

TUMWATER PLANNING COMMISSION
MINUTES OF HYBRID MEETING
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CONVENE: 7:03 p.m.

PRESENT: Chair Elizabeth Robbins and Commissioners Terry Kirkpatrick, Brian Schumacher, Meghan Sullivan, and Michael Tobias.

Excused: Commissioners Grace Edwards, Nathan Peters, and Anthony Varela.

Staff: Planning Manager Brad Medrud

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

COMMISSIONER'S REPORTS: There were no reports.

MANAGER'S REPORT: Manager Medrud reported on the pending appointment of Kelly Van Holtz, who is a current member of the Parks and Recreation Commission. Following her appointment at the September 6, 2022 City Council meeting, she will attend the Commission's next meeting on September 13, 2022.

PUBLIC COMMENT: There were no public comments.

ORDINANCE NO. O2022-003, FINAL DOCKET FOR 2022 COMPREHENSIVE PLAN Manager Medrud referred to the final docket of the Tumwater Comprehensive Plan and encouraged Commissioners to submit questions on any amendments other than the amendment concerning Neighborhood Character. The Commission has two worksessions scheduled to review the Comprehensive Plan amendments.

AMENDMENTS: Commissioner Tobias asked whether the Wells Littlerock Comprehensive Plan Land Use Map Amendment (TUM-21-1848) and Corresponding Rezone (TUM-21-1804) was a City or private initiated amendment. Manager Medrud advised that the application was filed by a representative of the landowner. The amendment is the only private amendment in the final docket. Staff believes the amendment should move forward because of its location and the proposal.

Commissioner Kirkpatrick asked whether the City has any flexibility in the terms of specific zoning districts allowing essential public facilities. Manager Medrud said the City has flexibility in the location but the City cannot prohibit essential public facilities based on state law. The City's provisions for essential public facilities are included in the Comprehensive Plan and in Title 18 *Zoning* of the Tumwater Municipal Code (TMC). Both provisions are nearly identical. Commissioner Kirkpatrick asked whether the amendment is for consideration to expand the zones permitting

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essential public facilities or alignment of language between the Comprehensive Plan and the TMC. Manager Medrud explained that earlier in the spring, staff received an inquiry from an existing drug rehab center and overnight care facility. The owner was considering the expansion of the facility to an adjacent parcel; however, both the current parcel and the adjacent parcel do not allow the use. Staff was tasked to review the codes to accommodate the request, as well as looking at the existing use as a conforming use as well as the proposed expansion. Staff considered several options and determined the issue should include a public process because it could represent a big change affecting a neighborhood and surrounding area. Since staffing resources are not available this year, staff proposes to remove the amendment from the final docket and consider the proposal as part of the larger Comprehensive Plan update process over the next several years.

A similar proposal also involves amendments to the Conservation Element to incorporate Thurston Climate Mitigation Plan greenhouse gas emissions targets as the state recently adopted reduction in greenhouse gas emissions based on 1990 data while the Thurston Climate Mitigation Plan is based on 2015 data. As the Thurston Climate Mitigation Plan was part of a regional effort, staff believes alignment with state law should be accomplished through a regional effort by modifying the Thurston Climate Mitigation Plan and then pursuing amendments to each jurisdiction's comprehensive plan.

Manager Medrud displayed a map identifying homeowner associations within the City for residential single family. A prior question from Commissioner Kirkpatrick was on the affect of HOA covenant restrictions versus City restrictions. Lacking specific HOA copies of covenants, it is not possible to identify HOA restrictions except assuming that there is some level of various types of restrictions.

Commissioner Kirkpatrick cited a missing neighborhood that was established in the 1980s. Manager Medrud offered to follow-up with GIS staff to review the source of data.

Manager Medrud asked for feedback on the proposed amendment packet with some articles on neighborhood character. Chair Robbins said she found the articles to be helpful in terms of history surrounding neighborhood character.

Kirkpatrick Commissioner commented on the inherent difficulty in defining "character." Character has its own character and it is used in many different ways in the proposed amendment with multiple uses not resembling the same idea from one paragraph to another.

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Commissioner Tobias referred to an article on “neighborhood character” included within the information that speaks to the restriction of two front doors to a residential structure. It appears to be ambiguous throughout Canada and likely in the U.S. The author of the article described some of the theories surrounding architectural design. He questioned why the front door aspect of a house is considered so central to neighborhood character. Manager Medrud said he suspects the restriction of more than one front door is to preserve lower density single-family neighborhoods otherwise neighborhoods could be identified as multifamily housing or other types of neighborhoods.

Commissioner Tobias mentioned recent information concerning Phoenix, Arizona on how areas with more trees integrated within neighborhood landscapes can affect the temperature range by many degrees. Areas of lower economic status or lower median income tended to be the areas with less trees and vegetation resulting in higher temperatures. Neighborhood character is not just an intangible aesthetic because it could have a very real impact, such as what is experienced in Phoenix where temperatures are higher often leading to health impacts.

Commissioner Kirkpatrick commented that prior to the interstate system the City of Baltimore, a large port city, had ships that often supplied marble to many brownstones for front doorsteps. It was possible when driving through brownstone neighborhoods to distinguish between rental and owned units as owners of the rental brownstone units removed and sold the marble while owner-occupied brownstones retained their marble doorsteps.

Councilmember Schumacher commented that as a new member, much of the information within the staff report is detailed and he is hopeful the City strives to increase density to help both the housing crisis and reduce homelessness. The lack of affordable housing has increased and one day he would like to purchase a home; however, home prices average six to seven times the average income for the area. The only way to solve an equity or market problem is by providing more supply. He hopes that as development occurs in the City, density increases without the need to add more multiple story buildings. He asked whether City development information could be provided in a spreadsheet format to enable tracking of the type of development occurring in the City.

Manager Medrud said the information resides in a software program that the City is currently replacing. The system is not user-friendly and is difficult to extract information. At this time, staff is unable to provide concise information as to development activity occurring in the City. The City has been transitioning to a new system incorporating modules for finance, permitting, public works, and other department systems. The

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intent of the new system is to improve interoperability between the departments and afford quick and easy access to information.

Manager Medrud spoke to the issue of increasing density to accommodate growth, as well as maintaining or lowering housing prices. The role of design and requirements for design help to reduce the impacts of increasing density. The City implemented design guidelines approximately six years ago as part of the project review process. As the City begins focusing on more intense densities, it will be important to consider the importance of design and, at some point, explore other options for zoning than currently in place. One option is form-based zoning that focuses on the intensity of the use rather than the type of use. That effort will require a substantial work program.

Commissioner Schumacher commented on the prevalence of development in areas lacking services. He advocated for housing above retail so that residents do not need to drive to services.

Chair Robbins asked whether staff's research on neighborhood character included any information from the National Association of Cities. The organization published information on design guidelines for neighborhoods many years ago that could be helpful to the discussion. Manager Medrud said he would conduct some additional research.

Manager Medrud recommended reviewing *GOAL H-7: To ensure that housing is compatible in quality, design, and density with surrounding land uses, traffic patterns, public facilities, and environmentally sensitive area*. The first policy is *H-7.1 Support the stability of established residential neighborhoods through appropriate plans and codes*. The policy has been subject to interpretation as there is substantially no allowance for any changes while other policies speak to the importance of stability but also allow for growth and other factors.

Commissioner Kirkpatrick pointed to several sections that speak to establishing residential neighborhoods that is indicative of a wider interpretation rather than a narrow definition. He suggested the language does not speak to transitional residential uses while still retaining the neighborhood as a residential use. There may be residential areas in the City that might convert to commercial uses over the course of several decades. Today, residential uses include a wide range of uses. Designations of single family and multifamily are often no longer different. Today, any residential neighborhood could include single-family or multistory apartment buildings.

Chair Robbins commented on the term of "stability" because it implies a static and unchanging condition, which is not realistic today. She

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suggested exploring other terminology that describes continuity of a neighborhood as it evolves, changes, and redevelops.

Commissioner Kirkpatrick agreed with substituting another term; however, the term “stability” within the policies speak not to the structure but to the people living within the structures. It speaks to people wanting to live a stable life in either an apartment or a house to raise a family. He believes that is the context of “stability” within the policies.

Chair Robbins advised that the Commission’s recommendations to the City Council could include creating a situation where the proposed language creates the conditions for people to thrive and sustain themselves. It is important to create those conditions regardless of the structures or the type of nearby services or businesses. It is important to recognize change is occurring.

Commissioner Tobias referred to *GOAL H-8: To support healthy residential neighborhoods which continue to reflect a high degree of pride in ownership or residency* and cited trends occurring nationally where home ownership is becoming difficult because of rising interest rates. The long-term effects are unknown in terms of a pending recession or a sustained environment of high interest rates. It is fair to say that in the short-term, fewer people are applying for financing to purchase a home, fewer homes are being sold, and those that are sold are at a much higher rate than most average Americans can afford. Another new trend is the purchase of homes by large institutional investors, such as real estate funds, private equity groups, and others that are purchasing homes with cash and converting the structures to rental properties. It does not change the structure or the character of a neighborhood in that sense, but it does change in terms of the people who live in those homes who are renters rather than owners. There may be a change in character if the trend continues with neighborhoods with homeowner associations comprised of tenants rather than owners.

Manager Medrud added that the City is uniquely located because of the military base with many instances of military personnel owning homes and when reassigned renting their homes. The City of Lacey has more rental single-family homes than the City of Tumwater. However, the City does have a fair number of rental homes.

Commissioner Tobias offered that it is a trend that should be tracked in terms of ownership versus rental. The City of Olympia has transitioned within the last several years from a majority owner community to a majority rental community.

Chair Robbins commented on possibilities of incentivizing and ensuring people are able to own homes rather than renting homes. During the 2008

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and 2009 recession many homes were repossessed and offered on the market with some provisions or conditions where buyers who intended to live in the home were favored over a commercial entity that would rent the home. She asked about the possibility of implementing a similar policy favoring home ownership versus the home becoming a rental property. Manager Medrud said the ideas are valid to review; however, at the zoning level, he is unsure as to whether such policies could be considered as the City does not consider specific ownership of a structure nor does the City have policies that discourages the sale of properties for future use as a rental. He shared that he plans to review materials published by the Department of Commerce for updating the City's Housing Element. All the questions are valid because the City prefers local residents owning and renting as they all have a stake in the community. However, how those goals relate to zoning along with accompanying provisions the City implements are questions to ponder moving forward as part of the review.

Commissioner Schumacher shared that he rents a home and has offered to split the cost for upgrading the home. The company is not interested in improving the home and its appearance, which affects the neighborhood in the longer term which affects the City when minimum standard rental units outnumber owned properties. He questioned whether it is even possible to address those issues through the zoning code.

Commissioner Kirkpatrick said the intent of the goals is to ensure housing is compatible in quality design and density. The City's design standards should require appropriate construction of homes built to a minimum standard. Commissioner Schumacher said his contention is that builders are constructing homes to minimum standards and generally do not add improvements.

Commissioner Tobias shared information about Vancouver B.C. and how the government had to take action to alleviate similar issues with foreign investors purchasing homes and leaving the homes vacant leading to a housing crisis in the city. Eventually, the government stepped in and approved charging a 15% tax to foreign investors purchasing homes in the city as a way to curb the practice of purchasing homes and leaving them vacant. It may be possible to incentivize or disincentivize certain housing practices in the City.

Manager Medrud commented that future discussions may necessitate the need to provide more explanation in terms of provisions and policies in terms of residential uses. Although, he does not envision the need for dramatic changes at this time, the issues speak to broader issues that would be better considered under the umbrella of the update process for the Comprehensive Plan.

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Commissioner Schumacher asked whether the City requires rental housing to be licensed, as it could represent a good first step. Manager Medrud responded that the subject is scheduled for review by the General Government Committee in October. The City Council directed staff in 2018 as part of efforts addressing affordable housing and homelessness to consider tenant protections and rental housing in the City. Staff developed a proposal for the Council's consideration of an initial rental registration program intended primarily for educational purposes. The intent is to develop a proposal for multifamily development of five units or more to require a business license. A second element is developing a mechanism to contact rental properties to provide assistance. Should the trial be effective, the City could extend the program to all rental properties in the City. However, because of the ease of identifying five units or more in the City, it would be much more difficult to identify single-family rental homes, and it would be important to reach out to all tenants and landlords for equal access to all information.

Chair Robbins said she is appreciative of the ideas and is hopeful that at this time, the ideas should not be automatically disqualified. There may be practical reasons why some ideas would be difficult to implement; however the discussion is still in the idea stage. She asked whether census data could provide information on rental units within the City.

Commissioner Schumacher commented on the availability of internet database companies providing demographic data on individuals. It is possible to query a database on different demographics, such as age or home ownership. The companies charge for the service, but information can be accessed.

Commissioner Sullivan offered that the discussion and feedback speaks to the problems to be solved. It is important for the Commission to ask that question as it reviews the policies and goals as it might help Commissioners consider hidden biases, as some of the takeaways of the articles spoke to neighborhoods contributing to institutional racism. Unless there is an intentional process of examining how all systems may have been set up for privilege, such as the legacy of redlining and families continuing to pass on generational wealth, it is very easy to miss the layers of policies and goals that continue to promote those systems. She agreed to the importance of considering the intent of the problems to solve as the Commission considers redefining some goals and policies. It is also important to understand what "stability" means as many of the policies and goals are subjective and were established to benefit and reinforce systems that benefit certain groups of people. She would prefer pursuing a thoughtful, careful, and strategic process that affords adequate time to understand the issues to offer recommendations that may be bold but advance equity.

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Commissioner Kirkpatrick said the staff report is straightforward as the intent is to eliminate language that negatively affects the Housing Action Plan, which serves as the first filter in addition to other filters that could be addressed. Many times, “character” may cause impacts while many times, “character” is part of a sentence with no impacts to providing a diverse housing market.

Commissioner Sullivan agreed that the suggestion is the first step with the second a deeper review because unless the Commission works to understand and recommend policies that are actively antiracist, the Commission has not advanced to the extent that she views as truly serving the diversities and correcting historical inequities.

Commissioner Tobias referred to the issue of “stability” as it appears to be a double-edged sword because the intent is to ensure stability of people who live in Tumwater are not priced out of the home market or even as a renter experiencing rental increases to the point where the tenant must move. It can also involve the situation of a retired homeowner whereby the home increases in value with property taxes increasing to the extent that the homeowner is no longer able to pay the taxes. On the opposite side, some measures for housing “stability” could backfire when existing homeowners within a neighborhood are favored, which could serve to prevent new owners from entering the market subsequently limiting the ability for new and diverse individuals and families to live in the City. It is important to create a housing environment that enables people to continue to live and thrive in the City while enabling others to live in Tumwater by finding a home to live in and thrive.

Chair Robbins commented that although zoning is the primary focus of the Commission, other issues such as taxation levels also play an important role. Wild fluctuations in property values also create unstable situations and often people lack the stability to either stay in their home or remain in a rental. She asked whether it is an element that the Commission should understand in terms of how it affects housing stability.

Manager Medrud advised that the issue could be explored; however, other similar efforts by the City include soliciting for a consultant to assist the City in the development of an equity toolbox. The intent of the toolbox is to help guide City decisions on policies and other provisions through the lens of equity to avoid current biases. The Commission’s discussion has a place as part of the larger update of the Comprehensive Plan rather than through an amendment in the next month as the issues feed into the larger discussion by the City especially based on the state-mandated changes to the Housing Element within the Comprehensive Plan.

Commissioner Tobias asked whether staff is aware of the current vacancy rate in the City and the surrounding communities. Manager Medrud said

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he does not have any information other than from recent conversations, the housing market is beginning to stabilize; however, issues continue to exist.

Manager Medrud reported the staff report highlights all instances of character, stability, and other terms.

Commissioner Kirkpatrick commented on recent changes to single-family medium density residential enabling transitioning of different types of housing. Manager Medrud advised that recent information reflects that for the first time in the City, more multifamily units have received permits than single-family units this year. It has been some time since the City has experienced more construction of multifamily complexes. Additionally, the City has experienced an increase in proposals for accessory dwelling units (ADUs). This year, six building permits were issued for ADUs and another five are under review. Some of the units are located in new subdivisions. He noted that it takes an extended period to experience changes in land use.

Manager Medrud encouraged Commissioners to share ideas or submit any requirements for any additional information for the next meeting discussion.

Commissioner Kirkpatrick questioned whether other policies within the section would be considered. Manager Medrud said he identified the main issues with the Commission pointing out additional issues within the neighborhood appendix in terms of character of a neighborhood. Commissioner Kirkpatrick spoke to the importance of design standards for residential. He advocated for distinction through color, shape, and size of housing units and that design standards should address those distinctions. Manager Medrud said the design standards are effective for multifamily housing. Newer development reflects some improvements.

Chair Robbins asked how the design standards were developed or modified. Manager Medrud said the City hired a consultant to assist staff. The consultant was experienced in architecture and design. The guidelines were established prior to his arrival to the City and address general types of buildings and uses for commercial, industrial, multifamily residential, and a small section on single family residential. The work program includes a review on the effectiveness of the City's design guidelines. The review may be delayed until after the update of the Comprehensive Plan is completed as it takes time for development to occur in order to assess the effectiveness of design guidelines.

NEXT MEETING DATE:

The next meeting is on Tuesday, September 13, 2022.

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ADJOURNMENT: **Commissioner Schumacher moved, seconded by Commissioner Tobias, to adjourn the meeting at 8:34 p.m. Motion carried unanimously.**

Prepared by Valerie Gow, Recording Secretary/President
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