



TO: Elizabeth Pauli, City Manager
FROM: Stephen Atkinson, Principal Planner, Planning and Development Services
Peter Huffman, Director, Planning and Development Services
COPY: City Council and City Clerk
SUBJECT: Ordinance – Adopting Proposed Code Changes for Delivery-Only Retail Businesses – August 8, 2023
DATE: July 24, 2023

SUMMARY AND PURPOSE:

An ordinance amending the Land Use Regulatory Code pertaining to delivery-only retail businesses, as recommended by the Planning Commission as part of the 2023 Amendment to the Comprehensive Plan and Land Use Regulatory Code.

BACKGROUND:

The 2023 Annual Amendment to the One Tacoma Comprehensive Plan and Land Use Regulatory Code (2023 Amendment) includes the following six applications: (1) an amendment to the Future Land Use Map in the One Tacoma Comprehensive Plan for the Mor Furniture site, (2) an amendment to the Land Use Regulatory Code pertaining to electric fences, (3) an amendment to the Land Use Regulatory Code pertaining to shipping containers, (4) an amendment to the Land Use Regulatory Code pertaining to delivery-only retail businesses, (5) an amendment to the Land Use Regulatory Code pertaining to commercial zoning, and (6) minor amendments to the Comprehensive Plan and Land Use Regulatory Code. This ordinance pertains to the proposed amendments to the land use regulatory code pertaining to delivery-only retail businesses.

This application was initiated in response to recent permits and development trends in the retail sector. As proposed by the Planning and Development Services Department, these amendments to the Tacoma Municipal Code (TMC), Title 13 Land use Regulatory Code, would require retail uses on designated pedestrian streets in mixed-use centers and include an in-person customer sale component, incorporate commissary kitchens within the retail use definition and apply retail development standards to such uses, as well as include a size limitation for commissary kitchens within mixed-use centers.

The Planning Commission completed its review of the 2023 Amendment through an extensive and inclusive public engagement process, including a public hearing on April 5, 2023. The Commission forwarded to the City Council, and filed with the City Clerk’s Office, the Planning Commission’s Findings of Fact and Recommendations Report for the 2023 Amendment along with a letter of recommendations, both dated May 17, 2023. The report documents the public review and community engagement process and the Commission’s deliberations and decision-making concerning the six applications. The Planning Commission recommended the City Council adopt proposed code amendments pertaining to delivery-only retail businesses. The Commission’s recommendations are consistent with the Growth Management Act, the One Tacoma Plan, Tacoma 2025, and the City’s health, equity and sustainability policy.

Pursuant to TMC 13.02.070.I.1, the City Council shall hold a public hearing before enacting any proposed amendments to the Comprehensive Plan and TMC. The City Council has fulfilled said requirement by conducting a public hearing on June 27, 2023, concerning all six applications for the 2023 Amendment.



COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The City Council public hearing provided an opportunity for concerned citizens to weigh in, and the City Council to engage with the community, on the 2023 Amendment. In advance of the public hearing, planning staff reached out to identified stakeholders (e.g., neighborhood councils, civic organizations, neighboring jurisdictions, Puyallup Tribe, Joint Base Lewis McCord, and business and property owners near the various project sites), conducted community informational meetings, maintained a project website, and mailed notices to residents within 2,500 feet of affected site and posted notices on the project website, newspapers, and social media.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The review process for the 2023 Amendment, including the Planning Commission’s and City Council’s public hearings, provided an equal opportunity for all residents with diverse background and interests to learn about and provide comments on the proposed amendments contained therein.

Civic Engagement: *Equity Index Score:* High Opportunity

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.

Representation at public meetings will reflect the diversity of the Tacoma community.

Explain how your legislation will affect the selected indicator(s).

The delivery-only retail businesses application was brought forward by planning staff based on the growing trend and permit application activity related to delivery-only businesses. Adoption of these amendments would add a definition and development/performance standards specific to this use, and this would add greater clarity for the public and staff, and better ensure the City can implement land use and zoning goals and policies. Delivery-only retail businesses can provide entrepreneurship opportunities, including providing essential affordable start-up space for small business food establishments, lower overhead/operating costs, concept testing, avenues for scaling-up, and an incubator/innovation role. The use will also provide employment opportunities with potential multipliers. Delivery-only retail businesses can also have food access and equity implications, as well as allow for broader oversight of public safety and operational standards.

The public hearing provided an opportunity for all residents with diverse backgrounds and interests to provide comments for the City Council’s use in making decisions on various proposed amendments to the Comprehensive Plan and the Land Use Regulatory Code that will have long-term affects to the community.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Deny the proposal	N/A	Less clarity for staff and public regarding siting and standards for delivery-only businesses; diminish communities’ access to food options, and to entrepreneurial and employment opportunities



City of Tacoma

City Council Action Memorandum

EVALUATION AND FOLLOW UP:

If the legislation is adopted, staff will update the Land Use Regulatory Code accordingly and work with the City Clerk's Office to codify amendments to the Tacoma Municipal Code. Furthermore, staff routinely evaluate the effectiveness of land use regulations and consider amendments on an annual basis to improve the effectiveness of the land use code.

PLANNING COMMISSION RECOMMENDATION:

The Planning Commission recommends that the City Council adopt the amendment as proposed.

FISCAL IMPACT:

There is no fiscal impact.