TO: Elizabeth A. Pauli, City Manager
FROM: Peter Huffman, Planning and Development Services
COPY: Infrastructure, Planning and Sustainability Committee; Kurtis Kingsolver, Public Works; Rebecca Boydston
PRESENTER: Elliott Barnett, Associate Planner, Planning and Development Services
SUBJECT: Tacoma Mall Neighborhood Subarea Plan – Recommendation
DATE: February 28, 2018

PRESENTATION TYPE:
Request for Ordinance: Request for direction on potential changes to the Tacoma Mall Neighborhood Subarea Plan package prior to full Council action.

SUMMARY:
This memo and attachments are intended to summarize potential changes to the Tacoma Mall Neighborhood Subarea Plan package developed in response to IPS Committee direction. Staff are bringing the Tacoma Mall Neighborhood Subarea Plan package to the IPS Committee in order to address a short list of topics that continue to raise questions. On January 24, 2018, the IPS Committee discussed the Subarea Plan package and directed staff to develop policy alternatives for topics including connectivity, pedestrian and bicycle design standards, zoning, and housing. In addition, staff received comments from Metro Parks Tacoma staff regarding potential updates to reflect their recently adopted Strategic Plan. Staff will request that the Committee provide a recommendation on these topics, pursuant to updating the proposals prior to full City Council review. The City Council is scheduled to consider and take action on the proposals in April and May of this year.

BACKGROUND:
Over the past two years, the City of Tacoma has worked in partnership with the community to re-envision the Tacoma Mall Neighborhood as a walkable, transit-oriented, vibrant, regional destination and community, and to identify actions to achieve that vision over time. On October 18, 2017, the Planning Commission took final action to recommend the proposals to the City Council.

The purpose of the Tacoma Mall Neighborhood Subarea Plan is to anticipate, support, and guide long-term growth and change, consistent with the community’s vision. The proposal is an innovative area-wide plan for the Tacoma Mall Regional Growth Center and potential expansion area, which will become a new element of the City’s Comprehensive Plan. The proposal also includes zoning, design standards, connectivity, pedestrian and bicycle design standards, and related code changes, as well as streetscape design concepts for key corridors in the neighborhood.

A non-project Environmental Impact Statement (EIS) has been prepared that analyzes the impacts associated with future development in the Subarea, including substantial growth of jobs and housing by 2040. The goal of this EIS is to evaluate potential environmental impacts on an area-wide basis, thus eliminating the need for additional environmental analysis in conjunction with development and redevelopment that occurs on individual sites within the Tacoma Mall Neighborhood Subarea. The Final EIS was issued on November 3, 2017.
ISSUE:
Staff are seeking guidance on several topics which continue to raise questions subsequent to the Planning Commission’s action recommending the Subarea Plan package to the City Council. Addressing these topics at the IPS Council Committee level will provide time to focus on and resolve remaining questions. Staff will provide recommended alternatives related to specific components of the following issues:

- Connectivity requirements for large blocks
- Street design and Bicycle and Pedestrian Design Standards
- Zoning for the Madison District and the industrial transition area
- Affordable housing actions
- Parks and open space policies
- Townhouse design standards

ALTERNATIVES:
The IPS Committee could choose to address the remaining questions by providing direction on any or all of the topics. As an alternative, the IPS Committee could take no action, and forward the Planning Commission’s recommendations on to the full Council without modification.

FISCAL IMPACT:
The Subarea Plan and associated actions are intended to catalyze economic development including jobs and housing growth within the Subarea, among other goals. The plan calls for significant public and private investment within the area, which will have long-range positive economic impacts and fiscal benefits for the City.

RECOMMENDATION:
Staff recommend that the IPS Committee provide guidance on the list of staff recommendations as summarized in Attachment 1. Taking this step at the Council Committee level is likely to provide for a more positive discourse at the Council level, and build confidence with community stakeholders that their issues have been considered and addressed.

Attachments:
1. Issues Summary & Staff Recommendations
2. Public Works Traffic Analysis Memo
Tacoma Mall Neighborhood
Subarea Plan

ATTACHMENT 1:
Issues Summary and Staff Recommendations
IPS Council Committee - February 28, 2018

OVERVIEW
Subsequent to the Planning Commission’s October 2017 recommendations, a list of specific issues have been raised by property owners, Metro Parks Tacoma staff and City Council members on the following topics:

- Connectivity requirements for large blocks
- Street design and Bicycle and Pedestrian Design Standards
- Zoning for the Madison District and the industrial transition area
- Affordable housing actions
- Parks and open space policies
- Townhouse design standards

Staff are seeking IPS Committee guidance on the following topics which will be incorporated into an updated draft for consideration by the full City Council. Council review is scheduled for April to May 2018.

For more information on these and other topics, visit www.tacomamallneighborhood.com.

CONNECTIVITY

Planning Commission Recommendation:
The draft Subarea Plan identifies creating a complete and connected street network as integral to accommodating the transportation impacts of planned growth and to achieving urban form, economic development and other goals. To achieve this intent, one key strategy is the future creation of new connectivity in large block areas.

The Subarea Plan package establishes a Site Approval process to evaluate potential new connections when large-scale development is proposed. The process has been crafted to avoid or minimize impacts to property owners and businesses by allowing a substantial amount of development to occur without triggering this requirement. When required, the process includes a transportation analysis to determine whether the proposal generates impacts to the transportation system warranting any mitigation action by the project proponent.
The Public Works Department has provided the attached letter summarizing the transportation analysis used in developing these proposals.

**Issues:**
Property owners argue that the proposals could impact them and asked the City to revisit the Site Approval thresholds, process and requirements and to remove the Subarea Plan map that indicates the location of Tier 2 streets. In response, staff consulted with property owners to develop the following list of recommended modifications.

**Recommended changes:**
- Increase Site Approval thresholds from 12,000 square feet of commercial construction to be consistent with Subarea Level 2 Traffic Impact Assessments (TMC 13.12.580):
  - Construction of over 199 dwelling units
  - Construction of over 59,999 commercial sf
  - Mixed use development including over 59,999 sf commercial
- Make Site Approvals optional at lower thresholds
- Allow flexibility to building design/street orientation standards to be proposed as part of a Site Approval process
- Remove the *Future Street Network* map, relying instead on the connectivity principles and policy language in the Subarea Plan Transportation Chapter
- Allow proposed Tier 2 connections to be either public or privately owned, provided that the Subarea Plan intent is met
- Simplify Site Approval review criteria (proposed TMC 13.06.660.D.1): “The Site Approval shall demonstrate consistency with the transportation connectivity goals and policies of the Comprehensive Plan, the adopted Subarea Plan, and all applicable ordinances of the City of Tacoma, and will respond to the vision, issues, and concerns of the specific area.”
STREET DESIGN & BIKE/PEDESTRIAN ACCESS STANDARDS

Planning Commission Recommendation:
The Subarea Plan identifies pedestrian and bicycle accessibility as essential to accommodating the transportation impacts of jobs and housing growth, catalyzing investment and achieving urban form goals. The Subarea Plan package includes substantial public capital investments and neighborhood-wide Complete Streets design guidelines. In addition, the proposal includes updates to citywide Bike and Pedestrian Access Standards including a “through-block connection” standard for large, multi-building sites.

Issues:
Property owners are concerned that proposed pedestrian and bicycle standards, in particular the through-block connection requirement, could impact them. The City has also been asked to revisit the design standards for streets abutting the freeway. In response, staff consulted with property owners to develop the following recommended modifications.

Recommended changes:
• Clarify Complete Streets design abutting freeway: Add policy language calling for reduced pedestrian standards adjacent to the freeway where pedestrian access is not anticipated.

• Modify review threshold for pedestrian/bike access standards:
  o Ped/Bike Standards are required when both interior and exterior improvements exceed certain amounts: Clarify that exterior improvements must amount to at least 50% of the project valuation to trigger requirements.
  o Proposed through-block connections would be required when new development and alterations exceed 50% of the value of existing development site (could be one building on multi-building site): Increase thresholds to a minimum of 60,000 sq ft new construction.

• Modify proposed through-block design standards:
  o Reduce minimum width: Reduce through-block connections minimum widths for large, multi-building sites with two or more street frontages (600 by 300 feet minimum), as follows:
    ▪ Multiuse path: Reduce from 14-foot to 10-foot minimum width
    ▪ Two sidewalks along drive aisle: No change proposed to 7-foot minimum width
  o Flexibility for site constraints: Allow flexibility to minimum width and design standards to address site-specific topography and narrow access points, provided functionality is maintained.
  o Clarify “functions like a public street”: Remove language calling for private pedestrian facilities to function like public streets, instead calling out the required features.
  o Remove references to controlled/gated access: Allow property owners to determine their approach to securing or gating required pedestrian/bike access pathways.
ZONING

Planning Commission Recommendation:
The draft Subarea Plan includes a package of land use, zoning and height changes intended to catalyze high-density development consistent with Regional Growth Center (RGC) policies, support green stormwater, urban design, transportation, livability and other goals.

Issues:
Industrial transition: The proposal would expand the RGC to incorporate an area that is currently zoned for light industrial land use, located generally along South Tacoma Way north of S. 38th Street. Staff have been asked to provide policy alternatives to reduce the potential risk of incompatibility between industrial and residential land uses.

Recommended changes:
• Prohibit residential-only buildings in the Commercial Industrial Mixed-Use (CIX) District to reduce the likelihood of conflicts (would apply citywide in CIX Districts)
• Reduce the proposed expansion area to generally follow the top of the slope, leaving an M-1 District area along South Tacoma Way as a further transition between heavy industrial and residential or mixed-use development.

Issues:
Madison District zoning/green streets: The proposal reduces height and restrict land use to residential in the core area of the Madison District, in conjunction with a district-wide pervious pavement strategy, while increasing height and allowing mixed-use development around the perimeter of the District. Staff have been asked to provide further background and potential policy alternatives.

Alternatives:
• Planning Commission recommendation (45 feet height in core with green streets, 85 feet height perimeter)
• Planning Commission alternative proposal (allow 65 feet height along Warner Street and Madison School vicinity, remove green streets in these areas)
• Retain current height limits (60 feet height in core, remove green streets strategy)

The following exhibits depict existing and proposed Regional Growth Center (RGC) boundaries and zoning designations, the Subarea Plan Green Stormwater Strategy, and policy alternatives as described above.
Tacoma Mall Regional Growth Center and Proposed Expansion Area
Proposed Zoning Districts and Heights (by right/with bonus features)
### Existing and Proposed Zoning Districts

<table>
<thead>
<tr>
<th>Existing Zoning Districts</th>
<th>Proposed Zoning Districts</th>
<th>General intent of proposed Zoning District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Center Mixed-Use District (UCX)</td>
<td>UCX Core – 75/120 feet height UCX Transition – 65/85 feet height UCX Commercial (no residential uses)</td>
<td>Provides for dense residential, commercial and institutional development including regional destinations that supports walking and transit-usage.</td>
</tr>
<tr>
<td>Residential Mixed-Use District (RCX)</td>
<td>Urban Residential Mixed-Use (URX)</td>
<td>Provides for dense housing development in walkable proximity to commercial mixed-use zones.</td>
</tr>
<tr>
<td>Neighborhood Commercial Mixed-Use District (NCX)</td>
<td>UCX Transition – 65/85 feet height</td>
<td>Provides for dense mixed-use development at a mid-rise height, serves as a transition between higher and lower height areas.</td>
</tr>
<tr>
<td>Light Industrial District (M-1)</td>
<td>Commercial Industrial Mixed-Use (CIX)</td>
<td>Provides for a mix of commercial, residential and light manufacturing, assembly, distribution and goods storage.</td>
</tr>
</tbody>
</table>

See the Appendix LU-1 for more information.
Area-wide Green Stormwater Strategy
This map depicts existing M-1, M-2 and UCX Zoning Districts, along with steep slope areas in dark purple/orange.

The green line indicates a revised RGC and zoning district boundary that generally follows the top of the slope, adjusted to accommodate existing parcel lines. Within this revised RGC boundary, mixed-use zoning districts would apply as proposed by the Planning Commission.

The area immediately outside of the revised RGC boundary would remain in the M-1 Light Industrial District, thus expanding the distance and grade separation between heavy industrial and residential or mixed-use development.
Madison District Zoning/Green Streets Alternative:

This map depicts an alternative considered but not selected by the Planning Commission.

The alternative would allow 65 feet along Warner Street and around the Madison School site.

If the zoning alternative above were selected, the stormwater strategy would be revised as well.

The areas where height is increased would be removed from the Green Stormwater Strategy and no longer be designed as pervious pavement streets, due to the additional anticipated density (see red outlines).
AFFORDABLE HOUSING ACTIONS

Planning Commission Recommendation:
The draft Subarea Plan includes goals and actions to provide a range of housing options and costs to meet the needs of current and future residents, in a location with transportation choices and neighborhood amenities to create a complete neighborhood. The proposal would adopt Tacoma’s highest affordability targets to date, neighborhood-level actions, and call for actions at the citywide level.

Issues:
During the planning period, housing cost increases have accelerated in Tacoma and the region leading to heightened community concerns about affordability and involuntary displacement. While the Subarea Plan adopts strong housing goals, implementation actions are limited. The challenge is that most housing strategies require additional resource allocation and/or citywide analysis to implement. Staff have been asked to identify additional and stronger actions to address housing affordability.

In consultation with Tacoma’s Housing Division, staff have identified an opportunity to integrate the upcoming Affordable Housing Action Strategy initiative into the Subarea Plan, which is on a fast track to identify actions that the city can initiate this calendar year.

Recommended changes:

- Add action calling for the citywide Affordable Housing Action Strategy to integrate the housing goals, needs and opportunities of the Tacoma Mall Neighborhood in the analysis.
- Add action committing to initiating actions recommended through Tacoma Affordable Housing Action Strategy that are appropriate to the Tacoma Mall Neighborhood.

Potential citywide housing actions that could be appropriate to this neighborhood include:

- Inclusionary zoning review
- Mixed-Use Centers height bonus updates
- Multifamily Tax Exemption updates
- Targeting of existing housing resources
- Developing a dedicated local affordable housing funding source
- Affordable housing preservation
- Other actions identified through the Affordable Housing Strategy

The Subarea Plan includes a commitment to biennial Council progress updates, which provide a firm timeline to report on implementation progress.
PARKS AND OPEN SPACE POLICIES

Planning Commission Recommendation:  
The draft Subarea Plan identifies parks and open space enhancements as integral to urban form, environment, livability, public health, economic development and other goals. The Plan includes parks and open space principles and collaborative implementation steps.

Issues:  
Since Planning Commission recommendation, Metro Parks Tacoma adopted a new Strategic Plan update. Some of the references in the Subarea Plan are now out of date and should be updated for consistency.

Recommended changes:

• Reference Metro Parks Tacoma’s Strategic Plan update, adopted in January 2018, in several sections of the Community Vitality Chapter including discussion of the new 10-minute walking Level Of Service for parks, parks typologies, and performance measures.

• Provide a description of parks and open space opportunities in each of the four districts reflecting the 10-minute LOS, property ownership and other factors.

TOWNHOUSE DESIGN STANDARDS

Planning Commission Recommendation:  
The draft Subarea Plan includes a package of updates to residential and commercial design standards intended primarily to ensure that development is pedestrian-oriented. The updates are applicable citywide in similar circumstances.

Issues:  
The IPS Committee has requested an overview of the proposed changes, with a specific focus on townhouses with front doors facing alleys.

Overview and recommended changes:

The proposed townhouse design standards updates are described below.

One change is proposed in regards to front doors facing alleys, which would essentially require alleys to function like courts if front doors facing the alley are proposed.
**Front doors facing alleys:**

Front doors facing alleys will only be permitted if the alley is fully paved, garbage and utilities are screened or enclosed, and landscaping is provided on the site.

**Front doors facing alleys-recommended changes:**

- Require a sidewalk out to the public sidewalk in both directions
- Require street trees on one side

**Street orientation and relationship:**

Townhouses abutting the street must orient toward the street, incorporate street-facing design features, and provide an pedestrian connection to the street.

Townhouses with access exclusively facing a drive aisle/court must provide windows and street-facing architectural features facing the aisle/court.
### Garbage and utilities:

Garbage, recycling and utilities must be unobtrusive and screened, and Solid Waste may require features such as a consolidated location or shared collection service.

### Site access:

Shared vehicular and pedestrian access must be safe and attractive; walkways serving two or more units must be accessible.

### Street trees with townhouse development:

Townhouses are currently not required to provide street trees. This proposal would remove the exemption.
Date: February 21, 2018

To: Brian Boudet, Manager
PDS Long Range Planning
Elliott Barnett, Planner
Tacoma Mall Subarea Plan Manager

From: Dana Brown, Assistant Division Manager
PW Engineering, Transportation/Traffic

RE: Response to Traffic Analysis procedures for Tacoma Mall Neighborhood Subarea Plan

Dear Brian and Elliott,

This memorandum is in response to our recent meeting regarding the traffic analysis approach and proposed capital projects for the draft Tacoma Mall Neighborhood Subarea Plan (TMNSAP). It is our understanding that the IPS Council Committee, in response to concerns by specific property owners in the subarea, has requested more information on the proposed connecting corridors and the rationale for their location and type of use.

Briefly, as the following is described in the draft plan, the transportation study for the TMNSAP was carried out using a “System-Wide” analysis. This standard approach is consistent with the policy direction in the Transportation Master Plan (TMP) of analyzing the subarea transportation network as a multimodal transportation system (complete streets) and for defining satisfactory performance of the system to meet concurrency based on the expectations of system completeness and planned future growth.

The proposed future multi-modal transportation network for the subarea is consistent with City’s goals and objectives to transition from an auto-oriented environment to a more pedestrian friendly mixed-use community. Multiple policies in the Transportation Master Plan support these goals, including Policy 3.6, Street System Design, which states that street system design should facilitate “...transit and active transportation connections by encouraging...a rectangular grid pattern with smaller block sizes...”

Tacoma’s adopted Comprehensive Land Use Plan and the TMP provide the foundation for the land use/zoning, future trips, mode choice options, and future capacity to serve the subarea. The system-wide traffic study is the basis for the area-wide SEPA approval which is a key element for future investments in the Tacoma Mall subarea; a Regional Growth Center. The proposed capital projects identified in TMNSAP will be incorporated into the TMP. The future implementation of these projects along with the planned modal shift will be necessary to ensure compliance with the SEPA analysis.
While a system-wide approach provides the required assessment of the arterial system for SEPA, it does NOT evaluate the need for non-arterial or Tier 2 connecting corridors. Therefore, the proposed non-arterial corridors were not specifically or individually modeled. However, to accommodate the planned growth in the subarea, the traffic model assumptions include a modal shift plus the proposed Tier 1 and 2 capacity/efficiency projects. If these assumptions are unrealized then the expectation is more arterial capacity will be needed in the future. Therefore, the PW Traffic Section supports the concept of urban form designs that are expected to increase access/mobility and to reduce single occupant vehicle travel.

We also understand that the Planning Commission recommendation establishes the development of new streets, pedestrian and bicycle connections as a policy goal, as described above. Furthermore, the Subarea Plan package establishes a Site Approval process for City review of the transportation impacts of large-scale development in large block areas within the subarea. The Site Approval process, if adopted, would require the applicant to submit a Transportation Impact Assessment of the project-specific impacts of the proposed development. Project proponents would only be required to take steps to create new connections if warranted by those project-specific impacts.

We further support an approach that ensures City requirements have a clear nexus, be proportional with the impacts of the proposed development, and that the envisioned transportation system is constructed concurrent with development. If the planned growth is realized and the planned transition to multimodal transportation is unrealized then the TMNSAP would no longer be in compliance with the SEPA planned action or the City’s adopted concurrency standards.

Recent success by the City in obtaining grant funding for transportation investments would indicate that funding could be available to support the planned projects but the adoption of this plan commits the City to completing future improvements concurrent with development—whether or not grant funds are secured. The need for funding partnerships (public/private) is an important component of this plan.

It is suggested that you forward this memo to the members of the IPS Committee and TMNSAP key stakeholders in advance of the February 28th IPS meeting. I will attend the meeting to answer questions.