

TUMWATER GENERAL GOVERNMENT COMMITTEE
MINUTES OF VIRTUAL MEETING
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CONVENE: 2:00 p.m.

PRESENT: Chair Michael Althausen and Councilmembers Joan Cathey and Leatta Dahlhoff.

Staff: City Attorney Karen Kirkpatrick, Parks and Recreation Director Chuck Denney, and Planning Manager Brad Medrud.

APPROVAL OF MINUTES:
SEPTEMBER 14, 2022:

MOTION: Councilmember Cathey moved, seconded by Councilmember Dahlhoff, to approve the General Government Committee meeting minutes of September 14, 2022 as published. A voice vote approved the motion unanimously.

RESOLUTION NO. R2022-013 – TUMWATER COWLITZ TRAIL:

Director Denney reported the Historic Preservation Commission forwarded the proposed resolution to the committee with a request for approval to forward the proposed resolution to the City Council for consideration. The resolution speaks to the National Park Service recognizing the end of the Oregon Trail as Oregon City, Oregon. However, based on extensive research, the trail actually extends in many directions, one of which terminates at Brewery Park at Tumwater Falls. The intent of the resolution is to begin a process seeking recognition of the importance of that trail segment to the region and to Tumwater specifically.

Director Denney introduced Dave Nicandri, former Tumwater Councilmember and current member of the Tumwater Historic Preservation Commission.

Mr. Nicandri thanked the committee for considering the resolution. Mr. Nicandri reviewed sections within the resolution outlining the history of the Tumwater community to create the foundation for the request. The Oregon Trail is one of many national historic trails generally recognizable by trail users throughout the country. Historically designated trails feature the National Park Service logo on signage.

Mr. Nicandri commented that it has been generally conceded that the Oregon Trail ended at Oregon City, Oregon, although he believes the designation was at the fault of the historiography of the Oregon Trail designating a single ending point, when in fact, there were many ends to the trail to include the Willamette Valley in Oregon and in Washington.

The proposed resolution includes information on the procedural element. The National Park Service often studies the prospect of

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recommending additions to the National Historic Trail System. Mr. Nicandri said he was personally associated with the extension of the Lewis and Clark National Historic Trail to include locations on the Washington side of the Columbia River. The previous consensus designated the end of the Lewis and Clark Trail at Fort Clatsop. For those who advocated for inclusion of sites in Washington, the actual end of the Lewis and Clark Trail was in Washington near the mouth of the Columbia River. Fort Clatsop was the first stop on the trail when traveling to reach the beginning of the trail.

The process for designating other locations involves an extensive feasibility study process under the National Park Service. In 2020, a Department of the Interior MPS Study formally adopted a study element for including many new segments to the Oregon National Historic Trail including the Cowlitz Trail segment that served as the original trail used by American Colonial settlers traveling from the lower Columbia lowlands to the Puget Sound lowlands as identified in paragraphs 1, 2 and 3 within the proposed resolution.

A planning process dynamic at play within the Department of the Interior - National Park Service is the political element because Congress serves as the default decision-maker, which speaks to the need for external efforts to move requests forward. It is within that context that recognizing the Cowlitz Trail segment is an important first step that is supported by the Tumwater City Council, by the region's local legislative delegation, the Washington State Legislature, and the region's congressional delegation to create an environment whereas the Department of the Interior would consider and advocate for the request and move it forward to Congress.

Mr. Nicandri added that the resolution as revised by the City Attorney speaks inherently to the diverse nature of the community's original colonial party that traveled along the trail (George Bush & family). It could be argued that the request represents an aspect of diversity, equity, and inclusion that could apply above and beyond any other segment. Additionally, should the trail segment be adopted by Congress, the Washington State Department of Transportation to include local transportation departments would be able to install signage along Old Highway 99 with National Park Service trail signage up to and including the Brewery Park at Tumwater Falls.

Mr. Nicandri pointed out that another consideration should the designation of Brewery Park at Tumwater Falls be recognized as the terminus of the trail is the historic location the trail traversed in the south area of Tumwater known as the Bush homestead, part of which the City Council has acquired for a future new Public Works Operations and Maintenance facility. He understands there has been some

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opposition to the proposed facility by the surrounding neighborhood because of traffic and heavy equipment. The City could consider adding some Bush family history and Oregon Trail history within the site to help mitigate neighborhood concerns surrounding the new facility.

Mr. Nicandri urged the committee to approve and forward the proposed resolution to the City Council for consideration and approval.

Councilmember Dahlhoff questioned whether the history surrounding the trail includes the Squaxin Island Tribe as the designated name of seven bands of indigenous people who lived along the river and inlets of the Salish Sea for thousands of years. The resolution speaks to Tumwater originally known as New Market. She suggested revising the language to recognize indigenous people who lived in the area. Mr. Nicandri said the addition could be accommodated and he would encourage the inclusion. However, within the resolution, some revisions would be difficult in several “Whereas” sections as the recommendation speak to settlers arriving at a location that was already settled by indigenous people.

Discussion ensued on the location of the Bush homestead and whether it encompassed both the Oregon Trail and the Trails End property purchased by the City. Mr. Nicandri explained that the issue is closely aligned with another of his projects for recognition by the City of historic Highway 99. The original trail to Tumwater had been identified by General Land Office surveyors in the early 1850s to create a public domain for the purpose of subdividing donation and settler land claims from the larger grant of land the tribes granted in the Medicine Creek and other treaties. The survey noted the trail from Cowlitz Landing terminated at the Brewery Park at Tumwater Falls, which is also the location of the federal designation of the Pacific Coast Highway in the state of Washington. The route transverses along Highway 99 as well. The Oregon Trail is nearly the same footprint as Highway 99 from the south end of Tumwater to the area near Brewery City Pizza in Tumwater. The exact location of the trail was altered with the construction of the freeway, as the original trail was located along the width of the freeway where it crisscrossed and ended at Brewery Park at Tumwater Falls. The Bush donation land claim was possible because of the treaty at Medicine Creek in the 1850s.

MOTION:

Councilmember Dahlhoff moved, seconded by Councilmember Cathey, to move Resolution No. R2022-013 to the City Council for its consideration with the inclusion of the Squaxin Island Tribes within the language at the beginning of the resolution and in the section that speaks to the trail with a recommendation for adoption.

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In response to a question requesting clarification of the Trails End property location with respect to the Oregon Trail, Mr. Nicandri said he offered the information as an important element if the trail segment is recognized. He is uncertain if the Trails End property was included within the Bush donation land claim. It is likely public works staff could establish the location. However, the comments were not intended to be central to the resolution but offered for community context only.

Director Denney offered to forward the Bush land claim map to the committee.

MOTION:

A voice vote approved the motion unanimously.

2022-25
COMPREHENSIVE PLAN
PERIODIC UPDATE
PROCESS WORK
PROGRAM:

Manager Medrud reported the City is required to conduct a Growth Management Act periodic update of its Comprehensive Plan and related development regulations. For the current cycle, the City is required to complete work on the periodic update by June 30, 2025. The Comprehensive Plan guides all development within the City.

The updated Comprehensive Plan will include shorter individual Elements and Plans with appendices that contain the required technical information. The updated Comprehensive Plan will address diversity, equity, and inclusion throughout the Plan and incorporate climate mitigation, adaptation, and sustainability goals and actions in all Elements and Plans. The update process will also create a brief Comprehensive Plan goal and policy guide for use by staff and policymakers.

Councilmember Dahlhoff asked about the possibility of tracking whether the changes to the document are impactful for both the community and the City. Manager Medrud recommended including a discussion during the update process of what should be included in the documented to measure success or establishing checkpoints to measure progress.

Manager Medrud said the update will span more than two years to complete. A review with the Mayor on the work program has not occurred at this time. A meeting is scheduled with the Mayor at the end of the month to receive input. Additionally all City departments and the Planning Commission have provided input on the work program and will be involved in the update process.

Manager Medrud outlined the scope of the work program:

- Schedule
- Stakeholders – a incomplete list was developed from a variety of sources, which will be expanded

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- Media – Social Media, Utility Inserts, Interested Parties e-mail listserv for periodic update, E-Newsletter, Webpage, Public Survey, Policy Talks with various community groups, Articles, and Citizen's Guide
- Process and Scope of the Update:
 - Council Strategic Priorities – updated annually by City Council
 - Community Engagement - periodic update community outreach, Community Engagement Plan (draft anticipated by February 2023), and timeline for each phase of the update
 - Gap Analysis – review of current policies and goals to identify potential overlaps
 - During the update, consultant assistance is anticipated to support the review of the Transportation Plan and an update to the Economic Development Plan
 - Ongoing regional coordination
 - Phase 2 – Plan development estimated to start at the end of summer 2023 and throughout spring 2024
 - Phase 3- legislative process – amendment cycle, formal adoption process

Manager Medrud reported that for regular annual Comprehensive Plan Amendments, staff proposes suspending submission of private applications until the update process is completed; however, if an applicant wants to submit a private amendment or map or text amendment, staff will include those amendments within the discussions during the update process. Some required updates initiated by the City will be processed, such as the adoption of the Capital Facilities Plan update and the Old Highway 99 Corridor Study for inclusion in the Comprehensive Plan.

The state requires the City to update the development code in conjunction with the Comprehensive Plan update to ensure the City meets all state requirements. The review of the development code is scheduled to begin 2024/2025 following initial completion of work on the Comprehensive Plan. The deadline for updates to the development code is the same as the Comprehensive Plan.

To accomplish the tasks, additional resources will be required within the Community Development Department of approximately 75% of an FTE to devote to the update. Currently, resources are limited and the department is actively seeking additional resources. Additional support is anticipated from the City's Economic Development Manager, a consultant, Communications Department staff, Transportation and Engineering staff to include the GIS team to support the update with mapping and data analysis, and the Water Resources and the

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Sustainability Department for support on water, sewer, stormwater, and climate mitigation.

The State Legislature considered an option of requiring a separate Climate Mitigation Element within the Comprehensive Plan. The proposal was not adopted; however, staff supports incorporating climate mitigation into each element of the plan rather than including a separate element on climate mitigation.

Manager Medrud reported the Department of Commerce is providing \$125,000 to the City to complete the update of the plan; however, the funding does not cover an update to the Parks, Recreation, and Open Space Plan. Staff discussed whether to include an update to that plan and determined that since the Parks and Recreation Department is working on a series of projects to include major work on the new community center, an update could be delayed until after completion of the plan update.

Manager Medrud referred members to other resources for information on the update process to include the websites of the Department of Commerce and Puget Sound Regional Council in Seattle.

Councilmember Dahlhoff recommended adding more updates to the Council throughout the update process to avoid any unintended consequences, as well as incorporating more touch points with the Planning Commission throughout the process. Additionally, publishing a timeline on the status of the process would be helpful to enable anyone to track the status of efforts.

Councilmember Cathey commented on the public's lack of understanding or hesitancy surrounding a "comprehensive plan." She recommended explaining to the public the different elements contained within the plan of which some may be of interest or affect them personally. Manager Medrud replied that he has engaged in conversations with other planners from surrounding cities and Thurston County on different way of communicating with the public the requirement for updating the plan, as well as explaining what is entailed in a Comprehensive Plan, why it is important, and how it might affect the community.

Councilmember Cathey commented on the need for the reviews by both the Council and the public to be in smaller portions to increase the effectiveness of communicating to the public to receive feedback.

Chair Althaus said he has conversed with Manager Medrud over the last several months on the process for incorporating climate change, environmental, and sustainability elements within the plan. Rather than

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producing a stand-alone element, incorporating the information into the other elements is a better option moving forward as climate and the environment touches all aspects of development. In terms of overarching priorities, the plan could be improved by ensuring the priorities are appropriately included in the plan.

**CONTRACT APPROVAL
FOR AN 8-YEAR
MULTIFAMILY TAX
EXEMPTION FOR THE
350 NORTH STREET
APARTMENTS (TUM-22-
1338):**

&

**CONTRACT APPROVAL
FOR AN 8-YEAR
MULTIFAMILY TAX
EXEMPTION FOR THE
CRAFT DISTRICT
APARTMENTS (TUM22-
1393):**

Manager Medrud reported the Council adopted the Multifamily Housing Tax Exemption program in 2017 to stimulate desired housing development within key areas of the City, such as the Brewery District and Capitol Boulevard Corridor. In 2019, the Council approved expanding the 12-Year Multifamily Housing Tax Exemption program to the Town Center and Littlerock Subarea areas to encourage the development of permanent affordable housing as part of the 2019 Housing Affordability Work Plans. The program includes both an 8-year exemption for providing multifamily housing in the designated areas and a 12-year exemption for development providing a minimum of 20% of units designated for low or moderate-income households.

Both applications are for the 8-year multifamily tax exemption program. The first application is for the 350 North Street Apartments located within the Brewery District Subarea. The second application is for the 95-unit Craft District Apartments in the Brewery District Subarea. Staff reviewed both applications and deemed both applications as complete.

As part of the multifamily tax exemption process, the City Council reviews and considers whether to approve the contracts. The request to the committee is a recommendation to the City Council to review and consider the applications during a worksession. The applicant is required to file a complete conditional certificate application with the City, an application submitted concurrently with the development application for either a site development permit or a building permit. The conditional certificate serves essentially as an approval indicating the City agrees the project should receive the tax credit, provided the applicant completes required steps and the project is completed to meet the terms of the contract.

Following a review of the applications for the conditional certificates to ensure the applications are complete and meet all conditions, the Community Development Director issues an approval for the conditional certificate. The Council considers the contract with the City stipulating the applicant agrees to complete the development as outlined in the contract. Following Council approval of the contract, the contract is valid for three years to enable the applicant to complete the project during that period or file an extension. Upon completion of the improvements, the applicant files for a final certificate application for administrative review and approval by the Community Development

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Director. The certificate of tax exemption is then filed with the Thurston County Assessor's Office. The process then proceeds to the annual review and reporting phase. The City is required to file a report to the Department of Commerce on the status of each active contract.

Manager Medrud outlined the location of both developments.

Manager Medrud requested the committee forward both contracts for discussion at the November 22, 2022 City Council worksession.

Chair Althausen questioned whether the requirement for the City Council to approve each contract is a City or state requirement as the City established the process. He asked about the possibility of the Hearing Examiner considering each contract to render a decision on whether the contract meets all requirements to receive approval.

City Attorney Kirkpatrick advised that based on the state statute, the applicant is required to execute a contract with the City as approved by the City Council. Potentially, the Council could approve a standard contract and delegate the authority to staff as long as it meets the requirements within the contract. However, the practice to date has included presenting each contract to the Council for approval. It is possible for the Council to discuss a change in the process.

Chair Althausen noted that both contracts would affect future revenue streams for the City. He asked how the lack of revenue is considered during the budget process for the next biennium.

Manager Medrud said he discussed the issue with Director Niemeyer earlier in the day and would provide additional information at the worksession on November 22, 2022.

Councilmember Cathey commented that she did not support establishing the programs because of how the programs favor developers and do not provide sufficient benefits to tenants. A constituent recently questioned the City's impending budget gap while the Council supports providing the development community a tax exemption for eight years with no benefits to tenants. She questioned the validity of the monitoring and recording process and cited an example of the displacement of tenants whose apartments were demolished and replaced by a new apartment complex. She questioned the accuracy of the monitoring program to ensure adherence to all requirements. She plans to vote against the proposals, as the City should not sacrifice its tax base even though the program may create more housing.

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Councilmember Dahlhoff remarked that although she does not disagree with those sentiments, she also considers the initial intent of the programs that could shift, adapt, or change, as well as encouraging different types of housing. As a former member of the Planning Commission she recalls the conversations surrounding the tipping point for the Brewery District, Capitol Boulevard Corridor, New Market, and Littlerock Road areas. She supports pursuing different options to ensure opportunities exist to attract development of other types of housing. At this point, the programs are the best solution for attracting housing to those areas, which will attract business and perhaps other opportunities, as well as additional revenue to help offset any loss in revenue.

Chair Althausen said his perspective is similar. The issue is spurring redevelopment in the Brewery District. One of the desired primary outcomes is a large population base living within walking distance to services and amenities. The Brewery District includes properties that could support increased housing density. If the Brewery District had redeveloped and the City achieved some of its density goals, his position might be different with respect to the programs in those specific areas. He views the programs as a tool the City has that serves as an economic development purpose and helps to diversify the housing base.

Councilmember Cathey noted that based on the design of the North Street proposal, the parking area for the apartments faces an existing neighborhood rather than the area of commercial properties. The Craft District proposal of 95 units off Capitol Boulevard would likely require the removal of another 95 trees from an area that is one of the last remaining forested areas along Capitol Boulevard. She questioned the practice of affording tax breaks and enabling the developer to destroy the environment in the hope of prompting development rather than waiting for redevelopment to occur. Her concern surrounds the lack of consideration for the environment.

Manager Medrud explained that the proposed actions are to refer the proposed contracts to the City Council worksession on November 22, 2022 if further discussion is preferred, or to the December 6, 2022 Council meeting for consideration.

MOTION: Councilmember Dahlhoff moved, seconded by Chair Althausen, to refer Contract Approval for an 8-Year Multifamily Tax Exemption for the 350 North Street Apartments (TUM-22-1338) to the City Council worksession on November 22, 2022 for further review and discussion. A voice vote approved the motion unanimously.

MOTION: Councilmember Dahlhoff moved, seconded by Chair Althausen, to refer Contract Approval for an 8-Year Multifamily Tax Exemption for the Craft District Apartments (TUM22-1393) to the City

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Council worksession on November 22, 2022 for further review and discussion. A voice vote approved the motion unanimously.

ADJOURNMENT: With there being no further business, Chair Althausen adjourned the meeting at 3:26 p.m.

Prepared by Valerie L. Gow, Recording Secretary/President
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