Division, gave an overview of the prepared presentation. He also provided update from the Project Advisory Group and Technical Advisory Committee meetings, emphasizing topics that the committees had paid additional attention to.

Keith Walzak from VIA Architecture proceeded to go over the timeline for meetings and updates. This meeting would focus on code audit findings.

Lee Einsweiler from Code Studio presented basis for recommendations that consultants had prepared while clarifying that they did not yet represent proposed City actions. He explained the organization of the recommendations, ranking them in different levels of importance. The high important ones were explained in details. Mr. Einsweiler identified and provided examples of challenges in the program as well as ones that the current code was unable to address. He also discussed alternative compliance. It could serve as a way to have a design discussion; instead of reducing the standard for a specific project, the applicant would be expected to meet the intention of the code in a different way.

Mr. Walzak provided status update on the operation manual. He went over input received from the Commission and explained how they factored into the changes of the manual. Three categories of design management were presented: a base code only for projects below threshold, a base code with staff approval for projects above threshold, and a base code with the Design Review Board (DRB) approval for complicated projects or appeals and referrals. He went on to the Design Review Steps, emphasizing Concept Review (Step 2) and Final Review (Step 3) as the formal review steps. Mr. Walzak concluded his
presentation with the guidelines document structure, explaining that each component would be broken down into levels of increasing details.

Discussion ensued. Commissioner McInnis had questions about the alternative compliance, especially about the process in which it would be determined. The intent statement of the code would be the guideline to judge whether alternatives complied with the code. The Commission also commented on the idea of internal blocks to reduce block size and keep them consistent, as well as the transition where a single-family zone is adjacent to a mixed-use center. There are mitigating negatives such as noise, smell, etc. The issue needs to be further looked into. Chair Petersen recommended building placement, orientation, and density to be considered of High Importance.

Commissioners Givens and McInnis were concerned about the pre-application requirement. They would like to avoid having developers carry out additional work before even getting an answer to whether they could proceed to designing. Commissioner Givens was uncomfortable with the threshold that would pump to the DRB. On that note, Chair Petersen suggested including street frontage and corner visibility as criteria in the threshold. She also commented in favor of the intent statement idea and the structure of the manual. Using 6th Avenue as an example, she noted that some areas might be conflicting in terms of vision vs. context. She would like to make sure that public streetscape would be included in the guidelines.

The meeting was recessed at 6:50 p.m. and resumed at 6:57 p.m.

2. Residential Infill Pilot Program 2.0

Mesa Sherriff, Planning Services Division, began with a recap from the Planning Commission meeting in April. He, then, provided findings from the Pilot Program 2017-2019 along with recommendations for code changes and administrative changes drawn from the Commission’s feedback. He introduced New Project Types of Flexible Option and Affordable Options, and gave sample calculations of what the density would look like and how they would count as units.

The Pilot Program process was presented. Mr. Sherriff explained the difference between the current process and the proposed one, highlighting that the proposed process would require less time and potentially less resources without compromising the review.

Commissioner Givens liked the idea of trading Multi-Family for the Flexible Option. Commissioner Santhuff asked for clarification on the intent of having optional committee meeting. The optional meeting would serve as a trial review for appropriate projects and would be initiated by applicants, rather than staff. He also commented on some proposed changes that he had reservations about, especially duplexes on mid-block lots and on corner lots. It is desirable for duplexes on corner lots to have distinguishable entrances. Chair Petersen liked the opportunity to have the Flexible Option and had no objection to exploring mid-block duplexes. Commissioner McInnis commented in favor of the progress of the program but was conscious about its speed. He would like to see it taken more slowly.

3. Elections of Officers for 2019-2020

Commissioner Santhuff made a motion of nomination, which was seconded by Commissioner Horne, for Chair and Vice-Chair of the 2019-2020 term as follows:

- Anna Petersen as Chair
- Jeff McInnis as Vice-Chair

Both nominees accepted their nominations. Election was conducted, and the motion passed unanimously.
E. TOPICS OF THE UPCOMING MEETING

(1) October 2, 2019:
   
   (a) Tideflats Subarea Plan Update
   
   (b) Affordable Housing Action Strategy

(2) October 16, 2019 – Staff proposed that this meeting be canceled, to allow Commissioners and staff to attend the 2019 APA Washington Annual Conference (Oct. 16-17) and Short Courses on Local Planning (Oct. 10 and Oct. 16), in Tacoma. The Commission concurred.

F. COMMUNICATION ITEMS

The Commission acknowledged receipt of communication items on the agenda.

Brian Boudet, Manager of the Planning Services Division, reported to the Commission that the Infrastructure, Planning, and Sustainability Committee reviewed the Planning Commission’s Annual Report for 2018-2919 and Planning Work Program for 2019-2021 at its meeting on September 4, 2019. The Committee made no changes to the work program and expressed appreciation for the work that the Planning Commission had done.

At the 1st reading of the 2019 Annual Amendment, there were a couple minor modifications. The recommendation to downzone the west side of McKinley was removed; and a small area on Pearl Street was made R-4L instead of R-3 as recommended.

Mr. Boudet also provided a brief report on the Tacoma Dome Link Extension, focusing the consideration of the location options.

Regarding the Affordable Housing Action Strategy, the City Council has carried out some actions, especially Inclusionary Zoning, which the Commission had been involved in. If it moved forward, the topic would go through the Commission again.

Lihuang Wung, Planning Services Division, reported that October was the National Planning Month. Staff is asking the Mayor to make a proclamation to make October a Planning Month in Tacoma. The proclamation is scheduled to be made on October 1, 2019. The Chair and Vice-Chair are invited to attend the meeting to receive the proclamation.

G. ADJOURNMENT

The meeting was adjourned at 7:34 p.m.

*These minutes are not a direct transcription of the meeting, but rather a brief capture. For full-length audio recording of the meeting, please visit: http://www.cityoftacoma.org/government/committees_boards_commissions/planning_commission/agendas_and_minutes/
To: Planning Commission
From: Stephen Atkinson, Principal Planner, Planning Services Division
Subject: Tideflats Subarea Plan – Work Plan
Meeting Date: October 2, 2019
Memo Date: September 25, 2019

Action Requested
Informational.

Discussion:
On October 2, staff will present an overview of the approved Tideflats Work Plan. Following this meeting, staff expects to engage the Commission in December/January in the development and review of a public engagement plan for the Tideflats process.

For more information, the website www.cityoftacoma.org/tideflatsplan will be regularly updated with information and documents related to the project.

Project Summary:
The Tacoma Tideflats is one of nine designated Manufacturing and Industrial Centers in the Puget Sound Regional Council's regional development plan VISION 2040. The State Growth Management Act requires that local comprehensive plans comply with VISION 2040 and directs local jurisdictions having one or more regionally designated centers to prepare a subarea plan for each such center.

On September 25, 2018, the City Council adopted a resolution approving the City of Tacoma to enter into an inter-governmental agreement (IGA) concerning cost sharing for the Tideflats Subarea Plan. The resolution also directed the City Manager to work with the Puyallup Tribe, Port of Tacoma, City of Fife, and Pierce County to develop a mutually satisfactory subarea planning and approval process. On February 8, 2019, the Tideflats Steering Committee, consisting of two elected representatives of each partner government as established in the Inter-governmental Agreement, approved a Work Plan for the Tideflats Subarea Planning process.

The intent of the Work Plan is to provide a clear framework for cooperation and information sharing among the City of Tacoma, the Puyallup Tribe, the Port of Tacoma, Pierce County, and the City of Fife while respecting Tacoma's jurisdiction, role as SEPA lead agency, and existing substantive and procedural obligations under State law and the Tacoma Municipal Code. In addition, the Work Plan will address requirements under Washington State law to include State Environmental Policy Act (SEPA) environmental review, Growth Management Act (GMA), Shoreline Management Act (SMA), the Puyallup Land Claims Settlement, the Container Port Element and elements for certification of a Manufacturing and Industrial Center (MIC) by the Puget Sound Regional Council (PRSC).

Staff Contact:
- Stephen Atkinson, Principal Planner, satkinson@cityoftacoma.org, (253) 591-5531

Attachments:
- Tideflats Work Plan

cc. Peter Huffman, Director
TIDEFLATS SUBAREA PLANNING WORK PLAN

February 10, 2019

I. Vision

This work plan (Work Plan) recognizes that the Tacoma Tideflats and adjacent areas are of great significance to Tacoma, the Puyallup Tribe, the Port of Tacoma, Pierce County, Fife, and the entire region and State for reasons of heritage, environment, economics, employment, and the preservation, protection and enhancement of natural and cultural resources.

The intent of this Work Plan is to provide a clear framework for cooperation and information sharing among the City of Tacoma, the Puyallup Tribe, the Port of Tacoma, Pierce County, the City of Fife while respecting Tacoma’s jurisdiction, role as SEPA lead agency, and existing substantive and procedural obligations under the Growth Management Act, Shoreline Management Act, State Environmental Policy Act (SEPA), and the Tacoma Municipal Code.

The Work Plan also follows the intent of the Intergovernmental Agreement (IGA) between the Port of Tacoma, the Puyallup Tribe and the City of Tacoma concerning cost sharing for the Subarea Planning in the Tacoma Tideflats (IGA) as executed on November 14, 2018. The IGA calls for participation by two additional governments, Pierce County and the City of Fife. By participating in this Work Plan, the City of Tacoma, the Puyallup Tribe, the Port of Tacoma, Pierce County, and the City of Fife do not waive any existing legal rights or responsibilities the governments otherwise possess or may assert with respect to this subject matter, to include consultation with the Puyallup Tribe or collaboration with the Port.

As stated, and agreed to in the IGA, overarching themes to the Work Plan will include:

- Economic Prosperity for All
- Environmental Remediation and Protection
- Transportation and Capital Facilities Plan
- Public Participation and Outreach

Subarea planning allows for the establishment of a shared, long-term vision, and a more coordinated approach to development, environmental review and protection, and strategic capital investments in a focused area. Completion of a subarea plan will support the ongoing eligibility for and prioritization of transportation funding in the Port of Tacoma Manufacturing and Industrial Center, and a well-developed plan for the Tideflats will provide great regional benefit. In addition, subarea planning meets the requirements of the State Growth Management Act which mandates that local...
comprehensive plans comply with VISION 2040, and directs local jurisdictions having one or more regionally designated centers to prepare a subarea plan for each.

The following Work Plan addresses the timeline for the project, the project budget, expected deliverables and general outcomes, and a process for input and outreach, all as contemplated in the Intergovernmental Agreement signed by the City of Tacoma, the Puyallup Tribe and the Port of Tacoma.

II. Timeline

The goal is to complete the Plan within two (2) years from the date of the commencement of consultant work. However, the Agreement will continue until the Plan is completed.

III. Funding

The project budget will be $1,200,000 to complete the Subarea Plan, supporting analyses, and the Programmatic Environmental Impact Statement. Funding for the project will be provided as follows:

- The Port agrees to provide up to $500,000
- The City agrees to provide up to $500,000
- The Tribe agrees to provide up to $200,000

These funds will be used for securing outside consultant services for the project, recognizing that each of the Funding Partners will also commit appropriate staff resources to assist with this project. In recognition of the Puyallup Tribe’s grant funding source, at least $200,000 of the total funding will be focused on transportation-related issues.

The project will utilize the City’s procurement and invoicing process. The City will coordinate payment of invoices to the consultants. On a quarterly basis, the City will furnish all consultant invoices and an associated milestone report to the Puyallup Tribe, and the Port of Tacoma, for their proportional share of the quarterly expenses. Proportional share Payment is due within 30-calendar days of invoice but shall not exceed the maximum of each government’s established funding limit. Any additional costs of participating in this Work Plan shall be borne separately by each participating government.

IV. Anticipated Outcomes

The Work Plan process is expected to culminate in adoption of a Subarea Plan by the Tacoma City Council, as an element of the City’s Comprehensive Plan, as well as potential text and map amendments to other elements of the City’s Comprehensive Plan and amendments to the City’s Land Use Regulatory Code, zoning districts, Shoreline Master Program, and Capital Facilities Program, including, but not limited to:

1. The Subarea Plan will protect the fisheries and shellfish resources that are essential to the tribe both culturally and economically and shall support continued growth of the regional economy and the currently estimated 29,000 existing family-wage jobs in the maritime, manufacturing and industrial sectors, the provision of infrastructure and services necessary to support these areas, and the important role of the Tidflats area as an economic engine for the City of Tacoma, Pierce County, state, and the region while protecting the livability of surrounding areas.
2. The Subarea Plan will support and consider transportation and infrastructure that promotes connectivity to other regional employment centers and will provide reasonably efficient access to the core area through transportation corridors to include freight.

3. The Subarea Plan will establish environmental improvement goals for Commencement Bay, including providing for greater bay-wide diversity of ecosystems, restoration of historic functions and improvement of physical conditions to protect and enhance environmental and cultural resources.

4. The Plan will ensure the ability of the participating governments to compete effectively for grant funding.

5. The Plan will support, protect, and improve health and safety of area employees and residents of surrounding communities.

6. The Subarea Plan will be consistent with Tacoma's adopted planning policies and goals, as well as state, regional, and federal law, policies, and regulations.

7. The Subarea Plan will retain sufficient planning flexibility to secure emerging port and manufacturing/industrial opportunities and other economic opportunities.

8. The Subarea Plan will result in process improvements that will streamline Tideflat project permitting and environmental review and will provide predictable mitigation measures.

9. The Subarea Plan will materially preserve the area and boundaries of the Port of Tacoma Manufacturing and Industrial Center and will support resiliency strategies to prevent loss of manufacturing/industrial lands, transportation infrastructure, and environmental resources.

10. The Subarea Plan will promote and support opportunities for voluntary, proactive inter-jurisdictional plans and projects to clean up environmentally contaminated sites within the Tideflats.

11. The Subarea Plan will define and protect the core areas of port and port related manufacturing/industrial uses within the city. The Subarea Plan will resolve key land use conflicts along the edges of the core area, and minimize and mitigate, to the extent practicable, uses that are incompatible with industrial uses along the edge of the core area. The Subarea Plan will evaluate the use of transitions and buffers as a means of addressing compatibility with surrounding communities.

12. The Subarea Plan will be consistent with treaty-protected rights.

V. Plan Elements

The Subarea Plan, at a minimum, will address requirements under Washington State law to include State Environmental Policy Act (SEPA) environmental review, Growth Management Act (GMA), Shoreline Management Act (SMA), the Puyallup Land Claims Settlement, the Container Port Element and elements for certification of a Manufacturing and Industrial Center (MIC) by the Puget Sound Regional Council (PRSC). The following non-exclusive list of elements represent the required
checklist as well as issues identified by the participating governments:

| Plan Concept or Vision                      | • Preservation of industrial land base  |
|                                          | • Economic role of the Manufacturing and Industrial Center |
|                                          | • Relationship to Comprehensive Plan |
|                                          | • Relationship to adjacent areas       |
| Environment                              | • Protection of sensitive areas        |
|                                          | • Stormwater management                |
|                                          | • Air pollution and greenhouse gas emissions |
|                                          | • Contaminated soils                   |
|                                          | • Environmental risks and hazard areas, including sea level rise |
|                                          | • Opportunities for proactive environmental remediation |
| Land Use                                 | • Employment growth targets           |
|                                          | • Description of appropriate industrial and manufacturing uses |
|                                          | • Incompatible land uses               |
|                                          | • Buffers for industrial uses and appropriate transitions |
|                                          | • Mitigation of aesthetic impacts      |
| Economy                                  | • Economic development and growth strategies |
|                                          | • Maintain and expand family wage jobs |
|                                          | • Key sectors and industry clusters    |
| Public Services and Facilities           | • Capital plans and investments to meet targeted employment growth |
|                                          | • Safety and Emergency Response        |
| Transportation                           | • Freight movement                     |
|                                          | • Employee commuting                   |
|                                          | • Transit and mode splits              |
|                                          | • Priority projects                    |
|                                          | • Financing strategy                   |
|                                          | • Design standards                     |
| Implementation Actions                   | • Zoning and Code Amendments           |
|                                          | • Programs                             |
|                                          | • Funding Strategies                   |
|                                          | • Other                                |
The following supporting analyses will underpin the development of goals, policies, and implementation strategies:

- Existing Conditions Analysis
- Industry Sector Market Analysis, Economic Impact Analysis, and Industrial Lands Supply Analysis
- Emergency Response/Risk Assessment
- Sea Level Rise Modeling and Probability Assessment
- Programmatic Environmental Impact Statement
- Port Comprehensive Scheme of Harbor Improvements and Strategic Plan

In accordance with the Growth Management Act, the Plan will be a component of the City’s State-mandated Comprehensive Plan. Therefore, the legislative process for the development and adoption of the Plan shall follow the procedures outlined in the Tacoma Municipal Code, as well as the standards of the Growth Management Act, Shoreline Management Act, SEPA, Container Port Element and other applicable requirements, and as supplemented herein.

VI. Subarea Plan Process Governance

The roles and structure outlined below will address governance through the Subarea Plan Process. In order to promote an inclusive process to consider the input of all five participating governments, the City of Tacoma will look to the Steering Committee to review and guide the Subarea Plan process with input from the Public through the Public Engagement Plan and the Stakeholder Advisory Group. This review and guidance will culminate in a Steering Committee proposal for the Draft Subarea Plan.

A. Steering Committee

1. The Steering Committee shall consist of two elected leaders, and alternates (elected officials), from each participating government as outlined in the IGA (Intergovernmental Agreement). The governments that are members of the Steering Committee include City of Fife, City of Tacoma, Pierce County, Port of Tacoma and the Puyallup Tribe. The subarea planning process will include regular consultation and information sharing with, and advice from, the Steering Committee.

2. Meetings of the Steering Committee are subject to the Open Public Meetings Act with its requirements for public notice and the Public Records Act.

3. The Steering Committee will meet with the Staff Leadership Team and the Project Management Team to review the project budget and draft deliverables, provide guidance for policy decisions, and to facilitate mutual understanding and a closer alignment of interests across jurisdictions throughout the Subarea Plan process. Upon the conclusion of each Steering Committee meeting where a decision or direction has been given by the whole, an action memorandum will be issued to members documenting all agreements by the Steering Committee. At the outset of the Subarea Plan process, the Steering Committee may meet monthly. As the process progresses, the Steering Committee will meet based on project milestones or at least on a quarterly basis.

4. The Steering Committee will meet, as necessary, to conduct business. Approval by the Steering Committee shall be three or more governments concurring on a matter related to a current milestone. If a meeting of the Steering Committee is necessary for approval or concurrence on a recommended action, any member can call for the meeting. The meeting
must take place within 30-calendar days of the call. Such meeting will be scheduled to not conflict with any participating government’s regular meeting schedule. Full participation is intended, but the meeting may be held with the attendance of representatives of three or more governments. If Steering Committee Members, due to travel or other constraints, cannot participate in person, then participation may be by video conferencing (e.g. Skype, Zoom, etc.), by telephone or by participation of a designated alternate (elected official). The position of all governments participating in the decision will be recorded. All participating governments will have the opportunity to offer comment jointly or separately within the same 30-calendar day period for final decision. If no approval vote occurs within the 30-calendar day inter-governmental comment period, the decision moves to the Tacoma City Council’s normal process.

5. The Steering Committee will make a final proposal of a Subarea Plan to the City of Tacoma for use of the City of Tacoma Planning Commission and City Council.

B. Staff Leadership Team

1. The Staff Leadership Team will provide an additional depth of talent, judgement and people in senior level positions to enhance this planning process. They will have a role advising both the Project Management Team and the Steering Committee.

2. The Staff Leadership Team will consist of a combination of management, legal, and intergovernmental staff representatives designated by each participating government.

3. The Staff Leadership Team will have the responsibility to advise the Project Management Team and is responsible for raising issues and topics to be brought before the Steering Committee during the Subarea Plan planning process. Each government shall designate one of its Staff Leadership Team members to serve as an initial point of contact for communication among the Staff Leadership Team Members. This person can call for a meeting of the Staff Leadership Team to address an issue(s) specific to the Subarea Plan process milestone under consideration. In addition, the Staff Leadership Team will meet at the Subarea Plan development milestone points as identified in Section IX below.

4. At various stages of the Subarea Plan development, the Staff Leadership Team will review with the Project Management Team, decision points where the Steering Committee will need to review project progress or make policy decisions. The Subarea Plan process will foster alignment amongst the participating governments for the final Subarea Plan proposal. All participating governments will have the opportunity at significant milestones and decision points to offer a written position, whether in agreement or not, on a direction or recommendation taken. Participating governments may offer comment jointly or separately.

C. Project Management Team

1. The Project Management Team shall be comprised of a designated staff person from each participating government. This staff person will act as the Project Lead for each government and shall be the primary point of contact. The City of Tacoma Staff Lead will act as the Project Manager for the planning process, in coordination with the Project Management Team.

2. The role of the Project Management Staff Lead is to review consultant deliverables, to coordinate intra-governmental review, and to provide timely and consolidated response to
requests for comments to ensure an efficient and effective process.

3. The Project Management Staff Leads shall act as liaisons to the Staff Leadership Team, Stakeholder Advisory Group, and the Steering Committee and will have the opportunity to participate and present in those meetings. The Project Management Team and its members will have the responsibility for communicating with the Staff Leadership Team so it can best fulfill both of its responsibilities and help expedite the process. They are expected to participate actively throughout the planning process. However, lack of participation by a Staff Lead will not delay overall Plan progress.

4. The goal is for the Project Management Team to work together to identify areas of intergovernmental agreement, policy options for Steering Committee consideration, to ensure that information is complete and accurate, and to ensure that each Government’s perspectives are represented throughout the process.

VII. Project Initiation

Once the Subarea Plan Process or Work Plan is approved by the Steering Committee, Project Development will initiate.

VIII. Project Development

The initial steps of the Subarea Plan process include:

A. Consultant Selection

1. The Project Management Team will prepare the consultant scope, review consultant proposals, and will consult with Staff Leadership Team throughout the consultant selection process.

2. Each participating government will have the opportunity to participate on the Consultant Selection Team.

3. The Project Management Team will recommend consultant selection(s) to the Steering Committee.

4. Steering Committee will meet to review the Project Management Team recommendation and consider a recommendation to City of Tacoma City Council. Approval by City Council is necessary due to the financial limits involved.

5. City Council will make final decision by Resolution, including contract approval. The expected two-year Subarea Planning period begins once the contract has been executed.

B. Stakeholder Advisory Group

1. The Stakeholder Advisory Group will provide input and feedback as a “sounding board” for the Subarea Planning Process and the City during their respective parts of the process. The
Stakeholder Advisory Group members will also serve as liaisons to the broader stakeholder groups they represent. Stakeholder Advisory Group meetings will be open to the Public but will not receive public comment.

2. The Stakeholder Advisory Group will number no more than twenty-one individuals. The composition of the Stakeholder Advisory Group will consist of the affected communities and perspectives listed below. Some of the stakeholder members will be selected by governments, associations or organized councils. These organizations will be asked to self-select a representative to participate in Stakeholder Advisory Group meetings and supporting activities.

3. The communities and perspectives are identified here:

   **Adjacent Jurisdictions**
   - City of Lakewood (Self-appointed)
   - City of Sumner (Self-appointed)
   - Joint Base Lewis McChord (Self-appointed)

   **Neighborhoods**
   - Northeast Tacoma Neighborhood Council (Self-appointed)
   - New Tacoma Neighborhood Council (Self-appointed)
   - South Tacoma Neighborhood Council (Self-appointed)

   **Business & Industry**
   - Port Tenant (Port appointed)
   - Tideflats Industrial/Non-Port Property (Fife appointed)
   - Energy Company (Self-appointed)
   - Fredrickson Industrial Group (County appointed)

   **Labor**
   - ILWU Local 23 (Self-appointed)
   - Pierce County Building and Construction Trades Council (Self-appointed)

   **Environmental**
   - Wildlife Representative (Tribe appointed)
   - Air Quality Representative (Tacoma appointed)
   - Water Quality Representative (Port appointed)
   - Climate Change Resiliency (Tribe appointed)

   **Regional Economic**
   - Tacoma/Pierce County Chamber of Commerce (Self-appointed)
   - Tacoma/Pierce County Economic Development Board (Self-appointed)

   **General**
   - Transportation (Fife appointed)
   - Other to achieve balance (Tacoma appointed)
   - Other to achieve balance (County appointed)

4. Each participating government will have the opportunity to appoint two representatives to the Stakeholder Advisory Group (as noted above). The appointments will follow each government's appointment process and each government's appointment will be considered a final decision. The other governments will accept each government's appointee(s). The governments have identified broad stakeholder categories with distinct representatives within
each. Each government will appoint a representative to match the specific defined category. The agreed upon goal is to maintain equity among the governments and balance the interests among the Stakeholder Advisory Group.

5. These self-selected and government appointed representatives will be recorded by the Project Management Team, reviewed by the Staff Leadership Team and then, presented to the Steering Committee as the Tideflats Subarea Plan Stakeholder Advisory Group.

6. A schedule for the Stakeholder Advisory Group will be determined based on the project plan and milestones.

C. Technical Advisors

1. Technical advisors, including representatives from various local, regional, and state agencies, may be invited by the Project Management Team to provide technical support. Technical advisors include but are not limited to Washington State Department of Ecology, Washington State Community Trade and Economic Development Board, Washington State Department of Transportation and Tacoma Public Utilities.

2. Transportation issues will be a significant consideration in the Subarea Plan development. As the need arises for technical advice, support from the trucking, rail and shipping industries will be tapped to provide expertise and guidance to Project Management Team.

D. Public Engagement Plan

1. Public open houses and other opportunities for public comment will be developed through the Public Engagement Plan.

2. The Project Management Team, consultant, and Stakeholder Advisory Group will develop a proposed Public Engagement Plan.

3. The Tacoma Planning Commission will review the proposed Public Engagement Plan and provide comment to the Project Management Team and consultant.

4. Staff Leadership Team will review and provide input to the Project Management Team and consultant and the Steering Committee on proposed Public Engagement Plan.

5. Steering Committee will meet to review the Public Engagement Plan with the Project Management Team and Staff Leadership Team. Steering Committee will affirm/approve the Plan within 30-calendar days.

IX. Plan Development

As the Project Management Team and consultants begin the Subarea Plan development, multiple work efforts will be undertaken by staff and consultant teams. The breakdown of the Subarea Plan development is described in this section.

To maintain engagement with the participating governments through these multiple work efforts, Work Study Sessions on various subjects and key issues will be scheduled to offer the Steering Committee, the Stakeholder Advisory Group and the Planning Commission an opportunity to receive information and provide feedback. Work Study Sessions will be open to the Public but will not
receive public comment. Public comment will occur through open house and other public opportunities for comment. These public comment events will be developed through the Public Engagement Plan. Work Study Sessions will be coordinated between Project Management Team, the Staff Leadership Team, Stakeholder Advisory Group and the Planning Commission. Work Study Sessions will be open for other elected officials from the participating governments. Throughout the Plan development, any changes to written materials shall be presented in both redlined and change accepted versions to facilitate efficient review and comment.

A. Analysis of Existing Conditions

The consultant(s) in consultation with the Project Management Team will conduct the analysis of existing conditions. Prior to finalizing, the Project Management Team will present the analysis of the existing conditions for comment at a meeting of the Staff Leadership Team.

B. Visioning of Scope and Goals of Consultant Analysis

The Steering Committee, Staff Leadership Team, Project Management Team, Stakeholder Advisory Group and the Planning Commission will be involved in visioning through Work Study Sessions.

C. Identification of Alternatives for Future Development

1. Based on feedback from the Work Study Session(s), consultant(s) will provide revised proposed alternatives for future development for review and comment by the Project Management Team and Staff Leadership Team, at a meeting held for this purpose.

2. After Project Management Team and Staff Leadership Team review, the Steering Committee will review alternatives for future development with the Project Management Team within 30-calendar days. The Steering Committee will make a recommendation on alternatives contained in the proposed Subarea Plan to the City Planning Commission. Each government will have the ability to provide joint or separate input within the same 30-calendar days period.

D. Evaluation of Alternatives Including Environmental Review

The consultant(s) with Subarea Project Management Team, and in consultation with Staff Leadership will conduct an analysis of existing conditions including environmental review and develops draft subarea plan. Prior to finalizing, the Project Management Team will present the analysis and draft plan for comment at a meeting of the Staff Leadership Team.

E. Development and Recommendation of the Proposed Subarea Plan

1. The Project Management Team will present a proposed Subarea Plan to Staff Leadership Team for review and advice and to set the Steering Committee Schedule.

2. The Project Management Team will then present the draft proposal to the Steering Committee within 30-calendar days. The Steering Committee will review the proposed Subarea Plan, affirm the Plan and recommend a final Subarea Plan proposal to the City.
Each government will have the ability to provide joint or separate written comment within the same 30-calendar day period.

X. Planning Commission Reviews Proposed Subarea Plan and Prepares Recommendation to City Council

If the Tacoma Planning Commission proposes material changes to the Steering Committee’s final proposed Subarea Plan, the changes will be provided to the Steering Committee for review and comment, either jointly or separately within a 45-calendar day comment period.

A final recommendation by the Planning Commission will be sent to the City Council and provided to each participating government. Each participating government and the Steering Committee will have the opportunity, either jointly or separately, to comment on the Planning Commission’s Final Recommendation. That comment period will coincide with the 60-calendar day period between Planning Commission final recommendation and City Council consideration.

XI. City Council Review and Decision

The Tacoma City Council will review the Subarea Plan recommendation by Planning Commission.

If any Tacoma City Council Member(s) propose a material change to the proposed Subarea Plan, the proposed change/amendment will be provided to the Steering Committee for review and comment, either jointly or separately, within a 45-calendar day comment period. With any additional City Council Member(s) proposed material change amendment(s), the review and comment process will repeat.

All participating governments of the Steering Committee will have the opportunity to offer comment on any City Council Member(s) proposed amendment. Steering Committee governments may submit comments jointly, by agreement, or separately.

Final City Council adoption of the Subarea Plan, by ordinance, will occur after the final 45-calendar day comment period.
**BUDGET - PROPOSED**

1. **Plan Elements and EIS: $800,000**

<table>
<thead>
<tr>
<th>Plan Concept or Vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Preservation of industrial land base</td>
</tr>
<tr>
<td>• Economic role of the Manufacturing and Industrial Center</td>
</tr>
<tr>
<td>• Relationship to Comprehensive Plan</td>
</tr>
<tr>
<td>• Relationship to adjacent areas</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Protection of sensitive areas</td>
</tr>
<tr>
<td>• Stormwater management</td>
</tr>
<tr>
<td>• Air pollution and greenhouse gas emissions</td>
</tr>
<tr>
<td>• Contaminated soils</td>
</tr>
<tr>
<td>• Environmental risks and hazard areas, including sea level rise</td>
</tr>
<tr>
<td>• Opportunities for proactive environmental remediation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Land Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Employment growth targets</td>
</tr>
<tr>
<td>• Description of appropriate industrial and manufacturing uses</td>
</tr>
<tr>
<td>• Incompatible land uses</td>
</tr>
<tr>
<td>• Buffers for industrial uses and appropriate transitions</td>
</tr>
<tr>
<td>• Mitigation of aesthetic impacts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Economic development and growth strategies</td>
</tr>
<tr>
<td>• Maintain and expand family wage jobs</td>
</tr>
<tr>
<td>• Key sectors and industry clusters</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Public Services and Facilities*</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Capital plans and investments to meet targeted employment growth</td>
</tr>
<tr>
<td>• Safety and Emergency Response</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transportation*</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Freight movement</td>
</tr>
<tr>
<td>• Employee commuting</td>
</tr>
<tr>
<td>• Transit and mode splits</td>
</tr>
<tr>
<td>• Priority projects</td>
</tr>
<tr>
<td>• Financing strategy</td>
</tr>
<tr>
<td>• Design standards</td>
</tr>
</tbody>
</table>
The following supporting analyses will underpin the development of the Plan Elements:

- Existing Conditions Analysis
- Industry Sector Market Analysis
- Economic Impact Analysis
- Industrial Lands Supply Analysis
- Emergency Response/Risk Assessment
- Sea Level Rise Modeling and Probability Assessment (This work is largely being conducted vis a vis a grant partnership with the Climate Impacts Group and SEAGrant).

2. Implementation Actions: $100,000

- Zoning and Code Amendments
- Programs
- Funding Strategies
- Other

3. Public Engagement: $200,000

4. Project Management and Administration: $100,000

*Additional resources beyond this budget have previously been expended on the Tideflats ER/ITS, East Foss Transportation Study, and are committed to a Freight Model Development project.*
TIDEFLATS SUBAREA PLAN PROJECT MILESTONES

Subarea planning allows for the establishment of a shared, long-term vision, and a more coordinated approach to development, environmental review, and strategic capital investments in a focused area. Completion of the subarea plan will support the ongoing eligibility for and prioritization of transportation funding in the Tideflats Manufacturing and Industrial Center.

The following table outlines major project phases and preliminary milestones for the planning process. The project phases include an estimated timeframe for completion. While some project phases will occur sequentially, others may be conducted concurrently (such as the Environmental Review), resulting in a full planning process of approximately 3-4 years, including consultant selection.

<table>
<thead>
<tr>
<th>Project Phase</th>
<th>Milestone</th>
</tr>
</thead>
</table>
| **1. Consultant Selection and Project Initiation*** | - Approved Consultant Contract  
- Stakeholder Advisory Committee Established |
| 8-10 Months  
- RFI/RFQ  
- Charrette  
- Stakeholder Selection | *The two-year goal for the process begins at the completion of this phase. |
| **2. Plan Development** | - Public Engagement Plan  
- Steering Committee Recommended Draft Plan |
| 16-24 Months  
- Existing Conditions Report  
- Alternatives Analysis  
- Supplemental Studies  
- Vision/Plan Concept  
- Policy Elements  
- Capital Program  
- Community Engagement | |
| **3. Environmental Review** | - DRAFT EIS  
- FINAL EIS |
| 6-9 Months | |
| **4. Planning Commission Review** | - Public Hearing  
- Response to Comments  
- Recommendation |
| 6-9 Months | |
| **5. Legislative Process** | - Public Hearing  
- 1st Reading of Ordinance  
- Final Reading and Adoption |
| 3-6 Months | |
DRAFT TIDEFLATS SUBAREA PLAN DEVELOPMENT PROCESS

- Project Initiation (Work Plan)
- Public Engagement Plan
- Project Development
- Work Study Sessions
- Approved Subarea Plan & Implementation
- PSRC Certification
- Ecology Shoreline Approval
- City Council Review of Subarea Plan
- Planning Commission Recommendation
- Proposed Subarea Plan
- Public Input/Open Houses
- Elements Evaluation
- Development of Plan Elements
  - SEPA
  - Shoreline Management
  - Container Port Element
- Analysis of Existing Conditions

PRE-FLIGHT | TAKE OFF | IN-FLIGHT | LANDING
To: Planning Commission  
From: Brian Boudet, Planning Manager, Planning Services Division  
Elliott Barnett, Senior Planner, Planning Services Division  
Subject: AHAS Implementation – Planning Actions  
Meeting Date: October 2, 2019  
Memo Date: September 25, 2019  

Action Requested  
Comment and Guidance.

Discussion  
At this meeting, the Planning Commission will discuss implementation steps in support of the Affordable Housing Action Strategy (AHAS) as they relate to the work of the Commission. The AHAS calls out a range of actions to achieve AHAS Objective 1 – Create more homes for more people. Of those potential actions, two in particular – Inclusionary Zoning (AHAS 1.2) and Diverse Housing Types (AHAS 1.8) – are closely connected to Tacoma’s planning policies, growth strategies, zoning and development standards.

City staff will provide an update on AHAS implementation, and an introduction to these topics identifying pertinent policy considerations, examples from other communities, and an overview of Tacoma’s relevant planning and zoning now in place. Staff will then seek early guidance on a multi-phase planning work program supported by robust policy analysis and community engagement.

Specifically, staff will seek the Commission’s input on:
- Scope of work and key tasks
- Phasing and schedule
- Coordination with related efforts
- Information, technical studies and/or benchmarking
- Outreach approach to ensure broad and equitable engagement

Background  
The AHAS (2018) is a strategic response to a changing housing market, increasing displacement pressure, and a widespread need for high-quality, affordable housing opportunities for all. The AHAS focuses on how to enhance existing policies and programs to serve more people; identify and deploy additional funding; and establish strong anti-displacement measures to stabilize existing residents over the next 10 years. Multiple actions are underway citywide to implement the AHAS, including several related to planning and development.

As part of the 2019 Annual Amendments, the City Council adopted updates to the One Tacoma Comprehensive Plan Housing Element integrating the AHAS as an implementation strategy and updating policies related to “Missing Middle” housing, inclusionary zoning and equitable access to opportunities, as recommended by the Planning Commission.
The Commission also provided implementation recommendations calling for a robust, equitable and broad public engagement effort for the following AHAS actions:

Action 1.2: Modify inclusionary housing provisions to target unmet need and align with market realities.

Action 1.8: Encourage more diverse types of housing development through relaxed land use standards, technical assistance, and financial incentives.

These two actions, while related, constitute distinct, significant and multi-faceted policy initiatives. They incorporate multiple subtasks and phases, including administrative steps (such as permit streamlining and review of barriers to development), as well as planning, zoning and standards changes. Of the latter category, several initiatives are already underway, including Accessory Dwelling Units code updates and ongoing review, and the Residential Infill Pilot Program review. Also related are upcoming initiatives including corridor/subarea planning, updates to the City’s Affordable Housing Incentives Administrative Code and others.

The City Council has indicated that both of these actions should be AHAS implementation priorities. Over the past months, staff have held initial conversations on these topics with the AHAS Technical Advisory Group and received initial Council input on Inclusionary Zoning policy options. In addition, staff from multiple City departments are providing technical support.

PDS staff are launching a project website which will be updated with information and documents related to the project. Staff are assembling a resource library and working on a GIS mapping approach. For this introductory discussion, the following resources are worth reviewing:

- The Ins and the Outs - A Policy Guide to Inclusionary and Bonus Housing Programs in Washington: [http://mrsc.org/Corporate/media/MediaLibrary/SampleDocuments/ArtDocMisc/InsNouts.pdf](http://mrsc.org/Corporate/media/MediaLibrary/SampleDocuments/ArtDocMisc/InsNouts.pdf)
- Puget Sound Regional Council HIP Tool: Infill Development: [https://www.psrc.org/infill-development](https://www.psrc.org/infill-development)

**Staff Contact:**
- Elliott Barnett, Senior Planner, elliott.barnett@cityoftacoma.org, (253) 591-5389
- Brian Boudet, Planning Manager, bboudet@cityoftacoma.org, (253) 573-2389

**Attachments:**
1. AHAS – Pertinent Excerpts
2. Planning Commission AHAS Implementation Recommendations (from 2019 Amendments)

cc. Peter Huffman, Director
City of Tacoma

AFFORDABLE HOUSING ACTION STRATEGY

Pertinent excerpts for AHAS Actions 1.2 and 1.8

visit www.cityoftacoma.org/housing for the full report

SEPTEMBER 2018
EXECUTIVE SUMMARY

Why did the City of Tacoma develop an Affordable Housing Action Strategy?

The City of Tacoma developed its *Affordable Housing Action Strategy* as an urgent response to a changing housing market, increasing displacement pressure among residents, and a widespread need for high-quality, affordable housing opportunities for all.

While the City of Tacoma has a strong legacy of working to solve its affordable housing challenges, it recognized a need for a more strategic approach to its housing investments—both today and in the future. The City of Tacoma needs to increase housing affordability as a way to maintain the quality of life that the city is known for and ensure housing costs do not worsen as the city grows over time.

The City of Tacoma lacks affordable, high-quality homes for all its residents. Today, nearly 33,000 households in Tacoma pay at least 30 percent of their income on housing costs each month, reducing their ability to pay for other necessities. The cost of rental homes increased by nearly 40 percent and home values nearly doubled since 1990, and within the last few years, these costs have begun to accelerate.

Throughout the broad community outreach that informed the *Affordable Housing Action Strategy*, many Tacoma residents shared that the city’s market gains are a source of stress in their lives. Recent spikes in housing costs and a limited supply of housing options have created uncertainty for them, in addition to other barriers. Seniors face long waiting lists at properties built to serve them; families live in overcrowded conditions; and interested homebuyers experience steep costs and competition for homes.

Simply put, the city’s housing supply cannot meet the daily needs of its residents, and this needs to change. No one living in Tacoma should have to choose between paying their rent or mortgage and other necessities.
What will this strategy accomplish over the next 10 years?

Guided by the Affordable Housing Action Strategy, the City of Tacoma will dramatically increase its investments in new rental and homeownership opportunities and establish broader anti-displacement measures, including preserving affordable units at-risk of converting to market-rate rent and creating comprehensive protections for renters.

Together, this approach has the potential to produce 6,000 new affordable units; preserve 2,300 existing affordable units; and serve an additional 2,200 households by 2028. In total, these new or preserved homes and new services or programs will reach 10,500 households living in the City of Tacoma.

What will the City of Tacoma do over the next 10 years to reach nearly 10,500 households?

Actions within the Affordable Housing Action Strategy aim to help Tacombans in every walk of life. Because needs within the City of Tacoma vary—across owners and renters, neighborhoods, incomes, and abilities, among other factors—these actions cover a wide range of needs.

However, the city's need for affordable housing is greatest among households with the lowest incomes and in some cases, with the highest barriers to accessing housing opportunities. The City of Tacoma aims to serve these households through a share of the new units and other resources created through the Affordable Housing Action Strategy.

This strategy focuses on how to enhance existing policies and programs that the city is already using to serve more people; cultivate additional funding; and establish strong anti-displacement measures to stabilize existing residents. The Affordable Housing Action Strategy outlines four strategic objectives that will guide implementation over the next 10 years:

1. **Create more homes for more people.**
2. **Keep housing affordable and in good repair.**
3. **Help people stay in their homes and communities.**
4. **Reduce barriers for people who often encounter them.**
Each strategic objective is supported by a set of actions and implementation steps. Targets and their associated level of investment were broadly estimated for each strategic objective. These targets are intended to guide public investments in housing activities and enable the City of Tacoma to track and report its progress along three key metrics:

1. **Number of units produced**
2. **Number of units preserved**
3. **Number of households served**

Finally, the success of the Affordable Housing Action Strategy depends on two critical elements. The first critical element is the active participation of all Tacoma residents. Actions will not be successful without policy leadership, changes to the way the city programs and departments operate, and close partnerships with local and regional developers, cultural and nonprofit organizations, financial institutions, philanthropic organizations, and community members.

The other critical element is a large investment of public, philanthropic, and private resources. The total cost to meet the targets in the Affordable Housing Action Strategy is significant: as much as $70 million over the next 10 years. The Affordable Housing Action Strategy outlines several ways to cultivate new resources, such as passage of a local tax levy; value capture, and additional authorization of federal Section 108 funds, to help meet its targets. It also recognizes the wealth of resources that already exist within the City of Tacoma and identifies ways to maximize the impact of them.
Background

Many Tacoma residents make difficult financial choices each month—paying higher housing costs (at the expense of other living expenses), living in overcrowded or less than desirable conditions, or dealing with an unexpected housing crisis. Tacoma needs to build and preserve more affordable housing for all its residents and ensure new development benefits everyone.

Why does the City of Tacoma need to address housing affordability?

Many residents in the City of Tacoma have significant unmet housing needs. One measure of housing need is “cost-burden”—or when a household pays more than 30% of their gross income on housing, including utilities. If a household pays more than one-half (50%) of their gross income on housing, that household is “severely cost-burdened.” Cost-burdened households have less for other essentials, like food, clothing, transportation, and medical care. Currently, more than 18,600 renters and 14,000 owners in the City of Tacoma experience cost-burdens.

Everyone benefits from affordable housing. People with the greatest need for it, though, are often working lower-wage occupations or living on fixed incomes, like seniors and persons living with disabilities.

What is the Affordable Housing Action Strategy (AHAS)?

The City is developing more ways to serve more residents with housing needs through its Affordable Housing Action Strategy (AHAS). The Community and Economic Development Department is leading the development of the AHAS. The goal of the AHAS is to preserve and increase the number of affordable, available, and accessible housing units throughout the city. The AHAS will explain how the City of Tacoma and its partners will achieve this goal.

What does “affordable housing” mean?

Housing is typically considered affordable if total housing costs do not exceed 30% of a household’s gross income.

The U.S. Department of Housing and Urban Development (HUD) uses an income benchmark—area median income or AMI—for its federal housing programs. The FY17 regional AMI for a family is $74,500. Using this regional standard likely undercounts the housing affordable within the City of Tacoma, as well as overestimates what the average household can afford. Despite some limitations, a majority of the City’s existing funding is from federal funds, which use HUD-defined AMI to determine eligibility, making it an important measure for the AHAS.

Do “affordable housing” and “subsidized housing” mean the same thing?

Affordable housing and subsidized housing are different, even though they are sometimes used interchangeably. Subsidized housing refers to programs that provide direct payments to individual households or development projects. These payments help their overall housing costs. Typically, to live in subsidized housing, you need to be below a certain income level (and sometimes you need to meet other requirements). Public housing, rental assistance like Section 8, and developments that use Low-Income Housing Tax Credits are examples of subsidized housing.
What are some proposed solutions to ensure all Tacoma residents have an affordable place to live and that new development benefits everyone?

1. **CREATE MORE HOMES FOR MORE PEOPLE.**

The City of Tacoma needs to considerably increase its supply of affordable housing options, especially for households with the lowest incomes. Actions that would increase the city’s supply of affordable homes include:

- Creating dedicated sources of funding—whether general funds, property tax levy, real-estate transaction fees or other methods—that provide the City’s Housing Trust Fund with greater and more reliable resources to preserve and build new housing.
- Enhancing incentives—like increased density, reduced parking requirements, and property tax exemptions—to create more income-restricted units in new market-rate development.
- Using city-owned land to provide new opportunities for affordable rental and homeownership development.
- Changing the City of Tacoma’s land-use provisions to make it easier to build less costly, small-scale homes, such as accessory dwelling units or duplexes, as well as provide other supports like technical assistance and financial incentives for people who want to create these alternatives.

2. **KEEP HOUSING AFFORDABLE AND IN GOOD REPAIR.**

The City of Tacoma needs to take steps to ensure existing affordable housing options remain available to our community. Loss of affordable homes could further burden or displace Tacoma residents. Actions that would preserve and improve the city’s existing supply of affordable housing include:

- Making it easier, through a preservation ordinance, for the City of Tacoma or its partners to buy back subsidized properties as their income restrictions expire.
- Exploring creation of a proactive code enforcement program, which would actively inspect properties for health and safety violations.
- Creating a dedicated source of funding to keep rents stable at existing subsidized and unsubsidized housing units and assist residents facing a housing crisis.

3. **HELP PEOPLE STAY IN THEIR HOMES AND COMMUNITIES.**

Many residents in Tacoma already cannot keep up with rising housing costs in the form of higher tax bills or rents. They are often on the verge of making painful decisions about leaving their current home or community and have limited options for assistance. Actions that would help stabilize homeowners and tenants include:

- Ensuring residents have substantial notice for rent increases or lease terminations and establish relocation assistance as part of a comprehensive tenant protections policy.
- Supporting residents or organizations interested in leading or participating in community-based initiatives, including those that protect tenants’ rights.
- Exploring creation of a community land trust, leveraging local expertise.
- Creating an additional source of local tax relief to stabilize more homeowners.

4. **REDUCE BARRIERS FOR PEOPLE WHO OFTEN ENCOUNTER THEM.**

Even when affordable units exist, many residents must overcome significant barriers to access them. Residents mentioned barriers like limited knowledge of housing resources; language barriers; and difficulty qualifying for or securing housing (like meeting security deposit requirements). Actions that make it easier for residents to access housing opportunities, including those in the private housing market, include:

- Streamlining processes for households applying for and using rental assistance.
- Working with landlords to increase participation in rental assistance programs and their willingness to accept “higher-barrier” households.
- Ensuring a portion of new or expanded funding sources can provide services as part of new housing development.
SECTION 3

Strategic Objective 1: Create More Homes for More People

The City of Tacoma needs to considerably increase its supply of affordable housing options. The need for affordable housing affects nearly all residents within the city. It spans families looking for larger apartments, seniors looking for a home to serve their daily needs, and local workers trying to live within a reasonable distance of their job.

When households can’t find affordable housing options, they face painful tradeoffs. Cost-burdened households have less for other essentials, like food, clothing, transportation, and medical care. Other households may pay more to access better economic opportunities, such as living near transit service, employment, or higher-performing schools, when those options are not widely available throughout a city. Interviews and focus groups with local residents suggest they are already making these types of tradeoffs.

The need for affordable housing, though, is greatest among households with the lowest incomes and in some cases, with the highest barriers to accessing housing opportunities. The City of Tacoma aims to have a share of new units serve these households. A need exists for at least an additional 6,400 units for extremely low-income renters to create enough units for households at this income level.23

Creating more income-restricted units, as well as having a dedicated source of funding for services when needed, is a critical piece of helping more persons experiencing homelessness move into permanent homes. While this strategic objective won’t produce all the units to close this gap among extremely low-income households, it takes some key steps to beginning to better meet their needs. For instance, actions under this strategic objective update the City of Tacoma’s inclusionary housing policy and devote more resources to better serve these households.

---

Finally, the City of Tacoma needs to ensure housing production can keep up with anticipated growth and changing needs among local residents. Regional growth projections suggest that the City of Tacoma will grow at a faster pace over the next decade, adding more than 35,000 new households by 2030, compared with past growth. Much of Tacoma’s housing production has been concentrated among single-family homes and larger, multifamily buildings over the last several years. In addition to increasing its housing supply, the City of Tacoma needs to continue to diversify it.

The remainder of this section summarizes the actions that will create more homes for more people.
1.2 Modify inclusionary housing provisions to target unmet need and align with market realities.

The City of Tacoma encourages private-sector developers to voluntarily include below-market rental apartments or for-sale homes as part of their market-rate development projects by offering them a range of incentives. While these incentives have been used by some developers in recent projects, they are not widely used. The City of Tacoma also recently passed a requirement to include affordable units as part of new development in the Tacoma Mall subarea. Among both these policies, long-term affordability—through a state-mandated affordability period of at least 50 years—is a chief benefit.

Today, both the city’s inclusionary housing incentives and requirements focus on homes priced for households earning at or below 80 percent of area median income, which roughly translates into $60,000 for a family of four. There’s a shortage of units for households earning at or below 50 percent of area median income (about $37,000 for a family of four). Some areas within Tacoma, namely New Tacoma and to a lesser extent, North Tacoma and West End, could support units for these households as part of market-rate development.

This action modifies the city’s existing inclusionary housing provisions to require more units for households earning 50 percent of area median income or below in market-rate development. While the Planning and Development Services Department will assess the specific provisions in more detail, modeling suggests the following approach could produce nearly 3,100 income-restricted units over the next 10 years (when used in combination with the 12-year option under the Multifamily Tax Exemption Program):

- Use a mandatory approach, requiring 10 percent of units in development be affordable to households earning at or below 50 percent of area median income.
- Target policy to selected areas within the City of Tacoma, such as New Tacoma, North Tacoma, and West End. Additional areas may be added over time, based on ongoing monitoring and evaluation of the policy using the Housing Market Policy Dashboard.
- Provide 10-foot height increase; 10 percent floor-area-ratio increase; and 25 percent reduction in current parking requirements (in multifamily zones) in exchange for income-restricted units.
• Change fee-in-lieu payments to align with cost of providing an income-restricted unit and to encourage onsite development. Modeling suggests that a fee structure of more than $30,000 per unit would encourage onsite development. In-lieu fees are typically designed to support housing development when these units are not directly incorporated into a proposed project. Setting the fee based on production cost, the fee-in-lieu could be as high as $200,000 per unit.

A primary goal of this policy approach is social inclusion, meaning units are built throughout the entire city, particularly in areas where households may not be able to afford to live otherwise. This approach helps operationalize the community values within Tacoma2025 such as equity and opportunity. New Tacoma has the potential to add the most units through these policy changes. Based on analysis of local access to opportunity, this area has higher-performing schools; lower rates of poverty; and better access to transit and walkability—in other words, stronger access to opportunity—compared to other areas of the city. For a full discussion of access to opportunity in Tacoma, see Appendix B.

<table>
<thead>
<tr>
<th>Income Levels Served:</th>
<th>50% AMI and below</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographic Scale:</td>
<td>Targeted, based on anticipated development and market conditions</td>
</tr>
<tr>
<td>Local Policy Action:</td>
<td>Yes</td>
</tr>
<tr>
<td>Public Funding:</td>
<td>None</td>
</tr>
<tr>
<td>Renters, Homeowners, or Both:</td>
<td>Both</td>
</tr>
</tbody>
</table>
1.8 Encourage more diverse types of housing development through relaxed land use standards, technical assistance, and financial incentives.

Building a wider range of housing options is one way to support broader affordability within the City of Tacoma. Smaller homes, like cottage-style homes or accessory dwelling units, typically cost less to construct and maintain, making them a good option for seniors or families interested in supplementing their household income. The City of Tacoma is already examining ways to make it easier to build a wider range of housing products, especially smaller scale options, throughout the city.

This action provides technical assistance and financial incentives to help interested residents and organizations produce smaller scale homes. Specifically, the City of Tacoma will develop a pre-approved set of construction drawings. These drawings will enable property owners using these construction drawings to by-pass some components of the review process. The City will also identify ways to lower the cost of developing these units. One option would be to reduce the overall development costs through waived permitting fees and property tax abatements, which could help encourage homeowners to build these units; an additional construction loan in exchange for affordability requirements would help ensure smaller scale units will increase Tacoma's subsidized supply.

**Income Levels Served:** All, priorities can be created for income levels or special populations

**Geographic Scale:** Citywide

**Local Policy Action:** Yes (for land use changes)

**Public Funding:** New (for incentives)

**Renters, Homeowners, or Both:** Both
### Exhibit 8  Strategic Objective 1: Actions to Create More Homes for More People

<table>
<thead>
<tr>
<th>ACTION 1.1 Seed the Tacoma Housing Trust Fund with local sources of funding.</th>
<th>WHEN WILL WORK HAPPEN?</th>
<th>WHO CAN LEAD IMPLEMENTATION?</th>
<th>WHO CAN ASSIST WITH IMPLEMENTATION?</th>
</tr>
</thead>
</table>
| • Earmark $1.8 million for affordable housing activities in the 2019–2020 biennium budget cycle. | Immediate (1–2 years) | Tacoma City Council | • City Manager’s Office  
• Office of Management and Budget  
• Community and Economic Development Department  
• Tacoma Community Redevelopment Authority  
• Tacoma Housing Authority  
• Local and regional developers |
| • Work with local partners to set priorities for how to use this funding. | | | |
| • Update Affordable Housing Developer Loan NOFA guidelines, underwriting standards (if needed), and solicitation process to align with local funding priorities. | | | |
| • Identify separate revenue source (in place of or in addition to general funds). | | | |

<table>
<thead>
<tr>
<th>ACTION 1.2 Modify inclusionary housing provisions to target unmet need and align with market realities.*</th>
<th>WHEN WILL WORK HAPPEN?</th>
<th>WHO CAN LEAD IMPLEMENTATION?</th>
<th>WHO CAN ASSIST WITH IMPLEMENTATION?</th>
</tr>
</thead>
</table>
| • Work with developers and other stakeholders to refine the policy proposal outlined in the AHAS. | Immediate (1–2 years) | Tacoma City Council | • Planning and Development Services Department  
• Community and Economic Development Department  
• Local and regional developers  
• Residents living in proposed target areas  
• Tacoma Housing Authority |
| • Develop draft legislative language. | | | |
| • Establish revised inclusionary housing policy. | | | |
| • Conduct outreach to developers about new tools, including what projects they affect, where they apply, and how to use them. | | | |
| • Identify lead department to monitor performance of new policy and regularly report on performance to City Council. | | | |
| • Work with the Tacoma Housing Authority to provide project-based vouchers to support the rents at these units (as needed). | | | |

<table>
<thead>
<tr>
<th>ACTION 1.3 Update the Multifamily Tax Exemption Program to increase its impact.*</th>
<th>WHEN WILL WORK HAPPEN?</th>
<th>WHO CAN LEAD IMPLEMENTATION?</th>
<th>WHO CAN ASSIST WITH IMPLEMENTATION?</th>
</tr>
</thead>
</table>
| • Offer 12-year option in areas where revised inclusionary housing policy applies (by eliminating 8-year option in those areas). | Immediate (1–2 years) | Tacoma City Council | • Community and Economic Development Department  
• Property owners  
• Tenants  
• Local and regional nonprofits |
| • Revise Multifamily Tax Exemption Program guidelines to create a notice provision for property owners using the 12-year option who opt out of it. | | | |
| • Incorporate properties using the 12-year option into the city’s “early warning” system. | | | |

<table>
<thead>
<tr>
<th>ACTION 1.4 Leverage publicly and partner-owned land for affordable housing.</th>
<th>WHEN WILL WORK HAPPEN?</th>
<th>WHO CAN LEAD IMPLEMENTATION?</th>
<th>WHO CAN ASSIST WITH IMPLEMENTATION?</th>
</tr>
</thead>
</table>
| • Develop draft language for a comprehensive land disposition policy for publicly owned land. | Immediate (1–2 years) | Tacoma City Council | • Public Works Department  
• Community and Economic Development Department  
• Tacoma Housing Authority  
• Tacoma Public Schools  
• MetroParks  
• Pierce County  
• Forterra  
• Local and regional developers |
| • Adopt a comprehensive land disposition policy for publicly owned land. | | | |
| • Evaluate near-term opportunities for affordable housing on city-owned land, using existing baseline data on vacant or publicly owned parcels that could be used for development or sale. | | | |
| • Complete inventory of publicly and partner-owned land (as part of public land study led by Forterra). | | | |
| • Evaluate opportunities for affordable housing development on an ongoing basis, using findings from the City of Tacoma’s forthcoming public land study and land disposition policy. | | | |

Note: An asterisk (*) denotes a priority action among Technical Advisory Group members.  
Continued on the following page
Exhibit 8  Strategic Objective 1: Actions to Create More Homes for More People (cont.)

<table>
<thead>
<tr>
<th>HOW WILL THIS ACTION BE IMPLEMENTED?</th>
<th>WHEN WILL WORK HAPPEN?</th>
<th>WHO CAN LEAD IMPLEMENTATION?</th>
<th>WHO CAN ASSIST WITH IMPLEMENTATION?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACTION 1.5 Create consistent standards for fee waiver eligibility and resources to offset waived fees.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| • Allocate additional local funding to offset waived fees (e.g., general funds, Tacoma Housing Trust Fund, etc.). | Immediate (1–2 years)   | Planning and Development Services Department | Community and Economic Development Department  
Local and regional developers |
| • Develop criteria for eligible projects (such as share of income-restricted units in development, income levels served, location [near transit or services], etc.). |                        | Public Works Department      |                                     |
| • Coordinate solicitation and evaluation of projects seeking fee reductions or waivers with other local solicitations for housing funds, such as Tacoma Community Redevelopment Authority’s annual NOFA. |                        |                               |                                     |
| • Conduct outreach to affordable housing developers about available resources and selection process. |                        |                               |                                     |

**ACTION 1.6 Create a process to coordinate public investments, like capital improvements, with affordable housing activities to reduce the overall cost of development.**

| Map key decision making and timelines associated with developing the city’s Capital Improvement Plan and ongoing community-development activities (e.g., NOFA solicitation, CBDG investments, etc.). | Immediate (1–2 years) | City Manager’s Office | Planning and Development Services Department  
Environmental Services Department  
City Manager’s Office  
Community and Economic Development Department  
Tacoma Public Utilities |
| Create criteria to assess public infrastructure related to affordable housing development, including target areas for affordable housing policies or programs or planned affordable housing developments. |                        |                               |                                     |
| Develop coordinated process that can be used as part of capital improvement planning. |                        |                               |                                     |
| Identify lead department to integrate coordinated process into the Capital Improvement Plan. |                        |                               |                                     |

**ACTION 1.7 Increase participation in existing first-time homebuyer programs and resources for new homebuyers.**

| Proactively partner with community-based groups to market existing programs to interested homebuyers, focusing on areas where residents are at-risk of displacement. | Immediate (1–2 years) | Community and Economic Development Department | Homeownership Center of Tacoma  
Washington State Housing Finance Commission  
Habitat for Humanity  
City Manager’s Office  
Anchor institutions  
Large-scale employers |
| Allocate additional local funding (e.g., general funds, Tacoma Housing Trust Fund, etc.) to supplement down-payment assistance offered through existing homebuyer assistance programs. |                        |                               |                                     |
| Work with local anchor institutions or other large-scale employers to create “Live Near Your Work” or other employer-assisted housing programs. |                        |                               |                                     |

**ACTION 1.8 Encourage more diverse types of housing development through relaxed land use standards, technical assistance, and financial incentives.**

| Evaluate current land-use regulations and identify ways to support a wider range of housing types through existing or modified zoning classifications and areas of higher opportunity. | Immediate (1–2 years) | Planning and Development Services Department | Tacoma City Council  
Community and Economic Development Department |
| Conduct outreach to residents in areas where changes may occur to discuss proposed changes and adjust recommendations accordingly. |                        |                               |                                     |
| Develop technical assistance programs, such as a set of pre-approved construction drawings for small-scale housing products (like accessory dwelling units). |                        |                               |                                     |
| Develop additional incentives to support development of infill, such as fee waivers and construction cost grants. |                        |                               |                                     |
| Engage national experts, like the Incremental Development Alliance, to cultivate local expertise in small-scale development. |                        |                               |                                     |

*Note: An asterisk (*) denotes a priority action among Technical Advisory Group members.*

Continued on the following page
### Exhibit 8  Strategic Objective 1: Actions to Create More Homes for More People (cont.)

<table>
<thead>
<tr>
<th>HOW WILL THIS ACTION BE IMPLEMENTED?</th>
<th>WHEN WILL WORK HAPPEN?</th>
<th>WHO CAN LEAD IMPLEMENTATION?</th>
<th>WHO CAN ASSIST WITH IMPLEMENTATION?</th>
</tr>
</thead>
</table>
| **ACTION 1.9** Establish a dedicated source of funding for the Tacoma Housing Trust Fund.* | Short-term (3-4 years) | Tacoma City Council | City Manager’s Office  
Office of Management and Budget  
Community and Economic Development Department  
Tacoma residents |
| • Convene an advisory group of local partners to develop a financing plan and articulate the potential uses of the fund. | | | |
| • Conduct a poll of local and regional residents to understand their support for different potential uses (and adjust financing plan accordingly). | | | |
| • Pass an emergency ordinance and adopt financing plan (per state law). | | | |
| • Work with partners on a public education campaign to educate members of the public on the importance of a dedicated source of funding. | | | |
| **ACTION 1.10** Use value capture to generate and reinvest in neighborhoods experiencing increased private investment (with a focus on areas with planned or existing transit). | Short-term (3-4 years) | Community and Economic Development Department  
Office of Management and Budget | Planning and Development Services Department  
Tacoma City Council  
Public Works Department  
State of Washington  
Residents living in proposed value capture areas |
| • Study the feasibility of creating a value-capture tool tailored to areas experiencing increased private investment, including areas with or planned high-capacity transit. | | | |
| • Use findings of study to identify and establish appropriate value-capture mechanism(s). | | | |
| • Work with local residents in neighborhoods where value-capture is being used to discuss potential investments. | | | |
| • Coordinate investments with capital improvement planning. | | | |
| **ACTION 1.11** Explore innovative, low-cost housing solutions to serve persons experiencing homelessness. | Short-term (3-4 years) | Community and Economic Development Department  
Neighborhood and Community Service Department | Local and regional philanthropic organizations  
Anchor institutions  
Service providers  
Tacoma Housing Authority  
Pierce County  
Persons experiencing homelessness |
| • Work with local and regional foundations and anchor institutions to discuss opportunities to support low-cost housing solutions. | | | |
| • Identify resources to host a design competition or solicit for proposals to develop housing prototypes. | | | |
| • Identify resources (including City funding) to support pilot projects. | | | |
| • Work with the Tacoma Housing Authority to provide project-based vouchers to support the rents at these units. | | | |
| **ACTION 1.12** Explore opportunities for increased staff support during the development review process. | Short-term (3-4 years) | City Manager’s Office | Planning and Development Services Department  
Fire Department  
Community and Economic Development Department  
Public Works Department  
Local and regional developers |
| • Assess existing staff capacity to accommodate increased development, including new affordable housing development. | | | |
| • Identify ways to increase existing staff capacity to handle increased workload, such as creating “embedded” staff positions; creating a project expediter; or using contract labor to assist with heavier workloads. | | | |
| • Identify ways to offset costs related to hiring new staff or expanding capacity through contract labor. | | | |

*Note: An asterisk (*) denotes a priority action among Technical Advisory Group members.*
Housing Element: Affordable Housing Action Strategy

Planning Commission AHAS Implementation Recommendations

The Planning Commission is tasked with providing recommendations on planning and land use matters to the City Council. The following two AHAS actions relate most directly to the work of this Commission:

**Action 1.2:** Modify inclusionary housing provisions to target unmet need and align with market realities.

**Action 1.8:** Encourage more diverse types of housing development though relaxed land use standards, technical assistance, and financial incentives.

In light of the potential of these actions to support achievement of AHAS goals, the Commission recommends that the City Council initiate broad, data-supported policy analysis and community engagement efforts for *AHAS Actions 1.2 and 1.8*.

Consideration of significant zoning changes generates major interest and the potential for controversy. The increasing housing challenges in our City and region touch everyone, yet more understanding is needed of the causes, the links with related community values, and how these together inform the range of options. Furthermore, these policy tools are complex and technical, which can make them difficult for people to understand.

A broad, intentionally inclusive and strongly data-supported public engagement and policy development approach is needed. Such an approach can build shared understanding of the issues, help to identify common ground between diverse stakeholders, maximize achievement of the community’s goals, avoid unintended consequences, and build trust in the process. All stakeholders should have the opportunity to participate meaningfully, including low-income households most in need of housing options, yet who may not feel empowered to participate. The City should also explore the potential to collaborate at the regional level as Puget Sound communities grapple with the same housing challenges.

The Commission recommends the following multi-phased implementation approach:

**PHASE 1: Scoping, public engagement and data gathering**

- Initiate a broad, diverse and data-informed public engagement process with an emphasis on engaging under-represented communities to identify options for analysis
- Integrate an active role for internal stakeholders, partner entities and City Commissions, in coordination with broader AHAS implementation steps
- Benchmark to learn from other communities
- Identify lessons learned from ongoing AHAS implementation efforts (including the Residential Infill Pilot Program and existing Inclusionary Zoning standards), and implement near-term enhancements
- Identify and coordinate with related City, state and regional housing policy and implementation strategies
PHASE 2: Policy and regulatory changes

- Build on and continue to deepen and broaden community engagement
- Identify and study potential alternative strategies and consider phasing options
- Coordinate with regional and state policy efforts including PSRC’s Vision 2050 and the required GMA Comprehensive Plan Periodic Review
- Evaluate the impacts of any potentially significant changes to Tacoma’s growth strategy and identify appropriate mitigation actions
- Council action to update the Comprehensive Plan, zoning and development standards to implement the preferred approaches, along with any identified mitigation steps

PHASE 3: Implementation and ongoing evaluation

- Implement the Council’s action, supported with robust education and technical support to promote housing development
- Conduct ongoing monitoring and evaluation of the outcomes and consider revisions as appropriate
- Foster ongoing community empowerment in implementing and improving Tacoma’s housing strategies

The Planning Commission stands ready to fulfill its role in these major and important policy initiatives.