

**TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 1**

CONVENE: 7:01 p.m.

PRESENT: Chair Elizabeth Robbins and Commissioners Nelida Daniel, Grace Edwards, Terry Kirkpatrick, Sandra Nelson, and Brandon Staff.

Excused: Commissioner Gina Kotek.

Staff: Community Development Department Director Brad Medrud, Housing and Land Use Planner Erika Smith-Erickson, and Associate Planner Dana Bowers.

CHANGES TO AGENDA: Chair Robbins moved the Director's Report to follow the 2025 Comprehensive Plan Periodic Update on the Housing Element.

APPROVAL OF MINUTES:

**TUMWATER PLANNING
COMMISSION MINUTES
MAY 13, 2025:**

MOTION: Commissioner Nelson moved, seconded by Commissioner Edwards, to approve the minutes of May 13, 2025 as presented. The motion was approved unanimously.

**COMMISSIONER'S
REPORTS:** Commissioner Nelson reported on her attendance to a Habitat for Humanity webinar. Information was shared on the organization's efforts to construct climate resilient homes and employ new construction strategies. She referred to the City's Housing Element and was pleased that new building strategies and new building codes were included in the update.

PUBLIC COMMENT: There were no public comments.

**2025 COMPREHENSIVE
PLAN PERIODIC UPDATE
– HOUSING:** Planner Smith-Erickson reported on the completion of the draft of Part 1 and Part 2 of the Housing Element. The briefing continues the Commission's review of the outline, format, goals, policies, and draft implementation actions of the Housing Element.

The Growth Management Act (GMA) requires the City to plan for and accommodate housing affordable for all economic segments of the population. House Bill 1220 amended the GMA to require the City to plan for not only housing but for all income levels of the City's population.

The City has prioritized housing and affordable housing through the Comprehensive Plan, the City's Housing Action Plan, and participation

TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 2

in the Regional Housing Council (RHC), as well as through the adoption of the tenant landlord regulations. The City is participating in the Black Homes Initiative to work collectively regionally within the Puget Sound area.

A recent City survey of the community reflected that of the 855 responses, 423 responses supported the City pursuing and supporting development of affordable housing. As of April 2025, the Area Median Income (AMI) for a two-person household is \$93,000. The AMI for a four-person household is \$116,000. In terms of affordability, housing cost should not exceed 30% of the household's income.

Chair Robbins inquired as to whether staff has information from the U.S. Census on the size of households within the City. Planner Smith-Erickson advised that although that level of detail is not included in the Housing Element, the City's average household size is over two persons. The trend reflects that household size is gradually decreasing. She offered to research the issue within the technical information contained within the Housing Element. The draft plan also includes demographic data on age and ethnicity. The Commission suggested the draft should be framed to reflect a story of Tumwater reflective of a snapshot of the demographic makeup of Tumwater.

Planner Smith-Erickson reviewed information on household income categories in the City. The information reflects the percent of AMI based on a family of four. Other information includes typical types of jobs for those income categories.

Commissioner Edwards suggested highlighting the number of jobs that are available in Tumwater or the percentage of jobs that exist in the City for each category of median income. Planner Smith-Erickson advised that the City anticipates working with a consultant to produce an update of the Economic Development Plan. The plan will specifically address the availability of different types of jobs in the City.

Chair Robbins suggested including information about the proximity of jobs such as near housing, and whether the jobs are stable/solid.

Commissioner Nelson pointed out the importance of recognizing the significant cost of childcare. The state has the highest childcare cost in the nation exceeding the cost of university tuition for a year. More than transportation, childcare cost is one of the largest expenses often exceeding the cost of housing.

Commissioner Staff recommended consideration of including language that speaks to either incentivizing or requiring development to provide

TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 3

onsite childcare or in close proximity to housing. Planner Smith-Erickson replied that there are many factors that account for housing affordability with many not controlled by any jurisdiction. However, the feedback is an important consideration.

Planner Smith-Erickson reviewed the breakdown of household income categories in the City based on 2021 data. The data reflects various AMI groups in Tumwater by percentage. Approximately 21% of households in the City fall into the extremely low or very low income categories while 52% of households are above the median income. The data is further separated by renter and owner. Approximately 6% of households or homeowners are extremely low-income or less than or equal to 30% AMI.

Planner Smith-Erickson reviewed cost burden data specific to AMI. Renters experience more cost burden repercussions in the City.

The affordability index for housing for both buyers and renters reflects a similar trend in the City of Lacey. Any score above 100 reflects more affordability for homebuyers. Affordability for renters places the City in the middle category of all local cities with renters continuing to experience more unaffordable housing.

House Bill 1220 directed Thurston County jurisdictions to determine the housing need regionally as a part of the Comprehensive Plan periodic update. The state allocated a specific number of housing units needed for Thurston County jurisdictions. All jurisdictions participated in meetings and identified a collaborative process to determine the number of housing units for each jurisdiction. The jurisdictions worked with Thurston Regional Planning Council (TRPC). Based on the outcome of the process, the City of Tumwater is required to add 9,192 new housing units between 2022 and 2045 to include the City's urban growth area (UGA). Methodology is included in the housing need allocation in terms of the population increase.

The additional housing is further categorized by affordability and income group. The largest need identified the 0% to 30% AMI population, as well as to plan for and accommodate permanent supportive housing. Over 120% AMI is not represented in the data. Anticipated future housing needs were identified by number of units by income group and the housing type based on affordability. The plan does not identify specific numbers for permanent supportive housing.

The City, working in conjunction with TRPC, identified land capacity to accommodate 9,192 new housing units. The plan includes a Land Capacity Analysis and a summary of the allocated housing need and the capacity for the potential number of new dwelling units that could be

TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 4

constructed. The analysis compared the allocated housing need to Tumwater and its UGA against its capacity for new housing. A positive number is indicative of a surplus capacity for new housing units in Tumwater. Tumwater's surplus was determined to be 35, which may be too low for households with a 0% to 80% AMI. However, more capacity is available for moderate density housing units (middle housing and single family residences).

Commissioner Nelson commented on the difficulty of forecasting the ages of new residents and how that plays into predicting the cost and type of housing needs to accommodate new residents. Planner Smith-Erickson shared that meetings were held with several stakeholder groups representing seniors and manufactured home park residents as well as other segments. The concern was a subject of discussion especially because it will be an issue. The City requires more affordable housing and lifecycle housing for the aging population. The discussion touched on adding more accessory dwelling units (ADUs) to enable people to age in place.

Planner Smith-Erickson said the update of the Comprehensive Plan must also include assessing City policies that may create racially disparate impacts, such as segregation, cost burden, displacement, unequal or unfair educational opportunities, or health disparities. Staff identified some affected policies and partnered with a consultant to review current policies and the Housing Action Plan to assist in identifying where the City could unintentionally create disparate impacts. Staff drafted draft implementation policies and regulations to address and begin to undo racially disparate impacts. The consultant identified Tumwater as at most risk for economic displacement, such as rising rent, unaffordable rent, increased property taxes, increased cost of living, and other associated costs. Goal and policies were drafted to address economic displacement.

Data for Tumwater reflects that 30% of households are cost burdened and 39% of residents are low, very low, or extremely low income. The City has experienced 196% in growth of non-white population from 2010 to 2023. Approximately 22% of all residents are 60+ years old. Combined housing stock reflects that 1,280 units are manufactured dwelling units.

Some recommendations and policies to assist in reducing displacement include:

- Establishment of community land trust styled program for mobile/manufactured home communities
- A Tumwater program to support private, small scale ownership of mobile home communities to preserve existing affordable

TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 5

housing stock

- Increase staffing capacity to process accessory dwelling units quickly to reduce the cost of permitting under the City's control

Commissioner Staff asked whether staff explored utilizing AI as a tool to assist in processing ADU permits to increase efficiency and reduce the cost of processing. Planner Bowers replied that staff often have questions or need explanations that require site visits to verify the information that was included in the development application.

Planner Smith-Erickson reviewed the format of the goals, policies, and implementation actions in Appendix A. Implementation actions are intended to serve as the building blocks for developing the annual Tumwater work programs that will implement the goals and policies of the Housing Element. As the Comprehensive Plan is implemented over the next 20 years, the draft implementation actions will change as new, unforeseen opportunities emerge: new ones may be added and proposed actions may be modified or replaced with other actions. The approach ensures flexibility and to keep pace with current conditions.

The format for Part 2 – Technical includes:

- Chapter 1 Introduction
- Chapter 2 Housing Needs Assessment
- Chapter 3 Land Capacity Analysis
- Chapter 4 Racially Disparate Impacts, Exclusion and Displacement
- Chapter 5 Housing Provisions
- Appendices A - H

Staff recently received an updated final draft of the Displacement Analysis from the consultant. Following a review by staff of the draft, additional data or information may be incorporated in the Housing Element. The Housing Needs Assessment includes an Introduction; Household Characteristics; Household Tenure; Housing Affordability; Housing Inventory; Emergency & Supportive Housing; Housing Production Trends; Funding Housing Construction; Homeless Population & Trends; and Projected Housing Needs.

Chair Robbins suggested the chapter should include the different types of outreach by staff and input staff received from that outreach. Planner Smith-Erickson said the element includes a summary of outreach and engagement. As part of the Displacement Analysis, four workgroups were created representing military, manufactured home parks, ADUs, and Renters. Chair Robbins asked about any contact with any local tribes to receive feedback on housing. Planner Smith-Erickson advised that specific to the consultant's work on the racially

**TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 6**

displacement analysis, information is included on demographics. The information includes public engagement efforts and feedback received, which is included in the report. City staff also outreached to local tribes, associations, and others to share information on the public participation plan and housing stakeholder lists. Staff also received feedback from the Commission on potential targets for outreach, such as service providers.

Chair Robbins recommended the element should reflect information on the characterization of comments from the people who are likely to be affected.

Planner Smith-Erickson affirmed her intent to review the final report to ascertain whether information on additional outreach was included.

Planner Smith-Erickson reviewed Chapter 5 – Housing Provisions, a new state requirement to ensure there are adequate plans for protection of existing and projected housing needs for all economic segments of the community. The provisions include identifying barriers to housing and actions and actions necessary to remove barriers.

Policy and Action Tables in Part 1 include goals, policies, and draft implementation actions. The actions are not listed in priority order. Each of the Housing Element's policies and draft implementation actions include:

- If appropriate, estimate start dates, length of time to complete, and target completion dates
- The level of effort to achieve
- The effect on housing supply
- The specific housing needs addressed

Planner Smith-Erickson reviewed the goals:

Goal 1 – Increase the supply and variety of housing for every income and age group.

Highlights:

- Equity
- Coordination between elements
- Promote more housing types for different needs

Goal 2 – Expand the supply of permanent, income-restricted affordable housing.

Highlights:

- Removing barriers and providing incentives to develop affordable housing
- Address the need for permanent supportive housing for people

- with disabilities, seniors on limited incomes, and others
- Look for ways to reduce the costs of renting or owning a home for lower incomes.

Goal 3 – Maintain and improve existing housing stock.

Highlights:

- Support the maintenance and improvement of existing housing stock
- Helps to reduce costs by addressing ongoing maintenance on a regular basis to avoid large costly repairs
- Improves energy efficiency to reduce costs and climate impacts

Goal 4 – Make it easier for households to access housing and stay housed.

Highlights:

- Housing costs stay reduced to help households avoid eviction or foreclosure
- Homeownership is an important way for a household to build financial equity
- Protecting vulnerable populations from displacement and inflated housing costs is critical for housing stability

Goal 5 – Continually develop partnerships to improve implementation of housing strategies.

Highlights:

- Direct resources to organizations that build housing
- Enact policies that serve the community

Goal 6 – Explore a permanent source of funding for low-income housing.

Highlights:

- Providing affordable housing for the lowest income households and those experiencing homelessness requires public funding
- Leverage local, state, and federal dollars for low-income housing
- More funding reduces the costs to develop and maintain units and makes housing units more affordable
- Housing is a collaborative effort within the region not just a task for individual jurisdictions

Planner Smith-Erickson asked a series of questions to help guide the Commission's discussion:

1. Are the proposed goals, policies, and draft implementation actions and the information in Part 1 of the Housing Element presented effectively? What should change to make them more

**TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 8**

- usable?
2. Is the information in Part 2 of the Housing Element presented in an understandable format? What should change to make it clearer?
 3. What in the Housing Element would affect you or the things you care about most and what do you expect that affect might be?

Planner Smith-Erickson affirmed that some feedback during the meeting speaks to the importance of ensuring data is relatable to Tumwater and ensuring the Element explains and tells the story.

Chair Robbins asked about the possibility of exploring the upstream causes of why the City needs more housing and more low-income and affordable housing. It speaks to examining steps the City could pursue to address upstream causes to change outcomes and reduce homelessness.

Commissioner Kirkpatrick noted that half of the residents in Tumwater do not work in the City. Conversely, half of those working in Tumwater do not live in the City. It will be extremely difficult to identify those that the City wants to attract to live in Tumwater when there are so many reasons for people to live in other areas.

Director Medrud joined the meeting.

Discussion ensued on the prior question of utilizing AI to help improve efficiency and reduce costs for development permitting. Director Medrud said staff has initiated some conversations surrounding the utilization of AI, especially in permitting. However, although AI can be helpful, it is not fully functional. The concern is moving forward with AI without adequately evaluating the output. Until the City fully understands the impact, the City has avoided pursuing AI technology. Utilization of AI is a subject of discussion during management team meetings.

Commissioners and staff discussed AI privacy concerns, additional infrastructure needs, increased energy usage, and movement toward AI within the planning and development communities.

Director Medrud reported the Council supported scheduling another joint work session to discuss the Housing and Climate Elements.

DIRECTOR'S REPORT:

Director Medrud updated the Commission on the status of the Council's strategic planning. Each year, the Council updates its Strategic Plan, which is intended to guide future City efforts. The update this year is geared to align with the structure of the

TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
JUNE 10, 2025 Page 9

Comprehensive Plan and Work Programs. The current structure of the Strategic Plan is a list of approximately six large goals followed by a bulleted list of 'to do' items. The intent is to revise the document to increase the Council's ability to monitor and track progress throughout the year through a structured process. Current efforts include the Council meeting during several Saturdays with department directors to review department lists and discuss items that are required by the state or the Council has deemed important. The Council asked staff to identify any item on the list that should be removed and identify anything that is not currently included on the list that should be included. Feedback from each Councilmember provided guidance on issues of importance or non-importance to help guide the Council's decisions on how to balance issues. Based on those discussions, the next Saturday meeting will focus on developing a Strategic Plan structure to develop the Strategic Plan for final adoption in fall 2025.

Progress is occurring on completion of the Habitat Conservation Plan (HCP). The City's consultant is currently working on issues surrounding Port property and endangered species living on Port property. Staff anticipates receiving a draft of the HCP from the consultant shortly to enable an internal review and then releasing a public draft of the HCP.

Director Medrud reminded Commissioners of the importance of advising staff of their ability to attend meetings during the summer to ensure a quorum is established. He noted the possibility of canceling the August meetings during the Council's summer recess.

Director Medrud shared that the City has received good comments from stakeholders on the Housing Element. At the last stakeholder meeting, members received a legislative update. Some comments spoke to the periodic update as an exercise for checking the boxes for the state's checklist. A Lacey Planning Commissioner raised similar concerns that each plan should reflect the specific community rather than a plan that reflects state guidelines. He encouraged the Commission to speak to issues and needs specific to the Tumwater community.

NEXT MEETING DATE: The next meeting is scheduled on June 24, 2025.

ADJOURNMENT: **Commissioner Staff moved, seconded by Commissioner Nelson, to adjourn the meeting at 8:47 p.m. Motion carried unanimously.**