Anna Petersen, Chair Jeff McInnis, Vice-Chair Carolyn Edmonds Ryan Givens David Horne Christopher Karnes Brett Santhuff Andrew Strobel Alyssa Torrez

MINUTES

(Approved on 03-04-2020)

TIME: Wednesday, February 19, 2020, 5:00 p.m.

PLACE: Council Chambers, 1st Floor, Tacoma Municipal Building

747 Market Street, Tacoma, WA 98402

PRESENT: Anna Petersen (Chair), Jeff McInnis (Vice-Chair), Carolyn Edmonds, Ryan Givens, David

Horne, Christopher Karnes, Brett Santhuff, Andrew Strobel, Alyssa Torrez

ABSENT: N/A

A. CALL TO ORDER AND QUORUM CALL

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

B. APPROVAL OF AGENDA AND MINUTES

The agenda for the meeting was approved with correction of the meeting date printed on hard copies previously provided to the Commissioners.

The minutes for the February 5, 2020, meeting was approved as submitted.

C. PUBLIC COMMENTS

None.

D. DISCUSSION ITEMS

1. 2020 Annual Amendment – Heidelberg-Davis Land Use Designation

Larry Harala, Planning Services Division, provided an overview of the project proposal, which was a private application as part of the 2020 Annual Amendment. The proposal was to change the Land Use designation from Parks and Open Space to Major Institutional Campus for the Heidelberg-Davis area. The applicant, also being the owner, was Metro Parks Tacoma. Mr. Harala presented a map of the subject area as well as described the Land Use designation of the surrounding areas. Also presented was a conceptual elevation of the stadium, which was resulted from the feasibility report from the application's submission. Mr. Harala noted that this was merely conceptual, there was no proposal before the City at this time. He went on to introduce a potential fully developed concept of the area, which would include office, retail, educational, and even residential space.

As part of the outreach effort, a townhall meeting was held at the Metro Parks Headquarters on November 4, 2019, with approximately 40 attendants. The main concern was what would happen if the proposal was approved but the stadium was not built. Preliminary technical evaluation had been done on traffic, sound, light, and field impacts. The studies suggested that the impacts could be overcome with mitigation measures. Metro Parks had also committed to replacing any loss of open space and programmable field that might come from this proposal.

Moving forward, the City and Metro Parks would have another meeting in July. In the meantime, each organization would consider issuing a formal letter of intent and continue the negotiation. The immediate next steps were to release materials for public reviews, set the public hearing for April 15, 2020, and continue public outreach until April.

Commissioner Givens asked whether the application had changed since its submittal, especially regarding text amendment, for the proposed uses did not align with the description of Major Institutional Campus. He also wanted to know whether it would change the zoning of the area. Mr. Harala clarified that the application would not change the zoning R2 of the area, only the Land Use designation; however, if further development required rezoning, that would trigger a separate process.

Commissioner Karnes encouraged any future traffic studies to reflect the mode splits and transit-supportive policies as currently described in the Comprehensive Plan.

At 5:23 p.m., too early to commence the public scoping hearing on @Home in Tacoma – AHAS Planning Actions 2020-2021, the Commission moved to discuss topics for the upcoming meeting and communication items. See the corresponding sections below for details.

The meeting was recessed at 5:27 p.m. and resumed at 5:30 p.m.

2. Public Scoping Hearing: @Home In Tacoma – AHAS Planning Actions 2020-2021

Chair Petersen called the public scoping hearing to order at 5:30 p.m. The subject of the hearing was the proposed scope of work for the project "@Home in Tacoma – AHAS Planning Actions 2020-2021."

Chair Petersen went over the procedures of the hearing and asked Commissioners to introduce themselves.

Elliott Barnett, Planning Services Division, opened by welcoming members of the public that had come to attend the hearing. Then, he provided the meeting objectives and went over the timeline of next steps. He also referred the public to the <u>project webpage</u> for more details. Mr. Barnett proceeded to explain Action 1.2 Inclusionary Zoning and Action 1.8 Diverse Housing Types from the Affordable Housing Action Strategy packet, elaborating on what they meant and how they would work. He also provided a broad recap of the comments he had received so far.

Before calling for testimony, Chair Petersen emphasized that there was no code change proposal at this point, and this scoping hearing was for the scope of work of the project.

The following citizens testified:

- 1. Jessie Gamble Ms. Gamble represented the Master Builders Association of Pierce County. Through her work, she had learned that the City of Tacoma was 20,000 housing units short of where they thought they would be. She supported the zoning changes and believed that affordable housing had a connection with zoning. She urged the City to pursue housing options with full force rather than through isolated pilot programs. In term of inclusionary zoning, she understood it was a common tool to address housing issues but stated it did not yield desirable results, urging the City to stay away from inclusionary zoning.
- 2. Cady Chintis Ms. Chintis stated she is an architect and a missing middle developer. She supported the @Home in Tacoma project and increasing housing choices in the City. She stated that allowing more small and medium multi-family projects would help meet the City's affordability and environmental goals. By allowing more Missing Middle and infill development, growth would be incremental, and change would be more gradual. In addition, fewer existing homes would be

demolished while more services and amenities would become walkable for more people. The walkability of a neighborhood impacted affordability because families dependent on cars spent 25% of their income on transportation, compared to 9% for those living in walkable urban places. Increased walkability would also reduce the City's carbon footprint and increase citizens' health and affordability. Ms. Chintis also discussed affordability related to lower utility costs in Missing Middle housing types.

- 3. John Wolters Mr. Wolters stated he is an architect and a builder of Missing Middle housing. He stated that the City of Tacoma was projected to see 100,000 new residents over the next 20 years. Gentle density and mixed-use communities would bring many benefits such as boosts in both current and new business, local jobs, weekend activities and entertainments, etc. He called for providing choice to accommodate growth through thoughtful density. And contrary to popular belief, home values would often increase.
- 4. Sean Horner Mr. Horner stated he is a resident of the City of Lakewood but a member of the Democratic Socialists of America's (DSA) Housing Justice Working Group in Tacoma. While fully in support of the resolve to achieve affordable housing, he stated that the strategy and the means to get there was crucial, leading to his objection to inclusionary zoning. Mr. Horner referred to an interview given by Keeanga-Yamahtta Taylor, Assistant Professor at Pacific University and author of Race For Profit, to explain that Inclusionary Zoning is a flawed tool because the private sector is not good for meeting affordable housing needs. He also stated housing needs to be carbon neutral.
- 5. Ben Ferguson Mr. Ferguson stated he is the owner of Ferguson Architecture in Tacoma. He commented that the housing crisis was caused by the Great Recession, when housing stopped being built but the population kept growing. The City of Tacoma had only seen significant housing built in the past 4-5 years. Also, people with good incomes were secure but other people were being displaced. He applauded the effort that the City was making. He compared prices for specific housing types (\$400,000 for a new house, \$250,000 for a large building, and \$180,000 for a Missing Middle unit) to show that money was being invested in the most expensive housing types. He stated we should be building Missing Middle housing as the most cost-effective housing type.
- 6. Bea Christophersen Ms. Christophersen stated she is a member of the North End Neighborhood Council, but testifying on her own behalf. She stated we need all these housing types to meet different needs (e.g., children, single people, people with disabilities). Her concern was with the quality of life, adding that high-density mixed-use centers and high-rise apartments should not be located next to R1 and R2 single-family homes. Higher density structures should be in areas with transit and infrastructures to support it, such as downtown. She argued there is a need for parking, transit and four-lane roads to support dense housing, and argued the Proctor lacks some of these and so is an example of an area that is not right for high density housing. Lastly, Ms. Christophersen commented that a new apartment building on Adams Street, where the zoning line separating commercial and residential was in the middle of the block instead of in between blocks, is not good for the neighborhood.
- 7. Chuck Sundsmo Mr. Sundsmo spoke of when his son and daughter-in-law moved to Tacoma in 2016 and looked for a house, and had a difficult time finding one. They ended up renting a house on Hilltop that had been turned into a duplex. Mr. Sundsmo went on to say that the Missing Middle houses worked great if the design was done right. He argued that the City has a supply problem, as demonstrated by his son who had an annual income of \$75,000 unable to afford a house in Tacoma, that could be solved through smart designs and infill. Mr. Sundsmo asked the City to hurry, adding the longer they waited, the more people would be priced out.
- 8. Megan Capes Ms. Capes stated she is the co-chair of the DSA's Housing Justice Working Group in Tacoma, and an educator with Tacoma Public Schools. She bought a house in Parkland in 2015 because she could not afford one in Tacoma. Previously, she was a volunteer coordinator at Food Connection and heard from many people about housing displacement. She raised the issue of equity, saying that they City could do more to reach out to communities across the city. She stated

- one way to stop homelessness is to keep people in their homes and argued for building more affordable housing now, especially for people with eviction records, formerly incarcerated, etc. Ms. Capes also suggested capping rental costs. She supports upzoning like was done in Minneapolis, as well as community land trusts. She urged action quickly on these issues.
- 9. Esther Day Ms. Day stated that she is a former Planning Commissioner and had worked with the Infill Pilot Program. She stated we need to grow, but while there was a lot to do in Tacoma, it is important to remember Tacoma is not Seattle. The discussion of affordable housing needed to consider the distinction of to whom it was affordable and target low income households. Also mentioned was the importance of creating green space for families and children. Ms. Day went on to suggest looking into insurance for townhouses with a concrete wall between units; owners of such townhouses might be eligible for homeowner insurance instead of townhouse insurance, which had a higher rate (referencing a Houston example). She urged the City to be cautious about where to build more density and consider parking while doing so.
- 10. David Fuller Mr. Fuller stated he is a 5th generation Tacoman, a builder, and a real estate agent. After living elsewhere he returned and couldn't believe the changes. He stated he is the builder of a new building being built on 37th Street and McKinley Avenue, where parking and setbacks are going to be an issue. Mr. Fuller also discussed the Accessory Dwelling Unit (ADU) code and mentioned illegal ADUs.
- 11. Mandy McGill Ms. McGill commented in support of developers and of development, explaining that development would mean more jobs. She believed that the City needs to move quickly on housing issues as people all around the country were moving to Seattle for Amazon.
- 12. Christi Kniffin Ms. Kniffin stated she is a Section 8 tenant and had been in the rental unit for 10 years. She has a good relationship with her landlord and neighbors as she takes good care of her house and yard. She stated that, however, one of her neighbors' boyfriend is harassing her purportedly because she is disabled and low income. She stated she has called the police but no action could be taken without hard evidence. She stated she is scared, but unable to get out of the situation because she cannot afford to move.
- 13. April Thompson Ms. Thompson stated she is a Section 8 tenant, who moved to Tacoma in 2003 and raised her five children here. She commented that information on access to housing is scarce. One of her friends was approved to rent a home but unable to afford the deposit. Ms. Thompson liked Ms. Capes' suggestion of putting a cap on rental cost. She also discussed lights from new buildings beaming into her windows and disturbing her children's sleeping. She would like new buildings to look more aesthetically pleasing. She also mentioned that there are people camping out in front of Tacoma Housing Authority at People's Park.
- 14. Michael Fast Mr. Fast stated he is a member of the Master Builders Association. He stated that Inclusionary Zoning does not work, referenced Portland Oregon's IZ program, and called instead for changes to allow more housing types citywide. He stated there is a huge demand for Missing Middle housing, but not much space to build it in. He stated that people like duplexes and triplexes; that Cottage housing sounded great but was not feasible under Tacoma's current standards; that there is a need for greater diversity in housing stock. Furthermore, affordable housing should mean attainable housing, and attainable at all income levels.
- 15. David Foster Mr. Foster stated he is an architect and a developer, and offered two suggestions. First, consider whether single-family zoning is still appropriate, imagine the single change of allowing duplexes. Second, consider code changes that would assist infill development, especially single or double lots located mid-block or without an alley. Additionally, infrastructure, parking and utilities requirements often hinder development potential of smaller projects and drives down the achievable density. Mr. Foster asked the Commission to study design challenges with those lots so more housing supplies could be generated.

- 16. Kimber Starr Ms. Starr stated she is a realtor, is on the Tacoma Community Redevelopment Authority Board, and is a South End Tacoma resident. She asked the Commission to use all available tools to create more housing at all price points, especially townhouses, duplexes, and triplexes blended in single-family neighborhoods. She stated that buyers are being outbid by other buyers for 20-40% over asking price. On a different note, Ms. Starr had recently moved and found it very difficult to find a rental unit for her family due to low housing stock.
- 17. K.C. Dickerson Ms. Dickerson stated that she works in construction and project management, and had some felonies from her early 20s but had not had legal problems since. Her felonies still made everything subsequent much harder. She stated that in 2017 she was able to buy a house, but probably would not be able to afford it at the current prices even with her increased income. She stated that prices are high even in areas she would consider to be "the ghetto" (e.g., 96th and Hosmer area). She had friends and family members struggling to afford high rental prices for "ghetto" neighborhoods and having to pay late fees as a result. Ms. Dickerson added that what was available was no longer affordable; it was important not only to build more housing but prevent high prices for substandard housing.
- 18. Miriam McBride Ms. McBride stated she is a displaced resident from Hilltop but still worked in the area as a community organizer for a community-owned housing project. She introduced the concept of community stewardship, where communities controlled land with the goal of keeping it out of speculative market for uses such as housing, businesses, and services. This would lead to community-owned entities. Ms. McBride proceeded to describe ways in which the City could support community stewardship models (e.g., land trusts). She called for funding for grassroots housing organizers so that the community can lead change in their neighborhoods. She said she designed a flyer to publicize this meeting. She stated she does not think inclusionary zoning is a good idea, that zoning changes should serve the needs of the community, and called for more outreach to the community.
- 19. Theresa Power-Drutis Ms. Power-Drutis stated she was not thrilled with new high-rise buildings and parking shortage, but she understood the need for density to house people. She would like to see housing affordable to low income people who are in the most need. She brought forward two suggestions single resident occupancy dwellings (SROs) and urban campgrounds. Ms. Power-Drutis also provided a written letter with more information on those suggestions for staff.
- 20. Justin Goro Mr. Goro stated he lives in Gig Harbor and works at an architecture-engineering firm in Tacoma. He presented a fact that the number of newly built single-family houses dropped in half in the last decade, compared to that of the past 4-5 decades. He believed the solution was upzoning and allowing Missing Middle housing types in single-family zones.
- 21. John DeLoma Mr. DeLoma stated he is the owner of MD Designs in Tacoma. He stated he has 1,800 units on his desk today, none of which was affordable due to construction costs. This is the case for other recent projects in Proctor and Pt Ruston. He would like to see more incentives and requirements for affordable units, such as a 10% requirement. He referenced the Multifamily tax Exemption Program 12-year option and stated changes should be made/advocated at the state level to make it better. He stated Tacoma should lobby the legislature to require affordable units in every building (even one out of four units affordable would still be better than none).

Chair Petersen reiterated that written comments would be accepted until February 29, 2020. She closed the public scoping hearing at 6:52 p.m.

The meeting was recessed at 6:52 p.m. and resume at 6:55 p.m.

Chair Petersen encouraged Commissioners to provide suggestions to staff as to what needs to be reviewed when staff comes back for a debriefing at a future meeting.

Vice-Chair McInnis, in reference to the comments on Inclusionary Zoning, asked staff to look at neighboring communities to see how it has worked. He also wanted to explore the possibility of considering any development under the AHAS as single-family home for the purpose of requirements and fees to keep costs low.

Chair Petersen would like more attention and study on Inclusionary Zoning, and to review barriers to development. She also would like to incorporate the community stewardship concept in the scope of work. For those issues that were outside of the scope of work but might be appropriate for the Housing Equity Taskforce, particularly Section 8 housing and barriers to renting, Chair Petersen asked staff to forward those to the Taskforce.

Commissioner Givens wanted to look at incentives for utilities and possibly how to expand them, as well as how to reduce costs such as connection fee, second meter, etc.

Commissioner Santhuff provided guidance on what he would look for in staff's review and summary of comments. One suggestion is to see how issues align with the AHAS, and if it is not in the AHAS to find out why not. He requested staff create a list of the topics that we want to study (e.g., empirical results of IZ).

Commissioner Strobel was interested in best practices for Missing Middle housing, parking, and proximity to transit, especially for more intense development. For example, what are Missing Middle housing types, and how does parking factor into costs for each? He additionally wanted to look at empirical evidence of IZ in other cities, as well as compare to cities that do and do not have IZ in terms of how much affordable housing is produced. This gets to a question of whether allowing the market to act by itself or whether the City should intervene in the market. He requested benchmarking, including of cities on the west coast, which might serve as good examples.

Chair Petersen wanted to ensure the scope of work would study costs to build different housing types. She is also interested in non-planning issues that could affect costs, such the reference to designing townhouses with a cement wall between them to keep down insurance rates.

Commissioner Karnes commented on the need to have infrastructure and services to support growth before the growth occurs. He noted that one key topic that needs attention is transportation—there is a tradeoff between having public transit available, versus having ample parking available. He requested additional information on cost/unit for each housing type to inform what strategy is most cost-effective in producing housing.

Commissioner Torrez asked if it would be possible to eliminate IZ from the project if it was found undesirable after further analysis. In regards to community outreach, she would like to involve more grass roots communities in the process.

Vice-Chair McInnis added that sometimes contractors are not the biggest contributor to cost, but rather offsite improvements required by the City are more expensive. It is important to consider municipal requirements and fees in the development process. Moreover, he stated that it was a supply-and-demand market; once there was more supply, the cost would likely go down across the board.

Commissioner Strobel noted that there were external regional forces beyond the City's control, particularly the City's location, which mean that the City should evaluate steps to intervene in the market. While it was important to support development, it was also necessary to acknowledge that people might get priced out of Tacoma.

Mr. Barnett summarized the key issues and stated he would address them on March 18th and indicate how they would be integrated in the scope of work. He stated that we will evaluate IZ on its merits of cost for producing affordable housing. He described there is a range of options included from voluntary/bonuses to mandatory requirements, and Tacoma already has some IZ tools on the books.

The City Council has referred this issue to the Planning Commission for evaluation. The scope will do that through a market analysis, including comparing the cost of an affordable unit built through IZ to that of creating a unit in a public housing project. Mr. Barnett also stated that equity and engagement will be discussed Housing Equity Taskforce. Finally, the project will also evaluate barriers to development including city requirements and fees.

E. TOPICS OF THE UPCOMING MEETING

- 1) Public Hearing Residential Infill Pilot Program 2.0 Code Amendments
- 2) Pierce Transit Long Range Plan Update
- 3) Pierce Transit Bus Rapid Transit Project Update
- 4) 2020 Amendment West Slope Neighborhood View Sensitive Overlay District
- 5) Urban Design Studio
- 6) @Home in Tacoma AHAS Planning Actions 2020-2021
- 7) Tideflats Subarea Plan Update

F. COMMUNICATION ITEMS

The Commission acknowledged receipt of communication items on the agenda.

Lihuang Wung, Planning Division Services, informed the Commission of the following:

- An open house regarding the proposed View Sensitive Overlay District for West Slope neighborhood, which was another application of the 2020 Annual Amendment, would start at 5:30 p.m. on Thursday, February 20, 2020, at Geiger Montessori Elementary School.
- The "2020 Urban Studies Forum: Attainable Housing and the Future of Prosperity and Inclusion in Pierce County" would take place on March 4, 2020, at the William Phillip Hall at the University of Washington-Tacoma. The Commissioners were encouraged to register and attend.

G. ADJOURNMENT

The meeting was adjourned at 7:18 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/