

MINUTES (Approved on 11-7-18)

TIME: Wednesday, October 3, 2018, 5:00 p.m.

- PLACE: Council Chambers, Tacoma Municipal Building, 747 Market Street, Tacoma, WA 98402
- **PRESENT:** Stephen Wamback (Chair), Anna Petersen (Vice-Chair), Carolyn Edmonds, David Horne, Jeff McInnis, Brett Santhuff, Andrew Strobel, Dorian Waller
- ABSENT: Ryan Givens

A. CALL TO ORDER AND QUORUM CALL

Chair Wamback called the meeting to order at 5:02 p.m. A quorum was declared.

B. APPROVAL OF AGENDA AND MINUTES

The agenda was approved. The minutes for September 5, 2018 were approved as submitted.

C. PUBLIC COMMENTS

The following comments were received:

- Beverly Bowen Bennett Ms. Bennett lives in the Tacoma Mall neighborhood where there is
 relatively affordable housing there. Lately, however, much of it is being torn down to put up
 costlier housing. There is a house across the post office with rents for excess of \$1,250 a month,
 which is not affordable. Units that are said to be studios by the McDonalds rent for over \$1,000 a
 month and have no parking. In each instance those new dwellings have taken the place of
 affordable dwellings. All of Pine Street that has several apartments now, used to be single family
 dwellings. She emphasized the importance of having low to moderate income housing available.
- Bruce Arneklev Mr. Arneklev noted that his first children found housing, but his younger grandchildren have not been able to find housing, and they have not even been able to have a cosigner. In 1989 his wife and him went to Korea and they were impressed with the tall buildings even thirty years ago. He noted that unless you have a co-signer for a young person on their first house it's almost nearly impossible for them to get one. He stated that abundance and opportunity are of the essence.
- Hope Murray Ms. Murray spoke about Affordable Housing, and came representing the Narrows rezoning area. She noted that she's against the rezone.
- Molly Nikoles Ms. Nikoles, with Futurewise, is pleased that the city is addressing and is in general support of affordable housing action strategy. She commented that we need more public funding, encourage more diverse housing, focus more on immediate housing, prioritize keeping housing affordable, and make sure people with disabilities have better access to transit services.

D. DISCUSSION ITEMS

1. Affordable Housing Action Strategy

Elliott Barnett, Planning Services Division, introduced Daniel Murillo, Housing Division Manager, Community and Economic Development Department, and stated that Mr. Murillo would provide an overview of the Affordable Housing Action Strategy (AHAS) received by the City Council on September 25, 2018. Mr. Barnett noted that the review of AHAS would set the stage for the Commission's review in December 2018 of a proposal as part of the 2019 Amendments that may involve updating the Housing Element of the Comprehensive Plan, and incorporating the AHAS as an implementation strategy.

Mr. Murillo began by indicating that, with the changing housing market and increasing risk of displacement, we are in true crisis mode and there is widespread need for high-quality, affordable housing opportunities for all. The AHAS was purposefully meant to be developed as a quick action plan as an urgent response to the crisis. The City has partnered with many different groups to attain a significant amount of data, gather short and long term trends, conduct housing needs assessment, and make a decision going forward.

Mr. Murillo gave an overview of the Housing Market Policy Dashboard that was also available at http://tacoma.berk-maps.com/. This was a tool of AHAS that allowed the City and other external users to test the potential impact to affordable housing production of various regulatory changes, in addition to changes in market conditions and growth assumptions. Key assumptions of the dashboard included: (a) Developments will only occur where financially feasible; (b) Developers will build to maximum capacity; and (c) It models multifamily development only.

Mr. Murillo reviewed more details of AHAS, which includes a summary of unmet needs among Tacoma residents, with four strategic objectives, i.e., (1) Create more homes for more people; (2) Keep housing affordable and in good repair; (3) Help people stay in their homes and communities; and (4) Reduce barriers for people who often encounter them. Mr. Murillo also highlighted some action plans, estimated investment, and production targets associated with each strategic objectives. He indicated that this is a ten-year strategy with a potential of \$70 million production over these years. The intended outcomes were to dramatically increase the investments in new rental and homeownership opportunities and establish broader anti-displacement measures. This approach has the potential to reach 10,500 households living in the City of Tacoma.

In terms of implementation, Mr. Murillo indicated that AHAS will be implemented through continuing education and outreach; utilizing existing, expanded, or new resources; partnerships with local, regional, state, and federal entities; and monitoring, evaluation and reporting. The Housing Division will develop an implementation work plan and convene a group of stakeholders to map out the approach to implementation. Mr. Barnett added that the Planning Services Division will actively participate in the AHAS implementation and initiate the discussion of potential policy and regulatory amendments with the Commission.

Commissioners provided the following questions and comments:

- Commissioner McInnis wondered how the size of the demand is and what 10,500 households will do to that demand. Mr. Murillo answered that this is not exclusively new units, it could be new or existing units with homeowners that are trying not to be displaced. Commissioner McInnis asked if they had data about families who are trying not to be displaced currently. Mr. Daniel responded that the data is available and contained in an appendix to the report. The data is enlightening regarding what does the universe of housing look like for Tacoma.
- Commissioner Edmonds noted that the strategy is focused on rental houses, and asked if that was an appropriate interpretation. Mr. Murillo said there are fewer options as it relates to home ownership, it's not that that is being ignored, but the focus is on rental. Commissioner Edmonds noted that there are opportunities for properties that would be available, but that cannot be lendable, and asked if the AHAS has a plan that makes that type of house available for people who do not have cash. Mr. Murillo noted that there is the housing rehabilitation program, for people who are asset rich but cash poor. It currently gives money to home owners that need to make life changing improvements for homes they want to keep. Commissioner Edmonds noted that she meant vacant properties. Mr. Murillo noted that yes, they are looking at how to make derelict homes more available and fix them up.
- Chair Wamback asked to what level of detail should the Commission anticipate to review in November-December would it be pages of specific code amendments. Mr. Barnett answered that they will continue to work with Mr. Murillo and his group, and the shortest implementation time frame for this is 1-2 years because these are big action plans.

2. Public Hearing – Draft Accessory Dwelling Unit (ADU) Regulations

Chair Wamback called to order the public hearing at 5:40 p.m., reviewed the public hearing procedures, and asked Commissioners to introduce themselves.

Lauren Flemister, Planning Services Division, provided an overview of the subject of the public hearing, i.e., the draft "Accessory Dwelling Unit (ADU) Regulations" that would amend the Tacoma Municipal Code, Sections 13.06.100, 13.06.150, and 13.05.115, to allow detached ADUs, in addition to the already allowed attached ADUs, as of right, in single-family zoning districts (R-1, R-2, R-2SRD and HMR-SRD Districts). Ms. Flemister reviewed the proposal in detail, covering the following main issues:

- (A) Accessory Building Standards
 - a. Size Of Accessory Structures
 - b. Size Of Accessory Dwelling Units
 - c. Accessory Building Location
- (B) Accessory Dwelling in Units
 - a. Procedures (including Restricted Districts)
 - b. Requirements (including Occupancy, Ownership, Legalization, and Parking)
 - c. Development Standards (including Lot Size, Building Size, Height, Setbacks, Open Space, and Walkways)
 - d. Design Standards

Chair Wamback called for testimony. The following citizen testified:

- Beverly Bowen Bennett Ms. Bennett is hoping to build a DADU at her home that is geared toward her older age. Her concern is with the [lack of] design standards. Living in the Tacoma Mall neighborhood with no design standards, she believes that DADU design standards should be essential, as many of the buildings look like they belong in a district that's not residential and not homey. She wants the DADUs to look like someone lives there and cares to live there. She commented that those who want to build these may also need assistance in building these, and it's essential that they are well designed and well built. She noted that in earlier drafts there may have been an option to have someone on staff to provide technical assistance. Ms. Bennett is in full support of DADUs throughout the city and not just the neighborhood. She wants to age in her current home, and she wants to stay in her neighborhood.
- John Wolters Mr. Wolters is a local architect and developer. He appreciates the work the PC and staff have put in to this. He supports all the regulations except for the section that reads: "An attached ADU shall be designed to maintain the architectural design, style, appearance and character of the main building as a single family residence. If an attached ADU extends beyond the current footprint, or existing height of the main building, such an addition must be consistent with the existing façade, roof pitch, siding, and windows." He wants to know why is an ADU is regulated differently from just a plain addition to a house. He wondered why additions can be contemporary, but the ADU has to be matching. Some styles can still complement the home without needing to mimic the home. For example, other types of roofs can support vegetation and habitat such as a flat roof, which slows storm water runoff, provides insulation value, and UV protection. He'd like to see such style restrictions removed.
- Tiffany Lamberton Ms. Lamberton is in support of this effort and would like to add a dwelling unit to her home in an R2 district. She has a detached garage and wants to convert that to a space for her family.
- Gia Mugford Ms. Mugford wanted to commend the City of Tacoma for making these changes as the city becomes denser. She stated that housing for family and friends in the backyard will reduce commute times and costs. It could even reduce the number of cars residents might need. More housing located in existing neighborhoods well-served by transit and services will save the City on the costs for future infrastructure. Finally, the potential for income property will give homeowners a tool to resist the escalating property taxes and pressures from developers. The addition of DADUs in the code brings Ms. Mugford one step closer to being able to afford to live in

her historic home, where she can add a place for her mother, and someday for her, to live. Ms. Mugford supports the DADU effort.

- Molly Nichols Ms. Nichols works at FutureWise, a statewide nonprofit that advocates for equitable and sustainable urban policies, especially those supporting the growth management act. In Tacoma, she has been organizing and advocating for tenant protection and affordable housing. She commented that FutureWise supports the City's proposed code which would allow for these dwelling units across the city. There is a severe shortage of housing in Tacoma and this is one step towards addressing that issue. We're not only accommodating current residents, but anticipating growth and population that should be concentrated in the City of Tacoma. We need more diverse housing options such as these. This is a great opportunity, with regulations to ensure safety. A lot of people assume that if they own a home and develop a unit, it may not help the affordable housing crisis. Ms. Nichols wanted to mention that for every 100 very low income households, there are only 45 units available in their price range. For every 100 extremely low income households available, there are only 27 units available. She thought that the City should incentivize affordable housing and housing for those with the greatest need. She appreciated the City moving forward on this.
- Ken Miller Mr. Miller thanked the Commission and staff for moving forward with this. He is happy that this is in line with the City's overall plan. By densifying the city, it makes it more possible to preserve woods and farmland. DADUs are the gentlest way to do this. He urged the Commission to adopt the staff recommendation as soon as possible.
- Luis Vanez Mr. Vanez commented that he is a resident of the North Slope Stadium District. He believes the DADUs will allow homeowners to provide for themselves a steady stream of income that will help offset rising property taxes, high building costs, and mortgages on new homes in today's rising real estate market. Helping offset mortgages is especially helpful to young families and young professionals who are increasingly finding themselves priced out. These folks are driving redevelopment in Tacoma and they are welcome. The proposed changes are in line with what the City Council received last week concerning affordable housing. Mr. Vanez believes that citizens should be infilling our developed areas to preserve open space and natural areas, while the Council and Mayor work with regional partners to find solutions for people in need. Finally, he'd like to thank staff for streamlining design standards for ADUs based more on performance and quality.
- Eric Brotman Mr. Brotman proposed the idea of scalable municipal fees for utility hookups for ADUs. He commented that as it stands now, it's pretty much the same cost for a large home, as it is for an ADU/DADU. If there is some way to scale that cost to the size of the ADU/DADU, that would be great.
- Anthony Hines Mr. Hines is a property owner and partner in building signature custom homes. He has many clients interested in building DADUs in the R2 district. Overall, he is in support of the Commission's and staff's work, but he has a concern about the DADU height restriction in the view sensitive district (VSD). Currently, a residential single family home in the VSD is allowed to be 25 ft. and the proposed DADU height is 15 ft. The challenge with this is that the average lot in the R2 district is 50ft wide and encouraged to have alleyway access. Street parking is an issue. This will force his clients to choose between having a garage and having a DADU in the back of their property. Mr. Hines inquired if there is any room to increase DADU height in the VSD as it could potentially allow for a second story to be added onto a garage. This is a very difficult thing to work around from a design perspective. He understands the view sensitivity of the district due to the beautiful views that Tacoma has, especially on the slope. With the houses being at 25ft, he was hoping for a happy medium. Even the 18 ft. proposed for standard districts would be more workable to incorporate the second story addition. Density is an issue in Tacoma. This proposal can attract more people and talent to Tacoma.
- Mary Lobdell Ms. Lobdell is a North End homeowner and Associated Ministries board member who is very passionate about the housing crisis in Tacoma. These changes are long overdue. She wanted to applaud the work. She supports the changes and emphasizes the importance of

the homeowner having to live on the property. She supports the option of supporting the homeowner to provide housing for those in need.

- Paul Mayden Mr. Mayden lives in North Tacoma by Wilson. He fully supports the building of DADUs. His only question is that not every home or situation is the same, so is there any remedy for possible exceptions. According to the proposed regulations, he cannot build a DADU. He asked for an exception amendment so that he would be able to construct a DADU on his property.
- Steven Sim Mr. Sim noted that the proposed DADU regulations only allow for building in the back, but his lot is configured in such a way that he couldn't build in what's technically the rear of the home. He inquired if there can be exceptions to that.
- David Fisher Mr. Fisher has been an architect for thirty years. He has primarily done custom homes with private commercial work and he applauds the City's efforts for DADU/s. The city needs diversity in housing. We should celebrate with the diversity for people who have different needs. However, DADUs rarely work with small to medium sized lots that are typical in Tacoma. He believes there are fatal flaws in the proposed code. The biggest one is the floor area ratio (FAR) in the design standards. He has project with a 4,000 sq. ft. lot, with a 2,500 sq. ft. house that is fine, but he wants to have a covered porch and deck. If you have a FAR of .5, good luck with getting any ADUs in, it needs to be thrown out. This topic was brought about 3 years ago and it's still a mess. Mr. Fisher thinks it needs to be re-thought through. Especially, Section 13.06.149E.
- Claire Van Guse Ms. Van Guse supports DADUs. She has a detached garage and wants to build an apartment above it. She doesn't live in a view sensitive area, but her concern is that the apartment she wants to build over her garage would have an approximate height of 22ft, but the limit is18ft.
- Liz Kaster Ms. Kaster is in general support of the ADU regulations. She lives in North 9th and Pine. She commented that it's one of the most walkable and transit-rich areas of Tacoma. Her family can get to everything they need by foot bus or bike, and she wants that to be available for the whole city. She is concerned with the homeowner having to live on the property. She lost her job and ended up going to college out of state for 2 years and rented out her home at the time. She doesn't want to think of how difficult that process would've been if they had an ADU/DADU at the time. She encouraged staff and Commission to rethink that rule.
- Peter Stanley Mr. Stanley had three main points about the affordability of Tacoma. He wants to increase the number of houses to help avoid pricing out the people who want to live here. Secondly, he wants the growth to happen within city limits instead of rural Pierce County. Mr. Stanley thinks that the City is on the verge of making that happen and this is a rare opportunity where multiple positive steps can take place. Lastly, he lives in an old house with one-bathroom upstairs and additions will be tough. A DADU would be helpful for having his grandfather over.
- Greg Johns Mr. Johns commented that he wanted to express his thanks and that he's been ready for this and wished this was put in place a long time ago.

With no more citizens coming forward to testify, Chair Wamback closed the public hearing at 6:32 p.m. and asked Commissioners to provide feedback as to what additional information would be required of staff to provide at the next meeting.

- Commissioner Edmonds noted the comment on the height outside of the view sensitive area with the apartment over the garage in non-view sensitive, and would like to know why they can't do that. She also noted on the comment about the ADU, and would like to know why the standards are different.
- Commissioner Santhuff wanted more clarity on the footprint from a square footage standpoint versus overall building square footage. He was interested in seeing changes for design standards for the ADU and wanted to see if they could remove those standards. He also commented about the fees for the structures and wants more information on that. As far as building height, he wondered if there is a height bonus for situations like that.

• Commissioner Strobel wanted to see examples of the floor area ratio, and nontraditional lot sizes in comparison to traditional housing. He was also interested in the nontraditional size property in relation to the house and what solutions there are.

(The meeting was recessed at 6:41 p.m. and resumed at 6:52 p.m.)

3. Commercial Zoning Update

Stephen Atkinson, Planning Services Division, facilitated the Commission's review of the initial analysis and preliminary recommendations on an outline for the Commercial Zoning Framework. The discussion included the following elements: (1) The alignment of land use designations, commercial typologies, and zoning classifications; (2) Current development standards across commercial districts; and (3) Planned Development Business Districts.

With respect to the first element, alignment of commercial typologies, Mr. Atkinson indicated that our Comprehensive Plan is purposefully general, which provides two commercial designations, i.e., Neighborhood Commercial and General Commercial. Corresponding to the Neighborhood Commercial designation are two zoning districts, the T Transitional District and the C-1 General Neighborhood Commercial. Corresponding to the General Commercial designation are PDB Plan Development Business District, HM Hospital Medical District (which no longer exists in the zoning code and needs to be cleaned up), and C-2 General Community Commercial District.

Mr. Atkinson continued that staff's initial review concluded that the correlation between the commercial areas identified in the Comprehensive Plan and the Districts established in the zoning code is inconsistent. To illustrate the point, he described how T and PDB are niche zoning districts not commonly used for area wide rezones; and how some of the C-2 areas (34th and Proctor, 72nd and Hosmer, Old Town, 6th Avenue, and Tacoma Mall Boulevard) are different from each other. Mr. Atkinson suggested that the starting point is to realign the two land use designations and with appropriate zoning districts, potentially through four typologies, i.e., Convenience Corner District and Neighborhood Commercial District corresponding to the Neighborhood Commercial designation, and Commercial Corridor District and Freeway/Interchange Commercial District corresponding to the General Commercial designation.

With respect to the second element, development standards across commercial districts, Mesa Sherriff, Planning Services Division, reviewed two types of development standards that apply to the Commercial Districts – those that serve to impact the differentiation of the districts, and those that are negligible or do not serve to differentiate the districts. In general, the factors that most differentiate the districts are the allowed uses and building floor area. He also discussed criteria and metrics in other areas such as mixed-used centers. Mr. Sherriff indicated that staff's preliminary recommendation is to create a more consistent, standardized framework of zoning and development standards that, at a minimum, include the following categories of subjects: Use (e.g., building types, and street-level uses), Scale (e.g., height, and maximum floor area ratio), Site and Building Design (e.g., parking location, and connectivity), and Off-Site Impacts and Transitions (e.g., parking quantity, and landscaping and buffering). Mr. Atkinson added that part of what we want to build towards is looking at strategies to have more of a sliding scale that recognizes some of that differentiation within these districts.

Commissioners provided the following questions and comments:

- Vice-Chair Petersen commented that while we can't control what businesses go into a business district, we need to consider how people can patronize more than one business without driving within the district.
- Commissioner Strobel suggested pedestrian walking environment and connectivity be accounted for in the general character of the commercial district, within the context of the street level design or called out separately as its own independent consideration.

With respect to the third element, Planned Development Business (PDB) Districts, Mr. Atkinson noted that the question was under what conditions would the Comprehensive Plan support light industrial/low impact uses within commercial zoning districts. This could be some of the flexibility the PDB provides.

As to the next steps, Mr. Sherriff commented that moving forward, some of the important things through public engagement will be to create intent statements and descriptions of the existing characteristics and value that's inherent in the neighborhoods, and impact statements of the proposed zoning and development standards. Mr. Atkinson added that staff plans to do a code audit to identify how well does the current code support the intent. He wants to convey to the public what we recognize and value what's already there, and the zoning should relate to what is there, but we also need to be more illustrative to how we want those areas to progress over time.

- Chair Wamback commented he is interested in the future phase of this process to identify parts of Tacoma that are without C-1 zoning but should have C-1 zoning. He commented that all of the neighborhoods of our city should have access to all of the urban amenities. He doesn't recall seeing a lot of C-1 zoning in Northeast Tacoma. He noted that if we are to truly become a city, we need to make sure there are the same opportunities presented city wide. He is wondering if the stage is being set correctly to be identifying and implementing that vision in a larger Tacoma in the future. You can't have a 20-minute neighborhood if the nearest post office or grocery store is a 20-minute walk away. Mr. Atkinson commented some of the areas that are zoned as C-1 have not been built up like so, and that is still in the future plan for the city.
- Commissioner Edmonds noted that she is sure there are plenty of Northeast Tacoma residents who would love to spend their money in Tacoma and not Federal Way.
- Commissioner Strobel commented that we need to think of the commercial needs of the city, and look at where commercial might need to be. He looked at cities like Spokane, like Hanks Corner bar that harkened to older times, where there were certain types of neighborhood oriented commercial that we have zoned out of residential neighborhoods in some fashion. He looks forward to seeing how the practicalities of this can be applied in the smaller scale of things.

E. COMMUNICATION ITEMS

Commissioner Santhuff had drafted a letter of comments from himself and not representing the Commission, to Sound Transit regarding the Tacoma Dome Link Extension (TDLE) project. He wanted to share this with his fellow commissioners so they could see some of the topics that had been brought forward in the open houses and stakeholder group meetings, and specifically some aspects of those topics that he wanted to make sure the elected leadership group heard, and takes into consideration as they make their recommendations going from these Level 1 analyses into what alignments and station locations should be studied in Level 2. He is soliciting feedback from commissioners by Friday, October 5, 2018.

- Commissioner Strobel asked about the cut and cover station concept. Commissioner Santhuff answered that he's spoken with some of the technical staff at the open houses and stakeholder group meetings, and they haven't gone to the depth of precluding or ensuring what type of station is appropriate for each of those station locations they identified. The assumption in ST-3 Plan was an elevated alignment and potentially an elevated station. There are certain sites presented in Level 1 that a below grade station wouldn't be feasible, but the location and alignment that was part of the represented alignment on 26th Street is one that a cut and cover station would make sense. There are topographical changes along 26th that it could go that way. His concern was getting into the next phase and not explicitly studying below grade at each of these sites and understanding what the consequences are of doing that for each of these station locations.
- Chair Wamback commented that we need to be thinking of 50-75 years from now. It's one thing to be thinking about an elevated guideway coming in on 26th Street between a parking garage and Freighthouse Square, but, who knows if in the long term that we want a parking garage to be fronting Puyallup Avenue. He liked the idea of the approach, as it is more in tune with the vision for the south downtown. He urged commissioners to provide comments to Commissioner Santhuff.

Brian Boudet, Planning Manager, mentioned that the TDLE Level 1 analysis is being completed and the elected leadership group is narrowing down the selection on October 12th. Moving into phase two, the next step will be stationary workshop on November 1, 2018. This is a good opportunity to rethink what the general area of Tacoma Dome and East Tacoma is and how it operates and how to capitalize that area.

Mr. Boudet also reported that the City Manager released the proposed 2019-2020 Biennial Budget on October 2, 2018. Regarding long range planning, there is funding for the Pacific Avenue Corridor Plan. It's designed as partnership money potentially with Pierce Transit and other groups. There is also funding for a neighborhood planning program. The idea was that because of the growth and development in the community there is concern if that growth is done right. Resources have shrunk, and in the process one of the things that haven't been done for a while is actively building relationships in the community and be physically going out into the community.

F. ADJOURNMENT

The meeting adjourned at 7:55 p.m.

*These minutes are not a direct transcription of the meeting, but rather a brief capture. For full-length audio recording of the meeting, please visit: http://www.cityoftacoma.org/government/committees_boards_commissions/planning_commission/agendas_and_minutes/