PSRC PLAN REVIEW REPORT & CERTIFICATION RECOMMENDATION

THE CITY OF TACOMA DOWNTOWN CENTER PLANS

JANUARY 14, 2015



BACKGROUND

A major emphasis of the Washington State Growth Management Act (GMA) is the need to coordinate local, regional, and state planning efforts. Within the central Puget Sound region, local governments and the Puget Sound Regional Council (PSRC) have worked together to develop an overall process for reviewing local, countywide, regional, and transit agency policies and plans for compatibility and consistency. VISION 2040, Transportation 2040, and the Adopted Policy and Plan Review Process call for PSRC to review and certify subarea planning efforts of jurisdictions with designated regional centers. This process also provides an opportunity to coordinate and share information related to local and regional planning.

VISION 2040 includes an action (DP-Action-17 and p. 98) for jurisdictions with regional growth centers and/or manufacturing/industrial centers to develop subarea plans for those centers. This expectation has been in place since the PSRC Executive Board adopted its Plan Review Process in 2003. The following report addresses planning requirements and expectations for regional growth centers.

DISCUSSION

In 2013 and 2014, the City of Tacoma completed three subarea plans for its downtown regional growth center. The city's subarea plans focused on South Downtown (adopted December 2013, amended July 2014), North Downtown (adopted October 2014), and Hilltop (adopted May 2014). Downtown Tacoma has been designated as a regional growth center since 1995, and the city has included a downtown plan element in its comprehensive plan for many years. The downtown consists of approximately 1,400 acres located along Commencement Bay and proximate to the Port of Tacoma manufacturing/industrial center. In 2014, the city completed its downtown subarea planning and submitted the plans to PSRC, along with a completed PSRC Reporting Tool. PSRC staff worked with city staff in preparation of this report.

CERTIFICATION RECOMMENDATION

Based on the review of the City of Tacoma's downtown subarea plans, the following recommendation is proposed for action:

The Puget Sound Regional Council certifies that the City of Tacoma's downtown subarea plans address planning expectations for regional growth centers.

¹ The specific requirements for center planning are provided in <u>PSRC's Plan Review Manual</u>, and the process is also described in <u>VISION 2040</u>, <u>Part IV</u>: <u>Implementation</u>. Certification of the jurisdiction's comprehensive plan for consistency with the regional transportation plan, regionally established guidelines and policies, and Growth Management Act requirements for transportation planning is completed through a separate board action.

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Review of Regional Growth Center Planning

BACKGROUND

The success of regional centers lies at the heart of VISION 2040 and the Regional Growth Strategy, and jurisdictions with regionally designated centers are expected to conduct subarea planning for these areas. Subarea planning efforts are reviewed for consistency with the Regional Center Plans Checklist. The review contained in this section follows the format and content established in this checklist, covering the seven major categories (center plan concept, environment, land use, housing, economy, public services, and transportation).

OVERVIEW

The City of Tacoma adopted its three downtown subarea plans in 2013 and 2014. The South Downtown Subarea Plan and Planned Action EIS was a product of the Growing Transit Communities demonstration project, and the North Downtown subarea plan was funded through grant funding from the State Community Economic Revitalization Board. Each of the three subarea plans was developed through an extensive public involvement process and adopted as a new element of the City of Tacoma's Comprehensive Plan. The development and adoption of these subarea plans were independent of, but closely coordinated with, the process for the annual amendments to the comprehensive plan.

These subarea plans accommodate significant growth in the respective subareas of greater downtown Tacoma based on the city's adopted growth targets. The shared vision and common goals of these subarea plans are to anticipate, support, and guide the long-term community and economic development in the respective subareas, through innovative planning and policy interventions, while integrating multiple planning efforts at the federal, state, regional, county, and city levels.

A non-project, "Planned Action" Final Environmental Impact Statement (FEIS) was prepared and issued along with the development and adoption of each subarea plan. These FEISs present the upfront environmental review and cumulative impact analyses for the respective subareas in their entirety, rather than piecemeal analysis on a project-by-project basis, thus eliminating the need for subsequent environmental review associated with site-specific development or redevelopment. Accompanied with the respective subarea plans, the FEISs will provide certainty for future development and simplify and expedite the permitting process to foster high quality urban development.

The subarea plans have slightly different elements, but generally address the planning context, land use, economic development, housing, open space, historic preservation and mobility. The plans focus on goals with specific actions to implement the plan.

CENTER CONCEPT

<u>Vision</u>. The city has adopted a clear vision statement for its downtown center that supports VISION 2040 and the Regional Growth Strategy. Each subarea plan includes a vision statement that describes the center as "a thriving, equitable urban center that offers a rich spectrum of opportunities to live, learn, work, and play." Additional vision statements are included for the subareas that reflect local priorities and opportunities in the subarea.

From the South Downtown's vision statement:

"South Downtown Tacoma will be a vibrant, walkable, mixed-use community that provides a robust range of housing, health care, education, transportation, employment, and recreation choices and is a welcoming home to people of all cultures, ages, and incomes."

The city's vision statement for the overall downtown center emphasizes its role to accommodate employment and residential growth and to serve an important role as a civic and cultural center for the city and the region.

In terms of the economic and residential role, the North Downtown subarea is the economic heart of Tacoma and has a very high percentage of renter-occupied housing compared to surrounding areas.

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The South Downtown subarea has a higher-than-average share of subsidized affordable housing, and is a transit-rich and walkable area. The Hilltop subarea has a wide range of valuable neighborhood resources (e.g., employment, housing, youth, arts, culture, and history) that can be leveraged and built upon to promote community development.

<u>Context</u>. The area is clearly identified as a designated regional growth center in maps and text in the plans. The subarea plans provide an overview of downtown Tacoma in the context of the city, county and region as a designated regional growth center. The plans discuss its regional and local role in accommodating population and employment growth both now and in the future. The subarea plans document relevant multicounty and countywide planning policies and contextualize the plans as further implementing the city's comprehensive plan.

<u>Market Analysis</u>. The plans do not include a specific market analysis for the center, but the subarea plans include land capacity estimates and discussion on recent development trends in the center. The subarea plans include new policies to carry out economic development and marketing for its regional growth center to encourage growth.

ENVIRONMENT

<u>Critical Areas & Sustainability.</u> The subarea plans address sustainability in a manner consistent with VISION 2040. The subarea plans advance sustainability in multiple ways. For example, a notable feature of the South Downtown planning process was a Health Impact Assessment (HIA) conducted by a team of University of Washington graduate students on the South Downtown Subarea Plan. The team identified six health areas of focus for the HIA: Mobility, Economic Security, Food Access, Mental Health and Social Capital, Affordable and Healthy Housing, and Environmental Health. The team concluded that the HIA provides a positive endorsement of the concepts, policies and actions proposed in the South Downtown subarea plan.

The subareas also address environmental remediation for contaminated sites in the downtown area. South Downtown's Brownfields chapter specifically discusses an area-wide approach to remediating and redeveloping brownfields within the subarea.

Open Space. The subarea plans address open space in a manner consistent with VISION 2040. The plans include maps of existing and proposed open space and policies that encourage accessible open space. All subarea plans have an Open Space chapter that provides policy directions for a variety of open space related issues ranging from open space programs, preservation corridors, public realm, greenways, green streets, to community gardens, natural drainage features, stormwater, and native habitat. The Hilltop plan, for example, includes actions to designate a system of coordinated open spaces, conservation corridors, greenways, and green streets to link Hilltop parks and community facilities, and connect Hilltop to adjacent neighborhoods, the Prairie Line Trail, UW-Tacoma (UWT), and the Thea Foss Waterway. The South Downtown plan includes a strategy to enhance and connect the public realm with "a robust network of functional, connected open spaces [that] enhance urban livability and promote economic development." Several policies relate to development of the Prairie Line Trail to convert a former rail corridor into a pedestrian/bicycle corridor and linear park through downtown.

<u>Stormwater Management</u>. The plans support innovative stormwater management in the downtown center. The Hilltop Subarea Plan includes actions to address stormwater management through strategies such as rain gardens, green roofs and walls, bio-filtration swales, and partnerships to develop natural drainage features. The South Downtown subarea plan includes several policies and actions to support innovative stormwater management. Strategies include maximizing integration of natural drainage features in the design of the Prairie Line, allowing private developers to implement natural drainage and rainwater harvesting to meet stormwater requirements, and allowing private development to utilize the right-of-way for natural drainage that serves the development.

<u>Air Quality & Climate Change</u>. The city includes provisions for a multifaceted program to address greenhouse gas emissions and air quality. The subarea plans encourage transit and nonmotorized

access to reduce greenhouse gas emissions, improve air quality, and improve human health and well-being. Modifications to existing zoning in the area allow a more intensive use of the land thereby reducing the area's carbon footprint and resource consumption.

LAND USE

<u>Boundaries & Shape</u>. The subarea plan includes a map of the center boundary and vicinity and depicts districts within the subareas. The South Downtown plan addresses the Dome District, Old Brewery District, UWT/Museum district, and portions of the Foss Waterway and Hillside districts. The North Downtown plan addresses the commercial core, St Helens neighborhood, Stadium District, and northern portions of the Foss Waterway and Hillside districts. Through this planning process, the city adjusted regional growth center boundaries in both the Hilltop and North Downtown subareas.

<u>Growth Targets</u>. A key element of all three subarea plans is to guide residential and job growth in a variety of ways that make full use of downtown Tacoma's capacity for future development. Tacoma's growth allocations for its downtown center are 62,400 people and 42,200 jobs. For each of the three subareas, through EIS alternatives evaluation, development capacity testing, and housing and economic analyses, the final estimated capacities are (numbers rounded-up): 23,600 residents and 22,500 jobs for South Downtown; 12,800 residents and 11,500 jobs for Hilltop; and 39,500 residents and 30,800 jobs for North Downtown.

Existing and Planned Land Use. The subarea plans includes maps indicating existing land uses and zoning in the summary. The plans describe the mix and distribution of residential, commercial, civic and public uses in each subarea. Existing development in the downtown center includes the commercial core of Tacoma, UW-Tacoma, Bates Technical College, a mix of high-rise and mid-rise commercial and residential uses as well as smaller-scale neighborhood residential areas, numerous historic properties, museums and civic buildings, as well as a working waterfront. The plans encourage a mix of uses to create active streets and dense development. The Hilltop subarea planning process included several zoning changes to promote the goals of the plan.

<u>Design Standards</u>. The subarea plans emphasize high quality design that supports transit and pedestrian access. The plans include actions to develop and implement design standards for specific areas, including adjacent to the Prairie Line Trail and to manage the Stadium/Schuster hillside. The Hilltop subarea plan includes an action to "Create and adopt a design overlay for the district that utilizes a hybrid "form-based" approach [...] to better address historic character, pedestrian vibrancy, compatibility and design quality issues within a flexible administrative procedure."

Housing

<u>Total Existing and Targeted Units.</u> The plans document total existing housing units for the subareas, including 4,523 units in North Downtown, 1,594 units in South Downtown, and 1,594 units in the Hilltop subarea. The plan includes population targets for each subarea.

<u>Housing Choices</u>. The subarea plans include policies for at least 25% of the total housing units within each respective subarea to be affordable to households earning up to 80% of the countywide median income. South Downtown incorporates concepts from the city's draft 2013 Affordable Housing Policy and Code Amendments, addressing preservation of existing subsidized housing, housing choices including rooming house/boarding house and single room occupancy units, voluntary housing incentive programs (e.g., density bonuses, lot size reduction, fee waivers, priority permitting, parking reductions), regulatory assistance to developers, housing incentives for rehabilitation, and inclusionary zoning.

The South Downtown plan includes strategies like considering geographically prioritizing Affordable Housing Loans to areas around high-capacity transit stations, Transfer of Development Rights for affordable housing, value capture financing, and surplus land disposition.

<u>Implementation Strategies.</u> The plans address housing implementation and monitoring strategies in a manner consistent with the checklist. The Hilltop plan includes an action to establish an affordable housing monitoring system for the center that includes measures to track and mitigate potential

displacement of current neighborhood residents. The South Downtown plan includes policies to incentivize development specifically around the Tacoma Dome Station and the Link light rail stations. Implementation strategies include partnerships to redevelop city-owned land and prioritizing development of affordable housing opportunities at specific sites.

ECONOMY

<u>Sectors & Industry</u>. The plans describe current economic assets in the center, which include the commercial core of Tacoma, the University of Washington-Tacoma, Bates Technical College, healthcare institutions, arts and cultural institutions, and civic uses. The South Downtown plan, for example, reinforces the important economic role of these major institutions and includes a policy to "facilitate UWT's role as an economic development engine for South Downtown."

Economic Development. The subarea plans include actions that will help stimulate economic development in the downtown center. For example, the North Downtown subarea plan includes actions to proactively collaborate with large employers to attract additional investment, encourage development of Class A office space, and initiate a branding campaign to promote the area. The Hilltop plan includes actions to retrain and recruit businesses that support and can expand health related services and institutions in the neighborhood. In addition, the plan includes actions to expand on opportunities provided by UW Tacoma, Evergreen State College Tacoma, and Bates Technical College; adopt a Business Improvement District to finance coordinated marketing, design, promotion, and improvements to the Hilltop subarea; and promote Hilltop arts and cultural resources. The South Downtown plan includes several policies to market the city's existing assets, such as the arts and cultural resources and the city's historic buildings, to create an appealing environment for creative businesses and their patrons. The subarea has several underutilized properties, and the plan includes strategies to promote interim uses such as food vans or pop-up retail trailers. To promote catalytic residential, commercial, and institutional uses, the plan includes a list of publicly owned properties that have potential as catalyst redevelopment sites.

PUBLIC SERVICES

Existing & Planned Facilities, Including Financing. Information on existing conditions is included in the Planned Action EIS documents for each subarea. South Downtown includes a section on capital facilities in the subarea plan as well. For South Downtown, the Capital Facilities section includes an inventory of existing facilities and a list of priority projects. Policies focus on prioritizing future investments that promote catalytic investments in the center and reduce developer risk. The South Downtown plan includes a policy to "target and coordinate public utility investments in conjunction with any required environmental remediation to reduce developer risk and maximize opportunity in priority redevelopment areas." The South Downtown Capital Facilities chapter supplements the city's overall Capital Facilities program and includes funding strategies and a list of priority projects, with the project status, lead and project rationale. The chapter outlines options for financing, including value capture, local improvement districts, latecomer agreements, and impact fees.

The South Downtown plan calls for identifying "hotspots" where redevelopment opportunities are most attractive and prioritizing infrastructure upgrades in these locations as well as identifying locations at which infrastructure capacity may limit desired future development. In these locations, the plan calls for implementing capacity increases in advance of development. The Hilltop plan calls for developing a district-wide infrastructure plan sufficient to serve anticipated levels of development, including undergrounding power lines.

TRANSPORTATION

<u>Iransportation Network.</u> Each subarea plan contains a Mobility chapter that addresses transportation issues. One of the city's primary goals for the downtown Tacoma regional growth center is to provide a balanced set of transportation choices for residents, businesses, and visitors, with a focus on enhancing alternative, active transportation modes. Each subarea plan provides a detailed description and

analysis of existing transportation systems and traffic conditions, addressing pedestrian, bicycle, transit, roadways, parking, and rail facilities.

A comprehensive list of strategies, actions and projects was recommended in each subarea plan, addressing such subject matters as level of service standards, parking management, adaptive management, engineering codes, monitoring, transportation demand management, development thresholds for impact fees, development thresholds for transportation management programs, complete streets and green streets projects, active transportation projects, transit improvement and connections projects, and parking projects.

Each of the subarea plans feature maps of transit, bicycle, and transit networks and outline a typology of street classification types to provide a framework for incremental improvement of the downtown streetscape. The South Downtown plan includes several strategies to support multimodal transportation, including evaluating the "last mile" to transit to address any bicycle and pedestrian access gaps, prioritizing implementation of Mobility Master Plan projects in South Downtown, and focusing on commute trip reduction, especially for students and faculty in the subarea. The plan also emphasizes improving multimodal connectivity between Thea Foss Waterway and adjacent neighborhoods.

<u>Transit</u>. Each of the subarea plans includes strategies about developing transit-supportive land uses and actively working with transit providers to coordinate and leverage service and investments. The Hilltop subarea plan, for example, includes actions to actively engage with Sound Transit on street designs and station siting and design to support the area's vision and goals. The plan also includes an action to retain and expand Pierce Transit to support employees and residents, particularly in the business core and at major medical institutions.

The South Downtown plan includes policies and strategies that call for the city to coordinate with transit agencies to prioritize future high-frequency transit service, coordinate for future service commitments from Pierce Transit based on the amount and location of desired future redevelopment, and ensure that all planning efforts for the Puyallup Avenue corridor take into account transit agencies' efforts to develop transit corridors connecting future high-capacity transit along Pacific Avenue to the Tacoma Dome Station. An intended outcome of the plan is that more employment and residential development will increase demand for high-quality transit service.

Complete Streets. The downtown plans emphasize safety enhancements and nonmotorized facilities to support access around light rail. The Hilltop plan includes a map of complete street types in the subdistrict and actions to implement street reconfigurations on a priority that focus on the MLK Jr Way business district. The South Downtown plan prioritizes implementation of complete streets on streets that provide connections to stations and other locations. The subarea plan includes a policy to adhere to the city's complete streets policies and design guidelines when streets are new or rebuilt for any reason and seek opportunities to incorporate complete street features as part of street maintenance activities such as asphalt resurfacing.

<u>Context-Sensitive Design</u>. Policies throughout the subarea plans work to advance the urban form and environment desired in regional growth centers. The South Downtown plan notes the city should adhere to its design guidelines when streets are new or rebuilt for any reason, which supports context-sensitive design of facilities.

<u>Green Street Treatments.</u> The plan includes a strategy to create a "Green Street" with natural drainage features on East C Street between East 27th Street and Puyallup Avenue and explore South Holgate Street as a location for natural drainage features that also function as placemaking features for a low-speed, shared street open space.

LOS and Concurrency to Encourage Transit. The subarea plans address LOS standards to support efficient transit service. In the North Downtown plan, for example, Action M-2 notes that the city will set the motor vehicle level of service standard to LOS E and the transit level of service to LOS D. The subarea plan also notes that the designation of key transit corridors will occur as part of the update to the citywide transportation element, currently underway. Treatments that may be utilized to maintain

transit LOS include but are not limited to designated transit-only lanes, transit signal priority, transit queue jumps and treatments at transit stops.

<u>Parking Management.</u> The subarea plans comprehensively address parking management. The North Downtown plan, for example, considers several strategies, including expanding the reduced parking area, retaining and adding on-street parking in the Stadium District, shared parking, vacancy rate management, Parking Benefit Districts, requirements for unbundling parking costs, parking maximums, and a non-residential off-street parking tax. The South Downtown subarea plan includes a policy to manage parking to support transit access and promote transit ridership. Actions to implement this policy include expanding the downtown Reduced Parking Area and avoiding creating more surface parking lots near the South Downtown transit stops. The plan states that, whenever possible, parking should be located below grade or in above grade structures that are wrapped with active street-level uses. The plan also discusses the concept of shared parking, a "park once" approach, and exploring charging for parking in the Tacoma Dome Station garages.

<u>Mode-Split Goals</u>. The subarea plans do not yet include mode split goals for the center. To estimate potential impacts to vehicular traffic and various modes of transportation, including mode-split information, within each subarea and at the regional level, all EIS alternatives were evaluated based on the results of a scenario-specific forecast using the PSRC's Regional Travel Demand Model. Policies in the subarea plans support nonmotorized access, transportation demand strategies, and developing supportive land uses to reduce use of single occupant vehicles.

COMMENTS AND GUIDANCE

The city's planning efforts for its downtown regional growth center are impressive and support a dynamic, pedestrian and transit-friendly center that accommodates new housing and employment growth. The downtown plans establish a clear vision for the area, focusing on growth that can achieve the triple-bottom line objectives of VISION 2040. The plans address existing conditions, clear and specific actions for the city, and the center's role within the city and the region. The city had several noteworthy features as part of these planning processes, including completing Planned Action ElSs for the extent of downtown, completing a Health Impact Assessment for the South Downtown area, identifying catalyst projects in each subarea that can help spur growth, and partnering with major institutions. Collectively, these subarea plans serve as a statement of the city's commitment to and direction for future development in the downtown center and will be valuable examples for other jurisdictions planning for centers.

While the plans address the Regional Growth Center Plan Checklist, some items could be strengthened when the plans are next updated.

- VISION 2040 (MPP-DP-3) calls for the city to establish housing targets for each designated regional growth center based on the citywide housing target. The downtown subarea plans provide population targets for the downtown regional growth center. When the plan is next updated, the city should provide corresponding housing targets for the downtown center.
- VISION 2040 (DP-Action-18) calls for mode split goals for regional growth centers, which have not yet been incorporated in the subarea plans. PSRC recently produced <u>additional guidance</u> about setting mode split goals that the city may find helpful in this work.
- The centers checklist calls for describing or referencing local capital plans for infrastructure. As the city continues to work on subarea planning, the city is encouraged to provide more detail about anticipated costs and projected available revenues to finance projects.

PSRC has resources that may be useful as the city considers future plan amendments and updates. Resources can be accessed online here: http://psrc.org/growth/planreview. PSRC staff is also available to assist with this work.