STAFF REPORT

Date: December 9, 2025

To: City Council and Planning Commission

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2025 Tumwater Comprehensive Plan Periodic Update – Ordinance No. 02025-010

On a ten-year cycle, Tumwater is required to conduct a Growth Management Act periodic update of its Comprehensive Plan and related development regulations. For the current cycle, the City is required to complete work on the periodic update by December 31, 2025. Work on this update began in October 2022 and continued through this year.

The updated Comprehensive Plan addresses diversity and equity throughout the Plan and addresses the State required changes related to housing, climate change, and other topics.

At their joint work session on December 9, 2025, at 6:30 PM the City Council and Planning Commission will be asked to conduct a joint work session to discuss the Planning Commission's recommendation on Ordinance No. O2025-010, 2025 Comprehensive Plan Periodic Update and then place the ordinance on the December 16, 2025, City Council consideration calendar with a recommendation to adopt.

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1 - Revisions Since the Planning Commission Public Hearing

Since the Planning Commission held a public hearing and gave its recommendation on Ordinance No. O2025-010 on Monday, November 10, 2025, there have been two sets of changes to the ordinance that are summarized below.

- 1. The State Department Commerce provided a draft comment letter dated November 14, 2025, regarding Tumwater's proposed 2025 Comprehensive Plan and Development Code update as part of their Notice of Intent review. Staff were able to address all the comments in the draft letter in the revised ordinance included in the packet. The draft comments from Commerce regarding Ordinance No. O2025-010 and staff responses are summarized below:
 - a. <u>Commerce Comment</u>: While the city has very strong housing policies promoting a variety of housing types, we recommend adding a policy specifically encouraging moderate density or infill housing consistent with <u>RCW 36.70A.070(2)(b)</u>.
 - RCW 36.70A.070(2)(b) states (bold text added):
 - (b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes;
 - <u>City Response</u>: Addressed. Staff added new Housing Policy H-1.7 and new implementation actions H-1.7.1 and H-1.7.2. See pages 12 and 27 of Part 1 of the Housing Element.
 - b. <u>Commerce Comment</u>: To demonstrate sufficient land capacity for housing needs of all income levels, consistent with <u>RCW 36.70A.070(2)(c)</u>, we recommend looking at and evaluating the assumptions for the amount of low-income housing proposed in the low- and moderate- density zones. While the <u>TRPC Planning for and Accommodating Housing Needs in Thurston County</u> report demonstrated that low-income housing may be built in low- or moderate-density zones, the analysis should only assume the amount of development likely to happen based on recent trends. If it is unlikely that Tumwater will see development of over 1,000 units at 0-80% AMI in these zones over the next twenty years, we recommend adjusting the land capacity assumptions in this step.

We also recommend providing a summary table or a quantitative summary of the emergency housing capacity analysis in Housing Element – Part 2 to more clearly demonstrate consistency with RCW 36.70A.070(2)(c).

<u>City Response</u>: The City agrees with Commerce that the land capacity question for low-income housing in the low- and moderate- density zones was addressed by

the analysis in <u>TRPC Planning for and Accommodating Housing Needs in Thurston County</u> report, which demonstrated that low-income housing may be built in low-or moderate-density zone district in the City and that no further analysis or adjustments based on land capacity assumptions was needed.

This information was incorporated into Chapter 5 "Land Use Capacity Estimates" of Part 2 of the Land Use Element as shown in Table LU-1 "Summary of Housing Surplus or Deficit in Tumwater & Its Urban Growth Area in 2045" and Table LU-12 "Residential Land Supply & Demand in Tumwater & Its Urban Growth Area in 2045 from Part 2 of the Land Use Element" (Land Use Element, Part 2 Technical Information, pages 28-29).

The language of RCW 36.70A.070(2)(c) cited below only requires the City to identify sufficient capacity for housing by type and income citywide and within its urban growth area, not by specific land use designations.

Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;

The land capacity analysis in the <u>TRPC Planning for and Accommodating Housing Needs in Thurston County</u> report occurred before the City did further work to expand the potential for creation of more housing types suitable for those under 80% AMI.

As noted in Chapter 5 of Part 2 of the Land Use Element "Land Use Capacity Estimates," while the City agreed with the findings of TRPC report that:

"...the land capacity analysis found no deficits in Tumwater and its urban growth area in the ability for Tumwater's current land use designations to accommodate future housing demand, in looking at the detailed findings shown in Table LU-12 under the Surplus or Deficit columns the margin between aggregate housing need and the total capacity to accommodate, the housing needs for those less than 80 percent area median income was very small."

"Given the small margin, the uncertainty around the amount of developable land that will be available without the Endangered Species Act restrictions, and the limited land use designations that could accommodate housing for the category, under the Land Use Element residential densities land use designations have been increased and the range of potential uses allowed have been expanded (Land Use Element, Part 2 Technical Information, page 29)."

This increase of densities and range of uses was to ensure that there was more than enough capacity in the City and its urban growth area for housing that met the needs of all income groups, including middle and multifamily housing. It was based on TRPC's review of three land use alternatives studied in TRPC's Tumwater Land Use Alternatives Analysis (February 2026) (Part 2 of the Land Use Element, Appendix B, attached) to determine their effect on land capacity. Alternative #3 was used in Part 2 of the Land Use Element because it accommodated the most potential for suitable housing types for the under 80% AMI income groups.

Alternative #3 included the new minimum and maximum densities shown in the table below for our low- and medium- density land use designations.

Current Land Use Designation/Zone District	Current Density	Proposed Land Use Designation/Zone District	Proposed Density
SFL Single Family Low	4-7 units/acre	LDR Low Density Residential	6-9 units/acre
SFM Single Family Medium	6-9 units/acre	LDR Low Density Residential	6-9 units/acre
MFM Multifamily medium	9-15 units/acre	MDR Medium Density Residential	10-19 units/acre
MFH Multifamily High	14-29 units/acre	HDR High Density Residential	20+ units/acre *no maximum

The changes to the minimum and maximum densities to the City's low- and medium- density land use designations coupled with the adoption of the full range of middle housing regulations address existing and projected needs of all economic segments by reducing barriers to different housing types and affordability.

More importantly, to assume the amount of development likely to happen will only be based on recent trends is incorrect, especially given the greater housing options that result from the new middle housing regulations and the increased densities or no maximum densities across our residential, mixed use, and commercial land use designations.

Concerning providing a summary table or a quantitative summary of the emergency housing capacity analysis, as noted on Page 15 of the <u>TRPC Planning</u> for and Accommodating Housing Needs in Thurston County report:

Per Commerce's guidance, jurisdictions do not need to do a land capacity analysis for emergency housing if:

 The jurisdiction has one or more zones that allow hotels, all of which allow for emergency housing by right. Alternatively, this condition may be met by demonstrating that emergency housing is allowed by right in a majority of zones within a one-mile proximity to transit.

• The jurisdiction has no regulations that limit the occupancy, spacing, or intensity of emergency housing.

The project partners confirmed at least one of these conditions applied to their jurisdictions, therefore TRPC did not complete a land capacity analysis for emergency housing.

In Tumwater, hotels are allowed in six zone districts:

- Brewery District
- Capitol Boulevard Corridor
- General Commercial
- Historic Commercial
- Mixed Use
- Town Center

Under Ordinance No. O2021-019, adopted on 2022, emergency housing and shelters are permitted outright in each of these six zone districts as was noted on page 35 of the Housing Element.

In addition, Tumwater will be working on a Homeless Shelter, Emergency, and Transitional Housing Assessment and Feasibility Study starting in 2026 which is intended to help the City understand the specific needs in Tumwater for emergency and transitional housing facilities beyond the state mandated regulatory amendments of 2022 as noted on Pages 35 – 36 of Part 2 of the Housing Element.

c. <u>Commerce Comment</u>: The housing element includes documentation of programs and actions needed to achieve housing availability, and local funding sources that the city has adopted to support affordable housing needs as required by <u>RCW</u> <u>36.70A.070(2)(d)(ii)</u>.

We also recommend identifying gaps in local funding needed to achieve affordable housing needs. Guidance on this can be found in chapter 4 of <u>Guidance for Updating Your Housing Element</u> (pg. 60-62).

<u>City Response</u>: Addressed. Section F Housing Production Trends in Chapter 2 of Part 2 of the Housing Element was combined with Section D Local Funding Assessment in Chapter 5 of Part 2 of the Housing Element (pages 74 – 79 of Part 2 of the Housing Element) to document more clearly programs Tumwater has used to achieve affordable housing needs.

Subsection 10 Housing Funding Gap Tools in Section D Local Funding Assessment (pages 78 – 79 of Part 2 of the Housing Element) is the checklist recommended for

use by the <u>Guidance for Updating Your Housing Element</u>. It has been expanded to document whether available local funding tools or incentives are already being used, and which tools can be implemented to help close the funding gap, acknowledging that reality that local funding will not be sufficient on its own to meet state and local requirements for affordable housing.

d. <u>Commerce Comment</u>: While the City of Tumwater included anti-displacement policies in the draft housing element, we did not find identification of areas at higher risk of residential displacement, as required by <u>RCW 36.70A.070(2)(g)</u>. We recommend including a displacement risk map – you may use <u>Commerce Draft Displacement Risk Map</u> – or include a discussion of areas that may be at risk of displacement your housing element.

<u>City Response</u>: Addressed. Commerce Draft Displacement Map was added as Figure H-37 on page 72 of Part 2 of the Housing Element.

On December 1, 2025, Commerce responded that staff had addressed the comments in their draft letter regarding the Housing Element and requested additional language on the calculation of emergency housing capacity and identifying gaps in local funding, which staff provided to Commerce on December 2, 2025.

The comments from Commerce regarding the Development Code Update were addressed in the staff report for Planning Commission work session on November 25, 2025. On December 1, 2025, Commerce responded that staff had addressed the comments in their draft letter regarding the Development Code Update.

- 2. The Thurston Regional Planning Council provided a review letter and checklist on November 14, 2025, regarding the Transportation Plan in the 2025 Comprehensive Plan as part of their Regional Transportation Plan certification process. Staff were able to address all the comments from Thurston Regional Planning Council in the revised ordinance included in the packet. The comments regarding Ordinance No. O2025-010 and staff responses are summarized below:
 - a. <u>Thurston Regional Planning Council Comment:</u> As currently drafted, the transportation element does not establish a standard for all modes within its Multimodal Level of Service (RTP Policy 9.k). Specifically, the transportation element does not include a level of service standard for transit. To be consistent, TRPC suggests adding a policy that either sets a specific transit level of service or identifies that the City will follow Intercity Transit's level of service.
 - <u>City Response:</u> Addressed. Staff clarified language about levels of service standards and added transit level of service language.
 - b. <u>Thurston Regional Planning Council Comment:</u> As currently drafted, the transportation element does not include all projects listed in the Regional Transportation Plan (RTP). (WAC 468-86-150(1)). Specifically, the RTP includes the Tumwater Boulevard Interchange (C-29) and Deschutes Valley Trail (B-6)

projects, which are not reflected in the city's transportation element. To be consistent, TRPC suggests including these projects.

Please note, the RTP also contains another project that is not fully reflected in the city's comprehensive plan, the Brewery District Transportation Project (C-39). However, if the Tumwater Boulevard Interchange and the Deschutes Valley Trail projects are added, TRPC can find the transportation element conditionally consistent with this RTP principle, pending amendments to the RTP; the next amendment cycle is in 2027.

<u>City Response</u>: Addressed. Staff amended the project tables to include Regional Transportation Projects and revised numbering to make tables more legible.

2 - Summary

Ordinance No. O2025-010 is a ten-year periodic update to Tumwater's Comprehensive Plan. The update reflects current population, housing, and employment forecasts, incorporates updated State regulations and guidance, and addresses new community priorities. The last periodic update of the Comprehensive Plan was completed in 2016.

The Comprehensive Plan serves as Tumwater's road map for accommodating growth within the City and its urban growth area from 2026 to 2045. The Plan was prepared in accordance with the Growth Management Act (Chapter 36.70A RCW) and Thurston County County-Wide Planning Policies.

3 - Background

Staff have been working with stakeholders and the community on the Comprehensive Plan periodic update since the fall of 2022. The periodic update included the following state required Elements, with their associated maps and appendices:

- Climate Element (New in 2025)
- Conservation Element
- Housing Element
- Land Use Element
- Lands for Public Purposes Element
- Transportation Plan
- Utilities Element

A Plan Introduction was prepared containing the overall Plan goals, as well as public participation, intergovernmental coordination, plan review, and plan update and amendment requirements.

The Tumwater Thurston County Joint Plan will be updated to reflect Tumwater's amended Comprehensive Plan in 2026 following the approval of the Ordinance No. O2025-010.

The following Elements of the Comprehensive Plan were not required to be updated by the state and were included in the periodic update:

- Economic Development Plan (Update expected 2026)
- Parks, Recreation, and Open Space Plan (Update expected 2026)
- Shoreline Master Program (Next state required update due 2030)

4 - Community Engagement

Guided by the Community Engagement Plan, a summary of the periodic update's community engagement opportunities is included as Appendix C of the Plan Introduction.

5 - Review and Approval Criteria

The periodic update to the Comprehensive Plan is subject to the Plan amendment criteria below from TMC 18.60.025(B):

- 1) All amendments to the comprehensive plan must conform with the requirements of the Washington State Growth Management Act, Chapter 36.70A RCW, and all amendments for permanent changes to the comprehensive plan must be submitted to the Washington State Department of Commerce, pursuant to RCW 36.70A.106.
 - The periodic update being considered is in accordance with Tumwater's Comprehensive Plan amendment process, as required by RCW 36.70A. After Ordinance No. O2025-010 is approved by the City Council, the Plan will be submitted to the Washington State Department of Commerce pursuant to RCW 36.70A.106.

The periodic update meets the goals of the Washington State Growth Management Act as follows:

- 1) **Urban growth**. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
 - The Comprehensive Plan periodic update is intended to support the growth and development of the Tumwater and its urban growth area as outlined in the maps, goals, policies, and implementation actions of the Comprehensive Plan.
- 2) **Reduce sprawl**. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
 - The Comprehensive Plan periodic update is intended to reduce the inappropriate conversion of undeveloped land into sprawling, low-density development and focus future growth in the Tumwater and its urban growth area as outlined in the maps, goals, policies, and actions of the Comprehensive Plan.
- 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.

The Comprehensive Plan periodic update supports urban level development Tumwater and its urban growth area that would provide for efficient multimodal transportation systems as outlined in the maps, goals, policies, and actions of the Comprehensive Plan.

- 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.
 - The Comprehensive Plan periodic update supports the provision of a range of residential development in the City, including middle housing and other types of affordable housing for all income groups as found in the Housing and Land Use Elements.
- 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 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.
 - The Comprehensive Plan periodic update supports development that provides economic development and allows more people to live closer to jobs and services.
- 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.
 - The Comprehensive Plan periodic update does not require any taking of private property without compensation.
- 7) **Permits**. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
 - The Comprehensive Plan periodic update and concurrent development code amendments support this goal.
- 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.
 - The Comprehensive Plan periodic update does not affect rural natural resource industries.

- 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.
 - The Comprehensive Plan periodic update supports the goals, policies, and actions for open space and recreation as outlined in the Comprehensive Plan
- 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.
 - The Comprehensive Plan periodic update protects the environment by directing future development towards urban rather than rural areas.
- 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.
 - Tumwater and its urban growth area residents and all interested parties, agencies and jurisdictions were notified about the periodic update as part of the 2025 Comprehensive Plan periodic update process.
- 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.
 - The Comprehensive Plan periodic update is supported by Tumwater's provision of sewer and water service in the urban area.
- 13) **Historic preservation**. Identify and encourage the preservation of lands, sites, and structures, that have historical or archaeological significance.
 - The Comprehensive Plan periodic update supports historic preservation. As future development occurs, it would need to comply with all the applicable historical or archaeological regulations.
- 14) Climate change and resiliency. Ensure that the City's Comprehensive Plans and development regulations 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 and enhance environmental, economic, and human health and safety; and advance environmental justice.
 - The Comprehensive Plan periodic update supports the reduction of greenhouse gas emissions and vehicle miles traveled and fosters resilience through the new Climate Element.
- 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 City's Comprehensive Plan.

The Comprehensive Plan periodic update does not affect the shorelines of the state. As future development occurs, it would need to comply with the City's Shoreline Management Program, as required.

- 2) Amendments and site-specific rezone applications should be evaluated for internal consistency with the comprehensive plan, and for consistency with the county-wide planning policies, related plans, and the comprehensive plan of Thurston County or cities which have common borders with Tumwater.
 - The Elements of the Comprehensive Plan periodic update are internally consistent. The Comprehensive Plan is consistent with the Thurston County-Wide Planning Policies and the plans of neighboring jurisdictions.
- 3) Whether conditions in the area for which comprehensive plan change/zoning amendment is requested have changed or are changing to such a degree that it is in the public interest to encourage a change in land use for the area.
 - Conditions in Tumwater and its urban growth area and state requirements have changed since the last periodic update in 2016, which require changes to land use to accommodate required future housing.
- 4) Whether the proposed comprehensive plan zoning amendment is necessary in order to provide land for a community-related use which was not anticipated at the time of adoption of the comprehensive plan.
 - The criterion does not apply.

6 - Public Approval Process

An Environmental Checklist for a non-project action was prepared on October 10, 2025, under the State Environmental Policy Act (Chapter 43.21C RCW), pursuant to Chapter 197-11 WAC, and a Determination of Non-Significance was issued on October 17, 2025. The comment period for the determination ended October 31, 2025, and the appeal period ended November 6, 2025.

The ordinance was sent to the State Department of Commerce on October 13, 2025, for the required 60-day Notice of Intent process before the periodic update is adopted, in accordance with RCW 36.70A.106. State Department of Commerce provided their draft comments on the ordinance on November 14, 2025, and staff provided their responses on November 20, 2025, which are included as amendments in the ordinance. The comment period on the Notice of Intent will end December 12, 2025.

The Planning Commission was briefed on the ordinance October 14, 2025, held a work session on October 28, 2025, and held a public hearing and deliberation on November 10, 2025. After the hearing, the Planning Commission made a recommendation for the City Council to adopt Ordinance No. O2025-010, 2025 Comprehensive Plan Periodic Update.

A Joint City Council and Planning Commission work session will review the Planning Commission's recommendation on both the Comprehensive Plan and related 2025 Development Code periodic

update on December 9, 2025, at 6:30 PM. The City Council is scheduled to consider the Ordinances Nos. 02025-010 and 02025-011 on December 16, 2025.

7 - Public Notification

A Notice of Public Hearing for the Planning Commission was posted on October 31, 2025. The notice was published as a press release, distributed to interested individuals and entities that have requested such notices, and published in The Olympian.

8 - Conclusions

- 1. The Comprehensive Plan periodic update meets the review and approval criteria found in TMC 18.60.025(B).
- 2. The Comprehensive Plan periodic update is consistent with the goals of the Washington State Growth Management Act and the Thurston County County-Wide Planning Policies.
- 3. All the Elements of the Comprehensive Plan periodic update are internally consistent.
- 4. The Comprehensive Plan periodic update is consistent with neighboring jurisdictions' plans.

9 - Planning Commission Recommendation

The Planning Commission recommends approval of the Comprehensive Plan periodic update by Ordinance No. O2025-0010 to reflect current information and requirements.

10 - Effect of the Periodic Update

The proposal amends the Comprehensive Plan as shown in Ordinance No. 02025-010.