



City of Tacoma

City Council Action Memorandum

TO: Elizabeth Pauli, City Manager
FROM: Peter Huffman, Director, Planning and Development Services *PH*
COPY: City Council and City Clerk
SUBJECT: Ordinance – Temporary moratorium on the nomination and designation of Historic Special Review and Conservation Districts – April 16, 2024
DATE: April 1, 2024

SUMMARY AND PURPOSE:

An ordinance enacting a temporary moratorium on the nomination and designation of new Historic Special Review and Conservation Districts, for a period of one year.

BACKGROUND:

On November 15, 2023, the Tacoma Planning Commission, in response to Resolution No. 41226, voted to recommend that the City Council establish a moratorium on the consideration and adoption of new local historic special review districts for a period of one year, and that the moratorium should terminate following the adoption of the 2024 Comprehensive Plan and Code Amendment package.

Tacoma Municipal Code 13.07.060 outlines regulations for the local Tacoma Register of Historic Places and the nomination and designation process for Historic Special Review and Conservation Districts. The Landmarks Preservation Commission and Planning Commission are both responsible for reviewing nominations and making recommendations. In 2022, both bodies reviewed an application to add a district to the Tacoma Register of Historic Places. The Landmarks Preservation Commission made recommendations on April 25, 2022, and the Planning Commission denied the request on November 2, 2022. Following the denial, a similar request was resubmitted to the Landmarks Preservation Commission on March 9, 2023, which was also forwarded to the Planning Commission. The Planning Commission declined further review of the proposal at its meeting on August 16, 2023.

During their reviews, both commissions noted concerns about the existing historic district designation process and recommended that a review and potential update to the process should be conducted in the earliest possible plan and code amendment cycle.

The requested review is planned to be included in the upcoming 2024 Comprehensive Plan periodic update process. However, in the interim, the City is still able to accept applications for Historic Special Review and Conservation Districts. It takes a great deal of volunteer and staff time to review these requests, and any review at this time may encounter the same concerns that these commissions have already identified and requested the City address. It may be beneficial to implement a moratorium until the review can be completed and the changes be put into effect.

In response to Resolution No. 41226, which directed the Planning Commission, in coordination with the Landmarks Preservation Commission, conduct a public process to develop findings of fact and recommendations as to whether a moratorium on nomination and designation of local historic districts is warranted, the Planning Commission adopted a review schedule and set a public hearing on September 20, 2023. Following the public hearing, the Planning Commission also sought feedback and input from the Landmarks Preservation Commission.



The public comment received in response to the hearing did not support establishment of a moratorium; likewise, the Landmarks Preservation Commission did not feel that a moratorium was a necessary step to address existing policy issues within the normal scope of its work. However, the Planning Commission found there are significant unresolved policy and code questions relating to historic district creation, and the Planning Commission workplan would benefit from a temporary pause on historic district review afforded by a moratorium. The Findings and Recommendations of the Planning Commission as well as the letter from the Landmarks Preservation Commission are attached to this request.

On March 5, 2024, the City Council held a public hearing to seek comment on the Planning Commission recommendation. The comments received were consistent with those received by the Planning Commission; of the 37 comments received at the hearing and in writing, all stated opposition to the proposed moratorium, citing themes consistent with prior comments received.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

During a recent review of a Historic District proposal, both the Landmarks Preservation Commission and the Planning Commission recommended a policy review of the nomination and designation process for historic special review and conservation districts. The Planning Commission subsequently conducted a public process in response to Resolution No. 41226, which included a public hearing on September 20, 2023, as well as public discussion at a Landmarks Preservation Commission meeting.

On March 5, 2024, the City Council held a public hearing to receive comment on the Planning Commission recommendation.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The recommendations from the Landmarks Preservation Commission are intended to address equity issues, and includes the following language:

“A. The Historic Comprehensive Plan Element and associated regulatory codes should be reviewed during the next code and policy amendment process to assess and evaluate compatibility with the broad City policy of objectives concerning diversity, equity and inclusion, to identify barriers, gaps in preservation policy, and criteria used by the Commission, and to identify additional tools and incentives for owners and residents of historic properties.”

Similarly, the Planning Commission identified a need to incorporate equity goals into this review and designation process. Their recommendation includes:

“The Planning Commission recommends that Comprehensive Plan policies and regulatory code relating to historic districts be reviewed [and] amended at the earliest appropriate amendment cycle, to include review of consistencies between historic preservation policies and policies elsewhere in the Comprehensive Plan relating to housing, equity, and sustainability.”

Civic Engagement: *Equity Index Score:* Moderate 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.

Livability: *Equity Index Score:* Moderate Opportunity

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.



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

Historic preservation honors the legacy of Tacoma and preserves sense of place and identity for neighborhoods, improving perception and overall quality of life. However, preserving history should be complementary to equity access to housing options throughout the city. Both the Planning and Landmarks Preservation Commissions have communicated a need to review code language, and this recommendation is made in response.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. No action.	Maintain maximum flexibility for applicants to Historic Special Review and Conservation Districts.	Divert staff time and resources into a process that Commissioners have already requested we change; review of submittals under current regulations.

EVALUATION AND FOLLOW UP:

The recommendation for a moratorium includes a timeline that will conclude with the adoption of new policies and regulations under the 2024 Comprehensive Plan Amendment Package. Action by the City Council on the amendment package should address the majority of concerns identified during recent historic district reviews by the respective commissions.

STAFF/SPONSOR RECOMMENDATION:

The Tacoma Planning Commission, in response to Resolution No. 41226, recommends that the City Council establish a moratorium on the consideration and adoption of new local historic special review districts for a period of one year, and that the moratorium should terminate following the adoption of the 2024 Comprehensive Plan and Code Amendment package.

FISCAL IMPACT:

There is no fiscal impact related to the proposed moratorium.

ATTACHMENTS:

- Resolution No. 41226
- Planning Commission Recommendation Letter



RESOLUTION NO. 41226

1 BY REQUEST OF COUNCIL MEMBERS BUSHNELL, HINES, AND RUMBAUGH

2 A RESOLUTION relating to historic districts; directing the Planning Commission,
3 in coordination with the Landmarks Preservation Commission, to
4 determine if a moratorium on nomination and designation of Historic
Special Review and Conservation Districts is warranted.

5 WHEREAS historic preservation honors the legacy of the City and adds
6 character to neighborhoods, improving perception and overall quality of life,
7 however preserving history should be complementary to equity access to
8 housing options throughout the City, and
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10 WHEREAS Tacoma Municipal Code ("TMC") Section 13.07.060 outlines
11 regulations for the local Tacoma Register of Historic Places and the nomination
12 and designation process for Historic Special Review and Conservation Districts
13 ("HSRCD"), and the Landmarks Preservation Commission ("LPC") and Planning
14 Commission ("PC") are both responsible for reviewing nominations and making
15 recommendations, and
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17 WHEREAS in 2022, both bodies reviewed an application to add a district
18 to the Tacoma Register of Historic Places; the LPC made recommendations on
19 April 25, 2022, and the PC denied the request on November 2, 2022, and
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21 WHEREAS during their respective reviews, both commissions noted
22 concerns about the existing historic district designation process, including the
23 need to address equity issues, and recommended that a review and potential
24 update to the process should be conducted in the earliest possible plan and
25 code amendment cycle, and
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1 WHEREAS the requested review is planned to be included in the upcoming
2 2024 Comprehensive Plan periodic update process, however, in the interim, the
3 City is still able to accept applications for HSRCD, and
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5 WHEREAS any review at this time may encounter the same concerns that
6 the commissions have already identified, and since it takes a great deal of volunteer
7 and staff time to review these requests, it may be beneficial to implement a
8 moratorium until the review can be completed and the changes be put into effect,
9 and
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11 WHEREAS this resolution requests that the PC, in coordination with the
12 LPC, conduct a public process to develop findings of fact and recommendations as
13 to whether a moratorium on the nomination and designation of HSRCDs is
14 warranted, and if so, to recommend the scope and duration; Now, Therefore,
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16 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

17 That the proper officers of the City are hereby authorized to direct the
18 Planning Commission, in coordination with the Landmarks Preservation
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1 Commission, to determine if a moratorium on nomination and designation of
2 Historic Special Review and Conservation Districts is warranted.

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4 Adopted June 20, 2023

5 *M. Woodards*
6 Mayor

7 Attest:

8 *Doris Soum*
9 City Clerk

10 Approved as to form:

11 *[Signature]*
12 Deputy City Attorney
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City of Tacoma Planning Commission

Christopher Karnes, Chair
Anthony Steele, Vice-Chair
Morgan Dörner
Robb Krehbiel
Brett Marlo
Matthew Martenson
Jordan Rash
Sandesh Sadalge
Brett Santhuff

December 18, 2023

Mayor Victoria Woodards
City of Tacoma
747 Market Street Room 1200
Tacoma, WA 98402

RE: Planning Commission Findings and Recommendations for a Proposed Moratorium on Local Historic Special Review Districts

Honorable Mayor Woodards and Members of City Council:

At its meeting of November 15, 2023, the Planning Commission voted 6-1 to recommend the establishment of a temporary moratorium on the consideration and adoption of new local historic overlay zones. The Planning Commission further recommends that the City Council establish the moratorium for a period of one year and that the moratorium should terminate following the adoption of the 2024 Comprehensive Plan and Code Amendment package.

This action was taken in response to the Council Resolution 41226, which directed the Planning Commission, in coordination with the Landmarks Preservation Commission, to conduct a public process and generate findings and recommendations regarding the necessity of such a moratorium, along with recommendations for scope and schedule.

During its review of the council request, the Planning Commission solicited feedback from the Landmarks Preservation Commission to consider and incorporate into the Planning Commission's recommendation. The response from the Landmarks Commission is included in this transmittal as an attachment.

While the Landmarks Commission and Planning Commission do not fully concur on various factors concerning the moratorium, particularly whether it is the correct policy tool or is warranted, the Planning Commission appreciates the letter and its thoughtful responses to the various perspectives and issues raised during the review process. We note that the two commissions do generally concur on duration and scope if a moratorium is enacted by Council.

FINDINGS

Notice and Procedural Requirements

1. On June 20, 2023, City Council adopted Resolution 41226, directing the Planning Commission "in coordination with the Landmarks Preservation Commission, to conduct a public process to develop findings of fact and recommendations as to whether a moratorium on nomination and designation of Historic Special Review and Conservation Districts is warranted, and if so, to recommend the scope and duration."
2. Land use moratoria are addressed in Tacoma Municipal Code 13.05.030.E.

3. On August 16, 2023, the Planning Commission duly set a public hearing date of September 20, 2023 to receive public comment on the proposed moratorium.
4. Notice of the hearing was sent consistent with the City of Tacoma requirements for public hearing notice, including the hearing notice sent via regular mail to recipients of the Landmarks Commission general hearing list, as well as to the Planning Commission's and Landmarks Commission's distribution lists on September 6, 2023. Notice was published in the Tacoma News Tribune and Tacoma Daily Index on September 8, 2023.
5. On September 20, 2023, the Planning Commission conducted its public hearing. Following the hearing, on October 4, 2023, the Planning Commission directed that the comment record be forwarded to the Landmarks Commission for review, along with several questions intended to address points raised during public testimony.
6. On October 11, 2023, the Landmarks Commission reviewed the testimony and transmitted a response to the Planning Commission.
7. The Planning Commission reviewed the feedback from the Landmarks Commission and generated its Findings and Recommendations on November 15, 2023.

Results of Public Testimony

8. The Planning Commission acknowledges that the strong majority of public comment received was in opposition to the proposed moratorium. Of the 30 comments received, (26) stated opposition, three comments received are in support of the proposed moratorium, and one comment that did not directly address the moratorium.
9. Comments in favor of the moratorium noted in general that policy amendments are needed, that the City should not accept new nominations with anticipated code changes on the horizon, and that there are concerns that historic districts in their present form may have an exclusionary effect.
10. Of those opposed, many asserted that the moratorium is not warranted or necessary due to the relative infrequency of historic district nominations, in addition to the fact that the Landmarks and Planning Commissions both recently reviewed a second identical district proposal relatively efficiently. It was also noted that there does not appear to be a safety or public health issue at stake.
11. Many in opposition noted that historic districts are an important land use tool in Tacoma, and that establishing a moratorium would not directly address known policy issues while potentially having harmful outcomes.

Landmarks Commission Discussion

12. On October 11, 2023, the Landmarks Commission reviewed the public testimony and questions transmitted by the Planning Commission. In general, the Landmarks Commission found that a moratorium is not necessary, that there could be outcomes that harms the City's historic preservation efforts in the long run, but that if a moratorium is established, it should align with the next comprehensive plan amendment cycle.
13. The Landmarks Commission noted that there are no anticipated historic district nominations pending and that they are generally infrequent. Moreover, such reviews are part of the Landmarks Commission's general workflow, and that the Commission has the capacity to review any nominations that do come in concurrently with its upcoming code and policy review.
14. The Landmarks Commission also noted that the historic district review process itself is not a "by-right" process, and that the City through the Landmarks and Planning Commissions, and City

Council, currently possesses the authority to deny any historic district proposal if it is found to be inconsistent with City policies or not in the City's interest.

Planning Commission Discussion

15. The Planning Commission was tasked with two questions: 1) whether a moratorium on the creation of local historic districts is warranted, and if so, 2) what is the appropriate scope and schedule.
16. The Planning Commission, after reviewing testimony and feedback from the Landmarks Commission, discussed the first question at length. The components of this question that we discussed were workload capacity, whether the costs (harmful effects) outweighed the benefits of a moratorium, and whether the existing policy and code framework is adequate in the short terms to review any new proposals for districts that may be submitted.
17. While the Planning Commission acknowledges the Landmarks Commission observations (which were also among the public comments) that district nominations are infrequent and part of the Landmarks Commission's normal course of business, we also note that the same identical proposal has been submitted twice in a short time frame even though it was denied initially by the Planning Commission, indicating that the existing process does allow for repetitive submittals.
18. The Planning Commission has a different perspective from the Landmarks Commission owing to the breadth of our scope of work. Namely, that the Planning Commission has a very detailed and quite full workplan, which means that historic district reviews must find a slot in an already congested schedule, potentially displacing other Council priority initiatives.
19. Secondly, there is a known policy/process discussion that needs to happen to ensure historic districts appropriately balance community benefit, property rights, the city's growth strategy, other city policies, the city's commitment to diversity and equity, and other high priority policy areas.
20. Ordinance 28793, adoption of Home in Tacoma Phase 1, strengthened Tacoma's commitment to "Addressing the lingering impacts of systemic racism and facilitating homeownership and wealth-building opportunities for people of color." The Landmarks Preservation Commission may need time to evaluate the current program components for how they may or may not have unintentionally contributed to such effects to be well-prepared to engage with the 2024 update process. The Planning Commission's recommendation for a moratorium seeks to address the potential for ongoing harm to people of color that could persist without reflection on the program's potential contribution to those impacts.
21. The Planning Commission appreciates the concerns about public perception and potential harmful outcomes noted in testimony and by the Landmarks Commission, specifically whether a moratorium would result in the public perception that the Commission/City is against historic districts if a moratorium is adopted, which is not the case.
22. Perception is a challenge both ways - considering that the question has now been presented by Council, if a moratorium is not adopted, this could be perceived as indicating that "we are open for business" and invite another application or resubmittal.
23. Regarding whether the existing process needs amendment prior to consideration of any new historic districts, our perspective is that if the existing code and criteria is not effective, then a moratorium is appropriate until those changes can be made. We believe that it is very important that the time be available to do the needed policy review/update that both Commissions (and Council) have indicated. A new historic district proposal could make that review difficult, add community confusion, and divert staff resources.

24. The Planning Commission had robust discussion concerning whether a moratorium is the right tool to address the current issues identified in during the recent review of College Park, especially given the time and resources that are required to study and implement one. The Commission discussion reflected a variety of viewpoints on the matter. However, on balance the Commission determined that there is a significant policy discrepancy that must be reconciled before further consideration of local historic districts should commence.
25. Thus, we believe that a moratorium would benefit the Planning Commission's ability to effectively respond to the upcoming Comprehensive Plan Amendments, and is warranted on that basis.
26. Planning Commission agrees with Landmarks recommendation for 12-month moratorium period, if a moratorium is adopted by Council, to align with the 2024 Comp Plan update, which would serve as the workplan to address the policy issues that prompted the moratorium
27. Planning Commission agrees with the Landmarks Preservation Commission that if there is a moratorium established, that it should be focused on new districts, while still allowing for expansions or adjustments of existing districts.

RECOMMENDATION

The Planning Commission recommends that the City Council establish a moratorium on the consideration and adoption of new local historic special review districts for a period of one year, and that the moratorium should terminate following the adoption of the 2024 Comprehensive Plan and Code Amendment package.

Sincerely,



Chris Karnes, Chair



Anthony Steele, Vice Chair

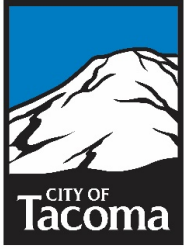
CC:

Landmarks Preservation Commission

Peter Huffman, Director, Planning and Development Services Department

Attachments:

Landmarks Preservation Commission letter dated October 25, 2023



Landmarks Preservation Commission

Planning and Development Services Department

October 25, 2023

Chris Karnes, Chair
Tacoma Planning Commission

Dear Chair Karnes and Members of the Planning Commission:

On behalf of the Landmarks Preservation Commission, I am transmitting this letter in response to the request for feedback and recommendations regarding the proposed moratorium on local historic districts as directed by Council Resolution 41226. The Landmarks Commission has reviewed the public testimony as well as the questions posed by the Planning Commission and used both to guide our response, which we would request be sent as an attachment to the Planning Commission's recommendation when transmitted to Council.

As the City's subject matter expert on historic preservation, it is essential to first state our opposition to the proposed moratorium, as we believe it is not necessary. While the Commission appreciates the support of City Council, it is our position that a moratorium is not warranted given the relative infrequency of historic district nominations, and believe that any benefit is likely outweighed by potential negative consequences both practically and by perception. The Landmarks Commission also notes that a strong majority of respondents to the Public Hearing on September 20 were opposed to the proposal.

Both the Landmarks Commission and the Planning Commission have previously identified the need for improvements to the policy and code framework that governs the City's historic preservation program. Nonetheless, we believe that the Landmarks Commission currently possesses the tools to review and make recommendations for discretionary applications such as historic nominations. Our comments are limited to the merits of a proposed moratorium, and are not intended to speak to future code updates or the merits of any specific proposals.

The specific questions posed by the Planning Commission and our answers are incorporated into this letter below.

Topic: Necessity of a moratorium

1. Are there pending or anticipated historic district nominations within the potential period of a moratorium?

The Commission agrees generally with the observations from many commentors that community driven historic district nominations require extensive time and resources, often done by volunteers. This work involves not only research and documentation but also extensive outreach to generate support. Because of these factors, historic district nominations are relatively infrequent, and the Landmarks Commission is not aware of any current efforts aside from the recent College Park nomination that are currently in development.

Because of the lead time in creating local historic district nominations, Commission is concerned that a moratorium could result in a "chilling effect" that would have a "knock-on" effect that could negatively impact district creation for some time following the end of a moratorium, if one were to be adopted. For example, if a community group decided to begin the process of researching a

nomination at this time, the Commission typically would not expect to see any formal submittal for a year or more. A moratorium could be interpreted by residents to mean that historic district proposals are not viable, and thus discourage any future efforts even long after the moratorium is concluded.

2. Does the Landmarks Commission believe that a moratorium would assist the Commission during the upcoming comprehensive plan review?

The Commission believes that because historic district nominations are infrequent, there is unlikely to be a review of any new historic district proposals within the timeframe leading up to the Comprehensive Plan amendment process in 2024. If such a proposal is received, the Commission believes it possesses the capacity to review and make a recommendation in addition to its present workload.

3. If there was not a moratorium and a new nomination was submitted, does the Landmarks Commission believe that it could review the nomination at the same time it is working on improving the code and comprehensive plan policies, particularly regarding improving equitable outcomes?

The Commission appreciates concerns with its workload and capacity. However, due to the infrequency of historic district nominations, the Commission finds this scenario to be unlikely. The Commission believes that it has the capacity to review incoming nominations concurrently with its planned policy and code review.

4. If there was a new district nomination submitted now, does the Landmarks Commission believe that it currently has appropriate guidelines and criteria that would enable it to make a recommendation, and is there adequate guidance for establishing appropriate design guidelines for new development and redevelopment?

The Commission believes that while the current code framework needs improvement, this does not render the existing process and code non-functional. Consequently, the Commission believes that it currently possesses adequate tools to review and make recommendations for historic district nominations.

Topic: Potential negative effects of a moratorium

1. Will a moratorium prevent historic tax incentives from being available for historic projects?

The establishment of a moratorium will not affect local tax incentives for existing local districts or Federal tax credits, as applicable for current and future National Register Historic Districts.

However, for future proposed local residential districts there may be a delayed effect from a moratorium that slows or discourages development of new local historic districts, for the reasons stated previously. This is particularly concerning for future neighborhood efforts in underserved areas of the city, as it could diminish the viability of the local historic district as an enhancement tool for future neighborhood planning.

In addition, while individual listing on the historic register is always an option for property owners, many older “character” buildings in Tacoma may not meet historic significance criteria individually. However, as a collective group of period buildings, they could still be considered an important contributor to a district. Put succinctly, in historic districts the sum is often greater than the parts.

2. Are there other negative effects on historic resources that would result from a temporary moratorium on historic district creation?

The Commission is concerned that a moratorium could be interpreted as a signal that the City does not support or places a low priority on local historic districts at a policy level, which could make the management of existing districts, particularly in terms of permit compliance, problematic.

Topic: Duration and scope of a moratorium

1. Is the current scope (all locally designated historic and conservation districts) appropriate, or should it be limited or defined (for example, a comment noted that there may be interest in expanding existing districts near University of Washington Tacoma)?

If a moratorium were to be adopted, the Commission recommends that expansion or alteration of boundaries of existing districts be excluded from the scope of the moratorium. However, the Commission does not support distinguishing different types of districts, such as “residential” versus “commercial” areas, as this suggests that one type is more important to the City than the other.

2. If a moratorium were recommended, does the Landmarks Commission have input on duration? For example, should the end of the moratorium coincide with the adoption of revised Municipal Code and Comprehensive Plan policies in 2024, or are there other considerations?

Although the Landmarks Commission does not support the proposed moratorium, if one is adopted, the Commission believes that it is critical to align it with the planned Comprehensive Plan amendment cycle, which to our understanding would conclude in late 2024. A six-month moratorium likely would not benefit the City in any way, and would likely create additional confusion and complexity if it terminates in the midst of policy amendment discussions.

In addition to the above comments, the Commission also believes that a moratorium will not improve equitable outcomes. While the planned amendments to the current policy and code framework will assist the Commissions in addressing issues of diversity, equity and inclusion in the nomination review process, such amendments *per se* will not resolve systemic and long-term issues, which will require ongoing effort beyond amending the code or comprehensive plan. Working towards improved outcomes is critical, but this is not a basis for adopting this moratorium.

Lastly, as a land use tool, the Commission believes that moratoria are generally more appropriate to address emergent issues with “by-right” development; that is, proposals that a City must approve by code even if known to be contrary to public welfare or policy. In this context, a moratorium can be appropriately used to pause permit review while the problematic regulations are addressed. For historic nominations, the review is discretionary, and both the Landmarks and Planning Commissions, and City Council, currently possess the authority to deny such applications without a moratorium.

We appreciate the opportunity to provide our input and recommendations in this process.

Sincerely,



Kevin Bartoy, Chair