

THURSTON COUNTY PLANNING COMMISSION

Minutes November 15, 2023

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2	1.	6:30 P.M. CALL TO ORDER
3		Chair Casino called the Thurston County Planning Commission meeting on November 15,
4		2023, to order at 6:30 P.M. Commissioners provided self-introductions.
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6		Attendance: Eric Casino (Chair), Derek Day (Vice Chair), Helen Wheatley, Jim Simmons,
7		Kevin Pestinger, Scott Nelson, Barry Halverson. Joel Hansen
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9 10		Thurston Staff: Ashley Arai (Community Planning Manager), Ana Rodriguez (Associate Planner)
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12		Guest Presenter: Laura Hodgson, Senior Planner Washington State Department of Com-
13		merce.
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15	2.	6:30 P.M. APPROVAL OF AGENDA
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17		MOTION: Commissioner Halverson moved to approve the agenda. Commissioner
18		Hansen seconded. The motion passed unanimously.
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20	3.	6:32 P.M. APPROVAL OF MINUTES
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22		MOTION: Commissioner Halverson moved to approve November 15, 2023. Commis-
23 24 25 26		sioner Hansen Seconded. The motion passed unanimously.
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25 26		The solic manufaction is the efficient manufacture and solice and
		The audio recording is the official record of the above-dated meeting. The infor-
27		mation herein is provided as an overview of the meeting and a road map to the au-
28		dio recording. Audio is available online on the <u>Thurston County Planning Commission</u> website.
29 30		Sion website.
31	4.	6:32 P.M. PUBLIC COMMUNICATIONS (Not associated with topics for which
32	7.	public hearings have been held.)
33		public hearings have been held.)
34		1.Celeste Johnson, Lacey
35		1. Coleste Folimboli, Europ
36	New I	Business
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38	None	
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40	Conti	nued Business
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42	5.	6:34 P.M WORK SESSION #6: Thurston 2045 – Housing Element & Allocation
43		(Staff: Laura Hodgson, Ashley Arai)

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Mrs. Arai introduced Laura Hodgson, a senior planner with the Department of Commerce, who provided a primer on the housing element update.

Ms. Hodgson, Senior Planner with the Washington State Department of Commerce, presented housing element updates and recent legislative changes resulting from House Bill 1220. While Ms. Hodgson explained the process for updating the housing elements, Commissioner Pestinger asked a clarifying question on Slide 4 about whether identifying racially disparate impacts refers to historical or current racially disparate impacts. Ms. Hodgson replied that counties should consider historical impacts and how they have affected the current housing crisis and racially disparate impacts within Thurston County. She suggested that racial disparities and displacement data will be presented toward the presentation's end. On Slide 5, when talking about the future housing needs broken by AMI groups, Ms. Hodgson stopped for questions. Commissioner Pestinger inquired about how many mental health facility beds are needed. Commissioner Simmons asked whether the numbers presented on Slide 5 were statewide or county-specific. Ms. Hodgson stopped for questions after she spoke about the Housing Allocation Planning Tool, which helps jurisdictions identify their housing needs. With Comprehensive Plan updates beginning, the County must use the Housing Allocation Planning Tool to project their housing needs for the next 20 years. Additionally, jurisdictions must identify barriers to housing production and create action plans to remove such obstacles. Ms. Hodgson stopped for questions.

 Chair Casino remarked that the County doesn't get to decide when cities do things or bring in County land. Chair Casino expressed concern about the lack of urban density and the need for cities to allocate more housing, citing issues with water and septic utilities in unincorporated areas. Commissioners Halverson and Wheatley echoed Chair Casino's concerns. Commissioner Pestinger asked Ms. Hodgson whether she knew the population breakdown and whether it is 50/50 City/County. Additionally, when discussing allocation considerations on Slide 9, Commissioner Pestinger asked where accessibility and equity/environmental justice fit into the allocation considerations.

 Ms. Hodgson projected that the State would need to shift away from traditional quarter-acre subdivisions and towards more affordable housing options, as the current housing market is not sustainable for most residents. She presented details about the Housing Allocation Planning Tool to help jurisdictions predict future housing needs based on population projections and income brackets. The tool will guide jurisdictions in dividing up housing needs and allocating them to individual areas within the County. Ms. Arai shared information on the Regional Housing Council's collaborative process for determining housing allocation methodology for the region. There was discussion about HOAs and that under new state legislation, any newly established HOA can no longer enforce regulations limiting the type of housing, like ADUs, built on a property. Commissioners Halverson and Pestinger noted that current HOA developments with existing bylaws will be exempt from new state regulations regarding accessory dwelling units.

Ms. Hodgson discussed RCW 36.70A.070 and how jurisdictions must identify sufficient land capacity for housing in different income brackets. Ms. Hodgson advocated for creative solutions to meet lower-income needs. She also suggested zoning changes for more affordable housing types, including micro units and supportive housing, in areas with

existing infrastructure. Commissioner Pestinger inquired about the difference in land capacity for the different income brackets in Thurston County. Mrs. Arai indicated that she has that information from the Regional Housing Council and TRPC and can share it with the Planning Commission.

Jurisdictions may need to upgrade their infrastructure to accommodate growth and support various housing types, including emergency and permanent supportive housing. Policies should also be reviewed and revised to prevent displacement, identify at-risk areas, and check comprehensive plans to address infrastructure impacts. The Cities will work with the County to allocate housing needs and plan for infrastructure to accommodate new housing. The State will conduct the research to help local jurisdictions identify barriers to building new housing and create policies to undo exclusionary zoning and disparate impacts. Speakers discuss affordable housing regulations and income limits in Thurston County.

Following the conversation about housing allocation and the importance of considering infrastructure challenges in rural areas of the County, Ms. Hodgson moved on to Slide 15 of the presentation, which addressed the racially disparate impacts. As part of HB 1220, jurisdictions must address the historical and current disparate impacts of their housing plans. Commissioner Pestinger asked for Commerce's stance in their modeling on what Commerce excepts whether the "missing middle" will contribute to housing for populations over 6,000 population. Ms. Hodgeson remarked she doesn't think there would be a big change. Depending on the housing market there is a framework justisticitons could use to deternub ghhow much uptake there is on on middle hosihng. It conceriders the type of housing and home value. She mentioned if there is a hot market you will see more and less middle housing in a cold market. Chair Casino remarked on the opinion that many residents of the County hold regarding keeping rural areas rural. Chair Casino commented that the housing requirements may push or accelerate sprawl.

Additionally, he inquired how the County could get cities to accommodate housing in their urban areas to balance rural housing. Ms. Hodgson shared that Commerce developed a tool for estimating displacement: the Displacement Risk Map. Commissioner Wheatley asked Ms. Hodgson about the granularity of the information in the displacement tool and whether a tool is being developed for racially disparate impacts and hopes to incorporate such a thing in UGA planning. She also expressed concern about market-rate housing displacing affordable housing in rural areas. Commissioner Wheatley shared information about PSRC and their efforts to have jurisdictions talk to each other about how things are done. Commissioner Wheatley shared that PSRC developed a housing matrix but has no data for Thurston County.

Housing bills aim to increase affordability by implementing proportional impact fees and surplus property sales. The new UGA swap tool may be relevant to Lacey's and Tumwater's planning discussions. Ms. Hodgson explained that the Middle Housing Bill (HB 1110) is complicated and addressed concerns about local governments not doing enough to increase the housing supply. Ms. Hodgson briefly discussed HB 1337, which is legislation about ADUs. Commissioner Pestinger and Chair Casino asked whether jurisdictions can make any short-term rental rules for ADU's. Ms. Hodgeson replied she did not believe it was apart of the conversation. Ms. Arai added more than likely would be based

around septic as it would be an additional bedroom added. Further discussion ensued about requirements of septic systems and bedrooms.

Ms. Hodgson suggests that local governments may need to get creative in funding infrastructure projects, such as using tax increment financing or connecting housing to infrastructure programs. She concluded her presentation by providing hyperlinks to resources offered by the Department of Commerce. Commissioner Simmons asked if the State has any provisions to help with funding for infrastructure that the County needs to be able to build in rural areas. Ms. Hodgson stated that some programs are available. Still, they are competitive and prioritize areas with lower-income segments, so jurisdictions may need to research, collaborate, and apply early to be eligible.

Other Business

6. 8:20 P.M. STAFF UPDATES

(Staff: Ashely Arai, Community Planning Manager)

Mrs. Arai updated the Planning Commission that an Agriculture Program Manager position is being filled. No changes to the proposed budget were made for the Comprehensive Plan Optional Elements. She updated the Planning Commission on the Beaver Creek open house held on November 8. Over 50 people attended.

7. 8:27 P.M. CALENDAR

December 6, 2023: Work Session #7 Thurston 2045 – Commerce Climate Presentation December 20, 2023: To Be Determined

8. 8:28 P.M. GOOD OF THE ORDER

Commissioner Wheatley expressed frustration with the docket process, suggesting the lack of transparency may not be the best way to handle specific projects. Mrs. Arai explained that the docket process is a work plan and that projects may carry over due to shifting Board priorities or a lack of staff resources. Commissioner Wheatley suggested separating citizen-initiated amendments from the docketing process to improve the process and ensure fairness. She is concerned about rezoning applications not being properly vetted through the County process, which leads to confusion and delays. Commissioner Wheatley suggests that requiring a staff report for rezoning applications would help clarify necessary and unnecessary components to limit the workload for the staff and the County.

9. <u>8:52 P.M</u> **ADJOURN**

With no further business, Chair Casino adjourned the meeting at 8:52 P.M.

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5	Prepared by Tosha Knigh

Eric Casino
Eric Casino (Jan 3, 2024 09:08 PST)
Eric Casino, Chair