**TO:** Tukwila Planning Commission

FROM: Nora Gierloff, AICP, DCD Director

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**DATE**: October 5, 2023

**SUBJECT**: Land Use, Housing, and Centers - Briefing

# **ISSUE**

This agenda item is to brief the Planning Commission at their October 5, 2023, meeting, on background information on reorganization of comprehensive plan update element titles, regional centers and reasonable measures related to housing production in the City of Tukwila.

## **BACKGROUND**

## **Reorganization of Elements**

In an effort to streamline, and more logically distribute content for all users of the comprehensive plan, staff proposes establishing a "Land Use" element, a required element under the Growth Management Act. In previous plans, Tukwila distributed Land Use information throughout the plan rather than consolidating it.

In addition, the 2024 update will see the creation of a "Centers" element, which will combine the two short elements addressing the "Southcenter – Tukwila Urban Center and "Manufacturing/Industrial Center". Staff also proposes removing the "Residential Neighborhoods", "Tukwila International Boulevard", and "Tukwila South" as standalone elements. Policies from these elements will be reviewed to eliminate redundancy, improve clarity, and ensure relevance and legality, and those retained will be generally redistributed as seen as the second image below.

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## **Element Consolidation:**

- Element List (2015 Update)
  - 1. Community Image and Identity
  - 2. Economic Development
  - 3. Housing
  - 4. Natural Environment
  - 5. Shorelines
  - 6. Parks, Recreation and Open Space
  - 7. Residential Neighborhoods
  - 8. Tukwila International Boulevard District
  - 9. Tukwila South
  - 10. Southcenter Tukwila's Urban Center
  - 11. Manufacturing/Industrial Center
  - 12. Utilities
  - 13. Transportation
  - 14. Capital Facilities
  - 15. Roles and Responsibilities

- Element List (2024 Update)
  - Land Use
  - Community Image and Identity
  - Economic Development
  - Regional Centers
  - Housing
  - Natural Environment
  - Shorelines
  - Parks, Recreation and Open Space

Residential Neighborhoods

**Tukwila International Boulevard District** 

Tukwila South

Southcenter Tukwila's Urban Center Manufacturing/Industrial Center

- Utilities
- Transportation
- Capital Facilities

Roles and Responsibilities

## **Element Reorganization:**

- Residential Neighborhoods
- Tukwila International Boulevard District Land Use
- Tukwila South
- Southcenter Tukwila's Urban Center
   Regional Centers
- Manufacturing/Industrial Center
- Roles and Responsibilities

- Land Use & Housing (*primarily*)
- Land Use
- **Regional Centers**
- Community Image & Identity

#### **Regional Centers**

As noted, the 2024-2044 Comprehensive Plan update will consolidate the Southcenter Urban Center Element and the Manufacturing Industrial Center Element into a Regional Growth Centers Element.

As a refresher, regionally-designated Centers are a focal point for the growth management and transportation strategies for the central Puget Sound region articulated in VISION 2050 and the associated regional transportation plan. The intent of this emphasis is to concentrate more of

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the approximately 5.8 million people and 3+ million jobs expected to live in the Puget Sound area by 2050, and to encourage the efficient use of land and infrastructure.

In 2025, the Puget Sound Regional Council will begin to monitor how well Centers are doing at achieving the activity unit thresholds that were established as criteria for designation, and for planning achievement. The City will need to demonstrate that it has planned sufficiently to accommodate and encourage increased development in these areas.

## **Housing Growth Targets & Reasonable Measures**

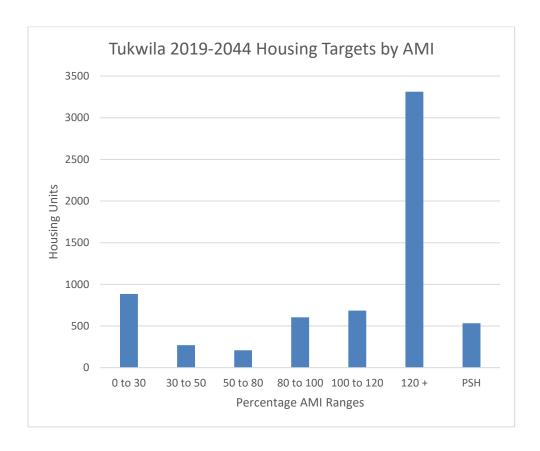
Under the Washington Growth Management Act (GMA) fully planning counties, such as King County, are required to assign housing targets to each jurisdiction in order meet current and projected housing demands. For the period between 2019 to 2044, the housing target for production of new net housing units in Tukwila is **6,500 units**. Based on the rate of housing development in Tukwila from 2019 to present, it will be necessary to build approximately 250 net units to each year until 2044 to meet this target.

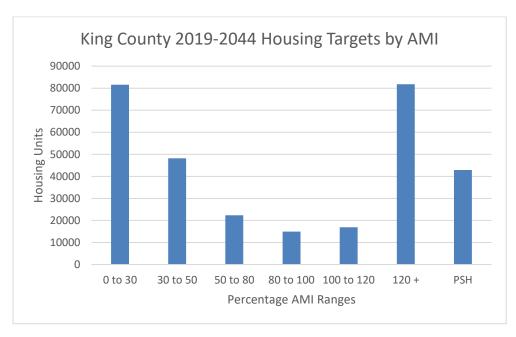
For the first comprehensive planning cycle, jurisdictions will be required to "plan for and accommodate" not only a specific number of housing units, but also show how they plan to accommodate housing units affordable to households within certain area median income (AMI) bands, as well as how to accommodate permanent supportive housing and emergency housing. As seen in the charts below, the largest need for units within King County is at the lowest and highest AMI band, or the least wealthy and the most wealthy households.

At this time, allocations shown for the City of Tukwila are draft number and not yet finalized. The methodology used to determine allocations to individual jurisdictions included factors such as ratio of lower wage jobs to affordable housing units, and how many existing affordable housing units exist. Tukwila's highest growth targets will be in the highest income range, for units affordable to households earning 120 percent of AMI and above; this is similar to much of South King County. Targets also note the number of Permanent Supportive Housing (PSH) units required. Draft numbers will be reviewed at the King County Growth Management Planning Council and passed onto the King County Council later this year.

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As shown in the table below, between 2006 and 2018, only a net of 130 units of new housing units were built in Tukwila. Due to the limited housing growth that occurred in Tukwila between 2006 and 2018, the City has been tasked to provide "reasonable measures" to "encourage and/or incentivize residential development" within the City. These reasonable measures could take a variety of forms, but will need to be addressed and incorporated into the comprehensive plan update and development standards.

The image below from the King County Urban Growth Capacity Report illustrates the relatively slow housing growth within Tukwila over the aforementioned period.

Exhibit 13. Residential Growth Compared to Targets, 2006-2018

City/Jurisdiction	2006 Total Housing Units	2006-2035 Housing Target	2006-2018 Housing Production	2018 Total Housing Units	% of 2035 HU target pace	Remaining 2035 Target	Annual Growth Needed to Achieve Target
Metropolitan Cities							
Bellevue	55,107	20,056	6,591	61,698	79%	13,465	1.3%
Seattle	292,881	99,760	63,675	356,556	154%	36,085	0.6%
Subtotal	347,988	119,816	70,266	418,254	142%	49,550	0.7%
Core Cities							
Auburn	23,602	11,159	3,138	26,740	68%	8,021	1.8%
Bothell	9,522	4,420	2,204	11,726	121%	2,216	1.1%
Burien	19,584	5,150	1,225	20,809	57%	3,926	1.1%
Federal Way	34,560	9,396	2,525	37,085	65%	6,871	1.1%
Kent	43,552	10,753	4,259	47,811	96%	6,495	0.8%
Kirkland	35,556	9,941	3,100	38,656	75%	6,841	1.0%
Redmond	22,790	11,896	4,946	27,736	100%	6,950	1.5%
Renton	36,168	17,231	6,607	42,775	93%	10,623	1.5%
SeaTac	10,301	6,728	548	10,849	20%	6,180	3.4%
Tukwila	7,739	5,626	130	7,869	6%	5,496	4.1%
Subtotal	243,374	92,300	28,683	272,057	75%	63,617	1.4%

## Summary of Neighborhood Workshop Middle Housing Work

As a subconsultant within the 2022-2023 Middle Housing Grant, Neighborhood Workshop analyzed the City's development standards and local market conditions related to development. Using this information potential amendments to development regulations were tested to identify potential financial impacts. Some potential impacts to the cost of a new housing product can be seen on the image below.



## Summary of Transit-Oriented Development Housing Strategies Plan

The Tukwila TOD Housing Strategies Plan was completed in September 2021, and focused on an area within a ½ mile walkshed of the Tukwila International Boulevard Light Rail Station. Although the area of analysis only represented a portion of the City, many valuable findings, including market analyses of encumbrances to market rate development based on current standards were identified. In this process, community outreach included the public, community groups, and developers. That outreach process summarized the challenges, public sentiments and opportunities well:

- "Tukwila has several land use and infrastructure code requirements that are outdated, reflecting the City's suburban past rather than the urban center it is today. This impacts all development potential, but particularly affordable housing.
- Tukwila should provide a diverse range of housing options for people in all stages of life; from new families to single renters, seniors, and intergenerational families, everybody has healthy and safe options for a home in Tukwila.

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- There are slightly different perspectives between residents and developers about the need for parking in the TIB area. While both perspectives agree that there is now, and will continue to be, a need for parking for new residential units, residents feel a much greater need for more parking while developers feel requirements are too onerous.
- In addition to needing more housing (and diverse types), there should more opportunities for home ownership in the form of townhomes and condos. The City should sponsor financial/home-buying educational opportunities so people invest in a home and start to build intergenerational wealth.
- People recognize change is coming, and City staff should immediately begin engaging
  with the diverse ethnic and cultural communities along the TIB. Engagement should be
  meaningful and authentic, involve community leaders, and be conducted by people who
  reflect Tukwila's diverse communities and that can communicate with people in their
  primary (non-English) languages."

Specific recommendations made in the report can be seen in figures 53 and 54 below.

Figure 53. Icons used to denote Recommendation Types

Icon	Recommendation Type				
	Recommendation calls for a zoning or Comprehensive Plan change.  Recommendation can be implemented through the Zoning Code and/or through Comprehensive Plan update and code amendment processes.				
\$	Recommendation calls for a new program. Implementation will require staff and or resources to support new or expanded program operations.				
1501	Recommendation calls for increased partnerships and collaboration.  Implementation will focus on enhancing relationships and securing partnerships.				

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Figure 54. Recommended Actions and Implementation Considerations

Objective	#	Recommended  Action	Recommendation Type	TIB Station Area or Citywide?	Near-term or Long-Term?	Impact to City Resources
Encourage Higher Density Development	A1	Modify Unit Mix Requirements		TIB Station Area	Near-Term	Moderate staff time
	A2	Reduce Parking Ratios		TIB Station Area	Near-Term	Moderate staff time
	А3	Modify Parking Standards for 4- over-1 Development		TIB Station Area	Near-Term	Moderate staff time
	A4	Adjust Recreational Space Requirements		TIB Station Area	Near-Term	Moderate staff time
	<b>A</b> 5	Reduce Step Back Requirements		TIB Station Area	Near-Term	Moderate staff time
	A6	Promote Site Assembly for Smaller Parcels		TIB Station Area	Near-Term	Moderate staff time
Anti-Displacement and Community Stabilization	B1	Consider a 12- year MFTE Program	鸓\$	TIB Station Area	Near-Term	Moderate staff time and lost tax revenue for the duration of the program
	B2	Identify Opportunities to Increase Homeownership	<b>***</b> \$	Citywide	Long-term	Moderate staff time and program funding
	В3	Support Community and Faith-Based Institutions' Efforts to Develop Affordable Housing	<b>***</b> \$	Citywide	Long-term	Moderate staff time and program funding
	B4	Expand Tenant Supports	<b>***</b> \$	Citywide	Long-term	Moderate staff time and program funding

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Objective	#	Recommended Action	Recommendation Type	TIB Station Area or Citywide?	Near-term or Long-Term?	Impact to City Resources
	B5	Monitor and Track Regulated Affordable Housing	<b>***</b> \$	Citywide	Long-term	Some staff time and potential program funding
Anti-Displacement and Community Stabilization	В6	Monitor and Track Unregulated Affordable Housing	\$	Citywide	Long-term	Some staff time and potential program funding
	В7	Offer Tools and Strategies for Housing Preservation	<b>***</b> \$	Citywide	Long-term	Moderate staff time and program funding
	B8	Evaluate a Preservation Funding Program in Exchange for Affordability Restrictions	<b>***</b> \$	Citywide, TIB Station Area Focus	Long-term	Moderate staff time and program funding
	В9	Develop TIB Community Economic Development Strategies	<b>III</b> \$	TIB Station Area Focus	Near-Term	Moderate staff time and budget for consultant study
	C1	Create a TIB Station Area Parking Strategy		TIB Station Area	Long-Term	Significant staff time and program funding
	C2	Connect the Station Area to Parcels South of SR 518	<b>***</b> \$	TIB Station Area	Near-Term	Significant staff time and program funding

## **Leland Consulting Group Preliminary Findings and Recommendations**

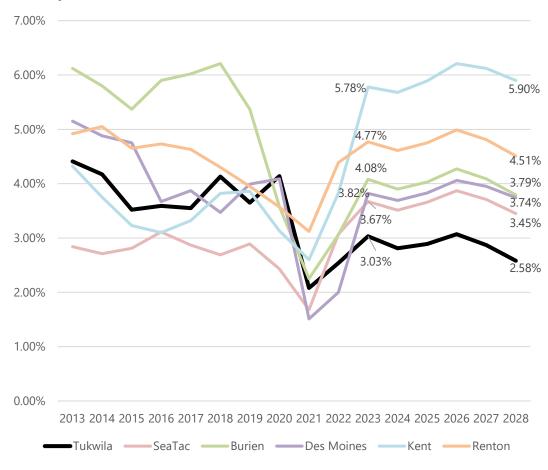
The City is working with period update subconsultant Leland Consulting Group to identify impediments to potential housing development withing zoning allowances and development regulations, primarily within the "MDR" and "HDR" zones.

Though work has not yet concluded, initial findings show potential impediments to develop in lower than expected density allowances, upper-floor stepback requirements, high parking requirements, low height allowances, and high recreation space requirements among other item. The study, also found there is market demand for multifamily development, as indicated in the low current and projected vacancy rates for apartments between 21 and 100 units.

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# Stabilized Vacancy Rates for Buildings with 21-100 Units, South King County (CoStar)



# **ATTACHMENT**

- A. Regional Centers MIC & Southcenter
- B. Land Use, Housing, and Center, PowerPoint Presentation