

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, Gina Kotek, and Brandon Staff.

Absent: Commissioners Malissa Paulsen and Cody Perez.

Excused: Commissioner Anthony Varela.

Staff: Planning Manager Brad Medrud and Housing and Land Use Planner Erika Smith-Erickson.

CHANGES TO AGENDA: There were no changes to the agenda.

APPROVAL OF MINUTES:
OCTOBER 22, 2024:

MOTION: Commissioner Edwards moved, seconded by Commissioner Staff, to approve the October 22, 2024 minutes as published. A voice vote approved the motion unanimously.

COMMISSIONER'S REPORTS: There were no reports.

MANAGER'S REPORT: Manager Medrud reported on the conclusion of annual interviews with Commissioners. He thanked members for participating. Staff is developing a summary of comments and suggestions for the Commission's review.

Planner Smith-Erickson reported on the completion of a summary of comments from the last stakeholder engagement meeting for the Housing Element.

Manager Medrud noted that the comments received on the Development Administration Ordinance and the Commission's recommendation on the ordinance was presented to the General Government Committee. The committee recommended removing multifamily tax exemption changes because of the Council's plan to consider those changes as part of a larger update next year for the entire program. The program is the only economic incentive to encourage development of more multifamily, affordable housing, and redevelopment along the Capitol corridor and the Brewery District. The program sunsets in 2026 requiring the Council to consider action to adjust, continue, or terminate the program. The state passed legislation expanding a range of options to include eliminating the program.

The General Government Committee also discussed the timing of a

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building permit submittal. Following additional conversations with the City Attorney, the recommendation was revised to retain the current process for land use permits and building permits. To address staff concerns, staff plans to pursue enforcement of existing permit applications that have expired and never completed. Secondly, staff is recommending some changes to the preapplication conference process at the recommendation of the City Attorney to require only one pre-application conference, as a feasibility review is optional at any time. The proposed ordinance for consideration by the Council includes all the changes.

Commissioner Staff asked about the number of pending permits that have expired. Manager Medrud advised that one recent permit was for the new building for the Office of the Secretary of State located off Tumwater Boulevard. The agency's project was on hold pending a federal permit because of the presence of pocket gophers on the property. The agency submitted a building permit package and most of the site package in anticipation that the City's Habitat Conservation Plan (HCP) or its own HCP would be completed. Eventually, the agency abandoned the project. The project is an example of what staff prefers to avoid in the future. Several other projects are contending with either the gopher or another issue.

Commissioner Edwards asked whether addressing expired permits would assist in helping to escalate other project proposals. Manager Medrud explained that placement of a project on hold requires staff action and time to request an application for an extension of the permit, as well as the time and resources necessary to review and approve the extension. That process multiplied by several projects consumes staff resources.

Planner Smith-Erickson said the intent of only one pre-application conference is to ensure that when applications are submitted they are considered complete to reduce the time to request and review missing information.

PUBLIC COMMENT:

There were no public comments.

**ORDINANCE NO. O2024-008,
GENERAL COMMERCIAL
RESIDENTIAL MIXED USE
AMENDMENTS:**

Manager Medrud explained that the proposal is a focused code change in support of an important project in the City. The proposal affects residential zoning districts and aligns with the updates of the development code and the Housing Element.

The amendment modifies the General Commercial zone district. General commercial is the City's highest intensity commercial zone. Most of the retail stores along Littlerock Road are located in the General Commercial zone. The zone currently allows high-rise residential uses of five stories. A project proponent desires more

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flexibility than limiting projects to five stories within the zone. The intent of the zone is to preserve spaces for general commercial uses because commercial space is limited in the City. However, the current commercial market is not actively supporting development of big box retail. Another potential development has the potential to include a mixture of general commercial and residential uses.

The amendments clarify that new multifamily uses in the General Commercial zone district should be part of a larger mixed use development containing both residential and non-residential uses and instead of requiring a minimum height of five stories of the use, sets a minimum density of 40 dwelling units per acre for multifamily uses. The amendments also establish standards for ensuring that both residential and non-residential uses are developed as part of a project. Currently, no minimum density exists for residential uses in the General Commercial zone district, nor is there a requirement that they be a part of a mixed use development. The amendments also simplifies the approval process by removing the requirement for a conditional use permit and public hearing, which in turn addresses the issue of reducing unnecessary barriers to housing.

The proposed code change adds a permitted use within the General Commercial zone district of multifamily residential structures with a minimum density of 40 dwelling units per acre. Currently, no minimum or maximum density is established for residential development in the General Commercial zone. To preserve commercial uses within the zone, the proposal includes an additional requirement that commercial must be part of a mixed use development in the same structure or on the same project site.

Commissioner Kirkpatrick asked about the reason for adding another requirement when the City has been unsuccessful in attracting mixed use development in the City. Manager Medrud explained that the proposal applies only to the General Commercial zone district because of the goal of preserving commercial development within the commercial zone. The intent is to ensure multifamily residential includes commercial uses. The proposal is in response to a development proposal for a mixture of residential and commercial uses; however, the code limits the size to five stories of residential. The proposed change affords time and flexibility for staff to address other issues existing within the General Commercial zone as well as conditional use permit requirements.

Chair Robbins asked whether the revised provisions might limit commercial development to only the ground floor rather than higher floors while maintaining residential in the upper floors. Manager Medrud explained that the proposal is a simplified version of an attempt to define a multi mixed use development. The proposal is a

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new section added to the General Commercial zone. Moving forward, it is possible for some revisions, which likely would occur. In the meantime, the proposal could become a model for the development of desired uses in the Mixed Use zone.

Commissioner Edwards inquired as to whether the cities of Lacey or Olympia have similar processes. Manager Medrud said the City of Lacey has incorporated some of the same changes within corridor planning along Pacific Avenue. Lacey is considering changes to its Neighborhood Commercial zone. The Lacey City Council identified neighborhood commercial areas requiring mixed use. In comparison to the City of Lacey, Tumwater's neighborhood commercial is at a smaller scale. Within Lacey, typical neighborhood commercial ranges in size from five acres or smaller. The change represents a major change because Lacey previously preferred separating commercial and residential uses.

Manager Medrud advised of the two components defining a multifamily residential development. The first is density at a minimum density of 40 units per acre. The second is how the use is designed and placed. It may be included in the same structure as commercial uses. However, there are other options available if a combined structure is not possible.

Chair Robbins asked whether there is some way to ensure a mix of uses. Manager Medrud said that aspect will be part of the future update. Currently, as an incentive, the code includes incentives for affordable housing with requirements for a mixture of bedroom sizes. With respect to the proposal, the focus is only on density.

Non-residential components include minimum percentages. For example, non-residential uses in the same structure must occupy 25% of the total square footage of the structure. Non-residential components include more than commercial uses, such as a library, offices, or other uses. For a four-story multifamily structure, the first story is essentially non-residential uses, or the uses could be distributed elsewhere within the building. A mixed-use project on the same site requires 40% of the development to be non-residential uses.

Planner Smith-Erickson added that there are separate requirements for one structure versus multiple structures on a project site.

Chair Robbins asked whether the City has an upper story limit to account for seismic concerns. Manager Medrud advised that zoning includes limits but does not consider seismic issues. Rather, size is limited for view issues. The General Commercial zone limits building heights.

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Chair Robbins asked about the potential opportunity to serve other interests to promote other forms of development in specific areas of the City, such as senior housing, to take advantage of the proximity of medical facilities. Manager Medrud advised that currently, General Commercial allows senior assisted living units.

Commissioner Edwards asked whether there is any information as to the number of units that would be developed based on the proposed changes. Manager Medrud advised that the 40 units per acre would be the starting point. If the change is approved, it could prompt development proposals of 100+ dwelling units.

Commissioner Staff inquired as to how parking is factored, such as whether parking is altered to account for higher density. Manager Medrud said the proposal does not change any parking requirements. Parking will be part of a future discussion when considering the availability of transit and other modes of transportation.

Commissioner Kirkpatrick inquired about the supply of residentially zoned property to accommodate future growth. Manager Medrud advised that Thurston Regional Planning Council (TRPC) is running different growth scenarios based on increasing densities in particular zone districts to account for the presence of gophers. The City lacks multifamily housing in the City. The concern is that 60% of new housing is for households with incomes of 80% of the area median income (AMI). Most of those households are unable to afford single-family homes.

Manager Medrud advised that the next step is for the Commission to schedule a public hearing on December 10, 2025 following the joint work session with the City Council.

MOTION:

Commissioner Staff moved, seconded by Commissioner Kirkpatrick, to schedule a public hearing on December 10, 2024 following the joint work session with City Council on or about 7 p.m. for Ordinance No. O2024-008, General Commercial Residential Mixed Use Amendments. A voice vote approved the motion unanimously.

FOOD SYSTEM PLAN:

Manager Medrud provided an update on the development of the Food System Plan.

In 2023, some concerns were raised about food distribution processes for food banks in residential neighborhoods. The issue was prompted by code enforcement as trucks were accessing a property with food products distributed using tents on the property to hand out products to people moving through in their cars. The situation involved a non-profit organization providing food distribution. Neighbors were

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affected by the activity of both the food trucks and numerous vehicles picking up products. The Council recommended continuing an ongoing discussion on ways the City could assist in the distribution of food within the community and directed staff to explore community-based agriculture (urban farms) and different ways to assist food banks and others to ensure the community has access to food. The intent was to identify how the City could help others provide food in the community, reduce food waste, and support local food processing at an appropriate scale. The first step was meetings with the Planning Commission and the General Government Committee to review the stakeholder list. The City contracted with Rebecca Potasnik to assist in the development of a Food System Plan. Ms. Potasnik developed a series of questions for the stakeholders to assist in the development of the plan.

Manager Medrud encouraged members to review the list of stakeholders and offer suggestions on other organizations or individuals who should be included. He asked members to review the questions drafted by Ms. Potasnik as well.

Ms. Potasnik will report on the results of the initial outreach in mid-February 2025 followed by updates on the plan.

Commissioner Edwards asked about the scope of services the City is striving to achieve. Manager Medrud said the community conversation would identify current conditions and determine future opportunities rather than defining a specific level of service due to size limitations of the City. The Council directed staff to address community needs.

Planner Smith-Erickson added that the efforts lack any kind of guidance or requirements by the state.

Manager Medrud said Whatcom County undertook a similar process and included food production. The county's plan could serve as a good source of information for the City's plan.

**2025 COMPREHENSIVE
PLAN PERIODIC
UPDATE – DEVELOPMENT
CODE MIDDLE HOUSING:**

Manager Medrud reported the briefing describes the City's approach to address state required middle housing amendments. SCJ Alliance completed an analysis of housing-related legislative changes and the City's development code to identify areas that could be amended. The amendments are in response to the specific requirements in the RCWs that were changed for middle housing. Additionally, a model ordinance was developed by the Department of Commerce. The model ordinance enables municipalities to adopt an ordinance without undergoing additional reviews and analyses of the new requirements. However, the model ordinance includes provisions not necessarily required by the RCWs or introduces many requirements that are less restrictive than the City's existing regulations or conflict with other

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City requirements.

Manager Medrud cited the City's 2020 housing supply for both the City and the urban growth area (UGA). As part of the update process, the City is accounting for population of both the City and the UGA. The allocation afforded to the City divided the figures between the City and the UGA. However, it is not logical to build 1,000 new units in the UGA at the edge of the City and maintain the number of units separately. The distinction between the City and the UGA is imaginary and should consider the entire City and allocate the need throughout the City based on the recent allocation to accommodate growth of over 9,000 new units. The units are further allocated to the different AMI levels.

The City received two numbers for future housing units and population that are not in alignment. For housing units, staff used the most recent census data for household size (number of people per unit) of 2.39 individuals. The 2010 census revealed that the trend of decreasing household size had flipped. Today, the size of households continues to increase not only in Tumwater, but in Lacey and Olympia as well. The population in 2020 from the census was 28,707 (combined City & UGA) people. Multiplying the number of housing units required by household size forecasts a population increase of 21,000. The population projection provided earlier in the process was approximately 13,000 to 14,000 people, which is not based on current conditions. Consequently, the City plans to forecast a population of over 50,000 by 2045. That number is used for planning throughout the Comprehensive Plan.

The AMI is categorized by different income groups of 0% to 30% AMI, 51%-80% AMI, 81-120% AMI, and above 120% AMI. Anticipated housing units for 0%-30% AMI total 1,724 units or 26% of total future need. Most of those units would be rental with a public support component in all markets. Approximately 1,033 units or 15% of the total are needed for 51%-80% AMI of rental units with a public support component in some markets. Approximately 541 units or 8% of the total housing supply are needed for households of 51%-80% AMI through a combination of rentals (incentives needed in many markets) and home ownership (subsidy or incentives needed in many markets). The proposed amendment pertains to middle housing comprised of duplexes, triplexes, fourplexes, courtyards, town homes, middle size multifamily, and large apartment buildings/complexes.

Under new state law, municipalities are no longer able to limit zones to single-family houses only. A primary residential district must allow for middle housing. The City's Single-Family Low and Single-Family Medium zone districts would be eliminated with a proposal to combine the two zoning districts together and renaming the zone as low density

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housing residential followed by changing Multifamily to medium density and high density. Single-family dwelling units will continue to be allowed in all residential zones. Intent language contained in the Comprehensive Plan for those specific districts as well as in the Zoning Code will be revised. Some of the definitions will be modified as necessitated by RCW requirements or for clarity.

The amendment removes references to:

- “Single-family” in land use designations and zone district title
- References to single-family housing being the primary form of development in the zone districts intent statements
- Update the land use designation descriptions in the Land Use Element of the Comprehensive Plan
- Single-family detached dwellings will continue to be allowed in the low-density residential zone districts

The following definitions will be added or modified to TMC Chapter 18.04:

- Administrative design review
- Affordable housing
- Cottage housing
- Dwelling unit density
- Major transit stop
- Middle housing
- Multifamily dwelling
- Quadplex
- Single-family detached dwelling
- Stacked flat
- Townhouse or rowhouse

Two residential zone districts are proposed to be excluded from middle housing requirements as allowed under state law:

- Residential/Sensitive Resource (RSR) zone district: The intent of the zone district is to accommodate and establish low density residential neighborhoods in a manner that is compatible with areas of unique open space character and environmental sensitivity with a minimum density of two dwelling units per acre and maximum density of four dwelling units per acre
 - The zone district is found primarily on the west side of the City in areas with large wetlands and Percival Creek or in the south side where there is high groundwater flooding concerns
 - The zone district currently allows for duplexes and cottage housing
- Manufactured Home Park (MHP) zone district: The

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Manufactured Home Park (MHP) zone district is intended to provide sufficient land for manufactured homes in manufactured home parks.

The City is proposing to add six of nine middle housing building types in its residential zone districts:

- Duplexes
- Triplexes
- Fourplexes
- Cottage Housing
- Townhomes
- Stacked Flats

Planner Smith-Erickson added that staff outreached to the community for feedback on the preferred housing types to include.

Manager Medrud noted that the proposal does not address accessory dwelling units (ADU) as there is a separate state requirement for ADUs. An ADU is not required to be a separate unit but can be part of the main housing unit.

Manager Medrud reviewed density changes in residential zones:

- The permitted dwelling unit density on all lots in the Single Family Low Density Residential (SFL), Single-Family Medium Density Residential (SFM), Multifamily Medium Density Residential (MFM), and Multifamily High Density Residential (MFH) land use designations and zone districts will be two dwelling units per lot.
- Four dwelling units would be allowed per lot if at least one dwelling unit on the lot is affordable housing that meets the requirements of TMC 18.42.160.
- The dwelling unit density requirement does not apply to lots less than 1,000 square feet.

The Citywide Design Guidelines will be updated to ensure the requirements for single-family dwellings are the same as middle housing dwellings. Based on different conversations, staff recommends adding other requirements to address the placement of a fourplex next to a single-family dwelling unit while ensuring the intent of the legislation.

Two accessory dwelling units will be allowed per residential lot, and the maximum area of an accessory dwelling unit will be increased from 800 to 1,000 square feet.

Commissioner Kirkpatrick questioned the process for converting an

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ADU to a condominium. Manager Medrud said City is not involved in the form of ownership or rentals through either regulation or management other than ensuring utility connections are distinct between multiple units. State law now allows for different ownership of an ADU rather than ownership by the primary structure.

To qualify for up to the four additional units under the middle housing affordable housing provisions, the required number of affordable housing dwelling units would be required to be maintained as affordable housing in perpetuity.

As required under state law, off-street parking requirements for middle housing will be:

- 1.0 space per dwelling unit for lots no greater than 6,000 square feet and 2.0 spaces per dwelling unit for lots greater than 6,000 square feet (before any zero lot line subdivisions or lot splits)

As required under state law, the open space required for cottage housing will be equal to a minimum 20 percent of the lot size.

Manager Medrud advised that the next steps include future presentations with more details.

**2025 LONG RANGE
PLANNING
WORK PROGRAM:**

Manager Medrud reported that the City Council approves an annual long range planning work program at the beginning of each year following a joint work session to discuss and review the draft 2025 long range planning work program and the 2025 Comprehensive Plan periodic update.

The long range planning work program is divided into four main categories. The first category addresses long range planning for the Comprehensive Plan, subarea plans, and policy-related documents. The second category addresses all issues pertinent to the development code. Category three are issues that are not aligned with the other categories, such as the Habitat Conservation Plan (HCP), Hazard Mitigation Plan, Food System Plan, and annexations. The last category includes all ongoing meetings with other organizations, such as the Regional Housing Council.

The largest work item in the work program is the periodic Comprehensive Plan update. Staff resources include approximately three FTEs with support from Director Matlock and Senior Planner Alex Baruch.

Recent additions to the Comprehensive Plan Amendment Docket include the Parks, Recreation, and Open Space Plan as the Parks and Recreation Department is on track to receive funding next year to update the plan. The plan is important for the City as it serves as the

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guiding document to determine park impact fees for new development and for siting neighborhood-level facilities (parks & recreation). The plan drives the Capital Facilities Plan for park-related expenditures. The plan was last updated in 2016. The Commission is responsible for reviewing the plan with the Parks and Recreation Commission the primary driver of the plan. Staff also anticipates the hiring of the Assistant City Administrator and an Economic Development Coordinator to restart the update of the Economic Development Plan. The City hired a consultant through the end of June 2025 to complete the update process. The Economic Development Plan was last updated in 2019 prior to the COVID pandemic. Since then, the complexion of the economy has changed, and it is important to identify actions to encourage economic development in the City.

Another addition is the Thurston County Joint Plan update and an associated urban growth area swap amendment. The proposal submitted to Thurston County is to expand the size of the City's UGA at the end of 93rd Avenue and Old Highway 99. The area is currently outside of the UGA and is zoned for rural development. The proposal is to add the area to the UGA to enable the property to be developed. Staff is working with the county on an interlocal agreement to define roles. The process needs to be determined because when the UGA is expanded, the City is required to provide service for water and sewer, transportation system improvements, and apply applicable development regulations. The proposal has become a very contentious issue locally requiring additional staff resources. Thurston County received approximately 1,000 public comments on the proposal that were evenly divided in opposition and support of the proposal.

Staff is scheduled to reinstate the urban forestry amendments. It is likely completion of the Comprehensive Plan update will be required prior to initiating the urban forest amendments. Initially, the update process began in 2022 and completed some public engagement and draft ordinances that were never presented to the Planning Commission because of the state's Wildland-Urban Interface code. The code created issues requiring staff to work through some proposed changes to the legislation leaving no staff capacity to continue work on the urban forestry amendments. The work plan includes addressing landscaping, street tree standards, and tree preservation. The issues are top priorities for the Council, which will require prioritization. Currently, the Council's priorities are trees and affordable housing.

Additionally, an update of development regulations enforced by the county in the UGA has been included on the work program to close the gap between what the county allows in the UGA versus the City's requirements. A draft is pending from county staff to help initiate the update process.

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It is likely the City will process several annexations based on discussions with several residents who plan to present annexation petitions to the Council.

Another addition is the Brewery Redevelopment Planned Action EIS and ordinance. The intent is to pursue the next step of the brownfield grant process for the Brewery District. A Planned Action EIS essentially completes the environmental review of an entire area prior to any submittal of a development proposal. The EIS includes assessing traffic impacts, environmental impacts, and other impacts. Mitigation is also identified.

Other work items include continued work on the draft HCP for release to the public, Food System Plan, and a Homeless Shelter Emergency Transition Housing Assessment and Feasibility Study based on state requirements to accommodate a specific number of emergency housing units. The study will focus on code changes that have been implemented in zoning to assist moving the process forward for the non-profit sector responsible for managing and operating the facilities.

Manager Medrud reported the proposed work program includes 500 hours more than available capacity within the department.

Some suggested discussion topics to consider during the December 10, 2024 joint work session with the City Council include:

- Has coordination between the City Council and Planning Commission in 2024 been effective and what could be improved in 2025?
- What went well with the 2024 long range work program and what could be improved?
- Are there additional opportunities for collaboration between the City Council and the Planning Commission that should be considered?
- What are the City Council's main priorities for long range planning in 2025?
- Are there additional projects in 2025 to be considered? If so, what projects currently proposed could be delayed?
- If adjustments to the 2025 long range work program are needed, which projects have less priority?

Manager Medrud asked Commissioners to share additional topics to consider. He asked for comments on the proposed work program by Tuesday, December 3, 2024.

NEXT MEETING DATE: The next meeting is scheduled for December 10, 2024.

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ADJOURNMENT:

Commissioner Staff moved, seconded by Commissioner Edwards, to adjourn the meeting at 9:01 p.m. A voice vote approved the motion unanimously.

Prepared by Valerie L. Gow, Recording Secretary/President
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