

COMMISSION AGENDA

Item No: 6D

Meeting: 2/21/19

DATE: February 13, 2019
TO: Port Commission
FROM: John Wolfe, Chief Executive Officer
Sponsors: Commissioners Meyer and McCarthy
Project Managers: Deirdre Wilson, Senior Planning Manager, and
Evette Mason, Government Relations Manager
SUBJECT: Tideflats Subarea Planning Work Plan

A. ACTION REQUESTED

Staff requests the Commission approve the Final Tideflats Subarea Work Plan, which would obligate the Port's financial contribution of up to \$500,000 as identified in the November 14, 2018 Intergovernmental Agreement (IGA).

This request for Commission approval follows the expected approval of the Subarea Work Plan by all other governments participating in the Tacoma Subarea Planning process: Port, Tacoma, Fife, Pierce County, and the Puyallup Tribe of Indians, at the February 8, 2019, meeting held for that purpose.

B. BACKGROUND

The state law Growth Management Act (GMA) requires inclusion of a Container Port Element in the comprehensive plans of qualifying cities and counties, including Tacoma, because:

- “industrial services that together support a critical amount of our state and national economy, including key parts of our state's manufacturing and agricultural sectors, and
- directly create thousands of high-wage jobs throughout our region, and
- “container port services are increasingly challenged by the conversion of industrial properties to nonindustrial uses, leading to competing and incompatible uses that can hinder port operations, and limit the opportunity for improvements to existing port-related facilities⁶

To enable ports to carry out their regional and state economic benefit role, the state further requires that the Container Port element of certain cities, including Tacoma, to include certain content, via a mandatory “Comprehensive plan—Port element”,¹ applicable to the City and

¹ RCW 36.70A.085-Comprehensive plans—Port elements.

(1) Comprehensive plans of cities that have a marine container port with annual operating revenues in excess of sixty million dollars within their jurisdiction must include a container port element.

Port of Tacoma. This State planning law establishes that Tacoma: “must establish policies and programs” to:

- (a) Define and protect the core areas of port and port-related industrial uses within the city;
- (b) Provide reasonably efficient access to the core area through freight corridors within the city limits; and
- (c) Identify and resolve key land use conflicts along the edge of the core area, and minimize and mitigate, to the extent practicable, incompatible uses along the edge of the core area.

Further, state law provides that the Container Port Element must “retain sufficient planning flexibility to secure emerging economic opportunities.” Id.2

On July 22, 2014, pursuant to this new planning requirement, the Tacoma City Council adopted the Container Port Element as a new element of the Comprehensive Plan, as part of the 2014 Annual Amendment to their Comprehensive Plan. The 2014 Container Port Element was created in collaboration with the Port of Tacoma.

On May 9, 2017, the Tacoma City Council approved Resolution 39723 instructing staff to begin the process of completing an Interlocal Agreement with the Port of Tacoma and the Puyallup Tribe of Indians to complete a Tideflats Subarea Plan.

On May 11, 2017, the Port of Tacoma Commission approved Resolution 2017-03-PT instructing staff to begin the process of completing an Interlocal Agreement with the City of Tacoma and Pierce County, and authorizing up to \$500,000 for the planning process.

On December 21, 2017, the Port of Tacoma Commission approved Resolution 2017-12-PT expressing desire for the Port Commission to enter into an Interlocal Agreement with the City of Tacoma, Pierce County, and the Puyallup Tribe of Indians to complete the Tideflats Subarea Plan. This resolution replaces Resolution 2017-03-PT.

On November 5, 2018, the Port of Tacoma CEO signed the Intergovernmental Agreement (IGA), following Commission authorization on September 27, 2018, to participate in funding a subarea planning process for the Tideflats, contingent on the approval of a Work Plan. The Plan Funding Partners in the IGA are: City of Tacoma (\$500K), Port of Tacoma (\$500K), and Puyallup Tribe of Indians (\$200K). Two additional regional partners were added by the IGA, to complete the Steering Committee: Pierce County and the City of Fife.

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- (2) Comprehensive plans of cities that include all or part of a port district with annual operating revenues in excess of twenty million dollars may include a marine industrial port element. Prior to adopting a marine industrial port element under this subsection (2), the commission of the applicable port district must adopt a resolution in support of the proposed element.
 - (3) Port elements adopted under subsections (1) and (2) of this section must be developed collaboratively between the city and the applicable port, and must establish policies and programs that:
 - (a) Define and protect the core areas of port and port-related industrial uses within the city;

On February 7, 2019, the Port of Tacoma Commission held a work session to review the draft Work Plan.

On February 8, 2019, the Steering Committee is expected to approve the Draft Work Plan. The representatives of the participating governments other than the Port have indicated that they have authority to act for their governments at the February 8 meeting. The Port has advised those members that once the Steering Committee approves the Work Plan, the Port will return to the Commission to consider the Plan's approval by a public vote of the full Commission. A special meeting is required, as the IGA deadline for final approval is February 15, 2019.

C. WORK PLAN

Port of Tacoma Staff, in conjunction with Staff from the other four participating governments, negotiated a Work Plan to carry out the Intergovernmental Subarea Plan planning process. The intent of the Work Plan is to provide a clear framework for cooperation and information sharing among the City of Tacoma, the Puyallup Tribe, the Port of Tacoma, Pierce County, and City of Fife, while respecting Tacoma's jurisdiction, role as SEPA lead agency, and existing substantive and procedural obligations under the Growth Management Act, Shoreline Management Act, State Environmental Policy Act (SEPA), and the Tacoma Municipal Code.

The Work Plan also follows the intent of the Intergovernmental Agreement (IGA) between the Port of Tacoma, the Puyallup Tribe, and City of Tacoma concerning cost-sharing for the Subarea Planning in the Tacoma Tidelands (IGA) as executed on November 14, 2018. The IGA calls for participation by two additional governments, Pierce County and the City of Fife. By participating in this Work Plan, the City of Tacoma, the Puyallup Tribe, the Port of Tacoma, Pierce County, and City of Fife do not waive any existing legal rights or responsibilities the governments otherwise possess or may assert with respect to this subject matter, to include consultation with the Puyallup Tribe or collaboration with the Port.

As stated, and agreed to in the IGA, overarching themes to the Work Plan will include:

- Economic Prosperity for All
- Environmental Remediation and Protection
- Transportation and Capital Facilities Plan
- Public Participation and Outreach

Subarea planning allows for the establishment of a shared, long-term vision, and a more coordinated approach to development, environmental review and protection, and strategic capital investments in a focused area. Completion of a subarea plan will support the ongoing eligibility for and prioritization of transportation funding in the Port of Tacoma Manufacturing and Industrial Center, and a well-developed plan for the Tidelands will provide great regional benefit. In addition, subarea planning meets the requirements of the State Growth Management Act which mandates that local comprehensive plans comply with VISION 2040, and directs local jurisdictions having one or more regionally designated centers to prepare a subarea plan for each.

Important to the Port, the Work Plan at Section IV, “Anticipated Outcomes” includes several aspirations which repeat GMA’s Container Port Element directives. And, the Work Plan in Section 5 expressly calls out reference to the Container Port Element:

The Subarea Plan, at a minimum, will address requirements under Washington State law to include State Environmental Policy Act (SEPA) environmental review, Growth Management Act (GMA), Shoreline Management Act (SMA), the Puyallup Land Claims Settlement, **the Container Port Element,**² and elements for certification of a Manufacturing and Industrial Center (MIC) by the Puget Sound Regional Council (PRSC).

The Port will continue to work throughout the Subarea Plan process to find opportunities to carry out the GMA intent to promote the continued growth and vitality of port and port-related industrial activity, in concert with the port’s ongoing activities to protect and enhance the environment.

D. ATTACHMENTS TO THIS REQUEST

- Final Tidelands Subarea Planning Work Plan, dated February 10, 2019
- Comparison of January 30, 2019, Draft Work Plan with the February 10, 2019, Final Work Plan

E. CONTACTS

Port Land Use Planning

Deirdre Wilson, dwilson@nwseaportalliance.com

Port Government Relations

Evette Mason, emason@portoftacoma.com

F. NEXT STEPS

Once the Work Plan is approved by all participating governments of the full Steering Committee, the Project Management Team and Staff Leadership Team will begin the process of advertising for consultant services to assist with the Plan.

Completing the entire consultant selection process is expected to take approximately six months, culminating in contract authorization by the Tacoma City Council following a recommendation by the Steering Committee. Once a consultant is hired, it is anticipated that a Draft Subarea Plan will be complete in approximately two-years.

Staff will provide regular updates to the full Commission. And, if the subarea planning process results in substantive changes to the Container Port Element, staff will bring before the Commission a Resolution for consideration of the revised Comprehensive Plan Element.

² Emphasis added.