

Commercial Property and Business Owners Meeting

October 19, 2016

Asia Pacific Cultural Center – 1:30 to 3:00 pm



Agenda:

- Welcome 5 minutes
- Report on key themes from meetings 45 minutes
- Updates to the draft Subarea Plan 30 minutes
- Next steps 10 minutes

Commercial property and business owners meetings:

November/December (TBD) – Meetings upon request

Community Stakeholder Group meetings:

Monthly (Thursdays, 6:00 to 7:30 pm) – Marlene’s Market

Next meeting: October 20th, 2016

Planning Commission:

Next meeting: Wednesday (December 7th, 2016 - 4:00 to 6:00pm)

Tacoma Municipal Building North, Room 16, 733 Market Street

City Council update:

Council Study Session: Tuesday, November 22nd, 2016 – noon

Tacoma Municipal Building North, Room 16, 733 Market Street

Project Timeline:



Project Area:



For more information:

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Tacoma Mall Neighborhood Subarea Plan and EIS

Commercial Stakeholders – Individual and Small Group Meetings Summary

October 19, 2016

TOPIC SUMMARY:

Subarea Plan vision

Improving the neighborhood’s image/rebranding

Support business retention, growth and recruitment

Property owner cost-benefit evaluation

Housing

Parks, open space and school

Transportation and stormwater projects

City regulatory approach

Street Network and connectivity requirement

Zoning and land use

Next steps for Subarea Plan:

- Street network – consider options
- Connectivity requirement – develop detailed approach
- Review zoning district proposals
- Incorporate economic development and business retention actions
- Provide illustrative streetscape concepts
- Review townhouse and multifamily design criteria
- Transportation projects phasing and funding

Detailed Summary:

Subarea Plan vision

- Significant support for the vision, along with some wariness about implementation approaches and near term impacts
- Focus on getting downtown right first
- Look to examples from similar areas – Alderwood Mall in Lynnwood is a good parallel
- Current property owners are not likely to do mixed use
- Things are going better in Tacoma in amount and quality of development activity
- Area moving in the right direction
- Need a big catalyst development project to signal change in the neighborhood
- Strategic public projects can be meaningful (such as making an attractive “gateway” to the Mall)
- Partnerships and advocacy will be essential for achieving key projects (transit, I-5 ramp, new funding sources)

Improving the neighborhood’s image/rebranding

- A new name, and distinct identities for the four quadrants, would be positive
- Develop design standards for consistent lights and street furniture
- Support retail promotions and retail market studies
- More attractive streets, gateway to the Mall
- Placemaking through public projects

Support business retention, growth and recruitment

- Tailor regulations and street network to avoid impacts to current businesses
 - If impacts occur, City to compensate property owners and businesses
- Strive to increase retail sales in the area which will drive other improvements
- Helping the Mall to grow and be successful will lift whole neighborhood
- Business retention should be a priority
- Land assemblage will be necessary for large scale redevelopment
- One of key factors for tenants – how big the wallet is within 3-5 miles
- Review the sign code for barriers
- Find ways to support businesses (through façade improvement programs for example)
- City (Business & Occupancy) tax rates high

Property owner cost-benefit evaluation

- What rent are we getting
- How much are we spending
- Who is paying for improvements
- What is the cost benefit analysis
- What are you going to do to my property

Housing

- From developer perspective there is demand for multifamily housing
- Gated communities are important to many renters due to safety concerns
- Limitations on people living there include schools, safety, lack of parks
- Many families with school age kids move away
- Better design controls are needed for townhouses/multifamily
- Townhouses often lack any onsite open space, parking and amenities
- On street parking is becoming scarce in some areas
- Parks, pocket parks, walkability, connections to the Mall will help
- A subsidized affordable housing project(s) could be needed if gentrification occurs

Parks, open space and school

- More public investment in the neighborhood is a big positive
- Need to coordinate with multiple agencies
- Benefits both residents and businesses
- Important for placemaking

Transportation and stormwater projects

- Consistent support for transportation and stormwater projects
- More walkability and safety improvements needed
- Placemaking opportunities
- Traffic solutions – particularly S 38th and Steele intersection
- Fixing infrastructure problems and prolonging its life
- Top priorities projects include:
 - I-5 Ramp
 - Loop Road
 - S 38th Street improvements
 - Green street improvements
 - A more attractive gateway to the Mall

- Fixing gaps in sidewalks
- Relocating transit station to more central location
- Street design specifics
 - Green streets – ensure maintenance is considered
 - Avoid blocking access or visibility to sites
- Key questions
 - Funding, city commitment, cost burden on property owners
 - A clear phasing plan is needed
- Private support essential for success, particularly for I-5 off ramp

City regulatory approach

- Support for Subarea Plan/EIS streamlining of development
 - Up front environmental review; project level environmental appeal waived
 - Traffic, infrastructure data available
- City permitting processes should be more streamlined and supportive of businesses
- Offsite improvement requirements can be an impediment

Street Network and connectivity across large blocks

- Revisit street network proposal
 - Recognition of benefits (traffic, walkability, increases visibility and access)
 - Current proposal made without adequate input
 - Follow existing grid rather than create new roadways
 - Balance existing conditions with Subarea Plan goals
 - High cost of realigning roadways – purchase of land, full compensation of property owners and businesses
- Concerns about impacts to property owners and businesses
 - Leases and appraisals could be in jeopardy
 - Impact on operations of existing businesses
 - Disincentive to investment if not calibrated correctly
 - New roadways impact sites and buildings
- Large Block Connectivity requirement
 - A lot depends on the thresholds and how it would roll out
 - Equitable costs/impacts of connectivity requirement
 - Only require connections that are truly needed/important
 - Splitting large parcels up could be limiting, larger parcels are better for attracting big investors
 - Allow flexibility for big redevelopment concepts

- Long term leases may preclude new roads going in
 - Avoid piecemeal approach, provide a logical predictable rollout
- City funding and commitment needed

Zoning and land use

- Concerns about proposed changes affecting light industrial businesses
 - Avoid making existing businesses nonconforming
 - Compatibility of living/walking in industrial areas
 - Industrial space is very important
- Proposed height reductions reduce value of land
- Questions about Lincoln Heights residential-only proposed zoning
- Review design standards for townhouses and multifamily

Next steps for the Subarea Plan:

Based on this input, the project team is working on a number of updates to the draft proposal, including the following. These will be incorporated into the December 2016 Planning Commission draft.

- Street network – consider options
 - Consider network connectivity and existing properties
 - Loop Road – NW Quadrant: Identify options/first phase on existing rights-of-way
 - Revise NW Quadrant street network and stairway connection to South Tacoma Way
 - Review and refine street network area-wide
- Connectivity requirement
 - Thresholds – provide a range of threshold options
 - Lower threshold for adoption of a Connectivity Plan
 - High threshold for dedication or improvements
 - Connectivity Plan requirement
 - 4/5 acres blocks or larger
 - Performance standards for additional connectivity
 - 600 by 300 linear feet blocks
 - Consider topography
 - Rational system of streets
 - Intersection alignment
 - Delineate connections that need to be public versus private
 - Future development required to follow Connectivity Plan
 - Allow flexibility for different approach that meets the intent
 - Distinguish between connectivity with development and City-initiated redevelopment
 - City committed to make property owners whole with redevelopment
- Review industrial zoning boundary
- Review proposed heights in some areas
- Update the Plan with economic development and business retention recommendations
- Provide illustrative streetscape concepts
- Review townhouse and multifamily design criteria
- Transportation projects
 - Phasing and funding
 - Consider new funding tools (including impact fees)
 - Seek partnerships for future grants

Commercial Property and Business Owners' input

09/12/2017

Please help the City to identify questions, ideas and concerns regarding the planning effort.

Questions and issues we've heard so far...

Proposed **connectivity** requirement (new roads/pedestrian connections required with major redevelopment of large parcels):

- What is the rationale for new connections/realigned roadways?
 - Transportation benefits
 - Urban design
 - Development catalyst
- Under what scenarios would new connections be required?
 - Would new connections be required or optional?
 - What constitutes "major" redevelopment?
 - What size of parcels is intended?
 - What if multiple parcels are involved?
- What specifically would be required?
 - How does this jibe with existing City access requirements?
 - Dedication, easement, or publicly accessible connections?
 - Width and design of roadway/pedestrian connections
- Who pays/benefits?
 - What would be an equitable distribution of costs/benefits?
 - What cost would property owners bear?
 - Will the City contribute funds?
- Existing businesses?
 - Would businesses be forced to reconfigure access?
 - Would requiring future connections affect current leases and appraisals?
 - Would new connections result in unusable "remainder" parcels?
 - Would property owners be compensated if so?
- Phasing and financing
 - What financing mechanisms are available?
 - Major roadway changes would require planning and financial collaboration

Comments on **land use** and **zoning** proposals

- Height reductions could reduce the value of properties
- What changes to site development standards are proposed?

What **benefits** would the Subarea Plan provide to commercial property and business owners?

- The City needs to articulate **goals and principles** to guide policy development efforts, including:
 - Collaborate and listen
 - Choose actions that achieve benefits for all
 - Solve problems and create opportunities
 - Be responsive to property owner and development interest
 - Proportional and equitable cost sharing
 - Recognize and avoid impacts to existing businesses
 - Play the long game
- **Transportation** system and **infrastructure** improvements
 - Prepare for and promote growth
 - Fix/prevent traffic problems
 - Promote walking, biking and transit use
 - Fix flooding and street issues
- Regulatory **streamlining** and **incentives**
 - Reduced permitting time and fees
 - Increased certainty on development conditions
 - Up front information on utilities, infrastructure, and environmental conditions
 - Height bonus and Multifamily Tax Exemption (existing)
- Promoting **public investment** in the neighborhood
 - Subarea projects list prioritized
 - Increase and attract City and regional funding
- **Placemaking**
 - Increase value through investment in public spaces
 - Complete, attractive and safe streets
 - Improved image and branding opportunities
 - Attract private investment
 - Attract new customers

Are there **other actions** the City can take to support commercial property and business owners?



Summary of Preliminary Concepts for Development Regulations Changes



09/12/16

The proposed Subarea Plan includes proposals which would affect the development and use of property, as well as the design of streets and public infrastructure. The following list summarizes key actions discussed to date, which will be further refined in the draft Subarea Plan. These concepts are still under development and do not constitute a complete list of all actions that may be considered.

Street Design

Street Network: The proposal calls for changes to the existing street network, including new street connections across large existing parcels, and realignment of the existing street system in some locations.

Complete Streets & Green Streets: The Subarea Plan would provide high level design direction for street design based on the City's Complete Streets Typologies and the Subarea Plan Stormwater Strategy.

Bike and Pedestrian Network: The proposal designates the future bike and pedestrian network and informs street design decisions.

Connectivity

Based on the proposed Street Network, this proposal would require new street and pedestrian connections with major development activities on large sites. Connectivity and a completed street network are foundational elements of neighborhood form, and are essential to enhancing transportation choices. There are currently several locations within the Subarea with large parcels which lead to lengthy pedestrian routes and thus discourage walking.

Zoning district boundary and height changes

Through the planning process several key concepts emerged to provide more direction to the neighborhood through zoning changes. The proposals would establish high, medium and low intensity areas, establish areas intended to remain predominately residential, and refine the transition between mixed-use and industrial areas.

Land Use Table Modifications

Proposals would include minor refinements to the City's current list of permitted land uses allowed within the zoning districts to be located within the Subarea. These proposals are primarily intended to promote land uses that are most compatible with the pedestrian environment.

Large Parcel Development

This proposal would require a City review process when large sites are proposed for redevelopment. When large parcels are redeveloped, there are significant potential impacts and opportunities to promote the vision for the Subarea. Key considerations would include a plan for a circulation system for vehicles and pedestrians that integrates with existing and planned neighborhood circulation and incorporates pedestrian-oriented design.

Minimum Density Requirement for High Intensity Areas

This provision would establish a minimum floor area ratio (FAR) requirement for lots within the High Intensity Area and located on designated Pedestrian Streets. Floor area ratio (FAR) is the amount of floor space developed on a parcel compared to the size of the property. The Plan calls for higher intensity development within core areas over the long term. The purpose of this provision is to begin to transition land use and site development formats away from low-density, auto-oriented development in areas designated for higher intensity development.

Pedestrian Streets Designations

This proposal would add streets to the City's existing Pedestrian Street designations. Street design and building design work together to shape the pedestrian environment. Pedestrian Streets designated in the Land Use Code call for building and site design features that enhance the pedestrian environment.

Drive-through design standards

This proposal would increase design requirements applicable to drive-throughs. Drive-throughs tend to be developed at low intensity levels and emphasize auto usage. The City's existing site and building design provisions would be expanded to better integrate drive-throughs into the Subarea and reduce impacts to the pedestrian environment.

Townhouse and multifamily design standards

The proposal would modify the City's existing townhouse design standards to promote consolidated locations for garbage collection and to enhance requirements for pedestrian entrances and design features oriented toward the street. These changes are intended to better integrate townhouses into the Subarea and to reduce visual clutter.

Minimum residential density flexibility

This proposal would relax existing minimum density requirements in some areas, in order to allow infill on existing, developed sites that does not fully comply with minimum density requirements, including Accessory Dwelling Units and additional residential development on parcels where an existing house is being retained.

Landscaping

The proposal would add a tree canopy coverage requirement within the Madison and Lincoln Heights residentially zoned areas. This is intended to promote an attractive residential environment and meet environmental goals.

South Tacoma Groundwater Protection District

This proposal would make minor revisions to the South Tacoma Groundwater Protection District (STGPD) regulations in order to clarify current regulations pertaining to stormwater infiltration within the STGPD.

Property Owners Meeting, 9/12/16.
Summary Notes

Comments from attendees.

- This plan may stymie ability to get new tenants.
- Is it too late to have input into this plan? Can changes be made?
- The grid is least important. Want places to play and open space.
- If you enact impact fees, would it be the whole city or just the Mall area?
- Road connections that require redoing buildings and roads could stymie existing business, sales and property tax revenues.
- If you leave the area alone that will help get more retail.
- Put residential south of 38th or 40th.
- What is phasing, financing and priority plan?
- Crime in Madison area: maybe add a police substation, street lighting?
- Influx of homeless on 38th.
- In order to attract growth supporting jobs, need people willing to pay higher rent.
- Dispersed development or improvements will be like broken teeth.
- It is hard to do business with the City (city culture)
- Noticed that you worked around the Madison School and police department. Can you work around our properties too?
- What is actually probable to be done from this plan? Improve existing roads, improve on those.

Economic Growth & Development

- What can the City do to support economic development?
- An economic analysis is needed to know what the economic impacts are of the plan.
- Need Economic development in the area
- Plan will stymie business expansion
- Don't see need for grid; put in street trees as an immediate improvement
- What will the City do to help business?
- Get a team of business advocates at the City
- Not sure enough incentives are built in to the Plan
- Need an economic plan if plan to create a taxing district