



## City of Tacoma

Council Member Conor McCarthy  
*At-Large Position 7*

Mayor Woodards and Members of the City Council,

The Infrastructure Planning and Sustainability (IPS) Committee of the City Council has completed the work referred to it by City Council Ordinance 28759, by the date set in the Ordinance of August 31, 2021. The IPS Committee recommends the eight amendments summarized below to the Non-Interim Tideflats and Industrial Land Use Regulations as proposed by the Planning Commission for consideration by the full City Council. The IPS Committee approved these amendments at a Special Meeting on 8/30/2021.

To develop these proposed amendments, the IPS Committee, held nine publicly noticed meetings over the past three months. At the meetings, the IPS Committee reviewed the Planning Commission recommendations, considered amendments forwarded by the full Council, consulted with stakeholders impacted by the proposed regulations, reviewed written comment submitted by the public, and worked with staff to develop and refine amendments to the planning commission's recommendations.

In addition to the full IPS Committee meetings, four separate breakout meetings were conducted with stakeholders from the environmental community and energy industry to specifically discuss fossil fuel regulations. While these breakout meetings did not result in a clear consensus or agreement amongst the various stakeholders, the conversations were substantive and constructive, and several concepts arising from the discussions are incorporated into the IPS Committee's proposed amendments.

The IPS Committee understands that the next steps in the City Council review and consideration process will include at a minimum: (1) Formal consultation with the Puyallup Tribe; (2) a Public Hearing on the IPS proposed amendments; (3) Additional staff work; (4) Full City Council consideration of the IPS amendments to the Non-Interim Tideflats and Industrial Land Use Regulations proposed by the Planning Commission.

The amendments enclosed are summarized below, with the full proposed text attached:

1. New and Expanded Cleaner Fuel Facilities Permitted. Allows new and expanded Cleaner Fuel Infrastructure with Enhanced SEPA review. New Cleaner Fuel Infrastructure shall not include new tankage for petroleum storage. Existing petroleum tankage may be expanded solely for production of Cleaner Fuels, and may not be increased more than 15% for that purpose. Repurposing or partial/total conversion of any permitted Cleaner Fuel infrastructure constitutes a violation of regulations and grounds for permit revocation and civil enforcement.

2. Petroleum Fuel Facility Projects for Maintenance, Safety, Security, or Required to Meet Regulatory Changes: Allows existing Petroleum fuel infrastructure improvements which are for the sole purpose of maintenance, safety, security, or to meet regulatory changes, and including infrastructure which reduces air emissions and storm water runoff.
3. National Security Petroleum Fuel Facilities. Allows expansion of petroleum fuel facilities for national security when requested in writing by the Department of Defense.
4. Projects which have undergone Environmental Review and Mitigated Impacts. Allows completion of infrastructure in petroleum fuel facilities where that infrastructure has been previously identified, studied under SEPA and fully mitigated via a completed mitigation agreement.
5. Financial Assurance: Requires all applicants governed by the Non-Interim Tidelands and Industrial Land Use Regulations to prove that they comply with any financial assurance requirements imposed by State or federal law for their project, and if the applicant relies on a insurance policy to meet any requirements, the applicant will add the City of Tacoma as an additional insured.
6. Residential – Northeast Tacoma Slope: Removing CBRE property from Port of Tacoma’s Transition Overlay District and exempting the Heiberg property from the overlay’s residential density limitations.
7. Residential Use in the M-1 District: Scrivener error correction to retain prohibition on small-scale residential uses in the M-1 District within the Port of Tacoma M/IC.
8. High Impact Uses. Removal from code.

Please do not hesitate to contact myself, Vice Chair Walker, or staff regarding the IPS Committee’s amendments or our committee process.

As Chair, I would like to extend my sincere gratitude to my fellow Committee members, as well as Claire Goodwin, Peter Huffman, Steve Victor, and the City Clerk’s office, for their tremendous support throughout the course of the IPS Committee process.

Very Truly Yours,



Conor McCarthy, Chair  
Infrastructure Planning and Sustainability Committee

## **IPS Proposed Amendments**

### **MOTION: 1. New and Expanded Cleaner Fuel Facilities Permitted**

I move to allow through the normal permitting process, infrastructure for the production, storage, transportation and transshipment of fuels that are carbon-free and generate no carbon emissions including green hydrogen and other carbon-free fuels produced with renewable electricity such as hydroelectric power, and fuels that are approved by the US Environmental Protection Agency under the federal Renewable Fuel Standard program, or under Washington State Law, including credit generating fuels under the Clean Fuel Standard (CFS) program, this includes infrastructure for:

- a. Any credit generating fuel under the Washington CFS.
- b. Any EPA approved and listed fuel under the RFS.
- c. Renewable diesel meeting Washington State requirements.
- d. Ethanol and E85 blends meeting Washington State requirements.
- e. natural gas, propane, green hydrogen, or electricity, produced or stored for use as fuels in a motor vehicle that meet California motor vehicle emission standards as defined in Washington State law.

### **MOTION 2. Petroleum Fuel Facility Projects for Maintenance, Safety, Security, or Required to Meet Regulatory Changes**

I move to allow through the normal permitting process, replacements and improvements to existing petroleum fuel facilities which, maintain, or improve the safety or security of the facility, or allow the facility to meet new regulatory requirements including the State Clean Fuel Standard, including infrastructure which reduces air emissions and storm water runoff.

### **MOTION 3. National Security Petroleum Fuel Facilities**

I move to allow expansion, modifications and additions to existing petroleum fuel facilities through the normal permitting process, where the project is requested in writing by the Department of Defense supporting Joint Base Lewis McChord, Naval Region Northwest Installations or other national defense needs.

### **MOTION 4. Projects which have undergone Environmental Review and Mitigated Impacts**

I move to allow additions to existing petroleum fuel facilities which would create the maximum proposed capacity of a facility that was the subject of an EIS prepared and published by the City under RCW 43.21C and TMC Ch. 13.12 on or before June 2, 2021 and for which the City has accepted on or before June 2, 2021, all funds that fully mitigate the adverse environmental impacts of the facility's maximum capacity pursuant to a Mitigation Agreement between the City and the facility proponent.

**MOTION 5. Financial Assurances**

I move to add a financial assurance requirement that an applicant must provide proof of financial assurance sufficient to comply with the financial responsibility requirements set forth in any State and federal law applicable to their project.

**MOTION 6: NE Tacoma Slope (Port of Tacoma Transition Overlay District)**

I move to amend the proposed Port of Tacoma Transition Overlay District in the Commission's recommendation to remove the CBRE property from the boundaries of the district, and to exempt the Heiberg property from the overlay's residential density limitations.

**MOTION 7: Residential Uses in the M-1 District**

I move to correct the identified scrivener's error in the Commission's recommendation regarding residential uses in the M-1 District, so that we retain the prohibition on small-scale residential uses in the M-1 District within the Port of Tacoma M/IC.

**MOTION 8: High-Impact Uses**

I move to eliminate the proposed "High Impact Use" use category from the Planning Commission's recommendation.