

# ORDINANCE NO. 28501

BY REQUEST OF COUNCIL MEMBER McCARTHY

AN ORDINANCE relating to street occupancies; amending Chapter 9.08 of the Tacoma Municipal Code, relating to street occupancies, by renaming the Chapter to read "Right-of-Way Occupancies," and to modify outdated permitting, insurance, and fee requirements for occupancy permits.

WHEREAS Chapter 9.08 of the Tacoma Municipal Code ("TMC") has not had a comprehensive update since 1977, and contains outdated information, and

WHEREAS, approximately three years ago, the responsibility for processing Right-of-Way Occupancy Permits was transferred from the Planning and Development Services Department ("PDS") to the Public Works Department ("PW"), and, at the same time, PW and PDS began exploring options to reduce barriers to development in the right-of-way while still protecting the City's interest in the right-of-way, and

WHEREAs, in summer 2017, the Master Builders of Pierce County submitted a list of requested improvements that included changes to the way Right-of-Way Occupancy Permits are processed; over the years, other applicants have suggested ways to streamline this process, and

WHEREAS the Right-of-Way Occupancy process is labor intensive and expensive to administer, and, particularly with applications for residential occupancies, current insurance requirements result in staff spending additional time guiding the permit through the process, and



WHEREAS, in the case of both residential and commercial occupancies, staff often begin to review development for compliance with associated building permit while still processing the right-of-way occupancy permit, and

WHEREAS, the City charges a substantial annual commercial use fee for occupancy permits that are required by City code, such as bike racks and benches, and

WHEREAS PDS has presented options and recommendations to the Master Builders of Pierce County Legislative Committee multiple times; to the Infrastructure, Planning and Sustainability ("IPS") Committee on February 22, 2017; to the City Council Study Session on March 28, 2017, and again the IPS Committee on February 14, 2018, and

WHEREAS there is general support for relaxing the requirements adjacent to residential development when it can be demonstrated the development is consistent with the Public Works Design Manual, and adjacent to commercial uses when the development is required by City code, and

WHEREAS, for commercial-related right-of-way occupancies, this includes removal of the Commercial Annual Use Fee, provided the City can manage the budget implications; accordingly, the budget was amended during the midbiennium process to address this impact, and

WHEREAS, for development adjacent to single-family or duplex properties that does not meet the Public Works Design Manual, compliance with TMC 9.08 will be evaluated through the associated development permit or, when no permit is required, through a Right-of-Way Occupancy Permit, and



WHEREAS, for development adjacent to commercial properties that is required by City code, such as irrigation, bicycle racks, and benches, no Right-of-Way Occupancy Permit will be required and no Commercial Annual Use Fee will be charged, and

WHEREAS other proposed changes include the following: (1) Right-of-way occupancies shall acknowledge that if the City needs to access the right-of-way, improvements will be removed at the permitee's expense; (2) Permit fees will be updated in a move towards full cost recovery, from \$320 per permit to \$640 per permit in 2018, as full-cost recovery with current inefficiencies would be approximately \$950.00 per permit; however, once efficiencies are realized, a full analysis of cost recovery can be evaluated during formulation of the 2019-2020 Biennial Budget, and

WHEREAS the proposed code changes would be effectively made in phases, and

WHEREAS staff is recommending that the proposed TMC amendments be approved; Now, Therefore,



# BE IT ORDAINED BY THE CITY OF TACOMA:

2	That Chapter 9.08 of the Ta	acoma Municipal Code is hereby amended	
3	substantially as set forth in the attached Exhibit "A."		
4	outside and a sectional in the date	aorioa Extilore 7 ti	
5	Passed		
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7		N	
8		Mayor	
9	Attest:		
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11	City Clerk		
12	Approved as to form:		
13	Approved do to form.		
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15	Deputy City Attorney		
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**EXHIBIT "A"** 

1 Chapter 9.08 **STREET** RIGHT-OF-WAY OCCUPANCIES 2 3 Sections: 9.08.010 Definitions. 4 9.08.020 Occupancy permit required. 9.08.022 Exemptions. 5 9.08.024 Nonconforming Development. 9.08.026 Blanket permits for Neighborhood Districts. 6 9.08.030 Application – Information required. 7 9.08.040 Processing of application. 9.08.050 Indemnity deposit on approved applications for permit. 8 9.08.060 Indemnity to save the City harmless from claims. 9.08.070 Revocation of permits and removal of development. 9 9.08.075 Fees. 9.08.080 Issuance of permits. 10 9.08.090 Validation of prior permit. 11 **9.08.010 Definitions.** 12 The term "street-right-of-way occupancy" whenever used in this chapter shall be held and construed to mean and include any surface, above surface and subsurface occupancy or use of 13 any public right-of-way wherever located in the City of Tacoma, and such subsurface use shall include any vault, bin, cellar, passageway, pipeline, tank, elevator, chute, or any other structure 14 or improvement. 15 The term "commercial," whenever used in this chapter, shall mean development associated with uses other than single family and duplex. 16 The term "residential," whenever used in this chapter, shall mean development associated with single family and duplexes. 17 The term "garden activities," whenever used in this chapter, shall be held and construed to mean 18 planting vegetation and installation of hardscape elements associated with landscaping, such as pavers or raised beds that conform to the Public Works Design Manual in the right-of-way. 19 9.08.020 Occupancy permit required. 20 Except as exempted below, It is unlawful for anyone to use any public right-of-way for private purposes without a written permit from the City of Tacoma and without complying with all of 21 the provisions of this chapter in relation thereto; provided that nothing herein contained shall apply to street maintenance work performed by the City of Tacoma, utility installations covered 22 by franchise, street or sewer installation and improvement work authorized by ordinance, or street improvement projects under contract with the City of Tacoma. 23 9.08.022 Exemptions. 24 A. Right-of-Way Occupancies adjacent to residential uses, that do not otherwise require a permit, shall not require a Right-of-Way Occupancy Permit, provided they meet standards such 25 as, but not limited to:

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	1. Fences must be no taller than seven feet; must comply with the Public Works Design Manua related to setback from sidewalk and site distance at intersections and driveways. This does not		
1	include fences crossing/blocking unimproved rights-of-way.		
2	2. Retaining walls no taller than four feet in height must comply with the Public Works Design Manual related to setback from sidewalk and site distance at intersections and driveways.		
3	3. At-grade stairs.		
	4. Above-grade stairs, provided they meet the Public Works Design Manual.		
4 5	5. Garden activities, provided the activity meets the Public Works Design Manual. Garden activities in the planting strip shall not include any structure, such as a fence and/or raised bed.		
٦	6. Required Utility installations.		
6	B. Right-of-Way Occupancies adjacent to residential uses, that do not meet the above standards.		
7	will be reviewed under the associated building permit and will not require a separate Right-of- Way Occupancy Permit. They will require proof of insurance as set forth in Section 9.08.080.		
8	C. Right-of-Way Occupancies adjacent to commercial uses, when such use and/or development is a requirement of the Tacoma Municipal Code, such as, but not limited to, alternative materials for sidewalks, street trees, benches, and bike racks.		
,	9.08.024 Nonconforming Development.		
10	Except for provisions set forth in Section 9.08.070, Right-of-Way Occupancies adjacent to		
11	residential uses are nonconforming and not subject the standards set forth in this chapter. The		
12	adjacent property owner continues to be responsible for maintaining the development in a safe manner. If the Director of Planning and Development Services determines the development		
13	poses a danger to the general public, such occupancy must be removed. If the occupancy has		
	become a nuisance, it will be subject to enforcement.		
14	9.08.026 Blanket permits for Neighborhood Districts.		
15	An authorized neighborhood and/or business district may apply for a blanket Right-of-Way  Occupancy Permit. Such permit would provide an unlimited number of private occupancies  (non-comparated in nature) in the right of year if approved. The location and configuration of		
16	(non-commercial in nature) in the right-of-way, if approved. The location and configuration of each right-of-way occupancy must be clearly identified with maps and drawings. Other permits		
17	may apply depending on the nature of the street occupancy. Additional street occupancies may be incorporated into the blanket permit at a later date with a new application requesting		
18	amendment of the existing permit, together with an updated insurance certificate incorporating the additional use.		
19	9.08.030 Application – Information required.		
20	When required, Aapplication for permits herein provided for shall be filed with the Director of Public WorksCity of Tacoma Planning and Development Services Department, of the City of		
21	Tacoma upon a form provided by him, which application shall contain Information required in		
- '	the application includes:		
22	A. An accurate description of the public place or portion thereof desired to be used as herein		
23	specified;		
_	B. The use desired to be made of such public place by the applicant;		
24	C. The plans and specifications for any utility or structure desired to be constructed, erected, or		
25	maintained by the applicant in or on a public place; and		
25 26	D. If the request is to construct an areaway, fuel opening, sidewalk elevator or door or other subsurface use of said right-of-way, a certificate of title or other document or indicia of title		



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showing the applicant to be the owner of the premises abutting said the public right-of-way where the said-subsurface use or improvement is to be conducted or constructed.

E. If the request is for a surface occupancy of right-of-way located within shoreline segments S-1 through S-12, all further construction and development on such right-of-way shall be subject to Chapter 13.10TMC of the Official Code of the City of Tacoma and Chapter 90.58 RCW. The Director of Public Works may require that the applicant complycompliance with the provisions of said-Chapter 13.10 may be required prior to the issuance of a permit pursuant to this chapter.

# 9.08.040 Processing of application.

The Director of Public Works Planning and Development Services, or designee, shall cause each application to be examined to determine if it complies with the provisions of this chapter. Representatives of the City of Tacoma shall-may inspect the premises which are desired to be used to determine whether or not the proposed use conforms with the provisions of this chapter and - Any application for a permit to construct, erect, or maintain any building, structure, or use on or under the surface of the property shall ascertain if the plans and specifications conform to the regulations pertaining to safety, material, and design of the Tacoma Building Code, and Zoning Code, and/or Public Works Design Manual. The Chief Building Official shall then endorse his findings upon the application and transmit the same to the Director of Public Works. If the Director of Public WorksPlanning and Development Services, or designee, determines that the application conforms to the requirements of this chapter, and also reviewing City Departments determine that the proposed use of such public place will not unreasonably limit or encroach upon the public's right to travel upon said the right-of way, or the ancillary right to occupy said the right-of-way for utility purposes, the Director of Public Works Planning and Development Services, or designee, may approve the application. If approved, the Director of Public Works shall fix the time for which the permit may be granted, and shall direct the Department of Tax and License to issue a permit upon the applicant's compliance as herein specified with the provisions of this chapter relating to indemnity of the City of Tacoma. In approving said-the permit, the City Engineer and/or Director of Public WorksPlanning and Development Services, or their designee, may impose such reasonable conditions as are required to meet the standards set forth in this chapter and to protect the paramount rights-ofway for travel and to protect the safety of the traveling public, and other public purposes.

### 9.08.050 Indemnity deposit on approved applications for permit.

If the Director of Public WorksPlanning and Development Services, or designee, determines that there is a probability of expense to the City arising from the applicant's proposed use of public right-of-way, the applicant shall deposit with the Director of Public WorksPlanning and Development Services a cash deposit. The amount of the cash indemnity deposit shall be determined by the Director of Public Works Planning and Development Services, or designee, at the time of approving the application, and shall be governed by the anticipated amount and extent of expense to the City as determined by the Director of Public WorksPlanning and Development Services, or designee. Such indemnity deposit shall be used to pay the cost, plus 15 percent thereof, of inspections, surveys, plans, and other services performed by the City, of: A. #Restoring the street;

- B. #Removing any earth or other debris from the street;
- C. FReplacing any utility interrupted or damaged; or completing any work left unfinished;
- D. Filing an indemnity agreement with the City, if such an agreement is required within the permit; and



<u>E. aA</u>ny other expenses the City may sustain in conjunction with the permitted work. The balance of the cash indemnity deposit, if any, after the foregoing deductions, shall be returned to the applicant. If the indemnity deposit be insufficient, the applicant will be liable for the deficiency. If the Director of <u>Public WorksPlanning and Development Services</u>, or <u>designee</u>, determines that engineering studies must be made prior to the approval of any application for permit, the cost of such study shall be paid for by the applicant, or deducted from his indemnity deposit.

The Director of Public WorksPlanning and Development Services, or designee, may require the applicant to file with the City a surety bond approved as to surety substance and as to form by the City Attorney, which bond shall run for the full period of said the permit, in a sum to be determined by the Director of Public WorksPlanning and Development Services, or designee, to be an amount commensurate with the subject matter of the permit, but not less than \$2,000.00, and conditioned that the such applicant shall faithfully maintain such installation in a safe and secure condition and shall faithfully comply with all the terms of the permit and all the provisions of this and all other ordinances of the City of Tacoma, and shall faithfully perform the removal of, or reimburse the City for, the cost of removing such installation and restoring the right-of-way to the same or better condition as though such installation had not existed, upon the revocation or voluntary termination of said the permit.

### 9.08.060 Indemnity to save the City harmless from claims.

The Director of Public WorksCity of Tacoma may require the applicant to file with the Department of Public WorksPlanning and Development Services, prior to the effective date of such any permit, a certified copy, together with evidence of premium payment, of a comprehensive general insuranceCommercial and/or Residential General Liability policy using the most current version of the Insurance Services Office form CG001 or the equivalentin a form approved by the City of Tacoma, issued by a company duly authorized licensed to do business in the Sstate of Washington. Said The required policy shall runmust be in effect for the duration of the permit. Coverages provided by the insurance policy shall include, but shall not be limited to, all of the usual coverages commonly referred to by the insurance industry as:

Operations Liability

**Products** Premises / Completed Operations Liability

Owner's and Contractor's Protective Liability

Blanket Contractual Liability

In the case of Commercial Insurance, Tethe insurance policy shall: (1) name the City of Tacoma as an additional insured using the most current version of the Insurance Services Office form CG2012; (2) apply as primary insurance and be non-contributory, regardless of any insurance or self-insurance which the City may carry; (3) include a "cross-liability" (severability of interestSeparation of Insured) clause; and (4) include limits of protection set by City of Tacoma Risk Management for of not less than \$500,000.00 combined single limit, bodily injury and property damage. It is to be understood and agreed that the permitee's obligation to permittee to hold harmless the City from claims for damages arising out of the operations related to the permit shall not be limited to the amount of insurance provided by the permittee. The insurance policy shall further contain a clause obligating the company issuing the same to The Permittee shall give notice to the Risk Manager of the City of Tacoma 30 days before the cancellation of said policy. In the case of Commercial Insurance, the applicant must provide a certificate of insurance as evidence of the Commercial General Liability insurance and a copy of the endorsement showing the City of Tacoma as additional insured prior to the effective date of the



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permit. In the case of Residential Insurance, when required, the homeowner must provide proof of homeowner insurance in the amount of not less than \$500,000.00.

If the application is for a permit to construct or maintain an areaway, fuel opening, sidewalk elevator or door, or to use or occupy the planting strip by erecting a bulkhead, steps, retaining wall, rockery, structure, or any facility therein, in addition to the foregoing comprehensive general insurance policy, the owner of the premises in front of which, and in connection with which, the same is to be constructed, erected, maintained, used, or occupied, and any existing lessee, sublessee, tenant, and/or subtenant using or occupying the basement of the premises in connection with which such structure is to be used, before the permit is issued, shall, in the manner provided by law for the execution of deeds, execute and deliver to the City of Tacoma upon a form to be supplied by the Director of Public Works, an agreement in writing, signed and acknowledged by such owners and by such existing lessee, sublessee, tenant, and/or subtenant, and containing an accurate legal description of said premises and a covenant on the part of such owner, lessee, sublessee, tenant, and/or subtenant, for themselves and their heirs, executors, administrators, successors, assigns, lessees, sublessees, tenants, and subtenants, forever to hold and save the City of Tacoma free and harmless from any and all claims, actions, or damages of every kind and description which may accrue to, or be suffered by, any persons by reason of the use of such public place, or of the construction, existence, maintenance, or use of such structure.

If the application is for a permit to construct and maintain an areaway, such agreement shall also contain a covenant on the part of the persons or corporations executing the same, for themselves and their heirs, executors, administrators, successors, assigns, lessees, sublessees, tenants, and subtenants, assuming the duty of inspecting and maintaining all services, instrumentalities, and facilities installed in the areaway to be constructed or occupied under authority of such permit, and assuming all liability for, and saving and holding the City of Tacoma harmless from any and all loss, damage, or injury that may result to his or their own person or property, or the person or property of another, by reason of such services, instrumentalities, or facilities.

In addition, such agreement shall contain a provision that the permit is wholly of a temporary nature, that it vests no permanent right whatsoever, that upon 30 notice, posted on the premises, or by publication in the official newspaper of the City of Tacoma, or without such notice, in case the permitted use shall become dangerous, or such structures shall become insecure or unsafe, or shall not be constructed, maintained, or used in accordance with the provisions of this title, the same may be revoked and the structure and obstructions ordered removed at the expense of the grantee of the permit. Every such agreement shall be retained by the Department of Public Works in the files and records of that Department.

## 9.08.070 Revocation of permits and removal of development.

All permits <u>and/or development</u> granted under the provisions of this chapter may, in any case, be revoked by the Director of <u>Public WorksPlanning and Development Services</u>, or <u>designee</u>, upon 30 days' notice, or without notice in case any such use or occupation shall become dangerous or any structure or obstruction permitted shall become insecure or unsafe, or shall not be constructed, maintained, or used in accordance with the provisions of this chapter. <u>The development shall be removed at the expense of the permittee and/or adjacent property owner</u>.

If any such structure, obstruction, use, or occupancy is not discontinued on notice to do so by the Director of <a href="Public WorksPlanning">Public WorksPlanning</a> and <a href="Development Services">Development Services</a>, the <a href="Director of Public WorksCity">Director of Public WorksCity</a> may forthwith remove such structure or obstruction from such place, or make such repairs upon such structure or obstruction as may be necessary to render the same secure and safe, at the expense of the <a href="grantee-of-permittee">grantee-of-permittee</a> the permit or <a href="his-successor">his-successor</a>, and such expense,



together with the cost of its collection, may be collected in the manner provided by law. <u>As an alternative</u>, the <u>City may enforce under Title 8.</u>

9.08.075 Fees.

The City Council hereby authorizes the fees for street occupancy permits set forth in the schedule below, and all previously adopted fee schedules are hereby rescinded, except that the existing fee schedule for Shoreline Districts shall remain in effect until superseded by an alternative use fee as referenced in Section 2 below. Application and renewal fees are established commensurate with the costs of administration involved in the issuance and continuance of the permits. Application and renewal fees do not apply for garden activities. Application and renewal fees do not apply to exempt activities. Use fees are established for certain commercial uses occupancies of the street rights-of-way, and are payable in addition to the application and renewal fees. Sidewalk cafes are recognized as a special street occupancy that promotes desirable street life that can have favorable economic impact by encouraging visitation to City business districts and result in patronage of its businesses. Because sidewalk cafes are an encouraged use and promote various public benefits, no fee shall be charged for the street occupancy permit fees for sidewalk cafes. In addition:

- A. Commercial Use Fees will be charged for:
- 10 1. Above-ground development located in the right-of-way adjacent to commercial uses, including private parking areas, signs, and construction fencing.
- 11 2. Habitable space located under vaulted sidewalks.
  - 3. Underground development located in the right-of-way adjacent to commercial uses, including private utilities (regardless if it is located under a vaulted sidewalk), monitoring wells, soldier beams, tie backs, and soil nails.
  - B. Commercial Use Fees will not be charged for:
  - 1. Alternative walkway materials and amenities required by code, such as benches, bike racks and irrigation for vegetation in the right-of-way.
  - 2. Development adjacent to single-family and duplex properties.
- 16 3. Sidewalk Cafes.

Street Right-of-Way occupancy permit fees shall be collected by the Director of FinancePlanning and Development Services Department, and payment of said-required fees is a condition of the issuance and continuance of any such permit. In order to effectuate the ongoing collection of said fees, holders of permits shall be notified by the City a minimum of one month in advance, to pay applicable fees or the permit will be revoked. All fees collected pursuant to this chapter shall be deposited in the General Fund. Commercial Annual Use Fees shall be deposited in the General Fund.

# STREET RIGHT-OF-WAY OCCUPANCY PERMIT FEES ADMINISTRATIVE FEES

General Application Fee	\$ <del>320</del> 640
(includes processing, initial inspection, review, document preparation)	
Sidewalk Café – Application Fee*	No Fee
(includes processing, initial inspection, review, document preparation)	No ree
Annual Renewal Fee	
(includes site inspection for compliance, file review, insurance review and	\$ 90
application of fee escalators/adjustments as required)	

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\*The elimination of fees is designed to encourage this use, which the City finds promotes economic development and revitalization of its business districts.

### GENERAL ANNUAL USE FEES

Commercial Occupancy - Exclusive Use	10% of Assessed Land	
(based on square footage occupied)	Value**	
Commercial Occupancy - Non-exclusive Use	5% of Assessed Land	
(based on square footage occupied)	Value**	
Subsurface Use	2.5% of Assessed Land	
(based on square footage occupied)	Value**	
Subsurface Use	2.5% of Assessed Land	
(based on square footage occupied)	Value**	
Minimum Annual Commercial Occupancy Fee	\$120	
(for commercial occupancies, unless exempted herein)		
Sidewalk Cafés		
(subject to annual renewal fee only – annual permit to be	None	
posted onsite)	None	
None		
Non-Commercial Occupancy	None	
(subject to annual renewal fee only)	<del>1NOHE</del>	

\*\*Assessed Land Value is abstracted from the Pierce County Assessor's property tax assessment for the entire property excluding improvement (building) value. The land value used is that of the property abutting the street occupancy area except in any case where the assessment of the abutting property is inconsistent with other, comparable properties in the vicinity. In such a case, the City may adjust the assessed value for the purpose of setting fees for street occupancies.

### SPECIFIC USE FEES

### Signs - Annual Fee

Commercial	\$600	
Non-Commercial (directional signs or similar)	\$ 75	
A		

### Monitoring Wells – Annual Fee

One well	\$175
Each additional well	\$150

# Subsurface Structural Supports – One-Time Fee (per location)

Soldier Beams	\$700
Soil Nails	\$700
Tie-Backs	\$700

Section 1. Except as provided for in Section 2 below, this ordinance shall have an effective date of April 1, 2006, provided however, that General Use Fees calculated as a percentage of assessed value shall take effect in three phases. During the first year, beginning April 1, 2006, General Annual Use Fees shall be applied at a rate of 33 percent of the calculated use fee; in the second year, beginning January 1, 2007, General Annual Use Fees shall be applied at a rate of 67 percent of the calculated use fee; and in the third year, beginning January 1, 2008, all



General Annual Use Fees shall be applied at 100 percent; however, in no event shall any General Use Fee be less than the set minimum of \$120. General Annual Use Fees for new Street Occupancy Permits that are in excess of \$120 shall be prorated in the first year to a renewal date of January 1st; however, in no event shall any General Use Fee be less than the set minimum of \$120.

Section 21. The new-use fees provided for in Section 1 above shall not apply to street occupancies in the Shoreline Districts until an alternative use fee formula is developed that recognizes the unique characteristics of the non-exclusive parking uses within the rights-of-way of the Shoreline Districts. Said additional use fee formula shall be developed no later than June 30, 2006.

# 9.08.080 Issuance of permits.

Upon approval by the Director of <u>Public WorksPlanning and Development Services</u>, or <u>designee</u>, of an application for the use or occupation of a public right-of-way, the <u>Department of Tax and LicensePlanning and Development Services Department</u> shall issue a permit therefor. The original permit shall remain in the custody of the <u>Director of Tax and LicensePlanning and Development Services Department</u> and a copy shall be given to the <u>granteepermittee</u>.

# 9.08.090 Validation of prior permit.

<u>Prior pPermits</u> issued <u>prior to the adoption of this Ordinance pursuant to Ordinance No. 15068 of the City of Tacoma (previously codified as Chapter 9.08) shall remain in force and effect for the term of said permit; provided that, upon the renewal, extension, or reissuance of such permits, they shall conform to the provisions of this chapter.</u>