



**PLANNING COMMISSION
MEETING AGENDA**

**Online via Zoom and In Person at
Tumwater Fire Department
Headquarters, Training Room, 311 Israel
Rd. SW, Tumwater, WA 98501**

**Tuesday, April 25, 2023
7:00 PM**

1. Call to Order
2. Roll Call
3. Changes to Agenda
4. Approval of Minutes
5. Commissioner's Reports
6. Manager's Report
7. Public Comment
8. SEPA Categorical Exemption Update
9. Next Meeting Date - 05/09/2023
10. Adjourn

Meeting Information

The public are welcome to attend in person, by telephone or online via Zoom.

Watch Online

https://us02web.zoom.us/webinar/register/WN_9zBxCO6CS6yLayUxskDuIQ

Listen by Telephone

Call (253) 215-8782, listen for the prompts, and enter the Webinar ID 818 3353 4086 and Passcode 786729.

Public Comment

The public is invited to attend the meeting and offer comment. The public may register in advance for this webinar to provide comment:

https://us02web.zoom.us/webinar/register/WN_9zBxCO6CS6yLayUxskDuIQ

After registering, you will receive a confirmation email containing information about joining the webinar.

The public may also submit comments prior to the meeting by sending an email to:

cdd@ci.tumwater.wa.us. Please send the comments by 1:00 p.m. on the date of the meeting.

Comments are submitted directly to the Commission Members and will not be read individually into the record of the meeting.

If you have any questions, please contact Planning Manager, Brad Medrud at (360) 754-4180 or bmedrud@ci.tumwater.wa.us.

Post Meeting

Audio of the meeting will be recorded and later available by request, please email CityClerk@ci.tumwater.wa.us.

Accommodations

The City of Tumwater takes pride in ensuring that people with disabilities are able to take part in, and benefit from, the range of public programs, services, and activities offered by the City. To request an accommodation or alternate format of communication, please contact the City Clerk by calling (360) 252-5488 or email CityClerk@ci.tumwater.wa.us. For vision or hearing impaired services, please contact the Washington State Relay Services at 7-1-1 or 1-(800)-833-6384. To contact the City's ADA Coordinator directly, call (360) 754-4128 or email ADACoordinator@ci.tumwater.wa.us.

What is the Planning Commission?

The Tumwater Planning Commission is a citizen advisory commission that is appointed by and advisory to the City Council on the preparation and amendment of land use plans and implementing ordinances such as zoning. Actions by the Planning Commission are not final decisions; they are Commission recommendations to the City Council who must ultimately make the final decision. If you have any questions or suggestions on ways the Commission can serve you better, please contact the Community Development Department at (360) 754-4180.

Decorum Statement

Welcome to the Planning Commission meeting. We thank you for attending.

The City Council encourages community engagement in local government and provides a variety of ways to participate.

The Chair of the Planning Commission will be responsible for conducting orderly and efficient meetings within the scheduled time. To accomplish that, the Chair will maintain order and decorum and can regulate inappropriate debate, repetitious discussion, and disruptive behavior when needed.

The Chair will recognize those that wish to speak and may limit the time allowed for individual comments. City staff will record questions and comments during the meeting. If an issue or question cannot be addressed during the meeting, City staff will address the issue or respond to the question by following up with the individual.

We respectfully request that attendees refrain from disruptions during the meeting and comply with decorum rules.

Thank you for participating.

TO: Planning Commission
FROM: Erika Smith Erikson, Land Use and Housing Planner
DATE: April 25, 2023
SUBJECT: SEPA Categorical Exemption Update

1) Recommended Action:

Read materials and be prepared to discuss as part of a briefing on the ordinance.

2) Background:

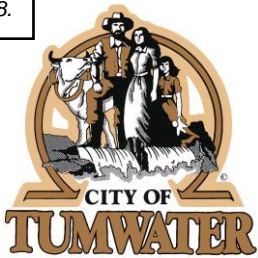
The proposed SEPA amendments are intended to eliminate duplicative environmental reviews, reduce project review timeframes, ensure proper notice and comment opportunities for the public, affected tribes, and agencies regarding permitting of development projects, and support the increase of affordable housing in the City.

3) Alternatives:

☐ None

4) Attachments:

- A. Staff Report
- B. Presentation



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SEPA CATEGORICAL EXEMPTION UPDATE
STAFF REPORT
PLANNING COMMISSION – APRIL 25, 2023 BRIEFING

Issue

In recent years, the City has undertaken a number of actions to address homelessness, increase affordable housing, and work with other jurisdictions and agencies to explore regional solutions to these issues. On September 21, 2021, the City Council adopted the Tumwater Housing Action Plan by Ordinance No. O2021-007. Strategy 3 of the Housing Action Plan says that the City will strive to expand the overall housing supply by making it easier to build all types of housing projects and Action 3.c. notes that the City will seek to maximize use of SEPA categorical exemptions for residential and infill development.

On June 9, 2022, Washington State Legislature adopted Substitute Senate Bill 5818 promoting housing construction in cities and towns fully planning under the state Growth Management Act. The bill as codified includes the option for jurisdictions to increase State Environmental Policy Act (SEPA) categorical exemptions levels for residential and multifamily development to higher levels than previously allowed.

With the Growth Management Act and the expansion of environmental regulations in the Tumwater Municipal Code, SEPA review has become process to complete rather than the primary mechanism for mitigating the impacts of development projects. Increasing the SEPA categorical exemption levels for housing construction will eliminate duplicative review processes and expedite project review timelines with the goal of increasing the overall housing stock in the City.

Of late, the City has significantly improved the mitigation of impacts that had been primarily addressed through SEPA through a variety of regulations. These include, but are not limited to, critical area regulations, floodplain regulations, the Shoreline Master Program, transportation impact fees, the inadvertent discovery of archaeological and cultural resources, and stormwater regulations. In addition, to address SEPA's role in notifying the public about development projects, the City's Notice of Application process will ensure that the community continues to be notified of new development projects.

Staff is in the process of reviewing how proposed changes to the SEPA categorical exemptions relate to traffic concurrency for projects and potential mitigation. Once that work is complete in the next month, staff will bring forward an ordinance for review at a Planning Commission worksession.

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Summary

The proposed amendments are intended to eliminate duplicative environmental reviews, reduce project review timeframes, ensure proper notice and comment opportunities for the public, affected tribes, and agencies regarding permitting of development projects, and support the increase of affordable housing in the City.

Background

When the state legislature adopted SEPA (Chapter 43.21C RCW) and the SEPA Rules (Chapter 197-11 WAC) in 1971, it became the state’s most fundamental environmental law. SEPA's basic policy of maintaining and improving environmental quality is implemented primarily through extensive procedural requirements designed to ensure that the City gives proper consideration of environmental matters in making decisions on development actions. Table 3 in Appendix A includes a list of all the environmental elements SEPA addresses and the City regulations that have been adopted since 1971 that now cover these SEPA environmental elements.

The City of Tumwater’s development and environmental regulations are up-to-date and reflect the best available science in providing environmental protection. For example, since Ordinance No. 1007 established the City’s SEPA categorical exemption in 1984, the City has significantly improved its protection of environmental resources and mitigation of impacts through a variety of regulations. These include, but not limited to, critical area regulations, floodplain regulations, the Shoreline Master Program, transportation impact fees and concurrency, the inadvertent discovery of archaeological and cultural resources, and stormwater/low impact development regulations.

As shown in Table 1 below, for most projects in the City since 2013, SEPA review has become a procedural process rather than a means to mitigate environmental impacts outside of specific transportation impacts.

Table 1. SEPA Threshold Determinations Issued 2013-2023.

Year	SEPA Threshold Determinations	
	Determination of Non-Significance	Mitigated Determination of Non-Significance
2013	13	0
2014	17	1
2015	9	0
2016	0	3
2017	21	0
2018	21	1
2019	8	0
2020	12	4
2021	7	5
2022	9	7
2023	1	1
TOTAL	118	22

In 2011, the Washington State Legislature adopted Engrossed Second Substitute House Bill 1952, which directed the Washington State Department of Ecology to initiate rulemaking to streamline regulatory processes, including SEPA review under Chapter 43.21C RCW. Ecology completed its work in December 2012 by amending Chapter 197-11 WAC to include flexible categorical exemptions levels that local agencies may adopt to raise the SEPA categorical exemptions for minor new construction. Under SEPA (Chapter 19-11-800 WAC), certain land use actions are considered categorically exempt and do not require SEPA review.

The Legislature recognized that jurisdictions planning under the requirements of the Growth Management Act had adopted plans and development regulations that address many environmental impacts. These increased and, in some cases, duplicative environmental protections included critical areas protections and concurrency through the Growth Management Act, Shoreline Master Programs under the Shoreline Management Act, and other laws, such as stormwater regulations.

The 2012 state amendments to SEPA increased categorical exemptions for development actions not deemed to affect the quality of the environment significantly.

SEPA Categorical Exemption Update

In 2017, the City partially increased its SEPA categorical exemptions and increased the scope of its public notification requirements under the Notice of Application process through Ordinance No. O2017-008.

In 2019, the City increased the SEPA categorical exemptions for multifamily dwellings from twenty-five units to sixty units through Ordinance O2019-022.

Table 2 shows the all the current City SEPA categorical exemptions. Staff is proposing to increase these SEPA categorical exemptions to maximum allowed under state law as of 2022.

Table 2. Current and Potential Maximum SEPA Categorical Exemptions.

	Current City SEPA Categorical Exemptions	Maximum SEPA Categorical Exemption Allowed Under State Law 2022
Single Family Dwellings	9 detached units	30 detached units
Single Family Residential Units under 1500 square feet	N/A	100 detached units
Multifamily Dwellings	60 multifamily units	100 multifamily units
Agricultural	20,000 sq. ft	40,000 sq. ft
Office, School, Commercial, Recreational, Service, or Storage Buildings and Associated Parking Structures	10,000 sq. ft. and 30 parking spaces	30,000 sq. ft. and 90 parking spaces
Parking Lots	30 spaces	Removed
Landfills and Excavations	250 cubic yards	1,000 cubic yards

SEPA Categorical Exemption Amendments

The following is a summary of the amendments proposed by staff related to raising the SEPA categorical exemption levels:

1. Amending TMC 14.06.030 to include a Notice of Application table.
2. Amending TMC 16.04.055 to increase the SEPA categorical exemptions to maximum allowed under state law as of 2022 as shown in Table 2 above.
3. Amending TMC 15.48 as needed, if changes need to be made related to SEPA categorically exemption projects and traffic concurrency requirements.

SEPA Categorical Exemption Update

State Process Requirements

From WAC 197-11-800(1)(c):

(c) Cities, towns or counties may raise the exempt levels up to the maximum specified in (d) of this subsection by implementing ordinance or resolution. Such levels shall be specified in the agency's SEPA procedures (WAC 197-11-904). Separate maximum optional thresholds are established in (d) of this subsection applying to both incorporated areas and unincorporated urban growth areas in fully planning jurisdictions under RCW 36.70A.040; other unincorporated areas in fully planning counties; and jurisdictions in all other counties. Agencies may adopt the maximum level or a level between the minimum and maximum level. An agency may adopt a system of several exempt levels, such as different levels for different geographic areas, and mixed use projects.

At a minimum, the following process shall be met in order to raise the exempt levels.

(i) Documentation that the requirements for environmental analysis, protection and mitigation for impacts to elements of the environment (listed in WAC 197-11-444) have been adequately addressed for the development exempted. The requirements may be addressed in specific adopted development regulations, and applicable state and federal regulations. The city, town, or county must document the result of its outreach with the department of transportation on impacts to state owned transportation facilities, including consideration of whether mitigation is necessary for impacts to state-owned transportation facilities.

Documentation for impacts related to the elements of the environment is addressed in Table 3 in Appendix A and it will be addressed in the ordinance. Outreach to Washington State Department of Transportation will be documented in the Public Notification section of the staff report and it will be addressed in the ordinance.

(ii) Description in the findings or other appropriate section of the adopting ordinance or resolution of the locally established notice and comment opportunities for the public, affected tribes, and agencies regarding permitting of development projects included in these increased exemption levels.

Will be addressed in the ordinance.

(iii) Before adopting the ordinance or resolution containing the proposed new exemption levels, the agency shall provide a minimum of 60 days notice to affected tribes, agencies with expertise, affected jurisdictions, the department of ecology, and the public and provide an opportunity for comment.

The 60-day notice will be completed before the adoption of the ordinance and it will be addressed in the ordinance.

SEPA Categorical Exemption Update

(iv) The city, town, or county must document how specific adopted development regulations and applicable state and federal laws provide adequate protections for cultural and historic resources when exemption levels are raised. The requirements for notice and opportunity to comment for the public, affected tribes, and agencies in (c)(i) and (ii) of this subsection and the requirements for protection and mitigation in (c)(i) of this subsection must be specifically documented. The local ordinance or resolution shall include, but not be limited to, the following:

- Use of available data and other project review tools regarding known and likely cultural and historic resources, such as inventories and predictive models provided by the Washington department of archaeology and historic preservation, other agencies, and tribal governments.*

- Planning and permitting processes that ensure compliance with applicable laws including chapters 27.44, 27.53, 68.50, and 68.60 RCW.*

- Local development regulations that include at minimum preproject cultural resource review where warranted, and standard inadvertent discovery language (SIDL) for all projects.*

Will be addressed in Table 3 in Appendix A and it will be addressed in the ordinance.

Public Approval Process

The Planning Commission will hold a briefing on the proposed amendments on April 25, 2023.

Once staff completes the public draft of the ordinance with the proposed amendments in the next month, staff will do the following:

1. Send the required 60 day notice to affected tribes, agencies with expertise, affected jurisdictions, the Department of Ecology, and the public and provide an opportunity for comment to meet the requirements of WAC 197-11-800(c)(iii) prior to the adoption of the updated ordinance.
2. Prepare an Environmental Checklist for a non-project action under the State Environmental Policy Act (Chapter 43.21C RCW), pursuant to Chapter 197-11 WAC, and issue a Determination of Non-Significance.
3. Send the ordinance to the Washington State Department of Commerce for the required 60-day review before the proposed text amendments were adopted, in accordance with RCW 36.70A.106.

The Planning Commission is expected to hold a worksession to discuss the ordinance on May 23, 2023.

A Notice of Public Hearing for the Planning Commission is expected to be issued on June 17, 2023 prior to a public hearing. The notice will be posted, published as a

SEPA Categorical Exemption Update

press release, distributed to interested individuals and entities that have requested such notices, and published in *The Olympian*.

The Planning Commission is expected to hold a public hearing for the proposed amendments on June 27, 2023. Following the public hearing and deliberations, the Planning Commission is expected to recommend that the City Council approve the proposed amendments.

The General Government Committee is expected to review the proposed amendments in a briefing on July 12, 2023 and recommend that the ordinance be discussed at a City Council worksession. The City Council is expected to review the amendments at a worksession on July 25, 2023. The City Council is expected to consider the amendments on Monday, July 31, 2023.

Public Notification

A Notice of Public Hearing for the Planning Commission is expected to be issued, posted, mailed to interested parties, and published in *The Olympian* on June 17, 2023, after the Planning Commission is expected to set the public hearing date on May 23, 2023.

Required outreach to the Washington State Department of Transportation under WAC 197-11-800(1)(c)(i) is expected to occur on May 15, 2023.

Staff Conclusions

1. The proposed SEPA categorical exemption amendments will need to be consistent with the goals of the Washington State Growth Management Act.
 - a. The ordinance will need to be consistent with Goal 7 of the Growth Management Act which states:

“Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.”

The intent of the ordinance will be to establish concise requirements for the application, review process, public notice process, and environmental protections of projects that are categorically exempt from SEPA.

2. The proposed amendments will need to be consistent with the Housing Action Plan because the proposed amendments are intended to expand the overall housing supply by making it easier to build all types of housing projects.
 - a. Strategy #3 of the Housing Action Plan states:

“Expand the Overall Housing Supply by Making It Easier to Build All Types of Housing Projects.”
 - b. The text of the Housing Action Plan states that one way to support Strategy #3 is:

“...Increase the inventory of housing for all households.”

c. Action item 3.c. of the Housing Action Plan states:

“Maximize use of SEPA threshold exemptions for residential and infill development.”

The ordinance will need to align with the Housing Action Plan. The ordinance is intended will support residential development throughout the City, especially in the Brewery District, Capitol Boulevard Corridor, and Town Center.

3. The proposed SEPA categorical exemption amendments will need to be consistent with WAC 197-11-800(c)(i), as shown in table 3 above:

“Documentation that the requirements for environmental analysis, protection and mitigation for impacts to elements of the environment (listed in WAC 197-11-444) have been adequately addressed for the development exempted. The requirements may be addressed in specific adopted development regulations, and applicable state and federal regulations. The city, town, or county must document the result of its outreach with the department of transportation on impacts to state-owned transportation facilities, including consideration of whether mitigation is necessary for impacts to state-owned transportation facilities.”

4. Based on the above review and analysis, staff will need to conclude that the proposed text amendments are consistent with the requirements of the Washington State Growth Management Act and the Tumwater Comprehensive Plan.

Staff Recommendation

Staff recommends that the Planning Commission review the proposed amendments and be prepared to discuss.

Effects of the Proposed Amendments

The proposed text amendments would necessitate changes to the Tumwater Municipal Code.

Staff Contact

Erika Smith-Erickson, Land Use and Housing Planner
City of Tumwater Community Development Department
360-754-4180
esmith-erickson@ci.tumwater.wa.us

Appendix A – SEPA Environmental Elements and Corresponding Regulations

Table 3. SEPA Environmental Elements and Corresponding Regulations.

	SEPA Environmental Element	Regulations
1.	Earth	<ul style="list-style-type: none"> • Chapter 15.02 TMC, Public Works Construction Standards, adopts the Tumwater Development Guide • Chapter 15.04 TMC, International Building Code, includes grade and fill regulations • Chapter 16.20 TMC, Geologically Hazardous Areas • Chapter 18.40 TMC, Environmental Performance Standards • TMC 18.40.050, Environmental Performance Standards, Ground and Soil Contamination
2.	Air	<ul style="list-style-type: none"> • Chapter 15.08 TMC, International Mechanical Code • Chapter 18.40 TMC, Environmental Performance Standards • TMC 18.40.040, Environmental Performance Standards, Emissions, includes air pollution, toxic substances, waste disposal, heat and glare, and radioactive materials and radiation devices
3.	Water (includes surface water, groundwater, and water runoff)	<ul style="list-style-type: none"> • Title 13 TMC, Public Services, includes water and sewer service regulations, stormwater system • Chapter 13.22 TMC, Zero Effect Drainage Discharge • Shoreline Master Program • Chapter 16.24 TMC, Aquifer Protection Standards • Chapter 16.26 TMC, Wellhead Protection

	SEPA Environmental Element	Regulations
		<ul style="list-style-type: none"> • Chapter 16.28 TMC, Wetland Protection Standards • Chapter 16.32 TMC, Fish and Wildlife Habitat Protection • Chapter 18.38 TMC, FP Floodplain Overlay • Chapter 18.39 TMC, AQP Aquifer Protection Overlay • Chapter 18.40 TMC Environmental Performance Standards • TMC 18.40.040, Environmental Performance Standards, Emissions, includes sewer use
4.	Plants	<ul style="list-style-type: none"> • Chapter 16.08 TMC, Protection of Trees and Vegetation • Chapter 16.28 TMC, Wetland Protection Standards • Chapter 16.32 TMC, Fish and Wildlife Habitat Protection • Chapter 18.47 TMC, Landscaping
5.	Animals	<ul style="list-style-type: none"> • Title 6 TMC, Animals, addresses domesticated animals and livestock • Chapter 16.28 TMC, Wetland Protection Standards • Chapter 16.32 TMC, Fish and Wildlife Habitat Protection
6.	Energy and Natural Resources (includes electric, natural gas, oil, wood stove, and solar energy)	<ul style="list-style-type: none"> • Title 15 TMC, Buildings and Construction • TMC 18.40.035, Environmental Performance Standards, Exterior Illumination • TMC 18.56.110, “B” Uses, “Buildings or structures over permitted height restrictions,” includes solar setback to be moved to TMC 18.20.060, Mixed Use, Development Standards

SEPA Categorical Exemption Update

	SEPA Environmental Element	Regulations
7.	Environmental Health (includes Noise)	<ul style="list-style-type: none"> • Chapter 8.04 TMC, Nuisances • Chapter 8.08 TMC, Noise Control • Chapter 15.40 TMC, Unsafe and Unfit Buildings, Structures and Premises • Chapter 15.50 TMC, Building Demolition • Chapter 18.40 TMC, Environmental Performance Standards • TMC 18.40.030, Environmental Performance Standards, Noise • Chapter 18.40 TMC, Environmental Performance Standards • TMC 18.40.040, Environmental Performance Standards, Emissions, includes air pollution, toxic substances, waste disposal, heat and glare, radioactive materials and radiation devices, and vibration and concussion • 18.42.090, General Land Use Regulations, Motor Vehicle Sales Facilities, prohibits outdoor loudspeaker systems at motor vehicle sales facilities • TMC 18.43.020, Citywide Design Guidelines, Drive-Through Uses, limits loudspeakers for drive-through uses to 55 dB at the property line
8.	Land and Shoreline Use	<ul style="list-style-type: none"> • Chapter 8.04 TMC, Nuisances • Shoreline Master Program • Chapter 16.12 TMC Right-to-Farm • Title 17 TMC, Land Division • Title 18 TMC, Zoning, which includes zone district regulations of uses and density regulations addressing site area, density, lot size, maximum impervious lot coverage, structural height, and yard setbacks

SEPA Categorical Exemption Update

	SEPA Environmental Element	Regulations
		<ul style="list-style-type: none"> • Chapter 18.36 TMC, Planned Unit Development Overlay • Chapter 18.42 TMC, General Land Use Regulations • TMC 18.42.070, General Land Use Regulations, Agriculture • Chapter 18.43 TMC, Citywide Design Guidelines
9.	Housing	<ul style="list-style-type: none"> • Chapter 8.04 TMC, Nuisances • Title 15 TMC, Buildings and Construction • Title 17 TMC, Land Division • Title 18 TMC, Zoning, which includes zone district regulations of uses and density regulations addressing site area, density, lot size, maximum impervious lot coverage, structural height, and yard setbacks • Chapter 18.36 TMC, Planned Unit Development Overlay • Chapter 18.42 TMC, General Land Use Regulations • TMC 18.42.010, General Land Use Regulations, Accessory Dwelling Units • Chapter 18.43 TMC, Citywide Design Guidelines • Chapter 18.48 TMC, Designated Manufactured Homes – Manufactured Homes – New Manufactured Homes – Mobile Homes – Manufactured Home Parks • Chapter 18.49 TMC, MHP Manufactured Home Park Zone District • Chapter 18.51 TMC, Cottage Housing • Chapter 18.53 TMC, Housing for the Functionally Disabled
10.	Aesthetics	<ul style="list-style-type: none"> • Chapter 8.04 TMC, Nuisances

SEPA Categorical Exemption Update

	SEPA Environmental Element	Regulations
		<ul style="list-style-type: none"> • Chapter 8.12 TMC, Litter • Chapter 12.24 TMC, Street Trees • Chapter 16.08 TMC, Protection of Trees and Vegetation • Title 18 TMC, Zoning, which includes zone district regulations addressing structural height • Chapter 18.21 TMC, CBC Capitol Boulevard Community Zone District • Chapter 18.23 TMC, TC Town Center Zone District • Chapter 18.27 TMC, BR Brewery District Zone • Chapter 18.43 TMC, Citywide Design Guidelines • Chapter 18.44 TMC, Signs • Chapter 18.46 TMC, Fencing • Chapter 18.47 TMC, Landscaping
11.	Light and Glare	<ul style="list-style-type: none"> • Chapter 8.04 TMC, Nuisances • Chapter 18.40 TMC, Environmental Performance Standards • TMC 18.40.035, Environmental Performance Standards, Exterior Illumination
12.	Recreation	<ul style="list-style-type: none"> • Chapter 3.52 TMC, Tumwater Park Impact Fees • Chapter 12.32 TMC, Public Parks • Chapter 18.47 TMC, Landscaping
13.	Historic and Cultural Preservation	<ul style="list-style-type: none"> • Chapter 2.62 TMC, Historic Preservation • Proposed TMC 2.62.090, Historic Preservation, Inadvertent Discovery of Archaeological and Cultural Resources • Chapter 18.26 TMC, HC Historic Commercial Zone District • Section 18.40.065 <i>Inadvertent Discovery of Archaeological and Cultural Resources</i>

SEPA Categorical Exemption Update

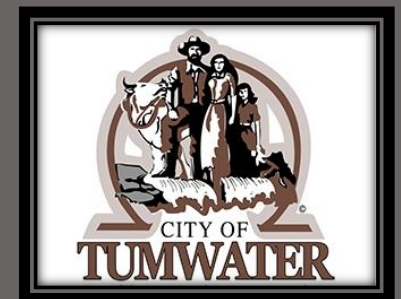
	SEPA Environmental Element	Regulations
		<ul style="list-style-type: none"> The City's <i>Standard Inadvertent Archaeological and Historic Resources Discovery Plan</i>
14.	Transportation	<ul style="list-style-type: none"> Chapter 3.50 TMC, Impact Fees TMC 3.50.130, Impact Fees, Transportation Impact Fee Schedule Chapter 8.04 TMC, Nuisances Chapter 12.12 TMC, Construction of Curbs and Sidewalks Chapter 12.14 TMC, Street Assessment Reimbursement Agreements Chapter 12.36 TMC, Boating Regulations for Capitol Lake Chapter 12.42 TMC, Tumwater Transportation Benefit District Chapter 15.48 TMC, Transportation Concurrency Requirements Chapter 16.34 TMC, Commute Trip Reduction Chapter 18.32 TMC, Airport Overlay Chapter 18.50 TMC, Off-Street Parking
15.	Public Services (includes fire protection, police protection, public transit, health care, schools, and other such services)	<ul style="list-style-type: none"> Chapter 3.50 TMC, Impact Fees TMC 3.50.125, Impact Fees, Fire Protection Facility Impact Fee Schedule TMC 3.50.135, Impact Fees, Olympia School District No. 111 and Tumwater School District No. 33 School Impact Fee Schedule
16.	Utilities (includes electricity, natural gas, water, refuse service, telephone, sanitary sewer, and other such services)	<ul style="list-style-type: none"> Title 11 TMC, Telecommunications and Telecommunications Facilities Title 13 TMC, Public Services, includes water and sewer service regulations, stormwater system Chapter 13.22 TMC, Zero Effect Drainage Discharge

SEPA Categorical Exemption Update

	SEPA Environmental Element	Regulations
		<ul style="list-style-type: none">• Chapter 18.42 TMC, General Land Use Regulations• TMC 18.42.060, General Land Use Regulations, Utility Substations

SEPA Categorical Exemption Update

April 25, 2023 Briefing
Planning Commission



Issue

- Since 2018, the City has undertaken many actions to address homelessness and support affordable housing
- In 2021, the City Council adopted the *Tumwater Housing Action Plan*
- Strategy 3 of the *Housing Action Plan*:
Expand the overall housing supply by making it easier to build all types of housing projects

Issue

- Action 3.c. of the *Housing Action Plan*:
Maximize the use of SEPA categorical exemptions for residential and infill development
- State amended the SEPA categorical exemptions in 2022
- What SEPA categorical exemptions?

Background

- **1971** – State adopted SEPA (Chapter 43.21C RCW) and the SEPA Rules (Chapter 197-11 WAC)
 - The state's fundamental environmental law
 - Intended to maintain and improve environmental quality
 - Implemented through extensive procedural requirements that ensure the City gives proper consideration to environmental matters in making decisions on development actions

Background

- **1984** – Ordinance No. 1007 established the City's SEPA categorical exemptions
 - Since 1984, the City has improved its protection of environmental resources and mitigation of impacts through a variety of regulations in compliance with state law

Background

- **2012** – State amended WAC 197-11 to include flexible categorical exemptions levels for local agencies to raise the SEPA categorical exemptions for minor new construction
- **2017** – Ordinance No. O2017-008 raised SEPA categorical exemptions and increased the scope of its public notification requirements under the Notice of Application process

Background

- **2019** – Ordinance O2019-022 increased SEPA categorical exemptions for multifamily dwellings from twenty-five units to sixty units
- **2022** – Washington State Legislature adopted SSB 5818, which allowed increase SEPA categorical exemptions levels for residential development

How SEPA Is Used

Since 2013, outside of specific transportation impacts, SEPA review is a procedural process, rather than the primary means to mitigate environmental impacts

Year	SEPA Threshold Determinations Issued	
	Determination of Non-Significance	Mitigated Determination of Non-Significance
2013	13	0
2014	17	1
2015	9	0
2016	0	3
2017	21	0
2018	21	1
2019	8	0
2020	12	4
2021	7	5
2022	9	7
2023	1	1
TOTAL	118	22

Proposed Amendments

1. Notice of Application – Amend TMC 14.06.030 to include table of Notice of Application thresholds:

	NOA not required	NOA Required	NOA and SEPA required
Single Family Dwellings	Under 4 units	5-30 units	Over 30 units
Single Family Residential Units under 1500 square feet	Under 4 units	5-100 detached units	Over 100 units
Multifamily Dwellings	Under 4 units	5-100 multifamily units	Over 100 units
Agricultural	Under 10,000 square feet	10,000-40,000 square feet	Over 40,000 square feet
Office, School, Commercial, Recreational, Service, or Storage Buildings and Associated Parking Structures	Under 10,000 sq. ft. and 30 parking spaces	10,000-30,000 sq. ft. and 90 parking spaces	Over 30,000 square feet and 90 parking spaces
Landfills and Excavations	Under 100 cubic yards	100-1,000 cubic yards	Over 1,000 cubic yards

Proposed Amendments

2. Amend TMC 16.04.055-SEPA categorical exemptions to maximum allowed under state law:

	Current City SEPA Categorical Exemptions	Maximum SEPA Categorical Exemption Allowed Under State Law 2022
Single Family Dwellings	9 detached units	30 detached units
Single Family Residential Units under 1500 square feet	N/A	100 detached units
Multifamily Dwellings	60 multifamily units	100 multifamily units
Agricultural	20,000 sq. ft	40,000 sq. ft
Office, School, Commercial, Recreational, Service, or Storage Buildings and Associated Parking Structures	10,000 sq. ft. and 30 parking spaces	30,000 sq. ft. and 90 parking spaces
Parking Lots	30 spaces	Removed
Landfills and Excavations	250 cubic yards	1,000 cubic yards

Proposed Amendments

3. Amend TMC 15.48 as needed to address SEPA categorically exemption projects and traffic concurrency requirements

Next Steps

- Proposed amendments are intended to:
 - Eliminate duplicative environmental reviews
 - Reduce project review timeframes
 - Ensure proper notice and comment opportunities
 - Increase of affordable housing in the City
- Staff is reviewing how proposed SEPA categorical exemptions amendments relate to traffic concurrency for projects and potential mitigation

Public Notification Process

- In April – May staff expect to complete the public draft of the ordinance and:
 - Send the required 60 day notice to affected tribes, agencies with expertise, affected jurisdictions, the Department of Ecology, and the public
 - Send amendments to WSDOT
 - Complete SEPA nonproject review
 - Start required 60-day Notice of Intent process

Next Steps

Planning Commission

- Briefing – April 25, 2023
- Worksession – May 23, 2023
- Public Hearing – June 17, 2023

City Council

- General Government Committee Briefing –
July 12, 2023
- Worksession – July 25, 2023
- Consent agenda – July 31, 2023