



INFORMATIONAL MEMORANDUM

TO: Planning and Community Development

FROM: Nora Gierloff, DCD Director

CC: Mayor Ekberg

DATE: June 10, 2022

SUBJECT: Permit Process Streamlining Proposals

ISSUE

Staff is proposing code changes to streamline permit processes related to SEPA environmental determinations, design review, and Zoning Code amendments.

BACKGROUND

The Department of Community Development has been struggling over the past few years to keep up with permit volumes and return to historical permit processing timelines. A combination of factors led to the backlog in development permit processing and longer review cycles including pandemic disruptions, high permit volumes, transfer of staff positions from PW to DCD, and the transition to online permitting.

DCD has taken a variety of steps to address these issues including hiring staff, instituting procedural improvements, and using consultants, however there are additional opportunities for streamlining as we adjust to the new normal.

DISCUSSION

Staff is proposing three areas of code streamlining to reduce staff effort, reduce permit review times, cut down on paperwork, and limit the number of meetings and hearings required. It is likely that these changes will not affect the substantive outcomes of the permit review but instead provide a faster and more predictable experience for our applicants.

SEPA Flexible Thresholds

The [State Environmental Policy Act](#) (SEPA) process identifies and analyzes environmental impacts associated with governmental decisions. These decisions may be related to issuing permits for private projects, constructing public facilities, or adopting regulations, policies, and plans. SEPA can be used to modify or deny a proposal to avoid, reduce, or compensate for probable impacts.

If SEPA environmental review is required it starts with the applicant filling out a standard checklist that asks about the proposal's potential impacts in a variety of areas including earth, water, air, plants, animals, energy, housing, transportation, public services, and utilities. The City uses the checklist to determine whether a proposal's impacts are likely to be significant and this is called a threshold determination. When a checklist is required it can trigger additional notice mailings, waiting periods, and appeal opportunities resulting in a longer and more uncertain permit process.

Certain types of proposals are automatically exempt from the threshold determination because they are a size or type unlikely to cause a significant adverse environmental impact. Examples include minor new construction of residential, commercial or storage structures and minor road and street improvements.

In the past the City has used its local authority to raise the size of projects that require SEPA review so that more applications are exempt. State law now allows us to raise these sizes even higher if we can document that we have existing regulations in place to provide adequate environmental protection, such as critical areas, concurrency, traffic mitigation, and design standards. We very rarely need to use our SEPA authority to condition projects because our regulations give us the tools we need to address impacts. Therefore, I would like to use the process at WAC 197-11-800 1 (c) to raise our thresholds and target our SEPA reviews to larger, more impactful projects.

| Project Type | Tukwila's Thresholds | Maximum Thresholds |
|---|----------------------|--------------------|
| Single Family | 9 | 30 |
| Multi Family | 9 | 60 |
| Office, School, Commercial or Storage Buildings | 10,000 square feet | 40,000 square feet |
| Parking Lots | 40 spaces | 90 spaces |
| Landfill and Excavations | 500 cubic yards | 1,000 cubic yards |

Administrative Design Review

Tukwila has two processes for design review, one administrative performed by staff and another that requires a public hearing by the Board of Architectural Review (BAR, which has the same members as the Planning Commission) after the staff review is complete. Under either type the public is notified of the project by mailing and posting a notice board and the standards and criteria for the design are the same. However, smaller projects can currently take advantage of the simpler administrative process that doesn't require waiting for the next available monthly BAR meeting or the risk that a new group of reviewers may impose additional design changes months into the review.

TMC 18.60.030

C. Design review is required for the following described land use actions:

1. *All developments will be subject to design review with the following exceptions:*
 - a. *Developments exempted in the various districts;*
 - b. *Developments in LI, HI, MIC/L and MIC/H districts, except when within 300 feet of residential districts or within 200 feet of the Green/Duwamish River or that require a shoreline permit;*
2. *Any exterior repair, reconstruction, cosmetic alterations or improvements, if the cost of that work equals or exceeds 10% of the building's assessed valuation (for costs between 10% and 25%, the changes will be reviewed administratively):*
 - a. *For sites whose gross building square footage exceeds 10,000 square feet in MUO, O, RCC, NCC, RC, RCM, and C/LI zoning districts; and*
 - b. *For any site in the NCC, MUO or RC zoning districts in the Tukwila International Boulevard corridor (see TMC Figure 18-9).*
 - c. *For any multi-family structures in MDR and HDR zones.*
 - d. *For all conditional and unclassified uses in the LDR zone that involve construction of a new building or exterior repairs that exceed 10% of the assessed value of the building.*
 - e. *For sites in the TUC Districts see TMC Section 18.28.030.D. for design review thresholds.*
3. *Development applications using the procedures of TMC Section 18.60.60, "Commercial Redevelopment Area."*
4. *Development applications using the procedures of TMC Chapter 18.43, "Urban Renewal Overlay District."*
5. *All projects located within the shoreline jurisdiction that involve construction of a new building or exterior changes, if the cost of the exterior work equals or exceeds 10% of the building's assessed valuation, except the construction of a single family house is exempt.*

While the BAR does provide a community sounding board for new development they have not often made substantive changes to the project designs recommended by staff. The cities of Shoreline, Bellevue, SeaTac, Federal Way, and Kent, among others, all use a completely administrative design review process. Staff has heard from applicants that they would prefer a faster and more certain administrative process for design review which would save them money as well as time. If all design review in Tukwila became administrative appeals of these decisions would change to go to the City's hearing examiner.

As the Planning Commission embarks on the update to the Comprehensive Plan over the next few years agendas will fill up and it will be harder to reserve space at the meetings for timely design review hearings. Staff's substantive review is the same under either process, but noticing the hearings, writing the staff reports, and preparing to present at the hearing are all time intensive activities that don't directly contribute to the goal of high design quality in Tukwila. I believe that we can streamline design review through an administrative process while still achieving the community's design goals.

Zoning Code Amendment Process

Currently Tukwila's TMC 18.80 requires that all changes to development regulations in the Zoning Code follow the same standards as changes to the Comprehensive Plan. This is a lengthy process that requires review by the Planning Commission and at least five public meetings, including two hearings, for even minor amendments. This process is not required by State law and other cities allow the Council to decide whether to send a text amendment to the Planning Commission or address it themselves. For example, see Medina's code below.

16.81.040. - Review procedures.

The following shall apply to processing a text amendment to development regulations:

- A. The city council shall decide whether to review the amendment or direct the planning commission to review the amendment.*
- B. If the planning commission reviews the amendment, after considering the amendment, the planning commission shall vote and forward a written recommendation to the city council.*
- C. The planning commission's written recommendation shall be presented to the city council unchanged and accompanied by a staff report that includes any proposed changes to the planning commission's recommendation. If any proposed changes are substantively different from the planning commission's recommendation, the city council may remand the changes to the planning commission before proceeding further with action on the amendment.*
- D. At least one public hearing shall be held prior to the city council acting on an amendment. The public hearing may be held before the planning commission, the city council, or both.*
- E. City staff shall prepare a report on the amendment to be presented to the hearing body considering the amendment.*
- F. Notice of hearing shall be provided pursuant to MMC [16.81.070](#).*
- G. The city council may approve, approve with modifications, remand to the planning commission for further proceedings, or deny the amendment.*

Allowing the Council the option to act directly on minor changes to the Zoning Code would allow greater flexibility and responsiveness as well as saving considerable staff time. The Council would likely continue to send larger policy issues to the PC for a recommendation but might elect to only require one hearing on the changes instead of two. The type of code language used by Medina allows the Council to customize the review process for code changes to the scale and nature of the proposed change. As an agency action any changes to development standards would continue to be subject to SEPA environmental review.

FINANCIAL IMPACT

Reducing the number of applications subject to SEPA would reduce permit revenue, though we do not recover the full cost of staff time through the application fee. Administrative design review

has a lower fee than public hearing design review, though it would also significantly reduce staff time required for processing. There is no revenue generated from City initiated code changes so streamlining the process would just result in a savings of staff time.

RECOMMENDATION

The Council is being asked to consider the code streamlining proposals and indicate which, if any, they would like Staff to pursue at the July 11, 2022 Committee of the Whole meeting.

ATTACHMENTS

None