8:00 a.m. **CONVENE:** 

PRESENT: Chair Michael Althauser and Councilmembers Joan Cathey and Leatta

Dahlhoff.

Staff: City Administrator Lisa Parks, City Attorney Karen Kirkpatrick, Community Development Department Director Michael Matlock, Planning Manager Brad Medrud, and Associate Planner Dana Bowers.

APPROVAL OF **MINUTES: GENERAL** GOVERNMENT **COMMITTEE** – **NOVEMBER 13, 2024:** 

Councilmember Dahlhoff moved, seconded by Councilmember **MOTION:** 

Cathey, to approve the minutes of November 13, 2024 as published.

A voice vote approved the motion.

**CONTRACT BETWEEN** THE CITY OF **TUMWATER AND THE** WASHINGTON STATE **DEPARTMENT OF FISH** AND WILDLIFE FOR THE PHASE 4 BUSH PRAIRIE HABITAT **CONSERVATION PLAN** (HCP) GRANT:

Manager Medrud reported the contract between the City and the Department of Fish and Wildlife (WDFW) is for Phase 4 of the HCP update. Earlier in the year, staff submitted a grant application to fund additional work on the HCP and to complete the environmental review process. The City was awarded the grant last fall of \$410,000 with a required match of approximately \$150,000 split evenly between the City and the Port of Olympia. U.S. Fish and Wildlife Service has indicated a willingness to continue working with the City to finalize the draft of the HCP.

Staff requests the committee place the Grant Agreement between the City of Tumwater and the Washington State Department of Fish and Wildlife (WDFW) for the Phase 4 Bush Prairie Habitat Conservation Plan (HCP) Grant on the January 7, 2025 City Council consent calendar with a recommendation to approve and authorize the Mayor to sign.

**MOTION:** 

Councilmember Cathey moved, seconded by Councilmember Dahlhoff, to place the Grant Agreement between the City of Tumwater and the Washington State Department of Fish and Wildlife (WDFW) for the Phase 4 Bush Prairie Habitat Conservation Plan (HCP) Grant on the January 7, 2025 City Council consent calendar with a recommendation to approve and authorize the Mayor to sign. A voice vote approved the motion unanimously.

**PLAN PERIODIC** UPDATE -DEVELOPMENT CODE

**2025 COMPREHENSIVE** Manager Medrud briefed members on the proposed approach to address the required middle housing amendments to the City's Comprehensive Plan and the Development Code.

#### **MIDDLE HOUSING:**

The City's consultant, SCJ Alliance, completed much of the work in coordination with staff and the community to develop some examples of code amendments that likely would be proposed as part of the larger Development Code update process in 2025.

The update is in response to new state requirements for middle housing. All planning efforts and code amendments are focused on both the City and its urban growth area (UGA). The update includes working with Thurston County on the Joint Plan.

The total housing supply in 2020 for the City and the UGA was approximately 12,000 units with a need identified of an additional 9,192 housing units based on the housing allocation identified during the housing allocation process completed by the cities and county. That process assigned future required housing units for each jurisdiction. The housing forecast is based on the projected population in 2045. Based on the 2020 Census, the City was able to identify the household size of 2.39 persons per household, which has increased over the last decade. Staff projects adding another 21,969 people for a projected population of the City and the UGA of 50,000 people by 2045. The City and the UGA population in 2020 totaled 28,707 people.

Manager Medrud explained that although the number of children in families has decreased, the housing size of 2.39 persons is reflective of more family members living together because of housing costs and affordability. Family size also plays a factor as the City has added much more single-family housing in recent years.

State requirements include planning for housing needs across multiple income groups. The City identified the number of units required for each income group. The City is required to plan for an additional 1,724 housing units for households with an income of 0%-30% of area median income (AMI) or nearly a quarter of the total number of new housing units. Most of those housing units would be multifamily rather than single-family or middle housing. The City is not actively planning for additional housing units for households with incomes of 120% above AMI. However, the City is required to accommodate those needs in the community as well.

A palette of housing types exists for middle housing ranging from duplex side by side stacked increasing in intensity to a mid-rise apartment complex similar to the Kingswood development located off Tyee Drive. All other types within the spectrum are considered "missing middle" housing or middle housing spanning duplexes to triplexes in various forms.

Staff proposes some changes to accommodate requirements for

households with incomes lower than 80% AMI. Some of the changes include removing all references in the zoning code to single -family and land use designations because of state requirements and because the City does not have any zoning districts that restrict uses to only single-family housing. The proposal removes those references and updates land use descriptions within the Comprehensive Plan. Single-family detached units will continue to be allowed within all residential zones except the changes would no longer refer to housing types as a single-family residential zone.

Another proposed change combines existing single-family low density residential and single family medium density residential zones into one land use designation and zone district. Some state requirements affect both zones with the only difference of increasing the level of density.

Chair Althauser asked whether the state requires the City to use "single-family" because often more than one family may be living in a single-family housing unit. Manager Medrud said the issue is reflective of the confusion as the assumption is that single-family includes only one family.

Councilmember Dahlhoff commented that the issue speaks to what a family represents in the City and the desire by the City to ensure inclusivity and equity during renaming processes. Manager Medrud agreed and noted the changes made to the definition of family within the zoning code are broader than the definitions 20+ years ago. The proposed amendments are updates to meet current state requirements.

Staff is exploring the possibility of adding definitions to Chapter 18.04 of the Tumwater Municipal Code (TMC) on affordable housing and administrative design review, as well as a list of different housing types.

Staff recommends excluding two residential zone districts that currently exist in the City from the new requirements, as allowed by the state. They include the Residential/Sensitive Resource (RSR) zone district, which are areas in the City with critical areas, large wetland complexes, or areas of high groundwater. Current density is 2-4 units per acre. Staff recommends maintaining the zone district for environmental reasons and expanding some potential uses that could be allowed in those areas.

The second zone district is Manufactured Home Park. The zone is intended to protect existing manufactured home parks. State law requires middle housing requirements to apply to all zones primarily for residential use but includes some exemptions for manufactured home park zones.

Under state law, the City is required to provide at least six of the nine

middle housing types in residential zone districts. Duplexes are units sharing a common wall that are typically rented. Triplexes and fourplexes units are similar. Cottage housing has been allowed in the City since 2018, which would be expanded. Townhouses are single-family units that share a common wall. Stacked flats are duplexes or triplexes with vertical levels. Each floor has a separate unit. Three housing types not recommended under middle housing are fiveplexes, sixplexes, and courtyard apartments (although allowed in the City within multifamily zones). Staff recommends eliminating restrictions placed on duplexes as the original intent was to transition duplexes within existing single-family developments by placing restrictions on the number of duplexes allowed in a new development or within a developed area.

Dwelling unit density is often difficult to define and functions differently than current densities. For the purpose of the update, densities will continue as it enables the City to calculate impacts over a 20-year period, such as the type of services that might be needed. State law added an additional requirement phrased as "dwelling unit density." The requirement defines the number of dwelling units that must be allowed on each lot regardless of lot size. Current codes limit single-family uses to one per lot, which would be eliminated because new state requirements require at least two dwelling units per lot. Additionally, if one affordable housing unit is provided, the number of dwelling units could increase to four units per lot. Staff is still evaluating the impacts of the new requirement for future needs for City services and infrastructure. The new requirement applies to all residential zone districts except Manufactured Home Park zone districts and Residential/Sensitive Resource zones.

State requirements also include an update of the Citywide Design Guidelines. Any design guidelines for middle housing must be the same as they are for single-family units. Currently single-family design guidelines apply to the placement of the garage and some provision for open space.

Another new requirement is the allowance of two accessory dwelling units (ADU) on residential lots. The City currently allows one ADU on a lot. Additionally, square footage of the ADU must be increased to 1,000 square feet. The City has received applications for approximately 10 ADUs in 2024. Staff continues to engage in conversations with individuals who construct ADUs. Because ADUs require a kitchen and a bathroom, it is often too expensive for homeowners to pursue as an option. Staff is exploring ways to assist homeowners who want to place a modular unit on a lot rather than a stick built structure to reduce labor costs. Additionally, an ADU does not need to be a separate structure as it could be part of the existing structure that is subdivided.

Manager Medrud cited examples of codes affected by the affordable housing requirement. The City is also required to make changes to onstreet parking requirements for lots than are no larger than 6,000 square feet. The City is limited to requiring one parking space per dwelling unit while continuing to require two spaces for those lots greater than 6,000 square feet in size. Currently, the market has not expressed interest in designing houses with fewer parking spaces.

In response to questions about parking requirements for ADUs, Manager Medrud explained that the City currently meets state requirements. Typically, ADUs located within a specific distance of public transit require no parking space. If no public transit service is available or the ADU is located some distance from public transit, the requirement is one parking space.

A change for cottage housing includes providing at least 20% of open space for the minimum lot size. The City requires some open space for cottage house developments but not a 20% minimum.

Next steps in the update process include posting all information to the project website. Manager Medrud encouraged members to contact him or staff with comments or concerns. As efforts continue on the update, the committee will receive updates. The intent is to update all ordinances and the Development Code concurrently as part of the 2025 Comprehensive Plan Periodic Update process.

2025 LONG RANGE PLANNING WORK PROGRAM: Manager Medrud shared information on feedback from the Tree Board regarding updates to urban forestry ordinances. As shared with the Council, staff capacity is limited for the update to meet other requirements, which limits choices on which items that can be pursued. The multifamily tax exemption program review could be deferred as well as tree preservation code updates as part of the urban forestry updates. Both work programs would equal the same number of hours with the same level of community interest and activity. The multifamily tax exemption program update could be moved to 2026 as the program sunsets on December 31, 2026. Based on the current schedule, staff would be able to devote time to tree preservation work beginning midyear following completion of the draft Comprehensive Plan, ordinances, and the Development Code in preparation for the adoption process beginning in July 2025. Other suggestions included contracting some of the support work for the update of the Parks, Recreation, and Open Space Plan. However, it is unlikely staff could contract the work as it entails a public process and identifying the connections of the plan with other City plans.

Manager Medrud invited feedback on the suggestions.

Chair Althauser said he had also recommended delaying the multifamily tax exemption program. However, it is important that any delay would result in the program existing for another year with no changes in provisions within the program. He supports delaying the review for another year with the understanding that the program as it exists today would continue for another year. He envisions a comprehensive review of the program including how the program has or has not benefitted the City to date. In terms of the urban forestry review, three elements include street trees, tree preservation ordinance, and the landscaping ordinance. The tree preservation ordinance is the most vital of the three elements and could be moved above the line on the work program during 2025. During 2025, the Council would not review the multifamily tax exemption program unless an applicant applies for an exemption requiring the Council to vote on the proposal if the applicant is eligible to participate in the program.

Councilmember Cathey supported the recommendation as the work on the urban forestry amendments is of interest to the community, as well as related directly to climate change. Councilmember Dahlhoff supported the proposal as well because the multifamily program will require a longer conversation as the Council has been receiving feedback from organizations for increasing the provisions within the multifamily tax exemption program.

Manager Medrud affirmed the direction and indicated the work program would be updated to reflect the changes as recommended by the committee.

Councilmember Cathey asked about the status of hiring the urban forester. Manager Medrud advised that the notice of the position is under review by Human Resources. Following completion of the review, the notice will be posted to recruit applicants. The goal is to complete hiring of the position within the first quarter of 2025. The intent of the position is to review and evaluate City processes and provide some recommendations on priorities.

City Administrator Parks responded to questions about the knowledge base and responsibilities of the urban forestry position. The position will report to Sustainability Coordinator Jones Wood.

Councilmember Cathey recommended inviting Coordinator Jones Wood to attend the City's worksession on December 14, 2024 to respond to questions about the urban forestry position and areas of focus.

City Administrator Parks affirmed the request and added that the posting of the urban forestry position would occur by January 14, 2025 for recruitment of applicants.

ADJOURNMENT: With there being no further business, Chair Althauser adjourned

the meeting at 8:50 a.m.

Prepared by Valerie L. Gow, Recording Secretary/President Puget Sound Meeting Services, psmsoly@earthlink.net