

**TUMWATER PLANNING COMMISSION  
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**CONVENE:** 7:01 p.m.

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

Excused: Commissioner Richard Manugian.

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

**APPROVAL OF PLANNING  
COMMISSION MINUTES –  
OCTOBER 23, 2018:**

**MOTION:** **Commissioner Hansen moved, seconded by Commissioner Goldenberger, to approve the minutes of October 23, 2018 as published. Motion carried unanimously.**

**CHANGES TO AGENDA:** The worksession on the Economic Development Plan Update was moved as the first item of consideration.

**NEXT PLANNING  
COMMISSION MEETING:** The next meeting is a joint worksession with the City Council on November 27, 2018.

**ELECTION OF CHAIR AND  
VICE CHAIR:** Commissioner Goldenberger nominated Jessica Hausman to serve as Chair. Commissioner Hansen seconded the nomination. There were no other nominations.

**VOTE:** *By affirmation, the Commission elected Jessica Hausman to serve as Chair for the next year.*

Chair Hausman nominated Meghan Goldenberger to serve as Vice Chair. Commissioner Hansen seconded the nomination. No other nominations were offered.

**VOTE:** *By affirmation, the Commission elected Meghan Goldenberger to serve as Vice Chair for the next year.*

**COMMISSIONER  
REPORTS:** Commissioner Stevenson reported on a meeting with Karen Parkhurst with the Thurston Regional Planning Council to receive an update on the status of the Washington State Department of Transportation I-5/101 Study. Commissioner Stevenson said she would provide an update on the study

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during the December meeting. She recommended deferring the discussion on ideas for improving Custer Way and other areas within the Brewery District until after the Commission is briefed on the Brewery District Plan.

Ms. Parkhurst also encouraged her to complete the Port of Olympia's survey for its Vision 2050 project. She recommended all Commissioners should complete the survey, which is available on the Port's website.

Manager Medrud added the Commission would also receive a copy of the Port of Olympia's New Market Plan. The Port is initiating an environmental process providing many opportunities to provide comments.

Commissioner Hansen commented on the recent passage of Initiative 1 – Tumwater Metropolitan Park District. Funding for the district would not be available until 2019.

**MANAGER'S REPORT:**

Manager Medrud reported on the reappointment of Commissioner Nguyen to another term. The appointments of Doty Catlin and Michael Tobias are scheduled for consideration by the Council at its November 20, 2018 meeting.

The Council adopted Sign Code amendments on November 5, 2018 and Ordinance No. O2018-0007, 2018 Housekeeping Development Code Amendments on October 16, 2018. The Council supported the Commission's recommendation to ban feather flags, adjusted requirements for A-frame signs, and extended some limits for all temporary signs. The Council limited A-frame signs to one per business and removed the location requirement.

Manager Medrud reported the proposed ordinance on Parks Fee in Lieu Of has been deterred to resolve issues on useable park space within proposed subdivisions and other residential developments.

A worksession with the City Council on the annual Comprehensive Plan Amendments is scheduled on December 11, 2018.

All jurisdictions have signed the Regional Climate Mitigation

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Phase 2 agreement. The first staff meeting is scheduled on November 26, 2018. Councilmember Oliva will serve as the City's elected representative on the project steering committee.

The 2019 Work Program for Long-Range Planning is scheduled for review at the Commission's December 11, 2018 meeting. Currently, the City has received one private application for the 2019 Comprehensive Plan Amendments.

Staff and the consultant are meeting with the Tumwater Chamber of Commerce on the update of the Economic Development Plan on Thursday, November 15, 2018 to receive input.

A stakeholder meeting is scheduled for the Habitat Conservation Plan on Friday, November 16, 2018 in the Olympia Room at the Port of Olympia from 9 a.m. to 11 a.m. Stakeholders will review the plan, required next steps, the schedule, and identify completed actions to date. The meeting is open to the public.

Manager Medrud said he plans to review a summary of his individual meetings with Commissioners at the next meeting.

**PUBLIC COMMENTS:**

**Kimberly Allen, Wireless Policy Group**, said she represents Verizon Wireless for the wireless code update. The code update covers some important technology surrounding "small cell technology." It is a new technology to add capacity to the existing network, which is incredibly congested because of the advent of the smartphone and the evolution of using the device as a remote control for most actions. As the number of devices increase as well as the use, wireless carriers require more capacity. Small cell technology serves as an answer. The code update addresses small cells and the infrastructure for deploying 5G technology when commercially available. She thanked staff for the hosting many stakeholder meetings to develop an effective code. At this time, she does not believe the code is at the point where it should be. She referred to a letter provided to the Commission from her colleague, Ken Lyons, on behalf of AT&T acknowledging some differences between the proposed code and the new federal law effective January 14, 2019. Ongoing concerns persist, as well as with a particular provision in Section 11.2.095(i) which sets a height cap for a pole height to 40 feet. Most existing poles in the City

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are either 40 feet high or higher. Placing a small cell on a utility pole or light standard requires meeting electrical safety codes that require clearing the lines by a specific distance for safety. The provision requires installation of taller poles or extending the height of existing poles to place a small cell facility. The 40-foot height limitation, especially in areas of tall trees, is unworkable for Verizon. She plans to provide additional feedback on the remaining issues. Verizon is excited to bring the new technology to the City of Tumwater and looks forward to working with staff and continuing the collaboration to ensure the code works for the industry, as well as for citizens while allowing for the deployment of the new technology.

Commissioner Nguyen asked Ms. Allen about the height limit Verizon recommends. Ms. Allen said the new federal law allows up to 50 feet or 10% greater than the height of existing poles. The request is for inclusion of the federal standard. Although the code includes a variance process, most of the poles affected would require a variance.

**WORKSESSION:**

**ECONOMIC  
DEVELOPMENT PLAN  
UPDATE, ORDINANCE NO.  
O2018-003:**

Manager Medrud reported Jason Robertson has been working with staff for more than a year on researching background information and fact-checking existing studies and information.

Mr. Robertson reported the technical analysis covered trends and conditions, retail analysis, land use considerations, and a fiscal analysis of the City's General Fund. The information was presented to staff to aid in the development of the plan.

Mr. Robertson's shared results of some of the analysis:

- Tumwater per capita is one of the fastest growing cities in the state. Since 2003, City population has increased by 33% mostly because of annexations and traditional population growth. Population growth in the City is forecasted to slow to 8.5% over the next five years.
- Tumwater residents enjoy one of the shortest commute times in the region and in the state. Unfortunately, Tumwater outpaces the county as a whole for the percent of people who drive alone to work (82%). Intercity Transit's recent passage of its initiative will

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reduce half-hour routes to 15-minute service and all hour-long commutes to 30 minutes. Eventually, transit service will be extended to south Tumwater and the Hawks Prairie area in Lacey.

- Tumwater currently have approximately 10,000 housing units. TRPC projects the City will need an additional 10,000 housing units by 2040. Most of the units would likely be multi-family.
- Median home prices in Tumwater are increasing to normal values since devaluation during the recession. Housing prices across Puget Sound have stabilized in the last several months, and in some cases, housing prices are lowering in several areas, such as King County.
- Taxable sales are important in the state as the state lacks an income tax and property tax increases are capped at 1%. Tumwater's taxable sales per capita places Tumwater as the second highest generator of sales tax in the region following the City of Olympia. Tumwater attracts more spending than expected because of destination retail stores and other regional spending opportunities not typically found for the size of the City's population.
- The City relies less on retail sales for taxable sales than other cities in the county and more on recreation, professional services, and manufacturing, as well as accommodations, food services, and construction.
- Tumwater provides more white collar jobs than Thurston County and the state as a whole.
- Data reflects the City experienced some negative growth years following the recession but stabilizing in the first quarter of 2013. Since then growth has averaged 1% to 3% annually.
- Tumwater's highest 2040 forecasted job sectors include government, retail, trade, professional services, education, and healthcare. However, retail is anticipated to change and retail occupations are highly susceptible to automation. A study completed several years ago ranked occupations at risk for replacement by automation. Nearly 92% of all retail occupations are at risk for automation.
- Analysis on jobs forecasted to have at least 100 annual openings with a salary of over \$40,000 a year include computer analysts, mid-level state workers/managers,

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healthcare workers, teachers, software developers, counselors, and social workers.

- Annual average wages in Tumwater are experiencing a wider gap compared to the state, which is influenced by King County placing the entire state above the national average. Income distribution for the area reflects a large middle with smaller high and low ends. The City has many retail employees.
- Industries with largest forecasted employment demand include individual family services and warehouse club/super centers.
- Tumwater captures more retail spending. Shoppers spent \$44 million more in Tumwater based on the number of residents. Spending increases as the radius widens to 3 and 5 miles. Much of the increase could likely be attributed to government employees purchasing lunch and groceries/household item before returning home.
- Target opportunities in the City for retail include:
  - 1- and 3-mile = automotive, grocery, and non-store retail
  - 5-mile = health/personal care/gas stations/upscale dining and retail
- The 2025 land use forecast identifies the following needs:
  - Industrial – 62 acres (current acreage is 407)
  - Commercial – 172 acres (current acreage is 1,162 acres)
  - Development considerations include the Mazama Pocket gopher, required infrastructure improvements, and I-5 access.
- Current and prospective land uses in the City’s trade zip code area include:
  - Glass Product Manufacturing
  - Metal Can Manufacturing
  - Institutional Furniture Manufacturing
  - Plastic Bottle Manufacturing
  - Soft Drink Manufacturing
  - Ophthalmic Goods Manufacturing
  - Plastics Pipes – Pipe Fitting Manufacturing
  - Roasted Nuts – Peanut Butter Manufacturing
  - Coffee and Tea Manufacturing
  - Cut Stone and Stone Product Manufacturing
  - Computer Manufacturing

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- Computer Peripheral Equipment + Software Wholesalers
- Breweries
- Professional Services Center
- Expanded Auto and Warehousing
- Land use readiness factors include:
  - Habitat Mitigation Planning
  - Proactive Recruitment
  - Planned Action/Shovel-Ready Investment
  - Business Park (Campus) Opportunity
  - Remove Mixed-Use Requirement for I-5 Sites (Completed)
  - Coordinated Strategy with Port of Olympia
- Fiscal analysis comparing Tumwater with cities of equal size reflect favorably for the City:
  - From 2006 to 2016, the percentage of revenue derived from taxable revenue has decreased from a high of 61% (2001) to approximately 50%. The City has been successful in carrying over beginning fund balances, which reduces the need for the City to borrow for capital projects. The City is tied with one other city for the most amount of revenue per capita, as the City tends to attract spending from individuals who live outside the City. Public safety expenditures and transportation are the largest expenditures for the City.
- Questions to ask moving forward include
  - Passage of the parks measure will reduce pressure in the General Fund
  - Ongoing, moderate increase to utility rate to avoid spikes
  - Continue strong “operating balances” to help fund key capital projects
  - Increase taxpaying professional office mix (B&O Revenue, & Property Tax
  - Focus on target business development areas (vs. “all” or residential heavy)
  - Seek in-lieu, grant funding from state to offset infrastructure and maintenance costs
  - Consider economic development fund and/or manager to expedite success
  - Level of service lever options, when necessary

Commissioner Goldenberger asked how the City could prevent

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the loss of government offices should the City pursue in-lieu contributions to offset City costs. Mr. Robertson said the City could analyze the potential loss in tax revenues and the benefit to the City of spending activity by government employees to identify the gap. The information could be shared with state agencies to negotiate potential interlocal agreements.

Commissioner Kirkpatrick noted that the state began locating state offices in the City after the City of Lacey changed its policy and no longer allowed state facilities within the City. The policies of the three cities essentially lead to the placement of many state facilities.

Discussion ensued on various options that can benefit a jurisdiction by negotiating with the state. Private sector development leasing to state agencies would be preferable as private development pays taxes, as state-owned properties are exempt from many taxes. Commissioner Nguyen suggested one of the priority actions by the City should be working with the owner of the unfinished building in the Town Center. Manager Medrud noted that the issue is currently under discussion with the Port of Olympia, the City, and the owner of the unfinished building frame.

**BRIEFING:**

**TELECOMMUNICATIONS,  
ORDINANCE NO. O2018-  
025:**

Manager Medrud reported the Federal Communications Commission (FCC) issued new rules for small cell wireless communications effective January 14, 2019. Essentially, the rules preempt local rules and uses within the public right-of-way.

Consistent with the FCC order, the proposed ordinance establishes the basic regulatory environment for small cell deployment and respects the aesthetics of the City. Next year, additional design requirements for small cells will be proposed to enhance protections.

Beginning in February/March 2017, initial work began on cellular facilities amendments. In June 2017, the City hired Ken Fellman, a Denver attorney experienced in telecommunications regulations, to lead the City's review of Title 11 – *Telecommunications and Telecommunications Facilities*. A committee of City staff from Public Works,

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Planning, Legal, and IT met multiple times over the past year to revise Title 11. Three meetings were held with service providers to receive input.

Title 11 addresses a number of regulations:

- Telecommunication right-of-way use authorizations
- Telecommunication Master permits
- Video/cable franchises
- Facilities leases
- Conditions for telecommunications right-of-way use authorizations, master permits, and facilities leases
- Construction Standards
- Communication Antennas and Towers

The ordinance updates the following in Title 11:

- Updates terminology
- Consolidated definitions throughout the Title
- Identified right-of-way use process
- Wireless communication facilities in Chapter 11.20 of the Tumwater Municipal Code speak to the primary intersection of telecommunications with land use
  - Permit application and submittal requirements
  - Timelines for approval (FCC “Shot clock”)

Manager Medrud recommended some informational resources to review. Many of the changes update terminology as Title 11 was originally adopted in the 1990s. Many definitions were consolidated throughout the Title. The right-of-way use process is important to jurisdictions. The City wanted to establish a process for processing applications. The Commission should focus its review on Chapter 11.20 as it relates most to the land use issues that the Planning Commission typically addresses. The City has a limited time to complete processing of an application or the application is approved by default (Shot Clock).

A major part of the ordinance addresses Title 18, Zoning, which primarily updates terminology rather than any change in uses.

Tumwater is leading the update of the three largest jurisdictions in Thurston County.

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Commissioner Kirkpatrick questioned the source of some of the dimensions with respect to cell towers. Manager Medrud said much of the source data was from industry data with respect to anticipated sizes of small wireless facilities or from the FCC definitions. Some of the information was based on discussions with staff in terms of appropriate sizing in particular areas of the City. Commissioner Kirkpatrick asked whether the provision requiring a setback of two feet for either one foot of tower height was an industry standard. Manager Medrud said the provision is included in the existing ordinance and it was established by the City primarily because of safety issues and aesthetics. Based on the discussion, safety may no longer be a concern because towers today are built to collapse in place rather than fall over as a single piece. However, staff elected to retain the distance for a number of reasons. Commissioner Kirkpatrick inquired about the availability of any pictures to aid his research. Manager Medrud cited a website address as a good source of current information with respect to the changes. The City is also considering options for including small cell wireless facilities as part of a light standard. The options include a range of options and each wireless provider has specific designs and methods.

Manager Medrud responded to Commissioner Stevenson's prior question with respect to the policy basis for the proposed changes by directing the Commission to a section of Chapter 5, Utilities Element of the Telecommunications ordinance. The chapter includes a list of utilities goals, policies, and actions. None of the provisions speak directly to telecommunications; however, within that section and in the land use section, many provisions address compatibility between uses.

Next steps include a joint worksession with the City Council on November 27, 2018. The Planning Commission public hearing is scheduled on December 11, 2018 followed by consideration of the ordinance by the City Council on December 18, 2018.

Chair Hausman asked whether the other jurisdictions would be a party to the litigation. Manager Medrud advised that the City of Lacey has joined the effort, as there are many issues on multiple levels. The City recognizes the need to have an ordinance implemented regardless of ongoing litigation. The

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new FCC rules represent a major change for jurisdictions with respect to the public right-of-way.

Commissioner Kirkpatrick questioned whether there are any projects underway that might be impacted by the changes. Manager Medrud replied that the changes would transition over time as most of the activity is occurring in King County as wireless companies attempt to close serve gaps along major corridors. It is most likely wireless providers will concentrate on areas with the most need. The City of Olympia as received one application; however, the City anticipates discussing the process with wireless providers to review the review process when providers begin deploying projects.

Commissioner Hansen noted Goal U-5 that speaks to ensuring vital utilities are created, operated, and maintained in a safe manner does not address the health implications of electromagnetic creation. Manager Medrud noted the reference material provided to the Commission speaks to the federal pre-exemption, as the issue is not applicable at the local government level. Commissioner Hansen expressed interest in receiving more information as some cities in California has outright banned 5G. Science is demonstrating that the technologies have negative impacts to life including animals and plants. The issue speaks to dramatically changing the environment and the lack of local oversight is troubling as there are physical laws that exist within the universe. The facilities represent an experiment that is unregulated with no controls. Manager Medrud advised Commissioner Hansen to convey the question to Ken Fellman during the joint meeting with the City Council as well as visiting the Municipal Research Service Center website at:

<http://mrsc.org/getdoc/9864311a-c73c-4a2c-a466-d16ee146e931/wireless-communications.aspx>

**WORKSESSION:**

**HOMELESSNESS AND  
AFFORDABLE HOUSING:**

Manager Medrud reviewed additional homelessness and affordable housing information for the Commission's review:

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- 25 Great Ideas of New Urbanism
- Washington's Housing Crisis: Problems, Solutions and the Role of the Law
- Olympia Actions on Missing Middle Housing
- Lacey Planning Commission Staff Report November 6, 2018 on an affordable housing strategy

Manager Medrud recommended initiating the first housing and homelessness discussion during the December 11, 2018 meeting followed by worksessions at both meetings in January to develop a list of actions for the Council's consideration.

Commissioners and staff discussed the scheduling of agenda topics for the December and January meetings. Commissioner Stevenson suggested deferring the Custer Way Overpass discussion to another meeting.

Commissioner Goldenberger referred to information within the Lacey staff report referencing consideration a short-term option of using Thurston County recording fees to support homeless services. She asked whether Tumwater is utilizing those funds as proposed by the City of Lacey. Manager Medrud offered to follow-up with additional information.

Commissioner Hansen noted that recording fees are collected by the County Auditor with the funds designated for homeless services. However, the Board of County Commissioners has the authority to spend the funds. He is unsure if the law includes any provisions enabling a portion of the funds returned to the cities as most of the funds are generated within the cities.

**ADJOURNMENT:**

**Councilmember Stevenson moved, seconded by Commissioner Goldenberger, to adjourn the meeting at 8:55 p.m. Motion carried unanimously.**