

REQUEST FOR COUNCIL ACTION

DATE ACTION IS REQUESTED:	TITLE:	TYPE OF ACTION:
July 16, 2007	Proposed Development Moratorium – Tillicum.	✓ ORDINANCE
		RESOLUTION
REVIEW: July 16, 2007	ATTACHMENTS: Draft Ordinance	MOTION
		OTHER

SUBMITTED BY: David Bugher, Assistant City Manager/Community Development Director.

RECOMMENDATION: It is recommended that the Mayor and City Council adopt the attached Ordinance establishing an Interim Moratorium on new residential and commercial development for portions of the Tillicum community.

BACKGROUND: In accordance with policies previously set by the City Council, various city departments have been pursuing the permitting and construction of a new sewer trunk line in portions of the Tillicum community. Many public information requests have been received about the sewer project and redevelopment activity. Additionally, the community development department has on file a pre-application for a commercial redevelopment project on the freeway side of Union Avenue. Community development staff further is in possession of general information of other commercial properties which are in negotiations between potential buyers and sellers; in some cases – not all, staff has information about specific project proposals. Overall the level of activity is healthy. Since incorporation, Tillicum has not experienced this amount of economic and redevelopment interest. Nevertheless, it does present another set of issues.

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ALTERNATIVE(S): 1) The City Council could table action on the Interim Moratorium. 2) The City Council could adopt the Interim Moratorium and modify the geographic boundaries outlined in Exhibit “A.”

FISCAL IMPACT: There is no direct fiscal impact on the City for adoption of this Ordinance; however, indirectly, it does commit significant staff resources to public participation and developing revised land use development regulations. These commitments will result in a shift in the community development department’s work plan. The imposition of a moratorium may affect active property sales and related private party transactions. It could also delay prospective projects some of which may be of a speculative nature.

Prepared by	City Manager Review
Department Director	AGENDA BILL 1363

BACKGROUND: The City Council previously directed the City Manager's office to review a proposal by an architectural/ planning firm, BCRA, entitled, "*Progress! - A Vision for Tillicum.*" The review was to include a report regarding the feasibility and possible implementation of the BCRA proposal. That review will return to the City Council in August in the form of action charts where the City Council will have an opportunity to choose from a menu of "to do" items. The City Council will be provided the opportunity to establish policy and funding priorities on a series of difficult issues that focus on Tillicum. Even though the focus is on one area of the City it has significant repercussions in other parts of Lakewood. This is explained further within the body of this report. In preparing these action charts, certain topics have come to light where existing conditions or future redevelopment proposals could undermine effective planning efforts. It is for these reasons that the City staff is requesting the City Council to consider and adopt an interim moratorium for new commercial and residential development in selected areas within Tillicum.

WHAT ARE THE SPECIFIC CONDITIONS THAT BRING UP THIS DISCUSSION OF A MORATORIUM?

History and Legacy Issues: Many of the concerns are 'legacy issues' and go back to the manner in which Tillicum was subdivided. A review of the 1908 American Lake Tract which established the Tillicum community shows some public streets in different locations and configurations than what are currently depicted on approved City maps and street plan lines. At this moment, the City staff has not had sufficient time to investigate why these changes occurred. There appears to have been a street vacation authorized in 1937 although additional property records research is warranted. The current street rights-of-way are in alignment specific to the main sewer trunk line. However, there may be questions about how the City would install sewer collectors on streets adjoining the main sewer trunk line. This issue is most acute for the southwestern corner of Tillicum.

The same 1908 American Lake Tract also depicts portions of Tillicum having been originally comprised of unusually shaped and narrow lots. Some lots are 25 feet wide and 100 feet long. The City Council has heard staff refer to these types of parcels as 'skinny minis.' These narrow lots comprise 15 acres in Tillicum and are located along the main sewer trunk alignment. Because of Washington State's permissive vested rights doctrine these lots, even though they do NOT meet minimum City standards, are allowed to be redeveloped in a manner which Council members may not entirely appreciate. For example, an existing, older residential structure may straddle several 'skinny minis.' If sewers are brought into the area, it is very likely that the existing residential structure will be demolished and replaced with one new residential structure per 'skinny mini' lot without curb, gutter sidewalk or any type of community design review. This type of redevelopment on these small lots could pose significant land use issues inconsistent with the density and urban design standards contained in the City's comprehensive plan and land use and development regulations. There are ways to fix the problem, but it would require legislative action by the City Council in the form of revised condominium guidelines, new community design standards for small residential lots, and/or forced lot consolidation requirements.

This problem is not unique to Tillicum, but exists in other parts of Lakewood as well. Lake City is experiencing exactly the same type of redevelopment activity. Area residents have complained about the new size of homes and the loss of privacy. What makes Tillicum unique from Lake City is the potential for increased development speculation given the current interest shown here. Nevertheless, the standards anticipated to be applied to Tillicum would also be applied in other residential neighborhoods of the City.

Contemplated Changes in Land Use Designations: One of the items on the action charts is a change in comprehensive plan land use designations and zoning classifications for Union Avenue. Currently both sides of Union Avenue are designated for Neighborhood Commercial development. This designation was regarded as an interim designation until sewers were installed. New commercial land

use designations are contemplated and commercial areas are proposed to be expanded; thus, there are questions as to whether or not the current, and, in some cases, speculative redevelopment projects would be consistent with the intended land use changes.

Utilities, Road Improvements and Public Parking: Other action chart items include creating adopted street plan lines for Union Avenue and Maple Street. These plan lines would set community standards for widening streets and providing for new pedestrian amenities.

Additional action chart items include adopting an undergrounding ordinance and providing mechanisms to promote public parking lots along Union Avenue. Why are these things important? Because Union Avenue is constrained by its own geography. The locations of the I-5 right-of-way, the railroad right-of-way, existing urban development, the freeway interchanges, and military installation egress/ingress create an extremely tight urban, linear core. The built environment needs to efficiently use the limited land that is available. For this core to be economically successful, to promote business development and community livability the City needs to address the overall appearance of Union Avenue and ways to reduce vehicle congestion.

WHAT TYPES OF DEVELOPMENT WOULD BE SUBJECT TO THE MORATORIUM? Licenses, land use and building permits for new commercial and residential development. It would be proposed that new public institutional; new civic type uses; new utilities; new shoreline permits; lot line adjustments and/or parcel mergers; properties previously subject to abatement proceedings; all types of remodels; repairs; additions; demolition permits; tree removal permits; business licenses; home occupation permits (if any); daycare facilities; and mobile home set up permits in existing mobile home parks as authorized by the Tacoma Pierce County Health Department, would NOT be subject to the moratorium.

IF THE COUNCIL ADOPTS A MORATORIUM HOW WILL THE PUBLIC BE KEPT INFORMED OF THIS AND SUBSEQUENT ACTIONS? State law requires the City Council to hold a public hearing within 60 days after the moratorium is adopted. Through the hearing process, the City is thereafter required to adopt findings of fact justifying its action. The City shall include Tillicum property owners, developers, and the community at-large in the development of local regulations concerning redevelopment of this area of the City. Public notice and participation in accordance with the local government's standard practices should be followed.

WHAT IS THE TIME PERIOD OF THIS PROPOSED MORATORIUM? A moratorium is meant to be of a limited duration. The foregoing notwithstanding, the length of a moratorium may need to be longer than six months and in such event the City shall have a hearing prior to the passage of any extension of the moratorium. An extension of the moratorium may be renewed for one or more 180 day periods if a subsequent public hearing is held and findings of fact are made prior to each renewal.

The issues surrounding the reasons for this moratorium involve many property owners who often possess competing interests. Further, the problems which have been outlined above are not easy to resolve. Therefore, the length of the moratorium is proportionate to the Council's political will to move forward and allocate resources to solve challenging issues. Having said that, if a moratorium is established, there is a limited time frame to have revised land use and development controls in place. With sewers projected to come on-line in the spring of 2009, redevelopment activity in Tillicum is projected to be brisk in and around this time frame. New and/or revised subdivision regulations, new community design standards for small residential lots, changes in commercial land use designations, revised utility regulations, new plan lines for selected streets, and methods to address vehicle and parking congestion are paramount topics in need of resolution. Staff would estimate that the length of the moratorium cannot exceed 12 to 14 months if the City Council wants to overlap new codes with projected market conditions.