

TACOMA PLANNING COMMISSION FINDINGS OF FACT AND RECOMMENDATIONS REPORT

JUNE 5, 2024

A. SUBJECT:

Tacoma residents face increasing challenges in accessing housing they can afford that meets their needs. For many years, Tacoma's housing rules for most neighborhoods have primarily allowed just one housing type—detached houses. As part of Tacoma's Affordable Housing Action Strategy, City Council adopted Amended Ordinance 28793 approving the Home In Tacoma Project – Phase 1 package, enacting changes to Tacoma's housing growth strategy, policies, and programs to increase housing supply, affordability and choice for current and future residents.

The Council's action established a new housing growth vision for Tacoma supporting Missing Middle Housing options, designated Low-scale and Mid-scale Residential areas, and strengthened policies on infill design, affordability, anti-displacement and other goals. The action also initiated Home In Tacoma Phase 2 (the Proposal) to implement the new policies through changes to residential zoning and standards, along with actions to promote affordability and ensure that housing supports multiple community goals. The adopted package is available at www.cityoftacoma.org/homeintacoma.

The Home In Tacoma – Phase 2 (HIT 2) recommendations are intended to increase housing supply, affordability, and choice for current and future residents of the City of Tacoma and to encourage housing development that supports multiple goals.

The Proposal includes:

- Establishment of new Urban Residential (UR) zones supporting a range of middle housing
 options, along with base and bonus densities, scale, and other standards, to replace existing
 residential zones. All new UR zones would support a range of housing types, including middle
 housing. The proposed UR zones are differentiated by the allowed density (number of dwellings
 allowed based on lot area), the allowed housing types and building scale (height, building width,
 Floor Area Ratio and similar), and the potential bonus density and scale available in exchange for
 affordable housing and other public benefits.
- Adoption of a new zoning map designating the UR zones in areas designated Low-Scale and Mid-Scale Residential in the One Tacoma Plan, with some zoning changes to residentially zoned areas in other One Tacoma Plan designations to UR or other appropriate zones.
- Changes to residential design and development standards (including height, building size, yards, trees and landscaping, access, parking ratios, lot dimensions, setbacks, subdivisions, ownership, and others).
- Changes to residential land uses, definitions, and permit processes.
- Increases the residential environmental review threshold from 20 to 40 units and adds standards for transportation, soil testing, and historic, cultural, and archaeological review.
- Enhancement and expansion of regulatory affordability tools (including the Multifamily Tax Exemption Program and bonuses in residential zones).

- Actions to ensure that infrastructure and services are adequate to support growth.
- Actions to address the potential demolition of viable structures.
- Actions to create green, sustainable, and climate-resilient housing.
- Actions to protect and enhance the urban forest.
- Action to promote physical accessibility.
- Development of an anti-displacement strategy.
- Actions to ensure consistency with state legislative direction.
- Education and technical support for staff, developers, and the public.

Additional detail regarding Home In Tacoma Phase 1 and the Proposal is included in Tacoma's <u>2022 Phase 2 Scope of Work and Assessment Report</u>. The Proposal has been further defined through public engagement, response to state directives, and technical analysis, all of which are reflected in this report.

B. SUMMARY OF PROPOSED AMENDMENTS:

The following table summarizes the key components of the HIT 2 package by topic, as they have been finalized through the public planning process. For more information see the <u>HIT Code Changes User Guide</u>, as well as the recommended Tacoma Municipal Code changes (attached).

| Topic | Description |
|--------|--|
| Zoning | Replaces existing Single-family and Multifamily Low-density zones (R-1, R-2, R-2 SRD, HMR-SRD, R-3 and R-4L) with newly established Urban Residential zones (UR-1, 2 and 3) allowing a range of house-scale buildings with multiple units, known as "middle housing". Replaces current residential land uses based on the number of units (such as single-family house, duplex, triplex) with newly defined Housing Types (such as Houseplex, Rowhouse, Courtyard Housing) based on number of units, building form and scale. Establishes density, scale, Floor Area Ratio, setback, tree credits and other controls which are scaled to allow larger buildings and more housing units with each UR zone and adding two levels of optional bonuses in exchange for public benefits. On a typical 6,000 sq ft lot (for illustrative purposes – see proposed zoning code for details): UR-1: 4 units Baseline, 6 with Bonus 1, 8 with Bonus 2 UR-2: 6 units Baseline, 8 with Bonus 1, 16 with Bonus 2 UR-3: 8 units Baseline, 12 with Bonus 1, 16 with Bonus 2 Updates Tacoma's Zoning Map by designating the new UR Districts according to proximity to complete neighborhood features and transit. Updates other land uses in UR Districts for consistency with the new zoning framework, to increase flexibility for nonresidential uses in residential areas, and to increase flexibility for Accessory Dwelling Units. |
| | |

| | Increases SEPA review threshold for residential development from 20 units |
|----------------|---|
| | to 40 units, along with associated updates. |
| Housing types | Updates building design standards to promote compatible growth and |
| and building | consistency with residential patterns. |
| design | Establishes design standards for Houseplexes, Backyard Buildings, |
| | Rowhouses, Courtyard Housing, and Multiplexes, focusing primarily on |
| | residential patterns rather than architectural style. Establishes maximum |
| | building width and depth for each housing type. |
| | Additional standards address design features including amenity space, non- |
| | residential uses, corner lots, large sites, fencing and walls, utilities, and |
| | building articulation features. |
| Parking and | Promotes walking, biking, and transit by locating denser housing within |
| transportation | walking distance of schools, parks, Centers, and transit. |
| | Reduces required parking quantities in UR Districts, with less parking |
| | required in each consecutive district (1 stall per unit in UR-1, 0.75 per unit in |
| | UR-2, and 0.5 stalls per unit in UR-3). Parking can be further reduced |
| | through bonuses. No parking is required for Accessory Dwelling Units or for |
| | non-residential uses in UR Districts. Establishes several exceptions to |
| | parking. |
| | Expands the existing Reduced Parking Area (RPA) to UR Districts located |
| | within ½-mile walking distance of Major Transit Stations and major transit |
| | corridors. Within the expanded RPA, no parking is required except for |
| | accessible stalls. |
| | |
| | Reduces required driveway widths and parking stall dimensions and increases the proportion of compact stalls allowed in order to make more |
| | increases the proportion of compact stalls allowed in order to make more |
| | space for housing, trees and other features. |
| | Updates bicycle parking requirements to require long-term bike parking for The project of the project |
| | residential development with 1 to 5 housing units, which may be located |
| | within units. Updates bike parking standards to incorporate best practices. |
| | Updates pedestrian access standards, reducing the required walkway widths |
| | in some circumstances. |
| Unit Lot | Implements state law mandating that cities allow separate ownership of |
| Subdivisions | individual middle housing units by authorizing unit lot subdivisions (ULS). |
| | ULS subdivisions are a way to divide property for separate ownership, |
| | potentially with shared access, utilities, infrastructure, and site features. |
| | Creation of new "unit lots" is permitted, provided the "parent lot" meets the |
| | minimum area, width, and other standards. |
| | Design and site standards generally apply to the "parent lot", rather than to |
| | the individual "unit lot". |
| Trees and | Broadens tree planting and retention requirements so that new housing |
| Amenity | supports Tacoma's urban canopy goals, while trees promote infill |
| Space | compatibility. The proposal makes room for tree retention by reducing |
| | setbacks, parking, and amenity space. |
| | Requires planting new trees, retaining existing trees, or a combination for all |
| | development to meet minimum "Tree Credits". Tree Credit requirements |
| | are on a sliding scale, with fewer requirements in higher UR Districts (ranges |
| <u> </u> | |

from 35% to 25% of site area). A fee in lieu of tree planting is available in cases when meeting the required credits is infeasible and a variance is approved, down to minimums established for each UR District. No parcel may be below 20% tree canopy coverage in an Urban Residential (UR) zone.

- Requires tree retention for existing mature trees over a certain size and requires payment of a Canopy Fee if such trees are removed. Removal over 18 inches requires approval of a variance. Offers flexibility for setbacks and other standards to facilitate tree retention.
- Authorizes reduction of required parking if it is demonstrated that parking requirements make it infeasible to meet tree requirements.
- Requires street trees for all residential development, which can in some cases count toward onsite tree credit requirements.
- Increases standards to promote tree health and longevity, including required soil volumes, requiring climate adaptive and a proportion of required landscaping to be native species.
- Requires amenity space on a sliding scale as a percentage of site area, with less required in higher UR Districts (ranges from 10% to 5% of site area).

Bonuses for affordability and building retention

- Offers two levels of optional development bonuses intended to support the construction of housing that meets one of two public benefits.
- Bonus 1 is available in exchange for dedicated affordability of two (or 20%)
 of units for a 50-year period, or payment of a fee in lieu; or, for building
 retention while adding additional units to the site.
- Bonus 2 is available in exchange for dedicated affordability for all units in the project for 50 years at a deeper affordability level. No fee in lieu is available.
- For affordability bonuses, one unit within the project must meet "visitability" standards.
- Updates the administrative process for affordability bonuses and requires a programmatic review once every three years.
- Expands the Residential Target Area, where the Multifamily Tax Exemption (MFTE) Program is available, to include all Mid-scale and Multifamily High-Density areas on the Comprehensive Plan Future Land Use Map. The MFTE may be combined with the other bonuses.

Other Work Products

HIT 2 also includes additional work products associated with the Zoning and standards updates. These include several studies and engagement summaries developed to support the HIT 2 analysis and detailed below. In addition, the City is currently developing several work products intended to support implementation, including:

- A package of access and utilities standards to support middle housing development.
- An update to the Urban Forest Manual in association with the landscaping code components of the project.
- Updated residential permitting materials and permit processes.

Other regulatory, nonregulatory and programmatic actions are detailed in the Draft Environmental Impact Statement.

C. FINDINGS OF FACT - PART 1: BACKGROUND

1. Comprehensive Plan and Land Use Regulatory Code

The *One Tacoma* Comprehensive Plan, updated in 2015 by Ordinance No. 28335, is Tacoma's comprehensive plan as required by the State Growth Management Act (GMA) and consists of several plan and program elements. As the City's official statement concerning future growth and development, the Comprehensive Plan sets forth goals, policies and strategies for the health, welfare, and quality of life of Tacoma's residents. The Land Use Regulatory Code, Title 13 of the Tacoma Municipal Code (TMC), is the key regulatory mechanism that supports the Comprehensive Plan.

Home In Tacoma – Phase 1

The Home In Tacoma Project, which consists of two phases, is intended to increase housing supply, affordability, and choice for current and future residents as part of Tacoma's Affordable Housing Action Strategy. "Home In Tacoma Phase 1" (Phase 1) was completed in December 2021 and included amendments to the One Tacoma Comprehensive Plan (One Tacoma Plan), enacting changes to Tacoma's housing growth strategy, policies, and programs, along with near-term code and programmatic actions. A key component of Phase 1 was to adopt a new Future Land Use Map, which replaced all Single-Family and Multifamily Low-Density land use designations with Low-Scale and Mid-Scale Residential. Additional information regarding Phase 1 can be found in City of Tacoma Ordinance No. 28793. Ordinance 28793 also initiated this second phase of policy work and public engagement to develop zoning, standards, programs, and other implementation steps. The following is a high-level summary of the HIT 1 policies:

NEW HOUSING GROWTH VISION

Utilize housing growth to create neighborhoods that are inclusive, welcoming to our diverse community, resilient, thriving, distinctive and walkable, with robust community amenities and a range of housing choices and costs.

The **new vision** promotes increased housing choice in vibrant, walkable neighborhoods. To support this vision, the package includes policy to:

- Increase housing options throughout the City.
 - Renew Tacoma's longstanding vision for housing growth Downtown and in Centers
 - o Expand Missing Middle housing options in Tacoma's neighborhoods.
 - Plan for the impacts of growth on urban infrastructure such as sidewalks, traffic, and utilities
- Ensure that new housing is well designed and complements Tacoma's distinctive neighborhoods.
 - Use design standards to ensure that infill complements neighborhood scale and patterns.
 - o Provide for smooth transitions from low-scale to higher scale areas

- Protect the character of historic districts and promote reuse of existing structures.
- Evolve our housing vision to be more inclusive of all members of our community.
 - o Address inequitable access to opportunity in Tacoma's neighborhoods.
 - Shift regulatory language away from "family" to allow households to define themselves.
 - Address lingering impacts of systemic racism and facilitate homeownership and wealth-building opportunities for people of color.
 - Promote accessibility for people of different physical abilities.
- Recognize that housing is a fundamental building block of community that affects multiple goals.
 - Promote housing in Tacoma as an alternative to urban sprawl.
 - o Build sustainable and resilient housing to address the climate emergency, urban forestry goals, and protect the health of the Puget Sound.
 - Promote infill in walkable areas with transportation choices to reduce car dependency.

In addition, per Ordinance 28793, the Phase 2 scope of work will include:

- 1. Zoning changes for Low-scale and Mid-scale Residential designations
- 2. Strengthened design and development standards (including height, size, yards, etc.)
- 3. Development of an anti-displacement strategy
- 4. Enhancement and expansion of regulatory affordability tools
- 5. Actions to ensure that infrastructure and services are adequate to support growth.
- 6. Actions to address the potential demolition of viable structures.
- 7. Actions to create green, sustainable, and climate-resilient housing.
- 8. Actions to promote physical accessibility.
- 9. Potential view protections in areas where they do not currently exist.
- 10. Review of City of Tacoma permitting and processes.
- 11. Education and technical support for developers and the public.

A more complete summary of adopted policy direction is included in the <u>2022 Phase 2 Scope of Work</u> <u>and Assessment Report</u>.

In addition, HIT 2 is related to and partially implements several related City ordinances and resolutions, including the following:

- Resolution No. 41358 affirming and adopting the Anti-Displacement Strategy as a guide for
 options regarding how the City can address displacement of Tacoma residents from their homes
 and communities. HIT 2 implements parts of the Anti-Displacement Strategy which relate to the
 zoning code and affordability bonuses.
- Resolution No. 41259 directing the Planning Commission to review TMC 13.06.080, entitled
 "Special Use Standards", to consider modifications to home occupation standards for the
 purpose of expanding opportunities to microbusinesses. HIT 2 implements the direction of this
 resolution by integrating extensive new flexibilities for non-residential uses located in UR
 Districts.

2. Planning Mandates

The Growth Management Act (GMA) requires that any amendments to the Comprehensive Plan and/or development regulations conform to the requirements of the Act, and that all proposed amendments, with certain limited exceptions, shall be considered concurrently so that the cumulative effect of the various changes can be ascertained. Proposed amendments to the Comprehensive Plan and/or development regulations must also be consistent with the following State, regional and local planning mandates, and guidelines:

- The State Growth Management Act (GMA);
- The State Environment Policy Act (SEPA);
- The Puget Sound Regional Council's VISION 2050 Multicounty Planning Policies;
- The Puget Sound Regional Council's *Transportation 2040*, the action plan for transportation in the Central Puget Sound Region;
- The Puget Sound Regional Council's Subarea Planning requirements;
- The Countywide Planning Policies for Pierce County;
- TMC 13.02 concerning the procedures and criteria for amending the Comprehensive Plan and development regulations.

In addition to the above, State legislation that was passed directly related to Home In Tacoma have also been taken into consideration. The HIT 2 proposals have been crafted to meet the housing mandates of recent bills to the extent that they apply to development standards, as summarized below:

• HB-1110 Middle Housing Bill (2023)

- Increasing middle housing in areas traditionally dedicated to single-family detached housing.
- Minimum 4 units per lot, with bonuses for affordable housing and proximity to major transit stops.
- Specific limitations/allowances regarding housing types, parking, other development standards, design review, permit processes, subdivisions, and covenants.
- o Allowance for "substantially similar" approach to be approved by the State.

• HB 2321 Modifying the Middle Housing Requirements (2024)

- o Follow-up/clarification bill for HB-1110 (from 2023).
- Clarifies that the definition of "major transit stops", impacting middle housing minimum density requirements, includes Bus Rapid Transit stops that are under construction.
- Clarifies that the exemption from minimum density requirements for lots with critical areas or their buffers is limited to that portion of a lot, parcel, or tract with a critical area or buffer.

HB-1337 ADU Support Bill (2023)

- Easing barriers to the construction and use of ADUs.
- Cities must allow two ADUs per lot with specific limitations/allowances regarding size, height, setbacks, infrastructure, impact fees, design standards and ownership.

• SB-5412 Expanded SEPA Exemptions for Infill (2023)

- o Reducing local governments' land use permitting workloads.
- Significantly expanded SEPA exemptions for all projects with one or more residential units. Adoption of the Plan and Code must meet certain State review criteria (including an EIS).
- SB 5235 Prohibits Zoning Limits on Housing Occupancy (2021)

- o Increasing housing unit inventory by removing limits on housing options
- Required to allow ADUs, cannot require parking for ADUs on lots within 1/4-mile of a major transit stop, and generally cannot require owner-occupancy of the ADU or main home.
- May not regulate or limit the number of unrelated persons that may occupy a
 household or dwelling unit, except for occupant limits on group living arrangements
 regulated under state law, on short-term rentals, and occupancy limits within the
 applicable building code.

HB 1998 Supporting Co-Living Housing (2024)

- o Legalizing inexpensive housing choices through co-living housing.
- Required to allow co-living housing on any lot located within an urban growth area that allows at least six multifamily residential units.
- Prohibits imposing certain regulations or restrictions on co-living housing, such as requiring parking within 1/2-mile of a major transit stop or requiring standards that are more restrictive than those applicable to other allowed multifamily uses.

SB 6015 Residential Parking Requirements (2024)

- Certain limitations/requirements relative to parking for residential development.
- Cannot require parking to be enclosed/covered.
- Tandem parking must be allowed.
- Existing, non-conforming gravel parking (up to 6-stalls) shall be allowed to meet parking requirements.
- Grass block pavers shall be allowed for required parking.
- o Parking spaces may not be required to exceed 8 feet by 20 feet (except for ADA stalls).
- Existing parking spaces that don't conform to these standards shall not be required to be updated (except for compliance with ADA).
- Cannot require off street parking if compliance with tree retention requirements would otherwise make the development infeasible.

• HB 2071 Studying Building and Energy Code Adjustments for Residential Housing (2024)

- Directs the Washington State Building Code Council to convene two technical advisory groups: one to recommend changes needed to apply the Washington State Residential Code to multiplex housing and another to recommend changes needed to the International Building Code to allow smaller dwelling units.
- Requires the Office of Regulatory and Innovation Assistance to contract for the development of an optional standard energy code plan set that meets or exceeds all energy code regulations for residential housing subject to the International Residential Code

• HB 1220 Planning for Affordable Housing and Supportive Housing (2021)

- The GMA Housing goal is updated to require jurisdictions to plan for and accommodate affordable housing, rather than just encourage availability.
- In addition to planning for overall residential growth, local comprehensive plans must now:
 - Identify sufficient land and zoning capacities for housing including moderate, low, very low, and extremely low-income households, emergency housing, emergency shelters, and permanent supportive housing.
 - Identify programs and actions needed to achieve housing availability, including gaps in local funding, barriers such as development regulations, and other limitations.

- Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, and implement policies and regulations to address and begin to undo such impacts.
- Identify areas at higher risk of displacement and establish anti-displacement policies.
- Allow for moderate density housing options in addition to single-family residences.

How HIT 2 relates to state mandates:

HIT 2 brings the City into full compliance with recent housing-related and parking-related state laws listed above, to the extent that the apply to development regulations. In addition, HIT goes further that these state laws in notable ways by exceeding the minimum residential densities mandated by the state, and by integrating additional considerations related to middle housing design, urban forestry, building retention, and other considerations.

3. Planning Commission process

Pursuant to the Tacoma Municipal Code, Section 13.02.070 – Adoption and Amendment Procedures, applications may be submitted by City departments or governmental entities, including the Planning and Development Services Department, and subsequently forwarded to the Planning Commission for their assessment. The Planning Commission decides whether to accept the application and begin the public review and analysis process. Those applications then receive detailed review and analysis by staff and the Planning Commission and input is solicited from stakeholders and the community. The Planning Commission accepted the *Home In Tacoma Project – Phase 2* and initiated review in early 2022.

D. FINDINGS OF FACT - PART 2: PLANNING COMMISSION REVIEW

1. Process overview

Phase 2 began in 2022, with intensive planning and public engagement starting in January 2023. Following extensive community engagement and adjustments to the initial Home In Tacoma package to accommodate for state legislation, the Commission has focused over the past 6 months on making the detailed decisions regarding zoning, standards, bonuses and other components of the HIT package. The HIT 2 planning process began in early 2022, and has generally been divided into the following stages:

| Timeframe | Project Stage |
|----------------------|--|
| Jan – June 2022 | Project initiation and scoping |
| July – Dec 2022 | Consultant selection, benchmarking, options development, initial stakeholder engagement and analysis |
| Jan – March 2023 | Develop and vet initial zoning and standards framework, Round 1 Engagement |
| April – June 2023 | Develop and vet preliminary Planning Commission recommendations, Round 2 Engagement |
| July 2023 – Jan 2024 | Refine details of HIT 2 package |
| Feb – March 2024 | Planning Commission Public Hearing, Round 3 Engagement |

City Council, Planning Commission, and Taskforce meeting dates:

Over the course of the project, planning staff have presented to or met with multiple City groups, including:

- City Council Study Session (02/22/22, 12/06/22, 05/16/23, 06/20/23, 9/26/23, 11/21/23, 01/30/24, 05/14/24)
- City Council IPS Committee (04/13/22, 05/25/22, 10/12/22, 01/25/23, 03/22/23, 10/25/23)
- Planning Commission (06/15/22, 09/21/22, 10/19/22, 01/04/23, 02/01/23, 03/15/23, 04/19/23, 05/17/23, 6/21/23, 9/6/23, 10/04/23, 10/18/23, 11/01/23, 12/06/23, 01/17/24, 03/06/24, 04/03/24, 04/17/24, 05/08/24, 05/15/24, 6/05/24)
- HIT Phase 1 Planning Commission Public Hearing (04/07/21), recommendations (05/19/21)
- Housing Equity Taskforce (02/10/22, 03/10/22, 9/28/23, 10/26/23)

In addition, staff have presented multiple times to other groups – see the Engagement section, below.

2. Engagement and Consultation:

Scoping Report - Engagement Strategy

The first task of the project was to develop a broad, equitable, communication and engagement strategy consistent with the City's engagement policies in the One Tacoma Comprehensive Plan and Equity Framework. The following were initial focal points for engagement:

Engagement objectives

- Continuous information, education, dialogue-based
- Engaging providing multiple formats, durations and levels of detail to promote broad participation
- Collaborative seeking to promote dialogue across perspectives, with opportunities for people with different perspectives to be heard
- Equitable seeking to ensure that all voices and perspectives are heard and valued
- Informed supported by graphics, visualizations and technical information
- Hybrid combining a range of online and in person formats

Stakeholders

- People seeking housing, homeowners and renters, people experiencing homelessness
- People of diverse incomes, ages, abilities, races, languages and neighborhoods
- Advocacy, religious and business communities
- Housing development community (market rate and affordable)
- Infrastructure and service providers (internal and external agencies)
- Subject matter experts in health, education, equity, and other relevant fields
- The whole Tacoma community

Round 1 Engagement (Jan – March 2023)

Round 1 was primarily an online engagement round intended to develop initial feedback to inform the zoning and standards framework. The City conducted a survey which is summarized in this Housing Choice Survey Results report.

Round 2 Engagement (April- June 2023) was structured around in-person Open House events hosted in each City Council District to present preliminary zoning and standards concepts at the neighborhood level and receive input from community members on key topics and issues in their neighborhoods, including middle housing design, amenities, and affordability as well as the proposed zoning map.

These events were planned to provide community members the opportunity to connect with City Staff and City Council representatives to learn more about the HIT project goals, approach, and timeline and share thoughts on how Tacoma can get housing growth right. The primary objectives were for community members to leave with a better understanding of HIT, to review the initial package of zoning and standards and to be ready to submit comments to the public review process. Staff collected feedback on priorities and key decisions to continue crafting the proposed zoning and standards.

Key Outcomes from Round 2

- Over 1,000 community members engaged at events
- Thousands of comments received
- City Council members at every event
- Interdepartmental collaboration on Home In Tacoma
- Housing Equity Champions at events

Key topics:

- Parking- How will parking requirements change?
- Affordability- How will new housing stay affordable?
- Housing size and style- How will new housing fit with the character of existing neighborhoods?
- Trees and open Space- How can we preserve trees and open space for health impacts?
- State Legislation- How do new rules affect Home In Tacoma?
- Infrastructure- How will the city ensure that housing growth is supported?

Round 3 Engagement (February-March 2024) was the engagement competed as part of the Planning Commission Public Hearing process. The purpose of this engagement was to provide opportunities for community members to learn about the Home In Tacoma Draft Recommendations packet as well as provide input to include in the Planning Commission final recommendations. Community members also had opportunities to ask questions of planning staff an connect with City Council members.

This effort was structured around providing broad notification of the availability of the draft proposal, including mailers, email notices, news release, social media and SEPA and GMA notices and inviting community members to provide comments on the draft package. To do this, City staff shared updates on the process and encouraged comments at community events, presentations, and a series of three inperson informational meetings and one virtual meeting.

Public comments were collected by topic areas: General Comments, Zoning, Parking, Housing Types, Amenity Space and Tree Requirements, Affordability and Retention Bonuses, Unit Lot Subdivision, and Draft Environmental Statement.

Key Outcomes

- 1,500 comments received through various commenting tools
 - 44 Public Hearing
 - o 800 Online Forum
 - o 248 Written Comments
 - 426 Interactive Map

Key Topics

- Views on middle housing, growth, and neighborhood change
- Perspectives on HIT Phase 1 housing growth strategy (Low-scale and Mid-scale Residential Comprehensive Plan designations), state housing mandates, and where in the City housing growth should be prioritized.
- Perspectives on which factors should be considered to designate UR-2 Districts.
- Questions in relation to state zoning mandates and Tacoma's alignment.
- Ideas on heights, setbacks, and general scale of proposed middle housing types.
- Concerns about proposed reductions to required parking, including parking accessibility and the location of the expanded Reduced Parking Area (RPA) and feedback on new bike parking rules and requirements.
- Support for increased homeownership opportunities through unit lot subdivisions.
- Need for additional affordable units at more affordable levels.
- Support for actions that help retain existing buildings.
- Questions about HIT working with View Sensitive areas and restrictive covenants.
- Various perspectives on requiring trees and the tree credits proposal, including stronger tree retention policies, and added flexibilities for development.

3. Analysis conducted for HIT 2

The City completed multiple studies and technical analyses to support the HIT 2 project, including the following:

- <u>HIT Feasibility Analysis Findings</u> (January 2024): Summarizes the housing market analysis that informed the development of the middle housing development standards and the affordability bonus program, including the fee in lieu amounts.
- <u>HIT Site Plan Study</u> (December 2023): Summarizes the analysis of the use of space on typical development sites and how existing and proposed standards, infrastructure and utilities as well as buildings will fit. The study resulted in refinements to the proposals and a package of access and utilities standards updates.
- <u>HIT Landscaping Code Updates Analysis</u> (December 2023): Lays out the existing code audit, benchmarking, and policy options for landscaping code updates. This study informed development of the Public Review Draft landscaping code.
- <u>Existing Conditions Review</u> (Jan 2023): Evaluates existing residential patterns in Tacoma neighborhoods pursuant to development of middle housing standards that will be complementary to existing patterns.

- Regional Benchmarking Report (December 2022): Summarizes how several benchmark cities have integrated middle housing and affordability bonuses into their zoning and standards.
- View Sensitive District expansion study (available upon request): Per Ordinance No. 28793, the Planning Commission studied the potential to expand the View Sensitive District to additional areas, including East Tacoma. Though the study did find there are limited areas in East Tacoma with views comparable to areas already within View Sensitive Districts, the extent of those areas is relatively small, and further consultation would be needed with the residents and property owners than was feasible through the HIT 2 process. The Commission did not include any expansion of the VSD in their recommendations.

In addition, the <u>Home In Tacoma Draft Environmental Statement</u> provides robust analysis of the potential positive and negative impacts of the proposal and identifies a range of mitigation actions that the City could pursue.

The HIT 2 process also drew from studies and analysis completed as part of HIT Phase 1, including the following:

- The AHAS (2018) provided the starting point by clearly documenting the community's housing need and setting the objective of adding 10,000 new affordable housing units within 10 years, along with other actions. The AHAS called for inclusionary zoning (Action 1.2) and diverse housing types (Action 1.8) actions which are being implemented through the Home In Tacoma Project.
- The HIT Phase 1 Existing Conditions Report provides an overview of the housing need and development trends. Key findings include:
 - Households are getting smaller as the population ages
 - Incomes have not kept up with housing costs
 - Renters are becoming higher income on average, while the share of lower income households has declined
 - Special populations (residents with disabilities, seniors, single mothers, and people of color) are disproportionately affected by poverty and are especially vulnerable to a changing housing market
 - The shortage of affordable rental units persists
 - Racial and ethnic diversity has increased while disparate trends in homeownership and poverty remain
 - The City's highest opportunity areas are the most challenging to access for low and moderate income households

Key Housing Market Change Indicators, City of Tacoma, 2016-2019

| | | | 2016-2 | 2019 |
|------------------------------|-----------|-----------|-----------|----------|
| | 2016 | 2019 | Change | % change |
| Rental Market | | | | |
| Median rent | \$1,054 | \$1,273 | \$219 | 21% |
| Median renter income | \$40,009 | \$44,809 | \$4,800 | 12% |
| Ownership Market | | | | |
| Median home value | \$239,100 | \$344,500 | \$105,400 | 44% |
| Median owner income | \$76,544 | \$93,765 | \$17,221 | 22% |
| Rental Gaps | | | | |
| Rental gap <30% AMI | -6,055 | -4,897 | 1,159 | -19% |
| Renter households <30% AMI | 9,077 | 7,769 | -1,308 | -14% |
| Rental units <30% AMI | 3,022 | 2,872 | -150 | -5% |
| Cost burden | | | | |
| Owners | 32% | 27% | -5% | |
| Renters | 47% | 49% | 2% | |
| Homelessness (Pierce County) | 627 | 544 | -83 | -13% |

Source:

 $2016 \ and \ 2019 \ 1-year \ ACS; \ Pierce \ County \ Point-in-Time \ County \ 2016 \ and \ 2019; \ Root \ Policy \ Research.$

The <u>Housing Action Plan</u> summarizes the recommended actions to address housing goals and provides long-term implementation guidance. Key findings include:

- Tacoma has taken positive steps to expand housing choice, yet the market has continued to lose affordability, calling on the City to do more
- Diverse (missing middle) housing types can serve as "naturally occurring" affordable housing. While not specifically restricted as affordable, these housing types tend to be relatively affordable by virtue of their smaller size and use of already developed land.
- Allowing diverse housing types can increase housing choice in existing neighborhoods
- However, a range of tools are needed to produce housing affordable at lower incomes

"Housing policies serve a range of needs, and it is important to examine the role of unit production, by unit type, and affordability (or AMI) levels that are possible. The graphic below demonstrates how unit production—and city land use and zoning policies that influence housing types—can influence affordability. The graphic uses a 2-person household, which is closest to the average-sized household in Tacoma: as of 2019, 67 percent of Tacoma households had 2 persons and less.

As the graphic demonstrates:

- Publicly-subsidized and nonprofit housing is critical to meet the needs of households earning less than 50 percent of AMI. Most privately-provided, market-rate housing does not meet this AMI level, including missing middle housing products.
- Newly built multifamily housing, as well older multifamily housing, can serve moderate- to low-AMI levels, particularly when incentives are attached.
- Missing middle products are good solutions for moderately-low income renters and owners who need relatively affordable housing and value these product types."

| \$32,580 | \$35,000 | \$55,000 | \$70,000 | \$85,000 | \$100,000 | \$100,000· |
|--------------------------|---------------------------------------|---|----------------------------|-------------------------|--------------|----------------|
| < 30% AMI | 31-50% AMI | 51-80% AMI | 81-100% AMI | 101-120% AMI | 121-150% AMI | 151%+ AMI |
| THE MAX | I IMUM RENT | YOU CAN | AFFORD IS | | | |
| \$520 | \$870 | \$1,390 | \$1,730 | \$2,080 | \$2,500 | \$2,500+ |
| THE MAXI I | мим номі | PRICE YOU | CAN AFFORD | IS | | |
| \$90,000 | \$150,000 | \$240,000 | \$300,000 | \$350,000 | \$450,000 | \$450,000 |
| HOUSING | TYPES AFF | ORDABLE T | O RENTERS | | | |
| ! Publicly subsidized | | ADU/I | Duplex | | All products | |
| | | New multifamily with incentives | New multifamily | | | |
| | | Older non- | | | | |
| | | subsidized multifamily | | | | |
| HOUSING | TYPES AFE | ORDABLE T | O OWNERS | | | |
| 110001110 | | । :/land trust | Dur | nlex | Townhome | All products |
| | i i i i i i i i i i i i i i i i i i i | | DU | Cott | | 7 iii produces |
| | | | Multi-plex/ Townhome | Multi-plex/ Townhome | Newer SFD | |
| | | | with incentives | Older SFD | | |
| CITY POL | ICY OPTION | S: RENTERS | | | | |
| | | | all multifamily | | | |
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| CITY POL | ICY OPTION | Parking reductions Moderate density bonus Expedited review Inclusionary zo MFTE S: OWNERS | Infill | | | |

E. FINDINGS OF FACT - PART 3: PLANNING COMMISSION PUBLIC HEARING

1. Public Hearing and Information Sessions:

The Planning Commission conducted a public hearing on the Home In Tacoma Draft Proposal on March 6th, 2024. City staff help several in-person and virtual informational events during the public comment period that led up to the Public Hearing date for people to learn about the draft proposal and provide comments. Over 300 people attended these events and all comments received during the comment period and Public Hearing process were posted online, along with an engagement summary and a recording of the virtual event for community member's review.

2. Public Hearing Notification:

Community members were notified of the availability of the Home in Tacoma Proposal and the draft Environmental Statement through broad notice methods and communications

- **Public notice mailer:** The City mailed a postcard notice to over 100,000 addresses of residents and property owners throughout the City of Tacoma. This included the date for the Public Hearing as well as information on informational events and instructions on how to leave comments during the Public Comment period.
- Email notice: The City emailed the notice to over 2,000 individuals who receive regular project updates. The email list includes multiple stakeholder groups including the Planning Commission and City Council contact lists, community groups, transit groups, development groups, affordable housing groups, sustainability and social justice organizations, historic preservation organizations, and individuals who requested to be added. Staff also sent reminder emails prior to the events and other key dates.
- **Social media:** Notice and regular updates were distributed through City and Tacoma Planning social media accounts and displayed on City webpages and banners.
- Web engagement approaches: The City has offered extensive information via the Home In Tacoma Project webpage, as well as a Social Pinpoint online engagement forum and the HIT Interactive Zoning Map.
- Information meetings: The City hosted three in-person events and one ZOOM information session to provide information and answer questions. The ZOOM meeting recording is posted on the project homepage in order to make the information more widely available. Public comments were accepted at the in-person meetings and via online platforms.

Planning staff also presented to the following groups to inform about the draft Proposal as well as to solicit feedback and written comments:

- Bicycle and Pedestrian Technical Advisory Group
- Human Rights Commission
- Landmarks Preservation Commission
- Mayors Youth Commission
- Parking Technical Advisory Group
- Sustainable Tacoma Commission
- Tacoma Area Commission on Disabilities
- Tacoma Permit Advisory Group
- Transportation Commission
- Neighborhood Councils:
 - Central Tacoma
 - Eastside
 - Northeast Tacoma
 - North End
 - West End
- Internal stakeholders: The City regularly updated internal stakeholders including departments and work groups with a role in housing, residential permitting and associated responsibilities.
- External stakeholders and events: The City has presented to the following organizations or tabled at events, including:

- o Annual Martin Luther King Jr. Birthday celebration
- Lincoln Lunar New Year Festival
- Hilltop Action Coalition
- Puyallup Tribe City Interagency Coordination meeting
- Master Builders Association
- Spotlight South Tacoma meetings
- Tacoma Pierce County Affordable Housing Consortium
- o Tacoma Pierce County Association of Realtors
- Tacoma Public Schools School of The Arts (SOTA) class
- o APCC Lunar New Year Celebration
- Tet Vietnamese Lunar New Year Celebration
- Welcome to Tacoma Manitou Annexation Event
- Safe Streets Lincoln area presentation
- UWT Urban Studies Housing Policy in the US
- News media and cross-posting: The City issued a press release on 02/05/24, posted notice in the Tacoma Daily Index and the Tacoma News Tribune, and conducted interviews with the following for broadcast:
 - Cityline Interview
 - o KNKX Public Radio
 - o Notice sent via Tacoma Public Schools Peachjar email updates
 - Home In Tacoma content on TV Tacoma
- Language access: The City offered a summary of HIT information in Spanish and Vietnamese, with additional translation service offered upon request. The city focused on language access at the March 2, 2024, information meeting, partnering with the City's Language Ambassadors Program to invite members from non-English speaking communities and share information in Spanish, Vietnamese, Russian, Ukrainian and Khmer.
- **SEPA and GMA notice**: The City provided the Notice and Draft EIS Notice of Availability to the state Department of Ecology, Department of Commerce, Puget Sound Regional Council, and other agencies, and sent the notices and request for comments to local and state agencies, neighboring jurisdictions, the Puyallup Tribe, Joint Base Lewis McChord, and interested parties.

3. Public Review Documents:

Staff prepared a Public Review Document package for the Planning Commission's public hearing and posted online at www.cityoftacoma.org/homeintacoma. The package includes the following:

- Zoning Map
 - o <u>Interactive Zoning Map</u>
- Summary Sheets
 - Home In Tacoma Overview
 - Zoning
 - Housing Types
 - Parking
 - o Affordability and Retention Bonuses
 - Unit Lot Subdivision

- Amenity Space and Tree Requirements
- Proposed HIT Zoning and Standards
 - HIT Code Changes User Guide
 - HIT Urban Residential Standards- Key Provisions
 - HIT Title 1 Administrative Standards
 - HIT Title 13 Land Use Standards
- Draft Environmental Impact Statement
 - HIT Phase 2 Draft Environmental Impact Statement (DEIS)
- Supporting Documents
 - Public Hearing Notice Mailer (February 2024)
 - o Draft Environmental Statement Notice of Availability (February 2024)
 - HIT Feasibility Analysis Findings (January 2024)
 - HIT Site Plan Study (December 2023)
 - HIT Landscaping Code Updates Analysis (December 2023)
 - HIT Round 2 Engagement Summary (August 2023)
 - o Home In Tacoma Round 2 FAQs (August 2023)
 - HIT Round 1 Housing Choice Survey Results (March 2023)
 - City's Environmental Impact Statement Scope (February 2023)
 - Existing Conditions Review (Jan 2023)
 - Regional Benchmarking Report (December 2022)

4. Public Testimony

At the public hearing on March 6th, 2024, 44 people testified. The Commission received a total of about 1,500 comments via multiple tools during the comment period that ended on March 8, 2024. Staff provided a Comments and Responses Summary at the Commission's April 3, 2024 meeting. This document sought to summarize the comment themes and to provide initial options for changes to the proposals, to inform the Commission's ongoing deliberations regarding recommendations to the City Council. The document outlined the following objectives:

- Summarize comment themes both at a high level and, where possible, specifically
- Provide initial staff recommended changes intended to clarify, address unintended gaps, and make minor refinements
- Outline an initial list of more substantive potential changes that the Planning Commission could consider
- Cue up topics not directly included in the Zoning and Standards package, which the Commission could address in its recommendations letter

The comments expressed a broad range of perspectives, including comments strongly in support and strongly opposed to various topics in the Proposal. To support the Commission's deliberations, staff organized the comments based on overarching topics and called out main points made in comments received under teach topic.

- General comments
- Zoning
- Housing Types & Building Design
- Parking & Transportation
- Unit Lot Subdivision
- Amenity Space and Tree Requirements
- Bonuses (Affordability and Building Retention)

The Comments and Responses document summary does not fully represent the issues raise or reflect every comment received, however, full text of all comments was also included in the materials provided to the Commission and are posted on the Home in Tacoma project website.

F. FINDINGS OF FACT - PART 4: RESPONSE TO PUBLIC TESTIMONY

The comments received at the Public Hearing, as well as comments provided through the public comment period were gathered and shared with Planning Commission and made available to the public via the Home In Tacoma website.

City staff debriefed Planning Commission at the Planning Commission meetings on April 3rd and 17th, 2024 to review the public hearing process and comments received. Staff also and presented potential changes to be made based on the feedback during this process and began the discussion about potential amendments to the Proposal with Planning Commission May 8th and May 15th, 2024. Planning Commission recommended a total of 30 possible amendments, voting to include 20 in the final Home In Tacoma recommendations package.

The following outline summarizes at a high level the public comment themes received by topic, and includes the amendments process included the following list of proposed and accepted amendments. Those accepted by the Commission have been integrated into the recommendations package:

General comments

PUBLIC COMMENTS: A range of views on middle housing, growth, change, state mandates, project timing, and other topics.

PROPOSED AMENDMENTS: None

Zoning

PUBLIC COMMENTS: A range of views on the draft HIT zoning map, factors used to delineate the UR-2 District, densities, Floor Area Ratio, height, setbacks, land uses and permitting processes.

PROPOSED AMENDMENTS:

Zoning Map - Measure UR-2 by walking distance rather than radius.

COMMISSION DIRECTION: Withdrawn

Zoning Map - Adjust UR-2 to apply only to active use parks.

COMMISSION DIRECTION: Rejected

Zoning Map- Adjust UR-2 to apply only to parks 10 acres and active use.

COMMISSION DIRECTION: Rejected

Setbacks- Front setbacks to no less than 10 feet in all zones/bonuses

COMMISSION DIRECTION: Rejected

 Amnesty For Middle Housing – Add a middle housing amnesty provision for existing, unpermitted middle housing to be legalized.

COMMISSION DIRECTION: Accepted

 Residential Businesses- Definition clarification, remove limit on employees who can work there.

COMMISSION DIRECTION: Accepted

Middle Housing- Clarification to definition.

COMMISSION DIRECTION: Accepted

 Accessory Buildings- Clarification that ADUs are no longer a subcategory of Accessory Structures.

COMMISSION DIRECTION: Accepted

• Housing Types and Building Design

PUBLIC COMMENTS: A range of comments regarding construction methods, architectural design, protections for historic districts, and the City's design review process.

PROPOSED AMENDMENTS:

o Building Design – Habitable space definition clarifications.

COMMISSION DIRECTION: Accepted

o Building Design - Prohibited materials (delete section prohibiting T1-11 and similar).

COMMISSION DIRECTION: Accepted

Building articulation - reorganized by topic, clarify and match in menu of options. All
offered items should count as full point articulation features.

COMMISSION DIRECTION: Accepted

Parking and Transportation

PUBLIC COMMENTS: Differing perspectives on the proposed parking reductions and the proposed Reduced Parking Area, general support for driveway width and parking stall dimension reductions and for bicycle parking standards changes, comments about paying for infrastructure cost.

PROPOSED AMENDMENTS:

O Parking- Revise parking quantities (round down)

COMMISSION DIRECTION: Rejected

- Parking No replacement of parking for ADUs, parking for Non-residential Uses
 COMMISSION DIRECTION: Accepted
- Parking Revise parking quantity requirements, change the quantity requirements to whole numbers based on the number of units, and to require slightly higher quantities than the current proposal.

COMMISSION DIRECTION: Rejected

 Waive parking requirement if only one stall required, if there is no alley (unless it is a required accessible stall).

COMMISSION DIRECTION: Accepted

Reduced Parking Area – Use walking distance map to vet the proposed RPA map and remove areas with major barriers.

COMMISSION DIRECTION: Accepted

o Parking - Increase quantity requirements to 50% of the current required quantities.

COMMISSION DIRECTION: Rejected

 Parking- Include Neighborhood Commercial Nodes and R-4/R-5 zones within ½ mile of a major transit stop in Urban Residential Reduced Parking Area.

COMMISSION DIRECTION: Accepted

Unit Lot Subdivisions

PUBLIC COMMENTS: Differing perspectives on the appropriate densities and number of units that should be supported, but general support for ULS as a method to promote ownership opportunities, with comments regarding the appropriate review process and mechanisms to manage shared facilities.

PROPOSED AMENDMENTS:

 Allow ULS subdivision for previously developed sites, even if they don't meet all current/new standards.

COMMISSION DIRECTION: Accepted

• Trees and Amenity Space

PUBLIC COMMENTS: Regarding amenity space - differing views on the appropriate balance between required amenity space and housing, amenity space dimensions and methodology. on how to calculate the amenity space requirement. Regarding trees — differing views on the appropriate balance between housing and trees, strengthen tree retention requirements, promote tree longevity, clarify and strengthen review process for flexibility/exceptions, increase City accountability.

PROPOSED AMENDMENTS:

- Tree credits Change the measure of compliance from tree credits to tree canopy coverage, require each parcel not go below 20% tree canopy coverage in an Urban Residential (UR) zone (variance required), canopy cover minimums for UR-3 changed to be the same as UR-2.
 - COMMISSION DIRECTION: Accepted
- Tree Retention/Canopy Cover Fee- Variance required for any tree over 18" DBH, remove language that exempts fruit trees from tree retention requirements, clarify canopy loss fee for removal of any tree over 6" DBH. Change 'caliper' to DBH.
 - COMMISSION DIRECTION: Accepted
- Tree Flexibility/Exceptions Aligns code with state law to prioritize tree retention over parking requirements. Provides more guidance to determine development hardship.
 Requires that a city arborist approve all variances along with PDS Director.
 COMMISSION DIRECTION: Accepted
- Tree Retention/Maintenance Requires bonding language for trees, requires a landscaping checklist/ maintenance plan be provided by the developer.
 COMMISSION DIRECTION: Withdrawn
- Parking Lot Landscaping Requirements Require landscaping requirements when parking lot alterations affect at least either 25% of the lot or 500 SF of the parking lot (whichever is less).
 - COMMISSION DIRECTION: Withdrawn
- Removal of the exemption for "self-managed agencies".
 - COMISSION DIRECTION: Accepted
- Landscaping Requires all plant species used in landscaping be considered "climate adapted" and that 50% be native or near-native species. Requirements for native /near native species near open spaces or fish and wildlife habitat conservation areas.

COMMISSION DIRECTION: Accepted

- Amenity space Modify amenity space requirement from sq. ft./unit methodology to % of lot methodology, reduce amount, add 1,000 sf cap.
 COMMISSION DIRECTION: Accepted
- Tree mandated percentages will only apply to remaining space on lots "after" building, parking, and amenity space has been developed. Remove Tree Bonuses.
 COMMISSION DIRECTION: Rejected
- Amenity Space- Remove Amenity Space cap of 1,000 sf per lot.
 COMMISSION DIRECTION: Accepted

Bonuses (Affordability and Building retention)

PUBLIC COMMENTS: Differing perspectives on the Multifamily Tax Exemption Program expansion, support for visitability and accessibility requirements, strengthen/remove fee in lieu option for affordability bonuses, support for building retention bonus with different perspectives on how to balance historic preservation, sustainability and other goals.

COMMISSION DIRECTION:

- Establish a required affordability bonus program review every 3 years.
 COMMISSION DIRECTION: Accepted
- PROPOSED AMENDMENT: Integrate visitability into Affordability Bonus proposal.
 COMMISSION DIRECTION: Accepted
- PROPOSED AMENDMENT: Fee in Lieu for affordable housing bonus tied to Consumer Price Index – Urban Housing Markets (Seattle Metro area).
 COMMISSION DIRECTION: Accepted

Additional details on proposed amendments can be found in the Planning Commission's May 8th, May 15th and June 5th packets.

G. FINDINGS OF FACT - PART 5: SEPA REVIEW

HIT Phase 1 SEPA Review

"Home In Tacoma Phase 1" (Phase 1) was completed in December 2021 and included amendments to the One Tacoma Comprehensive Plan (One Tacoma Plan), enacting changes to Tacoma's housing growth strategy, policies, and programs, along with near-term code and programmatic actions. A key component of Phase 1 was to adopt a new Future Land Use Map, which replaced all Single-Family and Multifamily Low-Density land use designations with Low-Scale and Mid-Scale Residential. The City issued a Mitigated Determination of Nonsignificance which is described further in Section 1.2.2 of the Draft Environmental Impact Statement (Draft EIS). Of note, the MDNS called for a robust environmental review to be completed for HIT Phase 2.

HIT Phase 2 Environmental Impact Statement

On February 3, 2024 the City Issued the <u>Home In Tacoma Project Phase 2 Draft EIS</u>. The EIS analysis began with issuance of a Determination of Environmental Significance and an EIS scoping notice in January 2023 and held a public hearing in February 2023. Subsequently the City finalized the EIS scope.

Alternatives Considered

The Draft EIS will evaluate three alternatives: the No Action Alternative, referred to throughout as the Baseline Alternative, and two action alternatives, the Lower Zoning Alternative and the Higher Zoning Alternative. The action alternatives are defined primarily based on the number of new housing units likely to be developed under new zoning designations, as well as associated development standards establishing new density, building size, parking, landscaping, and other requirements, over an approximately 30-year horizon (out to 2050) and described further in Section 2.2 of the Draft EIS. The Baseline Alternative assumes 3,840 new housing units would be constructed, the Lower Zoning Alternative assumes 25,660 new housing units would be constructed, and the Higher Zoning Alternative assumes 53,620 new housing units would be constructed through 2050. Under all of the alternatives, potential growth in Tacoma, including new growth associated with the Proposal, is anticipated to be consistent with the regional growth targets adopted under the Puget Sound Regional Council's Vision 2050.

Elements of the Environment Studied

- Plants and Animals
- Water Resources
- Air Quality and Greenhouse Gas Emissions
- Land Use
- Housing
- Transportation
- Public Services and Utilities
- Parks and Recreation
- Historic, Cultural and Archaeological Resources

Summary of Impacts and Mitigation Measures

At the highest level, the DEIS finds that while growth resulting from the project will have impacts, they will not be significant and adverse. This conclusion is based on determinations that the proposal itself includes steps to reduce impacts; that there are mechanisms in place which could be expanded or strengthened to address the incremental impacts of development; and/or, that remaining impacts are acceptable in order to support the policy direction and project goals. Furthermore, this Draft EIS also identifies possible mitigation measures that could be implemented to further reduce potential adverse impacts or improve environmental conditions.

Home In Tacoma Phase 2 is being proposed within the context of anticipated growth throughout the Puget Sound Region and in Tacoma specifically (VISION 2050). Focusing growth in an already urbanized area, per adopted regional growth policies and consistent with "smart growth strategies," can result in direct and indirect environmental benefits, including minimizing air and water pollution, reducing greenhouse gas emissions, conserving resources, and preserving natural and environmentally sensitive lands. As a result, the Proposal is likely to have beneficial impacts to the environment, in addition to any localized potential adverse impacts identified throughout this Draft EIS.

Under all alternatives, the type of potential impacts would be similar, but the scale of those impacts would vary. For most elements of the environment, the more quickly and the more geographically concentrated future development occurs, the greater those impacts are likely to be.

Some actions that are part of the Proposal, described above and further described in Section 1.2 and 1.4 of the Draft EIS, are aimed at promoting improvement to the environment (such as protection for sensitive areas, a robust urban forest, water and air quality, and climate resilience); promoting infrastructure and mobility goals (such as pedestrian and ADA access, transportation choices and safety for people of all abilities, and efficient and resilient public utilities and services), or at promoting equity (such as improving public health and increasing housing choice and affordability in higher opportunity areas). Although this Draft EIS does not weigh the impacts against the benefits of the Proposal, many of the specific elements of the Proposal could result in a reduction in impacts from the Baseline Alternative or environmental benefits, which is reflected throughout.

As part of the Planning Commission Public Hearing, the City also accepted comments on the Draft EIS. The City received multiple comments related to the Draft EIS analysis and potential mitigation actions. The City SEPA Official is currently formulating responses to those comments, which may include substantive changes to the mitigation actions. The final version of the EIS will be made available prior to City Council action on the proposals.

H. FINDINGS OF FACT – PART 7: HEALTH AND EQUITY IN ALL POLICIES

The Planning Commission finds that the *Home In Tacoma Project* will have a very positive impact on public health. HIT will help to meet the basic need for shelter for more people, and promotes access to housing in locations that promote transportation options, and increases protections and requirements for trees. These are all associated with public health benefits, particularly when compared to the negative health impacts resulting from not being able to access housing or having to settle for housing that substandard or in car-dependent locations.

The City collaborated with the Tacoma Pierce County Health Department to develop a Health Impact Assessment (HIA) on the project, issued in May 2024. The HIA examined the proposals and associated Draft EIS to understand the health impacts associated with increased density, changes in the transportation network, and changes in tree canopy.

In summary the HIA concludes that the project will result in positive health impacts in all three categories. Increase density zoning will result in increased housing options across a large area of the city at more affordable prices and promote walkability. Changes in the transportation network associated with the project will support walking, rolling, cycling and public transit use for everyday transportation needs. And changes in tree canopy cover will offer help reduce respiratory and cardiovascular disease, reduce urban heat and heat-related illnesses, and improve mental health. All three of these impacts are positive in terms of public health. The HIA includes a range of recommendations to further promote public health in association with the HIT project. Finally, the HIA recommends that the City pursue the highest density alternative evaluated under the Draft EIS in order to maximize these public health benefits.

The Commission further finds that HIT has been informed by a concerted effort to engage with under-represented groups to ensure that people who often face the most severe housing challenges have a voice in Tacoma's housing future. HIT will also increase housing options and prices throughout the City, increasing access to opportunity for people with lower incomes.

On June 30, 2020 the City Council adopted Resolution No. 40622 affirming the Council's commitment to comprehensive and sustained transformation of all the institutions, systems, policies, practices, and contracts impacted by systematic racism, with initial priority given to policing. The resolution recognizes that systematic racism continues to exert influence on many sectors, including on housing and access to opportunity, and that this influence has an ongoing inequitable impact. The resolution calls for anti-racism to be a top priority and to work toward reform of institutions impacted by systematic racism for the greater equity and wellbeing of all residents of Tacoma, Washington state and the United States.

Tacoma's Equity Index has demonstrated that there is a correlation between race, housing, and access to opportunity. The **Home In Tacoma** project will integrate the City Council's direction by seeking actions that make progress toward reducing these inequalities. The Equity Index is an interactive tool that highlights the disparities within the City. The Index uses 20 data points to determine where people are not able to access services or where services do not meet the community needs. In addition, the Index is a tool to help city and community partners make Tacoma an inclusive and equitable City to live, learn, work and play. Visit www.cityoftacoma.org/equityindex for more information.

I. CONCLUSIONS:

The Planning Commission concludes that the proposed Home In Tacoma – Phase 2 recommendations are consistent with the *One Tacoma* Comprehensive Plan which calls for implementation of diverse (Missing Middle) housing options in Tacoma's neighborhoods, for expansion of Tacoma's affordability tools, and for the range of related policy actions. The recommendations also implement the City's antiracism and equity, sustainability and transportation goals. These proposals will also help Tacoma to meet its adopted housing growth targets as required under Vision 2050.

The Commission concludes that the proposals reflect community input and provides a well-balanced package that reflects the urgency of housing needs as well as the desire to ensure reasonable compatibility with existing neighborhood patterns, and to balance housing and other goals. The City Council should proceed to adopt the recommendations, and should support the effectiveness of the effort through non-regulatory actions including staffing increases, as well as continue housing and related policy efforts.

The *Home In Tacoma Project* will be a significant step forward on housing. The vast majority of the changes are mandated by the state at this point, so there is no option to retain single-family zoning. That said, the additional actions included in HIT 2 which go above and beyond state mandates are much of what makes the proposal holistic, well-balanced, and reflective of community priorities.

That said, the *Home In Tacoma Project* is not a silver bullet. The Commission also urges the City Council to continue with the ongoing implementation of the full package of AHAS housing actions. Robust action across multiple fronts is needed to address the housing crisis. Finally, the Commission notes that through this effort we have identified other related policy issues which we recommend for study.

J. RECOMMENDATIONS:

The Commission recommends adoption of the *Home In Tacoma Phase 2* recommendations including updated residential zoning and standards, as well as the proposed Zoning, Reduced Parking Area, and Residential Target Area maps. Furthermore, the Commission has provided recommendations for timing, nonregulatory and future policy initiatives in its cover letter. Finally, the Commission recommends that the City pursue the mitigation actions identified in the Draft EIS.

EXHIBITS:

The attached Exhibit Packets include the recommended changes to the Tacoma Municipal Code, recommended Zoning, Reduced Parking Area and Residential Target Area maps, and supporting reports and exhibits outlined in this report.

END