

**TUMWATER PLANNING COMMISSION  
MINUTES OF MEETING  
September 25, 2018 Page 1**

**CONVENE:** 7:00 p.m.

**PRESENT:** Vice Chair Jessica Hausman and Commissioners Joel Hansen, Terry Kirkpatrick, Richard Manugian, Nam Duc Nguyen, Nancy Stevenson, and Meghan Sullivan Goldenberger.

Excused: Chair Dennis Morr Jr.

Staff: Planning Manager Brad Medrud and Recording Secretary Valerie Gow.

**APPROVAL OF  
PLANNING  
COMMISSION  
MINUTES –  
SEPTEMBER 11,  
2018:**

**Commissioner Goldenberger moved, seconded by Commissioner Manugian, to approve the minutes of September 11, 2018 as published. Motion carried unanimously**

**NEXT PLANNING  
COMMISSION  
MEETING:**

The next meeting is scheduled on October 9, 2018.

**COMMISSIONER  
REPORTS:**

There were no reports.

**MANAGER'S  
REPORT:**

Manager Medrud reported Patrick Zitny notified him of his resignation from the Planning Commission because of a recent change in job duties.

**PUBLIC  
COMMENTS:**

There were no public comments.

**BRIEFING:**

**HOMELESSNESS  
AND AFFORDABLE  
HOUSING:**

Manager Medrud reported the outcome desired from the review and discussion is the identification of next steps or issues that should be studied and whether to forward the issues to the City Council to receive feedback on next steps for staff and the Commission.

Since January 2018, the City Council has addressed homelessness and affordable housing issues within the City of Tumwater. The Council conducted four worksessions from January through April 2018 to learn about the issues relative to the City. During those worksessions, the Council exchanged questions and concerns with panel members representing private development, publicly supported housing agencies, homelessness advocates, and other housing and homeless professionals and support services organizations.

**TUMWATER PLANNING COMMISSION**  
**MINUTES OF MEETING**  
**September 25, 2018 Page 2**

In May during the Council's retreat, homelessness and affordable housing were one of the three main discussion topics. Council and staff worked through a list of action items or next steps to address homelessness and affordable housing.

The City and the Tumwater School Board are meeting on October 2, 2018 at the River's Edge Restaurant. One item of discussion is on housing and homelessness. The School District is working on ways to respond to those issues.

*Commissioner Hansen arrived at 7:09 p.m.*

The City Council established three actions/goals as part of the process:

1. Reduce homelessness in the City
2. Increase affordable housing in the City
3. Continue to work with other jurisdictions and agencies to explore regional solutions to these issues

Manager Medrud reviewed some background information provided to the Commission. Resolution No. R2018-016 speaks to the actions the City Council adopted to address homelessness and increase affordable housing in the City. The resolution was adopted by the Council on July 17, 2018.

Staff was directed to develop a *Housing Strategic Actions Summary* outlining suggested next steps and identifying City staff leads to address the actions. Other assigned individuals addressing homelessness and housing affordability include City Administrator Doan, Paul Knox, a housing consultant, Volunteer Coordinator David LaGarde, and Communications Manager Ann Cook.

Other information provided to the Commission included a detailed presentation introducing the topic and identifying the tasks, as well as potential resources available to the Commission.

Manager Medrud reviewed current policies and regulations:

- Relevant goals, policies, and actions
- Types of residential uses and densities
- Bulk and dimensional requirements

Manager Medrud referred Commissioners to the June 2018 presentation by the Department of Commerce on affordable housing and homelessness. The presentation focused on the current environment in the state surrounding housing costs, rental rates, and rental vacancy rates by region. Increases in prices for housing for rental or single-family homes are exceeding the pace of increases in wages for most people. Manager Medrud encouraged the Commission to review the

information.

The Commission's objective is to work with planning staff to develop a proposed detailed work plan to support the following goals and actions to present to the City Council for discussion and approval:

***Homelessness – Action #3***

*Better understand and describe the extent and general location of Tumwater poverty and low-income areas in the City.*

The intent of the action item is identifying people within the total community who are facing challenges and whether there are particular areas that might benefit from different programs. The Commission's role is working with staff to determine data sources and other forms of reporting that can assist in tracking the information.

***Affordability – Action #2***

*Strengthen incentives for affordable housing within the Capitol Corridor and Brewery District and explore extending those incentives to the entire Intercity Transit #13 bus corridor.*

The Commission's role is to develop a recommendation for potential ordinance language to address this issue to present to the City Council.

Manager Medrud identified the areas served by Route 13. Several Commissioners commented that some Intercity Transit routes have recently been reconfigured.

***Affordability – Action #2***

*Starting with the implementation actions identified in the Brewery District, Capitol Corridor, and Town Center Subarea Plans:*

- 1. Review options to reduce fees (options could include reducing impact fees for transportation, parks, and schools, reducing connection charges for water and sewer, and the potential of property tax and sales tax following completion of a project.)*
- 2. Work with nonprofit development partners*
- 3. Remove land use regulatory barriers to encourage the building of affordable housing*

***Affordability – Action #3***

*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.*

The role of the Commission is to work with planning staff to develop a recommendation for potential ordinance language to present to the City Council addressing affordability by increasing options for development by:

- Reviewing land use regulations for barriers
- Providing options for incentives for property owners,

**TUMWATER PLANNING COMMISSION**  
**MINUTES OF MEETING**  
**September 25, 2018 Page 4**

private/nonprofit developers, and other affordable housing project partnerships

- Reviewing potential tools to increase housing supply
- The City's housing policies are in good shape and could support most actions to expand housing options
- Balance proposed code amendments with mitigating impacts to existing neighborhoods
- The Commission and staff will prepare recommendations for potential areas for code amendments for the Council's consideration

Manager Medrud reviewed a spreadsheet of three columns of information:

1. *Initial Suggestions* for consideration
2. *Staff Notes* for each suggestion
3. *Potential Level of Effort to Enact* each suggestion
4. *Expected Effect on Affordable Housing Supply*

For items designated with a high level of effort to enact, it is anticipated a high level of public involvement would be required in addition to multiple partners and discussions. The column on *Expected Effect on Affordable Housing Supply* could be high, medium, or low. Cumulatively, many actions that might generate a low effect could result in some level of impact.

Increasing the supply of affordable housing includes development of higher-end single-family housing because it increases the total amount of housing in the City. Increasing all types of housing is only one-step towards creating more affordable housing.

Some potential options to consider:

1. Increase densities in some or all zone districts – *Commissioner Kirkpatrick questioned whether one of the suggestions could include changing the current density level of 4-8 to 6-8 requiring a minimum of six units to develop. Manager Medrud advised that the Commission could consider a range of options such as only increasing the maximum density while retaining existing minimum density or increasing both minimum and maximum densities. Commissioner Kirkpatrick said most properties in Tumwater were developed at minimum density. If the minimum was not adjusted, developers would likely continue to develop at current density levels. Increasing maximum density would likely not encourage more housing.*

*Commissioner Hansen noted density is only one part of the*

**TUMWATER PLANNING COMMISSION**  
**MINUTES OF MEETING**  
**September 25, 2018 Page 5**

*problem as the market drives decisions as well. The City could elect to make no changes while the market continues to change over time.*

*Manager Medrud said another option could include adjusting minimum lot sizes.*

2. Increase the size of higher density residential zone districts
3. Expand the designated targeted area covered by the Multifamily Tax Exemption program – *Commissioner Hansen suggested expanding the discussion to include changing the program because the current program does not contribute to the creation of affordable housing as envisioned.*
4. Adopt inclusionary zoning regulations to require a given share of new construction to be affordable by people with low to moderate incomes – *Commissioner Kirkpatrick said the City of Olympia required a specific number of years for developers to retain affordable housing units. At the end of the period, developers were allowed to charge market prices. The issue is whether a long-term option should be considered given the City of Olympia’s lack of success.*
5. Expand the location and density of residential development types, such as:
  - *Accessory dwelling units – More education on the availability of the option is warranted rather than changes in regulations.*
  - *Micro housing is housing between 200 and 400 square feet. Discussions could focus on whether that type of housing would be appropriate in Tumwater*
  - *Small lot single-family development – A hybrid between cottage development and a regular-sized lot.*
  - *Cottage housing – Cottage housing is allowed in the City but there has been no development of cottage housing.*
6. Add duplexes as a permitted use to the Single-Family Low Density Residential (SFL) zone district – *Manager Medrud commented that when the City of Olympia allowed duplexes and triplexes into existing single-family neighborhoods, density was not increased. The main benefit was an increase in different housing types. Density is defined as a dwelling unit per acre.*

*Commissioner Kirkpatrick asked whether the City has statistical data on single adults and families who may be on the verge of experiencing homelessness, as the solutions for both groups are different. Manager Medrud said the City’s current information on homelessness is the Point in Time Survey completed in January 2018. Staff and volunteers surveyed the community for*

**TUMWATER PLANNING COMMISSION**  
**MINUTES OF MEETING**  
**September 25, 2018 Page 6**

*homeless individuals. The Tumwater School District also has data on the number of homeless students.*

*Commissioner Goldenberger added that all school districts are mandated by law to identify and serve homeless students. The definition of “homeless” is broader and essentially means a student who has no home and lives on the street, in a car, in a tent, in an RV, or is living with multiple families in subpar housing (2-bedroom apartment). Schools are improving capabilities to help reduce the stigma and in documenting better numbers based on available resources and referrals. Additional data includes the “Healthy Youth Survey” assessment of six, eight, ten, and twelve grade students every two years. Each district in Thurston County is participating. The assessment includes questions on housing and homelessness and whether students have access to food. Other data is available on free and reduced lunch participation, which offers insight on poverty. Any dataset is prone to the pitfalls of real time ability as many students depart and arrive to the area. In many of those instances, students may not be counted.*

*Commissioner Kirkpatrick acknowledged the good source of data collection in the schools; however, he questioned whether similar data is available for senior citizens living on a fixed income that are in jeopardy of losing their homes. Manager Medrud replied that when the Commission begins to identify people who are either homeless or at-risk, one of the objectives is identifying sources of good data. He has personally received some phone calls from senior citizens who live in mobile homes in the City who share that the cost of living in the home is increasing at such a rate that two-thirds of the household income is going for a housing payment. The issue relates to another action item on manufactured homes, which tends to house a majority of senior citizens. Staff is attempting to obtain more information while recognizing it continues to be an issue.*

*Commissioner Goldenberger added that there is really a lack of good datasets on different subsets of the population. For example, data can be obtained on access to food bank services and people trying to access multiple housing service offerings. However, those numbers only represent the capacity that the non-profits count and serve, which is not reflective of a true measure of the need.*

*Commissioner Hansen questioned the possibility of obtaining data from Puget Sound Energy (PSE) for customers participating in programs to help offset energy costs. Manager*

**TUMWATER PLANNING COMMISSION**  
**MINUTES OF MEETING**  
**September 25, 2018 Page 7**

*Medrud said staff has discussed options for obtaining data, but has not approached PSE at this point.*

*Commissioner Goldenberger added that the Community Action Council is a non-profit tasked with brokering the energy assistance appointments for PSE. However, data would be limited to the number of slots or the funding allocation.*

7. Revise Planned Unit Development (PUD) Overlay Chapter to support more small-lot development
8. Look at reductions in required parking ratios – *Could be tied to the availability of transit.*
9. Explore options for fee simple lots – *The option is another alternative for ownership of property.*
10. Add “recreational vehicles” as permanent residences – *Manager Medrud said he believes the City has allowed the use of an RV as a permanent residence that is connected to sewer and water within a manufactured home park. There could be a potential to expand the allowance.*

Commissioner Goldenberger asked whether the Point in Time Survey considered recreational vehicles as dwellings that were located on streets or on properties. Manager Medrud said the survey accounted for RVs located within the right-of-way or in other parking areas.

***Affordability – Action #4***

*Promote actions property owners can take to increase affordable housing such as accessory dwelling units.*

Work with planning staff to determine actions that could be considered.

***Affordability – Action #6***

*Assess actions for assuring mobile home parks continue to provide affordable housing toward a goal of property ownership by residents.*

Work with planning staff to determine actions that could be considered. The City has protective regulations to ensure mobile homes do not redevelop to another use. Some owners of mobile homes living in manufactured home parks in the City own the underlying land.

Commissioner Hansen noted that a current movement is coordinating mobile home residents to form co-ops to own all the land collectively within a manufactured home park.

Commissioner Kirkpatrick inquired about the number of mobile home parks in the City located along a transit bus route. Several Commissioners expressed interest in receiving more information on the total number of mobile home parks in the City. Manager Medrud said the City has approximately 1,000 manufactured home units outpacing

**TUMWATER PLANNING COMMISSION**  
**MINUTES OF MEETING**  
**September 25, 2018 Page 8**

both the cities of Olympia and Lacey. Some mobile homes are located on parcels and others are located in a mobile home park.

Commissioner Kirkpatrick asked about the possibility of developing a tax base to support affordable housing and homelessness and using some of those funds to expand transit bus routes by contributing funds to Intercity Transit for routes to serve larger areas of the City to ensure affordable housing is located adjacent to bus routes.

***Affordability – Action #7***

*Encourage more development overall.*

Work with planning staff to develop a recommendation for ordinance language to present to the City Council.

Manager Medrud commented on the lack of housing development in the tri-city area. Development permits have not attained the level prior to the last recession. A number of factors could be contributing to the lack of development activity such as higher interest rates, permit fees, or the market. However, vacancy rates continue to be at an all-time low. The recession also impacted the building community with many builders no longer in business.

***Affordability – Action #10***

*Inventory and track affordable housing units in Tumwater.*

Work with planning staff to determine additional data sources and reporting.

Manager Medrud encouraged Commissioners to refer to the following additional sources of information:

- Comprehensive Plan goals, policies, and actions
- Development regulations
- Other sources of information – see appendix of *Addressing Homelessness and Housing Affordability Actions*

Manager Medrud invited feedback on other information to provide.

Commissioner Hansen expressed interest in learning more about the community land trust model and how municipalities can interact with local land trusts. An effort is underway in Thurston County to form a community land trust to address housing affordability. He is unsure of the role the City could play.

Commissioner Nguyen asked for additional information on options to expand transit service through a City contribution to Intercity Transit.

Commissioner Kirkpatrick referred to previous actions appealing to the three cities to adopt ordinances allowing encampments. The City of

**TUMWATER PLANNING COMMISSION**  
**MINUTES OF MEETING**  
**September 25, 2018 Page 9**

Tumwater was silent on the issue. He asked whether the City has ever considered an ordinance for homeless encampments. Manager Medrud affirmed he would follow up on the request.

Commissioner Goldenberger requested more information on micro housing and whether the structure of Camp Quixote is considered micro housing.

Vice Chair Hausman requested more information on City data referenced during the briefing.

Commissioner Hansen noted good demographic data are available from Thurston Planning Regional Council (TRPC). He questioned the accuracy of the population forecasts produced by TRPC. Manager Medrud replied that the forecasts produced by TRPC are conservative and subject to various factors. However, in terms of tracking trends, the forecasts have been accurate. TRPC also offers a one-page summary of demographic information.

Commissioner Stevenson asked for information from other cities related to homelessness. Commissioner Nguyen recommended focusing on cities of similar size to Tumwater.

Manager Medrud reported similar sized jurisdictions in Washington include:

- Mercer island
- Camas

Commissioner Manugian asked about the impact to the City's ability to manage growth by delaying development fees to encourage development or whether it might be feasible to increase all fees to help offset the impacts of delayed fees. Manager Medrud conceded the topic speaks to a more detailed discussion. However, there are many ways of structuring different types of fees. For example, incentivizing growth in a particular area of the City could include offsetting those costs and increasing costs in another area or delaying the payment of development fees.

Commissioner Manugian asked why some of the suggestions for changing the code to allow tiny homes generated a "low" on the expected effect on affordable housing supply. Manager Medrud said he does not believe a substantial number of units would be constructed over time to meet the need.

Commissioner Kirkpatrick offered that Olympia's creation of as many tiny homes as possible would not equal the number of units recently constructed in one downtown apartment building. At best, the effect on

**TUMWATER PLANNING COMMISSION  
MINUTES OF MEETING  
September 25, 2018 Page 10**

affordable housing would be moderate by building tiny homes because of the effort required for an education process for acceptance by the population.

Manager Medrud said Olympia has strived to achieve housing development in the downtown for the last 20 years. Many factors contributed to recent development activity occurring in downtown Olympia. The Commission might want to consider a range of options to achieve some progress.

Commissioner Goldenberger asked for additional information surrounding the option of adopting inclusionary zoning regulations to require a given share of new construction to be affordable to include what other cities have pursued or whether there are non-monetary process changes that could be offered as incentives, such as process benefits for development applications with a component of affordable housing.

Manager Medrud reviewed the meeting schedule for the next several months. Vice Chair Hausman asked whether the deadline of November 27, 2018 for the report is firm. Manager Medrud said the deadline is included on the Council's agenda. The report could entail a status on the Commission's efforts or a report on different options. More time could likely be afforded if required.

**ADJOURNMENT:** **Commissioner Goldenberger moved, seconded by Commissioner Stevenson, to adjourn the meeting at 8:32 p.m. Motion carried unanimously.**