

AGENDA
LACEY PLANNING COMMISSION MEETING
Tuesday, January 20, 2015 – 7:00 p.m.
Lacey City Hall Council Chambers, 420 College St. SE

Call to Order: 7:00 p.m.

- A. Roll Call
- B. Approval of Agenda & Consent Agenda Items*
Approval of the January 6, 2015, Planning Commission Meeting Minutes

*Items listed under the consent agenda are considered to be routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

Public Comments: 7:01 p.m.

Commission Members Reports: 7:03 p.m.

Director's Report: 7:05 p.m.

New Business: 7:07 p.m.

Sewer 101 and Septic Summit: Peter Brooks, Water Resources Manager. The Planning Commission will get a primer from Water Resources staff on the sewer utility including the various methods and technologies used in collection throughout the city. Water Resources staff will also provide background and current status of the Regional Septic Summit.

Land Use Element Visioning Discussion: Ryan Andrews, Planning Manager; Christy Osborn, Associate Planner. The Planning Commission will conduct a work session, in preparation for the joint meeting with the City Council scheduled for February 19, on community vision related to future city and UGA growth patterns and expectations.

Communications and Announcements: 8:55 p.m.

Next Meeting: February 3, 2015.

Adjournment: 9:00 p.m.

MINUTES

Lacey Planning Commission Meeting
Tuesday, January 6, 2015 – 7:00 p.m.
Lacey City Hall Council Chambers, 420 College Street SE

Meeting was called to order at 7:00 p.m. by Gail Madden.

Planning Commission members present: Gail Madden, Carolyn Cox, Cathy Murcia, Mike Beehler, Paul Enns, and Carolyn St. Claire. Staff present: Ryan Andrews, Rick Walk, Tom Palmateer, Brandon McAllister, and Leah Bender.

Gail Madden noted a quorum present.

Carolyn St. Claire made a motion, seconded by Paul Enns, to approve the agenda for tonight's meeting. All were in favor, the motion carried. Mike Beehler made a motion, seconded by Carolyn Cox, to approve the minutes of the December 2 and December 16, 2014, meetings. All were in favor, the motion carried.

1. **Public Comments:** None.
2. **Commission Member's Report:** None.
3. **Director's Report:** None.
4. **Public Hearing:**
2015-2034 Capital Facilities Plan:
 - Ryan Andrews gave some background information and introduced Tom Palmateer.
 - Tom Palmateer informed Planning Commission that the Capital Facilities Plan will now be updated annually.
 - Tom explained that since the last Plan update, only minor changes have been made to project schedules and budgets.
 - No public testimony was given.
 - **Carolyn Cox made a motion, seconded by Cathy Murcia, to recommend the Plan to Council for adoption. All were in favor, the motion carried.**
5. **New Business:**
Nomination and Election of Officers for 2015
 - **Carolyn St. Claire nominated Gail Madden as Chair. All were in favor, the nomination carried.**
 - **Carolyn Cox nominated Mike Beehler as Vice Chair. All were in favor, the nomination carried.**
City Manager State of the City
 - City Manager Scott Spence presented the State of the City to Planning Commission.
 - Scott informed Planning Commission about an upcoming Listening Session from 10 a.m. to 12 noon, January 21, 2015, at McGavich Conference Center.
 - Scott discussed the Woodland District Strategic Plan and said that he is very proud to see the results that have come from all the time and effort that has been put into creating the Plan.
 - Scott talked about the Lacey Veteran's Center which opened in October 2014.
6. **Communications and Announcements:** Staff mentioned the upcoming Joint Council worksession on January 15; the street tree ordinance and sign ordinance are on the agenda.
7. **Next meeting:** January 20, 2015.
8. **Adjournment:** 8:30 p.m.

1/12/15

CITY OF LACEY PLANNING COMMISSION WORK SCHEDULE

**Planning Commission Meeting
January 20, 2015**

1. **Worksession:** Sewer 101 and Septic Summit (Peter Brooks)
2. **Worksession:** UGA/Annexation Discussion (prep for joint meeting)

Packets Due: January 15th

**Joint Meeting of North Thurston
County Planning Commissions
January 29, 2015, 6:00-9:00 p.m.**

1. **Agenda to be provided by TRPC**

**Planning Commission Meeting
February 3, 2015**

1. **Worksession:** Utility Element
2. **Worksession:** Comprehensive Plan Amendment Docket

Packets due: January 29th

**Planning Commission Meeting
February 17, 2015**

1. **Worksession:** Environmental Element
2. **Worksession:** Woodland District Form Based Code
3. **Worksession:** UGA/Annexation discussion follow-up

Packets due: February 12th

1/12/15

Joint Meeting of City Council and Planning Commission February 19, 2015	<ol style="list-style-type: none">1. 2015 Work Program Review2. Comprehensive Plan Amendment Docket3. Community Visioning Analysis
Planning Commission Meeting March 3, 2015 Packets due: February 26 th	<ol style="list-style-type: none">1. Worksession: Hearing Examiner/Current Planning and/or OPMA Training2. Worksession: Economic Development Market Study and Available Properties
Planning Commission Meeting March 17, 2015 Packets due: March 12 th	<ol style="list-style-type: none">1. Worksession: Planning Areas: Central and Hawks Prairie2. Worksession: Planning Areas: Horizons and Lakes
Planning Commission Meeting April 7, 2015 Packets due: April 2 nd	<ol style="list-style-type: none">1. Worksession: Planning Areas: Meadows and Pleasant Glade
Planning Commission Meeting April 21, 2015 Packets due: April 16 th	<ol style="list-style-type: none">1. Worksession: Planning Areas: Seasons and Thompson Place

Pending items:

- Re-engage Envision Lacey (Apr-Summer)



PLANNING COMMISSION STAFF REPORT

January 6, 2015

SUBJECT: Update on the Septic Summit Workgroup Efforts

RECOMMENDATION: None. This is a briefing for the Planning Commission.

TO: Lacey Planning Commission

STAFF CONTACTS: Ryan Andrews, Planning Manager *RA*
Peter Brooks, Water Resources Manager *PCB*

ATTACHMENT(S): None.

**PRIOR COUNCIL/
COMMISSION/**

COMMITTEE REVIEW: The City Council and Utilities Committee have received an early version of this briefing.

BACKGROUND:

The Growth Management Act identifies sewer service as a uniquely urban government service. (See RCW 36.070A.030 (17) & (18)). Yet, in the City of Lacey and the Lacey UGA there are approximately 10,200 parcels served by septic systems and about 16,500 parcels served by sewer. The abundance of septic systems, many of which are located in soils poorly suited to drain fields, poses a risk to surface and groundwater quality. When individual septic systems fail, the property owners inquire about connection to the sewer system. Since sewer lines are not in the neighborhood, it is cost prohibitive for one property owner to pay for the sewer line extension. And, because the other septic systems in the neighborhood are currently functioning, the property owners are not interested in forming a Utility Local Improvement District (ULID) to address the situation. Thus, the scale of the problem, i.e. a large number of septic systems but only a very few failing at any time, is an impediment to this problem resolving itself as time goes on. Consequently, to solve this problem, policies need to be changed to facilitate the extension of sewer lines into neighbors currently served by on-site septic systems.

The first Septic Summit was held on June 29, 2011. At that meeting elected officials from Thurston County, Tumwater, Olympia, and Lacey learned about the situation described above and were asked whether addressing it was a priority. Their response was to create the Septic Summit Workgroup which is comprised of staff from the four jurisdictions. The LOTT Cleanwater Alliance provided staff and meeting space. Grant monies held by Thurston County paid for consultants to study the problem, provide examples of how other communities have addressed the issue, evaluate legal options for creating a regional program for the north Thurston County urban areas, and provide a sample financial model for discussion. The Septic Summit Workgroup will soon release

the document summarizing the work of the group and consultants. Plans are being made to hold a second Septic Summit later this spring.



PLANNING COMMISSION STAFF REPORT

January 20, 2015

SUBJECT: Land Use Element—Visioning Discussion

RECOMMENDATION: Conduct a work session, in preparation for the joint meeting with the City Council scheduled for February 19th, on community vision related to future city and UGA growth patterns and expectations.

TO: Lacey Planning Commission

STAFF CONTACTS: Rick Walk, Director of Community Development
Ryan Andrews, Planning Manager *RA*
Christy Osborn, Associate Planner *CO*

ATTACHMENT(S):

1. Map of entitled properties, sewer lines, and transit routes
2. Residential development map
3. Map of potential neighborhood centers/nodes

**PRIOR COUNCIL/
COMMISSION/
COMMITTEE REVIEW:**

The Planning Commission has held several work sessions throughout the update of the land use element and the Envision Lacey process with the most recent being the December 16, 2014 Planning Commission briefing.

BACKGROUND:

With the upcoming joint City Council/Planning Commission meeting scheduled for February 19th, staff wanted to discuss how the future growth patterns will affect the city and the urban growth area. As part of this discussion, we are providing some history related to how the City's urban growth area (UGA) was established; the issues associated with current development patterns, and conclude by asking some key questions to consider.

The City's UGA was established in 1988—before the Growth Management Act. In 1988, the regional Urban Growth Management Subcommittee of the Thurston Regional Planning Council drew the boundaries based primarily on what areas were already urbanized, considering developed and vested sites, current and proposed land use designations, and the regional sewer phasing plan. In 1993, under GMA, the 1988 boundaries were used to establish the UGA. Because this boundary was used, Lacey adopted a growth boundary that was equally as large as the city limits and included property from the easterly city limits to the Nisqually Bluff and south to the McAllister Springs Geologically Sensitive Area. Property around

Pleasant Glade Elementary was also included. The reasoning for such a large UGA is described in the City's 1994 Land Use Element which states:

"As best can be determined, the existing urban growth boundaries properly consider the full range of needs and resources in the planning area. UGA boundaries reflect consideration of existing urban and vested development currently outside the City on septic tank and drainfields. Boundaries also reflect the task of stopping sprawl to protect County resources of agricultural, timber and environmentally sensitive areas. And boundaries also provide room for a full range of housing options and some competition to help affordable housing goals and policies...At expected build out (at least required minimum densities), we should be able to comfortably accommodate the next 20 years of growth."

The unincorporated UGA largely grew out of pre-existing development patterns of the 1950's and 60's. Neighborhoods such as Tanglewilde, Tanglewilde East, Thompson Place and the Seasons which developed at suburban densities but with sub-standard utilities were included in the UGA because they were at the boundary of Lacey's corporate limits. Other areas such as McAllister Park were included in the UGA because of vested development that allowed for larger lots at the periphery of the UGA. Other properties were included because of environmental sensitivity including Woodland Creek and associated wetlands in the Pleasant Glade planning area and the McAllister Springs Geologically Sensitive Area for the protection of groundwater. This is memorialized in the 1994 Land Use Element:

"The other major emphasis in drafting of the boundaries was to consider those properties already developed out to urban densities that were on septic tank and drainfield and those areas that had vested projects expected to develop that were going to be on septic tank and drainfield. This was of particular concern, as the Lacey area is very sensitive considering aquifer protection, and is considered at high risk for contamination of groundwater resources, resources that provide 100% of the area's potable water."

ISSUES:

In the twenty years since the UGA was established under the Growth Management Act, several key issues have risen to consider as we move forward with the latest update to the Land Use Element. A primary issue is that most of the larger greenfield development sites in the City have been developed. Attached are maps that show the developments that have been entitled (land use permitting approval granted) or are in the entitlement process. Most of the existing residential property is either currently entitled or built on, meaning that development within the city limits in the next twenty years will move from greenfield development to redevelopment and infill.

In the Urban Growth Area, the story is somewhat different because of the available vacant land resources. Although there are many entitled projects within the Urban Growth Area, the capacity of the UGA to handle future greenfield development is much higher than that of the city limits. This means that it may be easier to develop these greenfield sites in the Urban Growth Area than doing redevelopment or infill in the city and ultimately pushes much more development to the UGA than the city limits in the next planning horizon.

Another key issue is, now that the city limits are nearing build-out, where can we expect redevelopment and infill to occur? New growth will be focused in our core areas including the Woodland District and possibly some of our older neighborhoods that have an aging housing stock such as the area between Lacey Boulevard and Panorama (commonly known as the Golf Club neighborhood). Additionally, growth will need to be focused in our nodes and urban corridors. Attached is a map showing various commercial centers and nodes. The nodes (within the city) and the urban corridor are well served by utilities and, with the exception of the nodes located north of I-5, are served by transit.

In the city limits, the available primary form of residential development will be multi-family. Since 2007, the City has not received any applications for multi-family development. This means that all residential development since then has been single-family residential on individual lots. At the current rate of construction, this means that development of all of the single-family residential lots will be completed within the next planning horizon. However, in the Urban Growth Area, significant capacity for single family lots still exists. Meaning that builders could shift to develop single-family lots available in the UGA rather than building infill or redevelopment projects in the city.

KEY QUESTIONS

Given the type of development that we are expected to see in the city limits and the unincorporated urban growth area, there are several key questions that need to be asked to ensure these areas develop as envisioned. These questions will be the main topics for discussion at the Planning Commission worksession.

Key Question #1: In order to ensure that the development within the city limits continues under the densities that are needed to accommodate growth without being pushed to the easier to develop properties in the UGA, should the UGA become a holding area? In other words, should the UGA be put under development limitations until the city limits are adequately densified?

Pros:

1. Ensures that new units are focused in the city limits where services and infrastructure can efficiently handle the additional density associated with redevelopment and infill projects.
2. Would diversify existing housing stock within the City with new multi-family construction.
3. Would provide more affordable housing alternatives.

Cons:

1. Could be politically challenging with both Thurston County and the building community.
2. Number of pre-existing vested projects in the UGA would mean this policy may have limited effectiveness during the next planning horizon.
3. Potential inconsistency with other city plans especially related to utilities.

Key Question #2: Have the patterns of development in the UGA already been determined?

Pros:

1. Allowing the UGA to continue to develop as planned will accommodate at least twenty years of growth. Previous analysis by staff shows that, at average residential densities, the total number of housing units to accommodate an estimated additional population 32,176 people in the next twenty years can be accommodated under existing zoning. However, there may be a need to increase minimum densities for the Moderate and High Density Residential zoning districts to ensure that they don't build out with an over-proliferation of single-family residential subdivisions.
2. Allowing the UGA to develop is consistent with planning for the area as far back as the 1988 Urban Growth Management Agreement between the City and Thurston County.

Cons:

1. Adopted City water and sewer utility plans state that the City will serve the UGA through build out. Since all plans are required to be consistent with the Land Use and Capital Facilities Elements, these various plans would need to be amended should different strategies be applied to the UGA.

Key Question #3: If annexations are pursued, how would properties be brought into the city limits from the UGA? Would the City require properties served by city sewer to annex?

Pros:

1. Development of priority areas for annexation will ensure that those areas contiguous to the city limits be brought into the city if they are developed consistent with city standards (i.e. are connected to sewer).
2. A full analysis of each area should be completed including a financial feasibility to ensure city services delivered to the area are reimbursed through either property or sales tax revenue.
3. Annexation would help alleviate community identity issues for residents in the UGA whose postal address is "Olympia."
4. Priority would be given to providing city facilities and services to city residents.

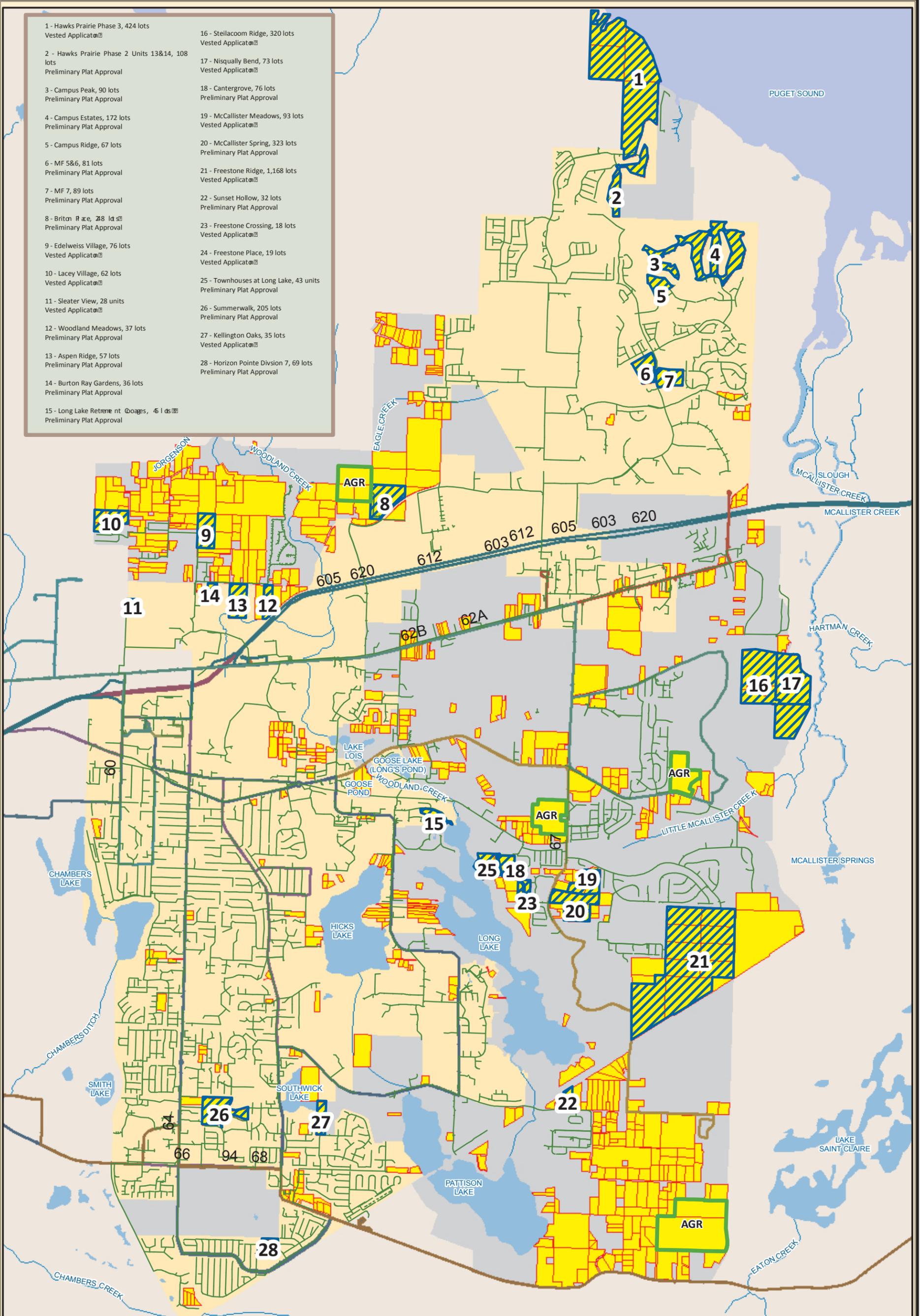
Cons:

1. Currently, residents of the UGA have little incentive to annex because they essentially receive the same services city residents do (water, sewer, fire protection, Medic One) without living in the city. A mutual aid agreement between the City of Lacey and Thurston County means that Lacey Police often respond to major police calls in the UGA because they are closer than sheriff deputies. Annexations are generally unpopular with UGA residents for this reason.

RECOMMENDATION:

The Planning Commission will discuss and consider the key questions related to the vision of the future development of the city and unincorporated urban growth area in preparation for this discussion topic at the joint meeting on February 19th.

- | | |
|---|--|
| 1 - Hawks Prairie Phase 3, 424 lots
Vested Application | 16 - Steilacoom Ridge, 320 lots
Vested Application |
| 2 - Hawks Prairie Phase 2 Units 13&14, 108
lots
Preliminary Plat Approval | 17 - Nisqually Bend, 73 lots
Vested Application |
| 3 - Campus Peak, 90 lots
Preliminary Plat Approval | 18 - Cantergrove, 76 lots
Preliminary Plat Approval |
| 4 - Campus Estates, 172 lots
Preliminary Plat Approval | 19 - McCallister Meadows, 93 lots
Vested Application |
| 5 - Campus Ridge, 67 lots | 20 - McCallister Spring, 323 lots
Preliminary Plat Approval |
| 6 - MF 5&6, 81 lots
Preliminary Plat Approval | 21 - Freestone Ridge, 1,168 lots
Vested Application |
| 7 - MF 7, 89 lots
Preliminary Plat Approval | 22 - Sunset Hollow, 32 lots
Preliminary Plat Approval |
| 8 - Briton Place, 28 lots
Preliminary Plat Approval | 23 - Freestone Crossing, 18 lots
Vested Application |
| 9 - Edelweiss Village, 76 lots
Vested Application | 24 - Freestone Place, 19 lots
Vested Application |
| 10 - Lacey Village, 62 lots
Vested Application | 25 - Townhouses at Long Lake, 43 units
Preliminary Plat Approval |
| 11 - Sleater View, 28 units
Vested Application | 26 - Summerwalk, 205 lots
Preliminary Plat Approval |
| 12 - Woodland Meadows, 37 lots
Preliminary Plat Approval | 27 - Kellington Oaks, 35 lots
Vested Application |
| 13 - Aspen Ridge, 57 lots
Preliminary Plat Approval | 28 - Horizon Pointe Division 7, 69 lots
Preliminary Plat Approval |
| 14 - Burton Ray Gardens, 36 lots
Preliminary Plat Approval | |
| 15 - Long Lake Retirement Coages, 41 lots
Preliminary Plat Approval | |

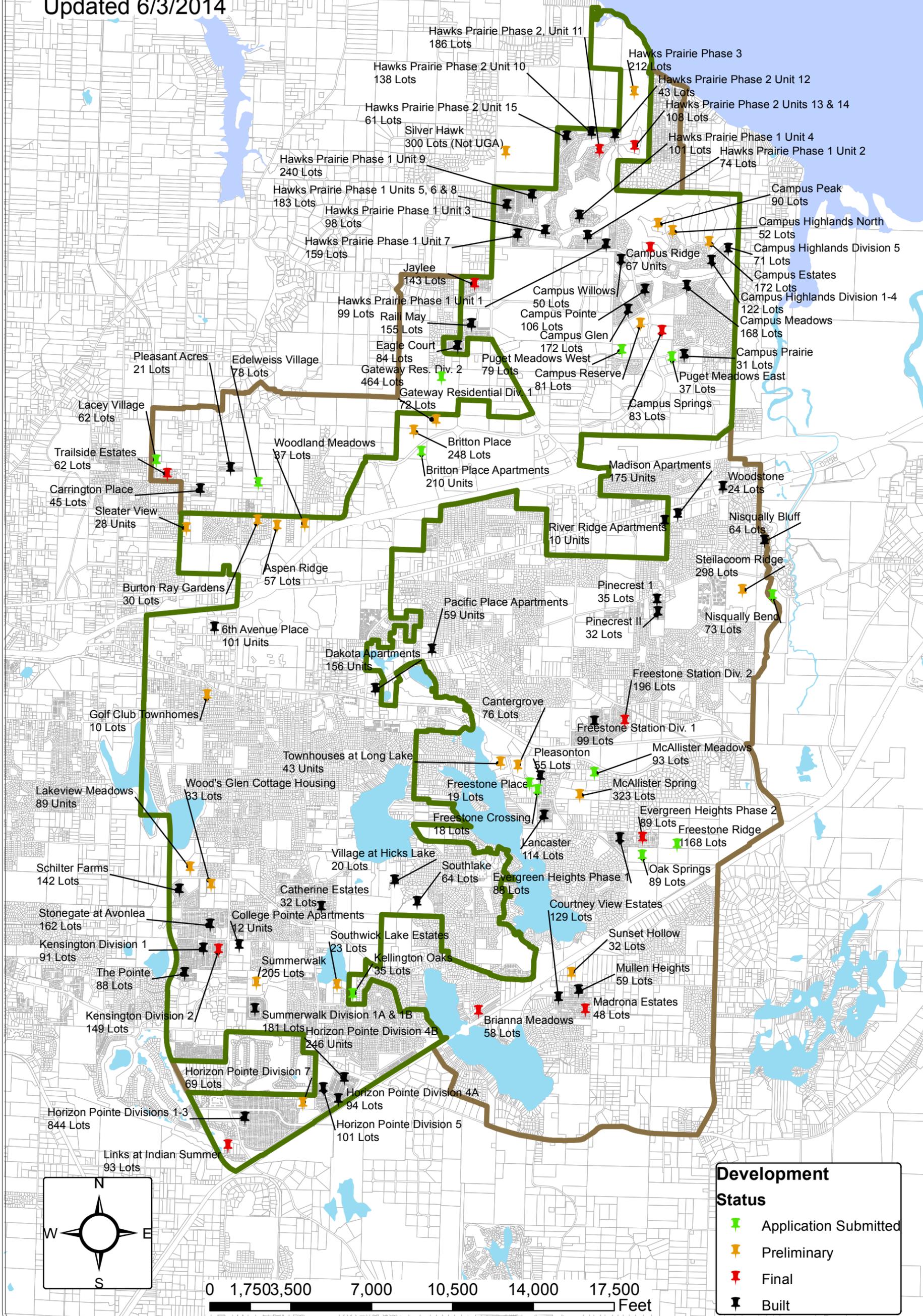


Property Development Status

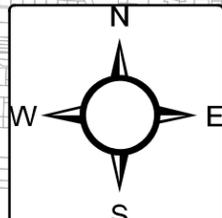
-  Properties with Entitlements
-  Sewer Line > 4"
-  Undeveloped Properties

Lacey and Urban Growth Area Residential Developments Since 2005

11,528 Total Units
Updated 6/3/2014

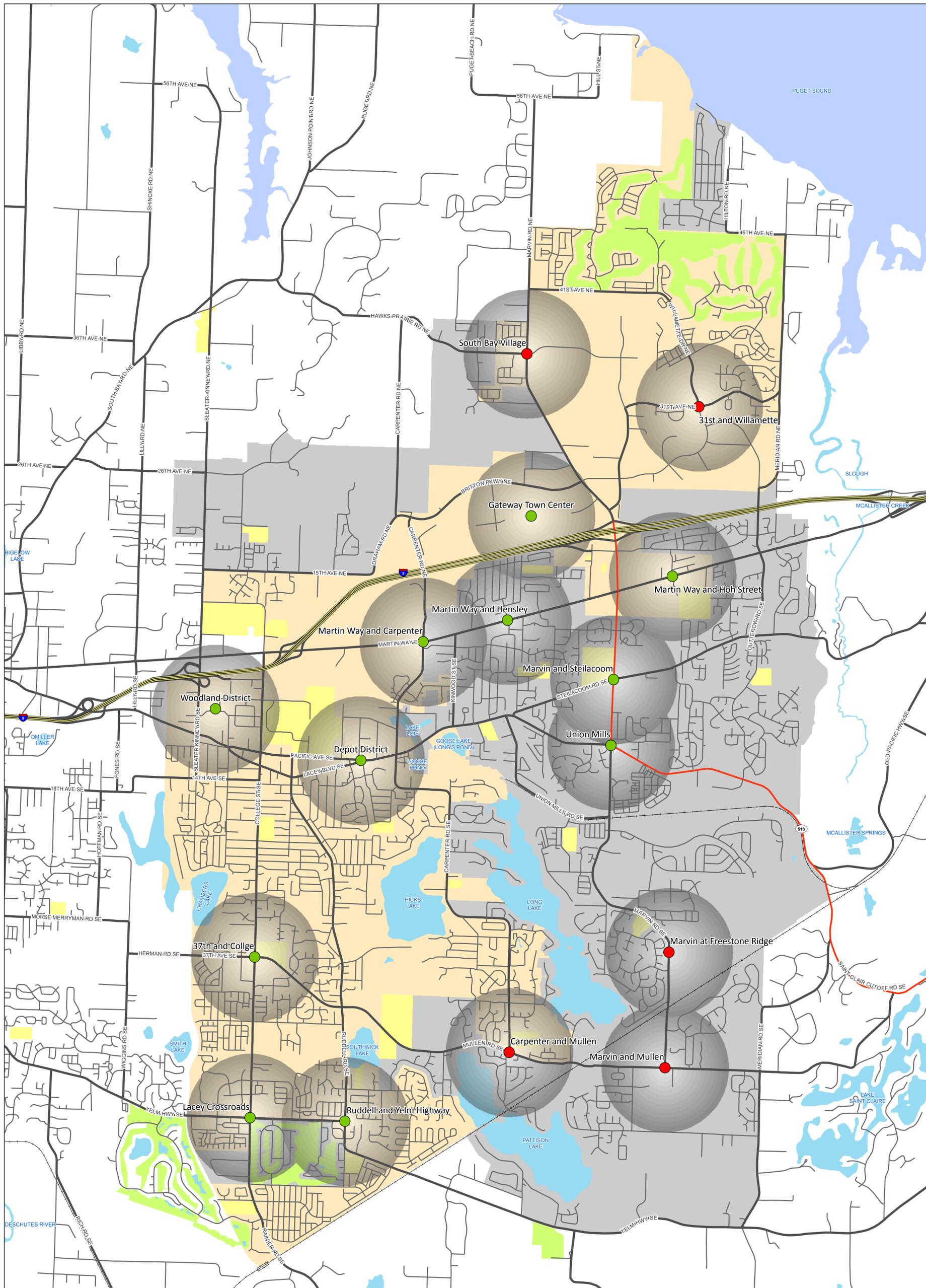


Development Status	
	Application Submitted
	Preliminary
	Final
	Built



0 1,750 3,500 7,000 10,500 14,000 17,500 Feet

Potential Nodes



Potential Node Without Transit and/or Utilities



Potential Node With Transit and Utilities

Date: 10/11/2013

