



Residential Infill Pilot Program 2.0
Permanent Regulations
(Revisions to TMC 13.05 and 13.06)

Planning Commission
Findings of Fact and Recommendations Report
May 06, 2020

A. Subject:

The proposal is to modify zoning regulations pertaining to The Residential Infill Pilot Program (see **Exhibit A**).

B. Summary of the Proposed Regulations:

The Proposed Residential Infill Pilot Program Regulations, after Council and Planning Commission consideration, would amend the Residential Infill Pilot Program as follows:

Adds a Density-based Housing category to eligible housing types:

- Impacted code sections - TMC13.05.115, TMC13.06.640
- Adding Density-based Housing will establish a new project category within the Infill Pilot Program that will allow applicants to submit projects that meet the density (# of units/acre) of their site as identified in the One Tacoma Comprehensive plan. How the units are organized will be worked out on a case-by-case basis during the initial phase of the application.

Increases the number of each housing type allowed through the program:

- In order for the Infill Pilot Program to continue to operate and fulfill the objectives laid out in the Comprehensive Plan, new spaces for applicants needed to be created. These changes add three (3) spaces for each project type to each of the five (5) Council District. The total is therefore 15 spaces for each project type citywide.

Modify design requirements and other standards:

- Impacted code sections - TMC13.05.115, TMC13.06.160, TMC13.06.640
- Allow Cottage Housing in rear yards when an alley is present and defer building separation to building code: with the codification of the Detached Accessory Dwelling Units (DADU's) and the influx of this development type in the rear yard of lots across the city, it was determined that Cottage Housing is a similar enough development type to warrant similar regulation in terms of location on the site.
- Increase flexibility for the Two-family Housing type by removing the requirement to be on a corner lot, and to present the general appearance of a detached single-family dwelling:
- Increase emphasis on qualitative design review of all categories
- Remove Parking requirement for projects reviewed by the Infill Pilot Program

Streamline the permit process

- Impacted code sections - TMC13.05.115, TMC13.06.640
- Integrate the Infill Pilot Program review process into the Conditional Use Permit process (rather than requiring both separately): The proposed updates to the code would allow these processes to be combined without eliminating any of the notification or review. One public

notice will be issued in accordance with the CUP processing times, which are longer than required by the Infill Pilot Program, and one Directors Decision will issued

- Update handbook to reflect changes and promote quality and performance through improved guidance.

C. Findings of Fact:

Part One – Legislative Intent:

1. Comprehensive Plan and Land Use Regulatory Code

The *One Tacoma* Comprehensive Plan, updated in 2015 by Ordinance No. 28335, is Tacoma's comprehensive plan as required by the State Growth Management Act (GMA) and consists of several plan and program elements. As the City's official statement concerning future growth and development, the Comprehensive Plan sets forth goals, policies and strategies for the health, welfare and quality of life of Tacoma's residents. The Land Use Regulatory Code, Title 13 of the Tacoma Municipal Code (TMC), is the key regulatory mechanism that supports the Comprehensive Plan. The following policies in the Housing Element clearly state the City's position regarding infill housing:

- *Policy H-1.3 Encourage new and innovative housing types that meet the evolving needs of Tacoma households and expand housing choices in all neighborhoods. These housing types include single family dwelling units; multi-dwelling units; small units; accessory dwelling units; pre-fabricated homes such as manufactured, modular; co-housing and clustered housing.*
- *Policy H-1.6 Allow and support a robust and diverse supply of affordable, accessible housing to meet the needs of older adults and people with disabilities, especially in centers and other places which are in close proximity to services and transit.*
- *Policy H-1.7 Consider land use incentives (e.g. density or development bonuses, lot size reductions, transfer of development rights, height or bulk bonuses, fee waivers, accelerated permitting, parking requirement reductions, and tax incentives) in appropriate locations to facilitate the development of new housing units.*
- *Policy H-1.9 Apply infill housing approaches to create additional housing opportunities for low and mid-range (Missing Middle) housing types.*
- *Policy H-1.10 Establish and update a regulatory process to pilot infill of innovative housing types, as well as to pilot new development standards, affordability incentives and permit review processes.*

2. Planning Mandates and Guidelines

GMA requires that any amendments to the Comprehensive Plan and/or development regulations conform to the requirements of the Act, and that all proposed amendments, with certain limited exceptions, shall be considered concurrently so that the cumulative effect of the various changes can be ascertained. Proposed amendments to the Comprehensive Plan and/or development

regulations must also be consistent with the following State, regional and local planning mandates and guidelines:

- The State Growth Management Act (GMA);
- The State Environment Policy Act (SEPA);
- The State Shoreline Management Act (SMA);
- The Puget Sound Regional Council's *VISION 2040* Multicounty Planning Policies;
- The Puget Sound Regional Council's *Transportation 2040*, the action plan for transportation in the Central Puget Sound Region (adopted on May 20, 2010);
- The Puget Sound Regional Council's Subarea Planning requirements;
- The Countywide Planning Policies for Pierce County;
- TMC 13.02 concerning the procedures and criteria for amending the Comprehensive Plan and development regulations.

Part Two – Public Notification and Involvement

1. **Public Hearing** – A public hearing was held March 04, 2020 at 5:00 p.m. in Council Chambers. Public comments were accepted through March 06, 2020 at 5 p.m.
2. **Public Notice** – The public hearing notice was distributed to over 1,000 individuals and entities on the Planning Commission's mailing list that include the City Council, Neighborhood Councils, business district associations, civic organizations, environmental groups, the development community, the Puyallup Tribal Nation, adjacent jurisdictions, major employers and institutions, City and State departments, and other interested parties.
3. **Library** – A request was made to the Tacoma Public Library on February 12, 2020 to make the public hearing notice available for patrons' review at all branches.
4. **News Media** – The City of Tacoma issued a News Release on February 12, 2020. A legal notice was published in the Tacoma Daily Index on February 17, 2020.
5. **60-Day Notices** – A "Notice of Intent to Adopt Amendment 60 Days Prior to Adoption" was sent to the State Department of Commerce (per RCW 36.70A.106) on February 12, 2020. A similar notice was sent to Joint Base Lewis-McChord (per RCW 36.70A.530(4)) on February 12, 2020, asking for comments within 60 days of receipt of the notice.
6. **Tribal Consultation** – A letter was sent to the Chairman of the Puyallup Tribe of Indians on February 12, 2020 to formally invite the Tribe's consultation on the proposed ADU Regulations.
7. **Website** – Project updates and public review documents were posted to the City of Tacoma's website at www.cityoftacoma.org/infill.

8. **Neighborhood Council Meetings** – Staff has held and will continue to hold presentations at neighborhood councils to inform them of milestones in the legislative process and promote ways to get involved.

Part Three – Public Comment, Additional Facts, Observations, and Concerns:

Planning Commission acknowledges receiving public testimony and written comment, as well as staff response to said testimony and comments. Six (6) people provided oral testimony at the public hearing and staff received eight (8) written comments. The following are summaries of comment topics:

In support of expanding the program

- Supports development near public transit hubs.
- Move forward as fast as possible to meet housing shortage.
- Greater on-site parking flexibility (or lack thereof).
- Suggests expanding program into non-residential zones.
- Focus on unambiguous and well documented design standards.
- Suggests requiring alternative energy sources (solar).

Mitigating the impacts of the program to existing neighborhoods

- Increased burden on existing infrastructure
- Adequate parking availability.

Streamlining the administration of the program with adequate oversight

- Concerns of stream-lined permitting process and lessening public involvement.
- Concerns of effective code enforcement.
- Provide example prescriptive site plans for common lots sizes

Recommendations provided on subjects outside scope of the Infill Pilot Program:

- Concerns Recommends that residential zones within the McChord Field Accident Potential Zones maintain current density parameters (1-2 DU per acre)
- Monitor and enforce reinvestment of revenues generated by development to resolve housing issues.

The Planning Commission considered the provided comments and formulated revisions to the proposal to address them. The comments and staff analysis are contained in the April 15th, 2020 Planning Commission packet.

Part Four – SEPA Review

As part of an environmental review, the City of Tacoma completed a SEPA checklist and filed a Preliminary Determination of Environmental Nonsignificance on February 12, 2020. The SEPA Environmental Checklist found no significant impacts to the environment and found that infrastructure systems could support the addition of a projected small number of accessory dwelling units.

The comment deadline was March 06, 2020. The Determination became final on March 13, 2020. The environmental review packet is on file with the Planning and Development Services Department (PDS) and is available online at <http://www.cityoftacoma.org/infill>.

Part Five – Planning Commission’s Review Process:

1. On March 1st, 2017 the Planning Commission reviewed the findings from the Infill Pilot Program after it had been operational for over a year and accepted applications in multiple project categories.
2. On April 3rd, 2019 the Planning Commission began the process of removing the Accessory Dwelling Unit category from the Infill Pilot Program and were briefed on the progress that had been made through the operation of the program.
3. On September 18, 2019 the Planning Commission began the process of developing amended regulations for the Infill Pilot Program, discussed lessons learned to that point, and identifying issues and areas of concern for staff to review in more detail.
4. Staff presented to the Planning Commission on December 4th, 2019 to report findings and provide recommendations on options for consideration. At a follow up meeting on January 15th, 2020, further refinement of proposed changes was reviewed and a Public Hearing was scheduled and held on March 4th, 2020. The public comment period ended on March 6th, 2020.
5. On April 15th, 2020, the Commission reviewed public testimony and comments and discussed potential modifications to the draft proposals in response to public testimony received.
6. The Commission hereby forwards its recommendations to the City Council with the intent to assist the Council in taking action.
7. A record of updates and actions concerning the Infill Pilot Program can be found at <http://www.cityoftacoma.org/infill> and at http://www.cityoftacoma.org/government/committees_boards_commissions/planning_commission/agendas_and_minutes/.

D. Conclusions :

The Commission concludes that the amendments will support the City’s health and equity policies by:

- Adding small footprint, lower cost units to the existing housing supply.
- Increasing the quantity of diverse housing types within the City by addressing lack of missing middle housing.
- The addition of Density-based Housing will provide flexibility to respond to specific conditions found on each site and will allow for more opportunities for projects that meet the principles of the program to be approved. Limiting these projects to the density limits as they are defined in the One Tacoma Comprehensive Plan ensures consistency with the vision for the communities where they are built.

- Providing an increased choice of housing that responds to changing needs, lifestyles (e.g., young families, retired), environmental sustainability, and modern technological advances in the building sciences.
- Contributing to household prosperity and neighborhood stability by creating avenues for additional income, aging-in-place, and the meeting of personal and property needs.
- Increasing density in order to better utilize existing infrastructure and community resources and to support public transit and neighborhood retail and commercial services.

The Commission concludes that the proposed amendment will benefit the City as a whole, will not adversely affect the City's public facilities and services, and bears a reasonable relationship to the public health, safety, and welfare.

The Commission concludes that the proposed amendments conform to the applicable provisions of State statutes, case law, regional policies, and the One Tacoma Comprehensive Plan.

Concludes that the expansion of housing types and number will provide more sufficient project types and examples to inform the broader housing/zoning discussions as part of the Home in Tacoma planning study and amendment process.

E. Recommendation

The Planning Commission recommends that the City Council adopt the proposed amendments to the Tacoma Municipal Code, as set forth in **Exhibit A**. In addition to the code amendments, Planning Commission intends to work with staff to update the Residential Infill Pilot Program handbook that will explain details of the code, such as calculating Density-Based Housing, in common terms, as well as showcasing best practices.

F. Exhibit:

- A. Proposed Amendments to the Tacoma Municipal Code
- B. [DRAFT] Residential Infill Pilot Program Handbook