

TUMWATER PLANNING COMMISSION

MINUTES OF HYBRID MEETING

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CONVENE: 7:00 p.m.

PRESENT: Chair Elizabeth Robbins and Commissioners Grace Edwards, Terry Kirkpatrick, Nathan Peters, Brian Schumacher, Michael Tobias, and Anthony Varela.

Excused: Commissioner Meghan Sullivan.

Staff: Planning Manager Brad Medrud.

CHANGES TO AGENDA: Chair Robbins added the introduction of newly appointed Planning Commissioner Brian Schumacher.

INTRODUCTION OF BRIAN SCHUMACHER: Chair Robbins introduced and welcomed Brian Schumacher as the newest member of the Planning Commission.

Commissioner Schumacher reported he has lived in Tumwater for several years and previously lived in Montesano, Washington. He owned a business and served on the fire department as an EMT. He currently works in Tacoma and Port Townsend managing a series of pharmacies. He has always been interested in land use and housing issues.

Commissioners provided self-introduction and shared information about their respective professional backgrounds.

**APPROVAL OF MINUTES:
MAY 10, 2022:**

MOTION: Commissioner Peters moved, seconded by Commissioner Edwards, to approve the minutes of May 10, 2022 as published. Motion carried unanimously.

COMMISSIONER REPORTS: There were no reports.

MANAGER'S REPORT: Manager Medrud reported on the Council's recent approval of the final island annexation concluding the annexation of all islands in the City. Staff is preparing formal welcome letters to the newly annexed residents. A formal census of the annexed areas is also required by the state.

Commissioner Tobias expressed appreciation for the City sending welcome letters. He asked whether the City received any opposition from any of the residents recently annexed. Manager Medrud explained that the annexation process included official notification to all residents last November with three different public notifications issued in November and December 2021, and in January 2022. The Thurston County Boundary Review Board also

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issued a series of public notifications through its review process. Approximately 30 individuals provided feedback to staff throughout the annexation process. During the original scoping of the project, staff assumed much more feedback would be received from the residents. Over the course of the annexation process, approximately 11 residents opposed the annexation. Most of the residents who contacted the City wanted answers to various questions. Both annexations totaled approximately 161 acres adding approximately 300 -325 new residents to the City based on household size.

Manager Medrud reported the City Council approved the binding site plan ordinance. The ordinance is effective in July 2022.

The City's new Economic Development Manager, Austin Ramirez, began working on June 1, 2022. Initially, his focus will be on the brewery, Brewery District, and the Capitol Boulevard Corridor to promote development and retain existing businesses. He is also supporting efforts to implement the Habitat Conservation Plan.

ONGOING 2022 PLANNING COMMISSION MEETING SCHEDULE:

Manager Medrud reviewed some changes to the Commission's meeting agendas over the next several months. Because of the delay in hiring a consultant to assist staff with changes to the tree preservation ordinance, the original schedule has been delayed by several months. The review of development code amendments will begin in July rather than in September. At the second meeting in July, the Commission is scheduled to review the final docket of 2022 Comprehensive Plan Amendments. The Commission is also scheduled to receive a presentation on a development review case study. By September, the discussions on tree preservation changes will begin with several worksessions scheduled with the Tree Board.

PUBLIC COMMENT:

There were no public comments.

ORDINANCE NO. O2022-006, PLANNED UNIT DEVELOPMENT:

Manager Medrud updated members on the status of prior reviews of proposed changes to planned unit development codes. At the request of the Commission staff contacted some developers. Of the five contacts, only one developer contacted staff and offered some good comments. The proposal includes additional adjustments to the benefits of planned unit developments.

Planned unit development codes have not been updated since 2000. Based on experience gleaned since the last update, staff has a better understanding of how planned unit developments are used by the development community in the City, but it has been difficult to identify the benefits received by the City from a completed planned unit development. Benefits to the City typically include additional park land, additional critical area improvements, or other benefits in exchange for enabling developers to take advantage of the flexibility afforded by planned unit development codes. Currently, planned unit developments in the City provide a benefit to developers in the

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form of flexibility with existing regulations, but have not provided a quantifiable benefit to the City or the public. The proposed amendments provide developers with some flexibility in addressing existing regulations in exchange for requiring quantifiable public benefits.

Based on the Commission's previous comments concerning scalability of the project, staff recommends the scale of a project should affect the number of tangible benefits required as follows:

- Projects providing 20 or more dwelling units or industrial, commercial, or institutional projects 20 acres or more in size shall provide at least 2.0 points from the list of tangible benefits.
- Projects providing less than 20 dwelling units or industrial, commercial, or institutional projects less than 20 acres in size shall provide at least 1.0 point from the list of tangible benefits.

Chair Robbins asked about the possibility of a developer proposing a 19-unit dwelling unit development to avoid providing tangible benefits. Manager Medrud said he does not believe there would be an issue as some proposals would typically include fewer units. Most developers consider the costs and revenue generation when developing a parcel. Chair Robbins asked whether the proposal is comparable with practices by surrounding jurisdictions. Manager Medrud advised that he would follow up with additional information on how other cities have established thresholds.

Commissioner Edwards asked whether any data are available from developers in terms of the benefits of larger or smaller unit developments. Manager Medrud said that based on prior experience, most developers taking advantage of planned unit development are larger residential projects exceeding more than 20 dwelling units. The main reason for using the method was to take advantage of private street standards. A PUD allows for the use of more private streets, which is an issue for the City in the long-term as the development would be responsible for ongoing maintenance of the private road network, which has become problematic over the long term and often requiring maintenance assistance by the City.

Manager Medrud asked the Commission to consider and provide feedback on the following questions:

1. The type of tangible benefits proposed: should it be more or should some be removed?
2. The points assigned for each benefit: are points too many or too few?
3. The total number of tangible benefits points required: is the number of points required balanced by the sections of the development code where the developer has flexibility?
4. Code modifications allowed: should more be added or should some be removed? Are the code modifications allowed balanced by the

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tangible benefits required?

5. Code modifications not allowed: should more be added or should some be removed?

Manager Medrud reviewed proposed tangible benefits and explained that staff eliminated partial points to simplify the table of tangible benefits. He reviewed tangible benefit points assigned to each action benefitting the City and community. The benefits represent an agreement between the City and developer:

1. 1.0 point to provide superior useable parks and open space.
2. 1.0 to 2.0 points to provide significant public facilities or other public amenities that could not be required by the City for development of the subject property without a planned unit development. *Chair Robbins asked whether the developer must demonstrate that an area allocated for a future school must include a commitment from the school district to use the property for a future school. Manager Medrud said it is likely the City's permitting staff would require some level of commitment; however, because conditions change over time, some level of understanding for future public use should be recorded on the subdivision plat for the property.*
3. 1.0 point for going significantly beyond the minimum requirements for critical area protections to preserve, enhance, or rehabilitate critical areas and buffers.
4. 1.0 point for dedication of a site containing a historic landmark.
5. 2.0 points for incorporation of energy systems that produce energy from nondepletable energy sources that would result in at least fifty percent of the energy needs for the development being met. *Manager Medrud was asked whether any incentive could be included for a developer that utilizes energy sources provided by companies located within Thurston County. Manager Medrud agreed the question deserves some follow-up. He cited the example of the City's purchase of credits from Puget Sound Energy for green energy produced by the wind farm located in south Thurston County.*
6. 2.0 points for residential developments, building passive homes, which meet the Passive Home Institute US (PHIUS) standard that will result in fifty percent or more of the total dwelling units qualifying as passive homes. *Manager Medrud noted the benefit was added based on conversations with a local engineering firm. Including the benefit supports the Climate Mitigation Plan.*
7. 1.0 point for going significantly beyond the minimum required energy efficiency requirements for at least fifty percent or more of the energy needs of the development. *As of 2021, the Climate Mitigation Plan includes goals to reduce emissions. The benefit speaks to the developer going beyond both the building code and the energy code.*
8. 2.0 points for the provision of at least twenty percent of the total

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dwelling units as permanently affordable housing. *Manager Medrud addressed questions about the baseline for permanently affordable housing. The baseline is included in the Housing Action Plan definition section and is tied to incentives established by the Council last year. He believes the index is 80% or less of median income based on HUD guidelines.*

9. 1.0 to 2.0 points for any other public facility, feature, item, project, or amenity proposed by the applicant that the City agrees meets the intent of this section. *Commissioner Kirkpatrick supported the inclusion of this provision as a catch-all for potential benefits that might become available in the future.*

Commissioner Edwards questioned whether the cities of Olympia and Lacey have a similar list of benefits the Commission could review to ensure the City is in alignment with other local jurisdictions. Manager Medrud explained how staff reviewed the practices of the other jurisdictions at the beginning of the process. The issue surrounds minor modifications between each jurisdiction. For example, in some areas, the planned unit development code includes an entire structure that is connected to other codes that the City of Tumwater lacks. The difficulty can be attributed to the lack of a one-to-one comparison.

Manager Medrud reported no changes have occurred to code modifications since the Commission's last review. He invited questions or comments.

Chair Robbins asked whether the developer contacted by staff offered any feedback on code modifications. Manager Medrud said the developer did not offer any comments on code modifications.

Manager Medrud asked the Commission to schedule a public hearing on the ordinance on June 28, 2022. Based on the Commission's recommendation following the public hearing, the recommendation would be reviewed by the General Government Committee and private road standard changes would be scheduled for review by the Public Works Committee. The Council would discuss and review the proposed changes during a worksession followed by the Council's consideration in August 2022.

Commissioner Edwards spoke in support of the proposal. Commissioner Kirkpatrick added that the subjectivity of the proposal is much more preferable than being precise because the intent is to encourage alternative ways of development.

Chair Robbins cited her prior comment as to whether a provision was included for monitoring the use and outcome of the ordinance. Manager Medrud said it is unlikely staff would establish a formal program; however, staff would continue to monitor development occurring in the City, which typically informs staff as to the effectiveness of codes, issues, and whether

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options are or are not being utilized.

Commissioner Schumacher asked about the City's current rate of utilization of planned unit developments. Manager Medrud said utilization of planned unit development is approximately 70% to 80% of all residential development, which is the reason for prompting the review.

Commissioner Kirkpatrick said the application of planned unit development within the City has benefitted both the City and the developer especially when a parcel includes a wetland. The developer is required to protect the wetland while also adhering to buffer requirements as well as a financial goal of including as many housing units as possible by taking advantage of changes in lot sizes and configurations that increases diversity both in lot sizes and houses while also providing land for open space. Manager Medrud noted that some parcels with a limited amount of developable land is one factor influencing the use of planned unit development as well as the City's density requirements, which can be difficult to fit the required number of lots to achieve the City's density requirements. A planned unit development can help to achieve those goals.

MOTION: **Commissioner Schumacher moved, seconded by Commissioner Varela, to schedule a public hearing on June 28, 2022 on Ordinance No. O2022-006, Planned Unit Development. Motion carried unanimously.**

Commissioner Tobias advised that he would likely participate in the next meeting virtually rather than in-person.

Manager Medrud reported on the Council's recent action to reopen City Hall effective July 1, 2022. Another change is the vaccination requirement is no longer in affect. In terms of continuing the provision of a virtual option, City administration will be exploring options, as the hybrid option requires additional staff resources.

Discussion ensued with several Commissioners advocating for continuing hybrid meetings as the pandemic has created changes that likely will affect how meetings are conducted in the future.

NEXT MEETING DATE: The next meeting is scheduled on Tuesday, June 28, 2022.

ADJOURNMENT: **Commissioner Edwards moved, seconded by Commissioner Varela, to adjourn the meeting at 8:07 p.m. Motion carried unanimously.**