CONVENE: 5:40 p.m.

PRESENT: Mayor Pete Kmet and Councilmembers Michael Althauser, Joan

Cathey, Eileen Swarthout, Debbie Sullivan, Tom Oliva, and Neil

McClanahan.

Excused: Councilmember Leatta Dahlhoff.

Staff: City Administrator John Doan, Assistant City Administrator Heidi Behrends Cerniwey, City Attorney Karen Kirkpatrick, Police Chief Jon Weiks, Fire Chief Scott LaVielle, Community Development Director Michael Matlock, Communications Manager Ann Cook, Planning Manager Brad Medrud, Senior Planner David Ginther, and Recording Secretary Valerie Gow.

RESOLUTION NO. R2018-016, HOMELESSNESS & AFFORDABLE HOUSING: Manager Medrud reported the proposed resolution includes priority items of focus and a list of follow-up actions. Since the last review, Mayor Kmet provided comments to Exhibit A.

Councilmember Althauser recommended striking "missing middle strategies" as it denotes Olympia's characterization as Tumwater's characterization is different. A second sentence clarifies the City's focus. Mr. Knox noted that "missing middle" is a term used around the country; however, locally, it was initiated by the City of Olympia. "Missing middle" includes a range of meanings but mostly about increasing housing diversity, availability, and affordability in neighborhoods.

Manager Medrud said "missing "middle" could be interpreted to reflect increasing the variety of housing types. It is not necessarily meant to increase density but it allows a greater volume of housing types to meet the required densities.

Following discussion on the Mayor's proposed amendment related to the section on "missing middle," the Council supported revising the section to reflect, "Evaluate, and if necessary, propose amendments to City code and zoning to support smaller scale affordable housing in neighborhoods to offer a greater variety of housing options."

Councilmember Althauser recommended including language in Section B.6 reflecting a goal for owner-occupied housing in mobile home parks. Several Councilmembers expressed interest in ensuring the language also speaks to rental of mobile homes, as well as mobile home ownership. After discussion, the Council agreed to revise the section to reflect, "Assess actions for ensuring mobile home parks continue to provide affordable housing toward a goal of property ownership by residents."

In response to questions from Councilmember Cathey, Mayor Kmet clarified the intent of some of his suggested amendments. With respect to language stating, "Assess need for knowledge of landlord/tenant conflict resolution services," Councilmember Cathey emphasized the importance of including language addressing rental assistance in addition to conflict resolution. Mr. Knox pointed out that section B.9.a. stating, "Review current/renter protection policies, laws, and legal services and assess possible actions." could entail rental assistance as well.

Manager Medrud referred to the earlier discussion involving "missing middle" and recommended deleting "missing middle" in Section B.4. as well.

The Council supported the changes proposed by the Mayor and the proposed amendments.

ORDINANCE NO. O2017-023, WAREHOUSE DISTRIBUTION STANDARDS:

Manager Medrud and Planner Ginther reviewed the request to approve proposed amendments to warehouse distribution standards and the history of meetings by the Council and the Planning Commission beginning in 2006 to discuss concerns about the impacts of warehouse distribution centers from truck traffic and the size of warehouses. New regulations were adopted in 2008 to address some of the concerns. In 2015, the Council received a briefing from Intern Carolos Gemora in response to questions about the range of warehouse uses. In 2016, with the adoption of the Citywide Design Guidelines, a section addressed design uses associated with warehouse distribution centers. As part of the Long-Range Work Program in 2017 and 2018, the Planning Commission reviewed revisions to development standards over seven meetings. The General Government Committee was briefed in June on the proposed changes.

Over time and with recent changes in the retail market, the type of warehouses have evolved and generally include:

- Warehousing, nondistribution
- Warehousing, accessory to another use
- Warehouse distribution centers
- Motor freight terminals/cross-dock facilities

The City's code did not address different types of warehousing and essentially allowed those span of uses outright, which generated concerns. The proposed changes address:

• Current zoning definitions that do not address the range of

potential warehouse uses.

• The existing prescriptive criteria for "warehouse distribution centers" makes conditional user permit approval superfluous.

The proposed changes would not change:

- What would be allowed in the brewery warehouse
- Where "warehouse distribution centers" are allowed in the City
- The minimum locational conditions "warehouse distribution centers" must meet:
 - o Separation from urban and rural residential uses
 - o Truck access cannot be on roads abutting residential uses

Planner Ginther shared several different photographs of different types of warehouses.

Manager Medrud reported the proposed amendments address the following:

- 1. New or amended definitions:
 - Warehousing, nondistribution
 - Warehousing, accessory to another use
 - Warehouse distribution centers (amended)
 - Motor freight terminals
 - Cross-dock facilities
- 2. Updated Use Tables:
 - References to warehousing and distribution of good consolidated under new or amended definitions
 - Addition of motor freight terminals and cross-dock facilities no larger than 50,000 square feet in area
- 3. Changed warehouse distribution center from a conditional to a permitted use:
 - Expanded current siting criteria applicability by:
 - ➤ Eliminating size distinction for warehouse distribution centers
 - ➤ Including nondistribution warehouses larger than 200,000 square feet

Councilmember McClanahan commented on some of the controversy surrounding warehouse distribution centers in the 93rd Avenue and Kimmie Street area. Residents along Kimmie Street expressed concerns about trucks on Kimmie Street impacting both the abutting neighborhoods and Bush Middle School.

Discussion ensued about truck traffic along Kimmie Street. City

Administrator Doan advised that two warehouse proposals are located south of 93rd Avenue on the east and west side of Interstate 5. A prior warehouse project proposed north of 93rd Avenue off Kimmie Street is no longer vested.

Manager Medrud reported the Planning Commission recommends approval of the ordinance as presented.

Councilmember Cathey indicated that the General Government Committee first reviewed the proposal at its last meeting earlier in the month. She expressed concerns about the lack of any briefing to the Council on the proposal during the review process. Often, the Council is not updated periodically on major issues, especially when an issue might create impacts to the community.

Councilmember Sullivan pointed out that all public hearings by the Commission are published on the City's website. She also pays attention to the Commission's meeting agendas when important topics are scheduled for review. Councilmember Cathey remarked that more coordination should be provided to the Council on major issues the Commission is considering.

City Administrator Doan explained that the topic has been on the Long-Range Work Program for the last two years. In 2015, the Council discussed problems surrounding warehouse distribution centers. At that time, the Council offered good feedback, reviewed definitions and different kinds of uses, and exchanged opinions about the reality versus current regulations. That discussion spearheaded the Commission's review. After narrowing the scope, the Commission reviewed the concerns and approved a series of proposed changes.

Councilmember Cathey reemphasized that subjects of major importance to the City should be periodically reviewed with the Council.

Mayor Kmet agreed that a fair amount of time has elapsed since the Council's last review; however, it is likely the Council was sidetracked with other subjects of importance. The proposal addresses the issues the Council had originally addressed in the location of Kimmie Street and Interstate 5, where origination of the issues occurred. The Commission's proposal has captured those concerns. The proposal constrains the uses to the degree that it is reasonable.

Councilmember Cathey asked how the proposal would be applied to the property located north of 93rd off Kimmie Street. Manager Medrud replied that the main difference is elimination of the broad warehousing distribution definition that could have allowed a cross-

dock facility in many locations within the industrial zones. Much of the confusion surrounds submittals of projects whereby the developer claims the proposal is one type of warehouse when in fact it is another type of warehouse that likely creates more impacts. All current uses allowed in the Light Industrial zone would be allowed in the property off Kimmie Street with warehouse distribution facilities of any size allowed but located 1,000 feet from any urban residential area or 300 feet from rural residential. Cross-dock facilities would be subject to other regulations and limited to 50,000 square feet.

Councilmember Cathey asked how trucks would be allowed if those uses are allowed off Kimmie Street. Manager Medrud replied that the range of uses allowed in the Light Industrial zoning district has not changed outside of warehousing uses. Any use allowed in the zone could access and use Kimmie Street. The intent of the proposed ordinance was to focus on warehouse distribution centers. If truck access were a concern, it would be another issue to consider.

Mayor Kmet recommended moving forward with the proposed ordinance and address trucks as a separate issue.

Manager Medrud addressed questions about truck access within the setbacks required for rural and urban residential uses. The current code does not address specific types of uses allowed within the setback area. Some uses that have less impact, such as employee parking lots, stormwater facilities, and tree tracts have been included in the proposal. However, uses creating greater impacts, such as the building, truck apron, loading dock facilities, and truck storage areas would not be allowed in the setback. Truck access cannot occur opposite a residential use.

UPDATE TO STRATEGIC PRIORITIES & COUNCIL GOALS: City Administrator Doan reviewed a draft of changes to the strategic priorities recommended by the Council during its retreat. The draft incorporates all feedback from the Council. The strategic priorities are intended to be the five- to ten-year overarching issues facing the City. Each strategic priority includes a series of five-year goals. During the retreat, the Council revised the mission statement, as well as adding, subtracting, and changing several goals.

The Council agreed the proposal is consistent with the retreat discussion.

MAYOR/CITY ADMINISTRATOR'S REPORT: Mayor Kmet reported on his attendance to the Association of Washington Cities (AWC) annual conference beginning on Wednesday, June 27, 2018.

Councilmember Swarthout encouraged the City to include a link on the

City's website to the *Hope Thurston* survey sponsored in part by Thurston Thrives and other partners. Councilmember Althauser described the survey as a first step in measuring the amount of hopefulness within the community as a measure for targeting different areas to increase services.

Councilmember Cathey reported on her participation in a local vigil against recent actions leading to immigrant family separation as a member of the clergy rather than as a representative of the Council.

ADJOURNMENT: With there being no further business, Mayor Kmet adjourned the meeting at 7:05 p.m.

Prepared by Puget Sound Meeting Services, psmsoly@earthlink.net