

TUMWATER GENERAL GOVERNMENT COMMITTEE

MINUTES OF VIRTUAL MEETING

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CONVENE: 8:00 a.m.

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

Staff: City Attorney Karen Kirkpatrick, Community Development Director Michael Matlock, Finance Director Troy Niemeyer, Planning Manager Brad Medrud, Communications Manager Ann Cook, and Housing and Land Use Planner Erika Smith-Erickson.

APPROVAL OF MINUTES: GENERAL GOVERNMENT COMMITTEE, AUGUST 9, 2023:

MOTION: Councilmember Dahlhoff moved, seconded by Councilmember Cathey, to approve the minutes of August 9, 2023 as published. A voice vote approved the motion unanimously.

2025 COMPREHENSIVE PLAN PERIODIC UPDATE LAND USE:

Manager Medrud reported the update would cover the 15 Growth Management Act (GMA) Goals, the current version of the Land Use Element, specific issues related to the Element, new requirements to incorporate diversity, equity, and inclusion, and a review of state guidance materials.

Manager Medrud reviewed the 15 Growth Management Act Goals:

- 1. Urban growth.** Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- 2. Reduce sprawl.** Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- 3. Transportation.** Encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled, and are based on regional priorities and coordinated with county and city comprehensive plans.
- 4. Housing.** Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- 5. Economic development.** Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion

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of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

6. **Property rights.** Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
7. **Permits.** Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
8. **Natural resource industries.** Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.
9. **Open space and recreation.** Retain open space and green space, enhance recreational opportunities, enhance fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
10. **Environment.** Protect and enhance the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
11. **Citizen participation and coordination.** Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.
12. **Public facilities and services.** Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
13. **Historic preservation.** Identify and encourage the preservation of lands, sites, and structures that have historical or archaeological significance.
14. **Climate change and resiliency.** Ensure that comprehensive plans, development regulations, and regional policies, plans and strategies under RCW 36.70A.210 and chapter 47.80 RCW adapt to and mitigate the effects of a changing climate; support reductions in greenhouse gas emissions and per capita vehicle miles traveled; prepare for climate impact scenarios; foster resiliency to climate impacts and natural hazards; protect an

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enhance environmental, economic, and human health and safety; and advance environmental justice.

- 15. Shorelines of the state.** For shorelines of the state, the goals and policies of the shoreline management act as set forth in RCW 90.58.020 shall be considered an element of the county's or city's comprehensive plan.

In addition to meeting GMA goals, the City's Land Use Element will need to address the following:

1. Designate the proposed general distribution and general location and extent of the uses of land.
2. Include population densities, building intensities, and estimates of future population growth.
3. Provide for protection of the quality and quantity of groundwater used for public water supplies.
4. Give special consideration to achieving environmental justice in its goals and policies, including efforts to avoid creating or worsening environmental health disparities.

Other state requirements for the Land Use Element:

- Consider utilizing urban planning approaches that promote physical activity and reduce per capita vehicle miles traveled within the jurisdiction, but without increasing greenhouse gas emissions elsewhere in the state.
- Review drainage, flooding, and stormwater runoff in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.
- Reduce and mitigate the risk to lives and property posed by wildfires by using land use planning tools.

Manager Medrud reviewed the format of the Land Use Element:

- Introduction
 - Vision and Mission Statements
 - Strategic Planning Goals – will be changing based on current Council Strategic Goals and Planning Goals
 - Compliance with Individual GMA Goals
 - Compliance with County-wide Planning Policies
 - Compliance with Sustainability Thurston Plan Goals
 - Amendment Process
- Designations & Definitions
 - Introduction, including Citywide Future Land Use Map
 - Use Categories

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- Design Review
 - Maximum and Minimum Densities
 - Clustering
 - Modular and Manufactured Housing
 - Innovative Housing and Urban Planning Approaches promoting Physical Activity
- Land Use Goals, Policies, and Actions
 - Introduction
 - Goals, Policies, and Actions
 - Implementation Policies
- Land Supply Analysis
 - Introduction
 - Partially Used and Under Utilized Land Supply Analysis
 - Partially Used and Under Utilized Land Supply Analysis
 - Analysis of Population Accommodation
- Appendices
- Land Use Maps
- Subarea Plans

Manager Medrud shared information on available resources for more information on the update and the requirements. A link to the current Land Use Element is at:

<https://www.ci.tumwater.wa.us/departments/community-development-department/tumwater-comprehensive-plan>.

Department of Commerce Land Use Guidance Materials include:

- Urban Growth Area Guidebook
- Periodic Update Checklist for Fully-Planning Cities

The Department of Commerce has provided guidance specific to the periodic update on its Periodic Update webpages:

<https://www.commerce.wa.gov/serving-communities/growth-management/periodic-update/>

www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics

The Department of Commerce published an Urban Growth Area Guide to explain the necessary steps in updating the Land Use Element and describing the process for reviewing, updating, and implementing urban growth areas, which comprises the City and its associated urban growth area, including population forecasts and conducting a fiscal analysis for urban services.

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A Periodic Update Checklist helps cities that are planning under the Growth Management Act to conduct the periodic review and update of comprehensive plans and development regulations required by RCW 36.70A.130(4). The checklist identifies what needs to be updated to reflect local conditions or to comply with changes in law since the last periodic update.

Additionally, Puget Sound Regional Council is conducting a series of workshops on a variety of topics related to the periodic update at: www.psrc.org/our-work/passport-2044-comprehensive-plan-workshop-series, and Municipal Research Services Center has a Comprehensive Planning webpage at: <https://mrsc.org/getdoc/d7964de5-4821-4c4d-8284-488ec30f8605/Comprehensive-Planning.aspx>.

Manager Medrud reported the update process is in Phase 1 with community outreach scheduled in the fall. The committee will receive additional information on the schedule at its October meeting. Staff continues to work on the gap analysis and data collection. The gap analysis will include a review of the checklist and periodic update materials to ensure staff is addressing all requirements, as well as some concerns raised throughout the year.

Topics for upcoming meetings include the development code update process, which is required in addition to the Comprehensive Plan Periodic Update to reflect any changes in the plan. The committee will review the new Climate Element and existing Conservation Elements at the November meeting. At the December meeting, staff will brief the committee on the Economic Development Plan and pending updates, as well as Lands for Public Purposes (Water, Sewer, & Stormwater), and the Utilities Element (private). At the January meeting, Assistant Transportation and Engineering Director Ames will provide a report on the Transportation Plan Update.

Next year, staff will continue public outreach with individual briefings on the Elements as new language is drafted to the General Government Committee and the Planning Commission.

Phase 3 is the legislative process that begins in fall 2024 to initiate the adoption process. The schedule is aggressive with a deadline of June 30, 2025 to achieve.

For the October 24, 2023 City Council work session, staff will provide an update on the status of the update and larger issues of importance.

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Manager Medrud invited members to forward comments and questions or send to the periodic email at: compplan@ci.twater.wa.us. The Comprehensive Plan Update website contains all guidance material, meeting materials, presentations, and staff reports published to date, as well as a calendar for upcoming events.

Chair Althausen asked whether the goal to shorten and simplify the Comprehensive Plan for greater accessibility to the public would satisfy all the new legislative requirements the plan must address. Manager Medrud explained that the City has specific requirements by the state. The overall Comprehensive Plan will be of a similar size as the current plan; however, the format and layout will be conducive for future use, such as for the policies and goals. Those elements will be separated from the main plan to benefit the Council, Commissions, Boards, and staff and to ensure easier action and serve as a way to monitor progress on actions. Staff are exploring different options to produce a user guide explaining the document.

Councilmember Dahlhoff suggested providing the Council with separate Elements rather than the entire document at one time to assist the Council in becoming more engaged and responsive. She asked how changes to the plan, which is often inevitable, would affect the timeline to meet the submittal deadline. Manager Medrud explained that the website for the plan would include all the guidance materials. Staff have discussed creating folders for both the Council and the Planning Commission. Taking advantage of a file sharing system should ensure the Council remains updated without inundating the Council with hundreds of pages of the document. The preferable way to submit comments is electronically to staff. As much as possible, staff will work to provide early drafts on each Element. One joint meeting with the Planning Commission is scheduled in December to discuss the next steps of the update. In the case of housing and land use designations, joint meetings between the Council and Planning Commission would benefit the process.

**2025 Comprehensive Plan
Periodic Update – Housing:**

Manager Medrud reported that in 2018, the Council advocated for affordable housing as a priority and goal in the community. Recent information from the Department of Commerce indicates that the entire state will need one million new homes in the next 20 years. Thurston County represents slightly less than 10% of that total or 30,000 housing units in the entire county to include emergency housing. The problem is not only local, but it is a statewide issue of not having sufficient affordable housing for everyone who lives in the community.

In December, Puget Sound Regional Council and the Department of

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Commerce completed a housing statewide survey. The survey was segregated by Central Puget Sound, Eastern Washington, and Western Washington. Thurston County is within the Western Washington category. Responses were comparable across all regions. Approximately 83% of respondents said reasonably priced housing was needed in the community. Respondents also indicated that more housing options were needed. Housing costs were by far the biggest issue than traffic or transportation. Respondents said rents were too high by more than 77% and 75% indicated it was too costly to purchase a home. The surprising aspect of the survey was the degree housing has become such a large issue. More respondents agree that more diverse and affordable housing types should be provided in the community, to include middle housing.

The GMA sets out the requirements for housing, as well as the County-Wide Planning Policies. The City's Comprehensive Plan includes the policies and land use designations that set the broad framework. Housing is an area where the Council and the Planning set the direction for the community. Within the permitting realm, housing becomes constrained under state law. The goals for affecting change or pursuing a vision are issues that need to be included in the discussion as part of the update of the Comprehensive Plan. The discussion will include the Housing Element and development regulations.

Manager Medrud reviewed a diagram provided by the Department of Commerce outlining the new GMA framework for updating the Housing Element. The new requirements address housing needs, requirements, and new equity requirements to address racially disparate impacts. A set of requirements will need to be satisfied as part of the update to the Housing Element. Many aspects of the Housing Element also affect other elements of the Comprehensive Plan.

The Office of Financial Management (OFM) provides population projections by county. The Department of Commerce provides housing need projections by county, as well as an allocation tool and guidance. The City received its population projection from Thurston Regional Planning Council as part of the allocation process completed in 2018 and 2020. The forecast is currently valid for the City. Staff is determining the City's housing need based on the population forecast and existing needs. The City's responsibilities include a public participation plan as a guiding document for the entire update. The City is in the first phase of assessing housing needs consistent with the allocation to be received by the end of October. The City must also demonstrate the availability of sufficient land for housing needs and for different types of housing

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units. Another element of the new equity requirements is identifying areas where there is a higher risk of displacement. The City will also allocate housing for future needs, which will result in changing neighborhoods, as well as identifying changes to the neighborhoods and who might be displaced. The middle phase will identify barriers and limitations to housing production. Recent direction from the state is removal of barriers to development of housing.

Concurrently, staff will review policies and regulations to identify any policies or regulations that contribute to racially disparate, displacement, and exclusions in housing. Language will be reviewed that could be construed as problematic.

The last phase of the update process includes documenting programs and actions required to achieve housing availability for all income levels, connections to employment, and development of goals, policies, and objectives for single family to moderate density housing. In terms of equity, the update will identify and implement policies and regulations to undo racially disparate impacts, displacement, and exclusion. The City is also required to establish anti-displacement policies.

Manager Medrud referred to the guidance document on racially disparate impacts. The Department of Commerce has developed a detailed process the City will follow to document the work.

State requirements for the Housing Element are outlined in the RCWs and include an inventory analysis of all existing and projected housing needs for all income groups, as well as for emergency shelters and permanent supportive housing. The City must also address housing preservation in addition to new housing to accommodate growth. The population allocation today is approximately 27,000 people with the population forecast in 20 years close to 37,000 people.

The Legislature emphasized the importance of accessory dwelling units (ADUs) to meet housing needs. The new requirement will require the City to reevaluate densities, intensities, and zones. New state regulations add ADUs per lot, which have not been counted by the City towards density. Current zoning of Single Family Low Density can range from six to nine dwelling units per acre. Adding ADUs could exceed the density range, which will require the City to plan for services based on the highest density possible and the potential of adding ADUs.

Manager Medrud reviewed a graphic of the process. Currently, the update is at the first step of public engagement and the process of

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gathering and analyzing data. Next steps include evaluating policies followed by revision of development regulations and completing the review and updating of the development regulations.

In terms of SEPA review, any adoption of actions increasing housing capacity, housing affordability, or mitigating displacement that apply outside of critical areas are not subject to SEPA appeals.

In terms of supporting policies, the County-Wide Planning Policies were updated in 2015; however, the policies are consistent with current state legislation pertaining to the accommodation of low and moderate income housing throughout each jurisdiction rather than isolating in certain areas and exploring ways to reduce cost of housing. The policies speak to accomplishing a fair distribution of affordable housing among the jurisdictions.

Sustainable Thurston goals focus on the connection between housing and land use, such as increasing housing along urban corridors and centers.

Much of the work completed to date on the Housing Action Plan will be incorporated within the update. The Housing Action Plan will help guide changes to policies and regulations. The Housing Action Plan supports the process by informing the Comprehensive Plan Update, Housing Element, Capital Facilities, and Land Use Elements, as well as guiding implementation.

Manager Medrud reported the structure of the Housing Element is similar to the Land Use Element. He outlined some of the different sections.

Manager Medrud reviewed guidance materials provided by the Department of Commerce. He recommended reviewing the following materials:

- Periodic Update Checklist for Fully-Planning Cities (March 2023)
- Guidance to Address Racially Disparate Impacts (April 2023)
- Establishing Housing Targets for Your Community (July 2023)
- Guidance for Updating Your Housing Element (2022)
- Missing Middle

A senior planner with the Department of Commerce is scheduled to brief the Planning Commission on September 26, 2023. A copy of the presentation can be provided to the committee.

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Phase I – Community Engagement

Summer 2023 – Fall 2023

- Community Outreach – Initial Actions
- Gap Analysis – To be completed September 2023
- Data Collection – To be completed Spring 2024
- Format of the Updated Plan – To be completed September 2023

Councilmember Dahlhoff asked whether the checklist would be shared with the committee. Manager Medrud said staff is currently completing the checklist by identifying the status of compliance with the code and required updates. The document will be shared with the Council and the Commission throughout the process to track how issues are being addressed.

Chair Althausen noted that according to some statistics, every \$100 increase in rent results in a corresponding increase in homelessness, which is relevant because the tighter the housing market becomes, the more expensive housing becomes, which increases the number of homeless. He suggested the element should speak to homelessness by paying particular attention to the cost of housing.

Manager Medrud shared that he participated in a meeting on homelessness in the state. The presentation was from a demographer from the University of Washington who reviewed data from the state and throughout the country on the levels of and causes of homelessness. In terms of a tight housing market, an increase in rents was by far the strongest correlation to a person becoming homeless, especially in our state.

Councilmember Cathey noted that the City is essentially restricted in addressing rental rates. Manager Medrud affirmed the City is unable under state law to address rent controls; however, it is possible to address issues that limit supply and the development of new housing.

Discussion ensued on how the vacancy of older units as tenants move on to newer and often higher priced housing frees up lower cost units for the population. Councilmember Cathey expressed ongoing concerns that the market will continue to dictate costs and increase the cost of housing regardless of the amount of supply. Manager Medrud commented on the importance of the City considering measures that would help address the issue.

ADJOURNMENT:

With there being no further business, Chair Althausen adjourned the meeting at 9:04 a.m.

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