AGENDA
LACEY PLANNING COMMISSION MEETING
Tuesday, March 15, 2022 – 5:00 p.m.
MEETING WILL BE CONDUCTED REMOTELY, NOT IN-PERSON

Please click the link below to join the webinar:
https://us02web.zoom.us/j/82084920255
Or Telephone:
Dial(for higher quality, dial a number based on your current location):
US: +1 253 215 8782 or +1 206 337 9723 or 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)
Webinar ID: 820 8492 0255
YouTube: https://youtu.be/INEs2ka6dGA

Call to Order: 5:00 p.m.

Approval of Agenda & Consent Items: 5:01 p.m.

A. Approval of Agenda
B. Approval of March 1 meeting minutes

Public Comments: 5:02 p.m.

Commission Members' Reports: 5:04 p.m.

Director's Report: 5:05 p.m.

New Business: 5:10 p.m.

Energy Efficiency Program: Hans Shepherd, Senior Planner. Staff will brief the Planning Commission on the development of an energy audit and efficiency program which is a priority implementation item of the Thurston Climate Mitigation Plan.

ADU Promotion: Hans Shepherd, Senior Planner. Staff will brief the Planning Commission on outreach and promotion of the City's pre-approved accessory dwelling unit program which is a priority implementation item of the Housing Action Plan.

Community Workgroup on Homelessness: Rick Walk, Community and Economic Development Director. The Planning Commission will be debriefed on the Community Workgroup on Homelessness process and outcomes.

Communications and Announcements: 5:55 p.m.

Next Meeting: April 5, 2022.

Adjournment: 6:00 p.m.

CITY OF LACEY PLANNING COMMISSION
WORK SCHEDULE

Planning Commission Meeting **March 15, 2022** **Packets due: March 10, 2022**	1. **Work Session:** ADU Outreach and Energy Efficiency Programs 2. **Work Session:** Workgroup on Homelessness
Planning Commission Meeting **April 5, 2022** **Packets due: March 31, 2022**	1. **Work Session:** Water Comprehensive Plan Update 2. **Work Session:** Carpenter Road Rezone Introduction 3. **Work Session:** LD Zone Consolidation CPA Introduction

MINUTES
Lacey Planning Commission Meeting
Tuesday, March 1, 2022 – 5:00 p.m.
Conducted remotely via videoconference

Meeting was called to order at 5:00 p.m. by Dave Wasson.

Planning Commission members present: Dave Wasson, Gail Madden, Peg Evans-Brown, Kyrian MacMichael, Mark Mininger, Eddie Bishop, and Daphne Retzlaff. Staff present: Rick Walk, Ryan Andrews, Hans Shepherd, and Grant Beck.

Dave noted a quorum present.

Eddie Bishop made a motion, seconded by Mark Mininger, to approve the agenda for tonight's meeting and the February 1 meeting minutes. All were in favor, the motion carried.

1. **Public Comments:** None.

2. **Commission Members Reports:**
   - Kyrian reported on a recent article regarding concerns over rising rent.
   - Daphne asked for an update on the homeless situation.
   - Peg reported on her attendance at the opening of the Hawks Prairie public library.
   - Gail and Dave reported on recent protests of the Meridian Campus gas station.

3. **Director's Report:**
   - Rick reported on the February 17 Council meeting.
   - Rick gave an update on the Meridian Campus gas station and Community Workgroup on Homelessness.

4. **New Business:**
   Lacey UGA Joint Plan/2016 Comprehensive Plan Review: Ryan Andrews, Planning Manager.
   - Ryan gave a presentation and went over the issues and policies that apply to Lacey UGA.
   - Ryan asked for suggestions for public outreach and a discussion followed.

5. **Communications and Announcements:**
   - Dave noted that he has noticed more people riding and waiting for busses in northeast Lacey in particular and would like to see a ridership report. Dave shared that TRPC is looking for people for a transportation policy board. Dave also thanked Commissioners and Staff for all that they do for the City.
   - Peg noted that she will not be at the next meeting.
   - Eddie asked if the meeting format will change. Rick said meetings will most likely go to a hybrid format in April.
   - Rick noted that one Planning Commission seat has been filled by Alan Baum. The search continues to fill the remaining position.

6. **Next Meeting:** March 15, 2022.

7. **Adjournment:** 6:25 p.m.

To hear the full discussion of a specific topic, or the complete meeting, watch the recorded video available on YouTube – https://youtu.be/icAC8knKkI4

PLANNING COMMISSION STAFF REPORT
March 15th, 2022

SUBJECT: Residential Energy Efficiency Program Project Status

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RECOMMENDATION: Briefing item only. Action is not required by the Planning Commission. Staff will provide a briefing on proposed steps for the Community and Economic Development Department to undertake in the development and implement of a Residential Energy Efficiency Program.

TO: Lacey Planning Commission

STAFF CONTACTS: Rick Walk, Community and Economic Development Director RW
Ryan Andrews, Planning Manager RA
Hans Shepherd, Senior Planner HS

ATTACHMENT(S):
1. Thurston Climate Mitigation Plan (Direct Link)
2. PSE Efficiency and Green Options (Direct Link)

PRIOR COUNCIL/ COMMISSION/ COMMITTEE REVIEW: None.

Background:

Since 2007, all City of Lacey municipal buildings, utility systems, parks and recreation facilities, and more than 4,300 street lights have been powered by 100 percent renewable electricity sources; made possible through Puget Sound Energy's (PSE) renewable energy credits program.

In support of this shift towards renewable energy sources, Lacey was awarded an Energy Efficient and Conservation Block Grant (EECB) in 2009, adopted the Carbon Reduction and Resiliency Plan (CR2) in 2016, and helped champion the PSE "Buy Direct" program which lead to the development of the Skookumchuck Wind Facility (which became commercially operational in 2020).

In recent years, the City of Lacey has taken an active role in the development and implementation of the Thurston Climate Mitigation Plan (Attachment 1). Within this plan, a significant emphasis has been placed on the reduction of energy use within existing residential buildings:

> *"Residential energy use currently is the largest source of greenhouse gas emissions in our region. While newer buildings may be constructed to meet greener standards, the*

majority of homes in the Thurston region were built before 1988, with one in five dating back 50 or more years. Looking at our emission reduction targets, more than two-thirds of the housing units that will exist in 2050 already exist today, so retrofitting existing buildings is a key strategy." -Pg 74 TCMP

In support of *Strategy B1. Reduce energy use in existing residential buildings*, six actions were identified for their potential to reduce greenhouse gasses within the community:

ASSESSED ACTIONS		Impact GHG	Impact OTHER
B1.1	**residential energy performance ratings**. Require energy performance ratings and disclosures for homes at time of sale, lease, or rent so that owners, tenants, and prospective buyers are informed before making purchasing or rental decisions		* A E O $ Y
B1.2	**residential energy audits**. Develop and adopt policies that require residential properties to undertake an energy audit at the time of sale or during a substantial remodel. Work with financial institutions to develop mortgage products that incorporate audited energy efficiency recommendations.		* A E O $ Y
B1.4	**rental housing energy efficiency incentives**. Provide incentives such as property tax breaks for landlords who install energy conservation measures in rental housing.		* A E O $ Y
B1.5	**property tax credit**. Create incentives such as a property tax credit for property owners who participate in energy efficiency.		* A E O $ Y
B1.6	**rental housing energy efficiency baseline**. Require rental units to meet baseline levels of energy efficiency and make more stringent over time.		* A E O $ Y

Full chart can be found on page 74 of the Thurston Climate Mitigation Plan

These action items are further echoed within the Environmental Element of the City of Lacey Comprehensive Plan. Goal 1 within the Energy Efficiency and Conservation section seeks to maximize energy efficiency and conservation in heating, cooling, and lighting buildings and services.

Through continued collaboration with regional partners, stakeholder interviews, and general outreach, city staff is working to advance these goals through a 1-year Residential Energy Efficiency Pilot Program. This program is funded through the general fund and is anticipated to conclude on or before December 31st, 2022.

Next Steps:

Given the diversity of energy efficiency/residential improvement programs already offered within the public, private, and non-profit sectors, city staff will conduct a gap analysis of these existing programs, identifying areas of overlap, program gaps, and potential barriers for Lacey residents and homeowners. This analysis will allow city staff to better allocate limited resources while avoiding potential redundancies within the Lacey Residential Energy Efficiency Pilot Program. The gap analysis will result in a comprehensive inventory of available programs and a stronger understanding of existing challenges and barriers faced by lacey residents and homeowners as they seek to navigate and qualify for these programs.

Part of this initial gap analysis will include interviews with program and content experts, local stakeholders, and regional partners. These interviews have been divided into three general categories:

1. Landlords and Management Agencies
2. Tenants and Renter Groups
3. Aging Housing Stock (houses built before 1980)

Early interviews will also include conversations with PSE and the Timberland Regional Library. PSE is an existing partner with extensive energy efficiency, rebate, and cost savings programs in place (Attachment 2). Timberland Regional Library is another city partner with existing infrastructure in place for an energy assessment rental program. An early outcome of these conversations may lead to a community workshop where residents and homeowners can learn about some of the existing resources and programs available to them.

The gap analysis and interviews will help inform a program that can be strategic about the specific energy efficiency programs the City may implement in the future.

By advancing this program, the City of Lacey will work to counter one of its largest sources of greenhouse gas emissions while identifying ways to lessen the financial burdens of housing within the community. This program will seek to improve both the overall quality of existing housing options and the overall health of its residents.

The Community and Economic Development Department will continue advancing the design, implementation and promotion of this program. Staff will provide periodic updates on project status to both the Planning Commission and City Council.

PLANNING COMMISSION STAFF REPORT
March 15th, 2022

SUBJECT: Accessory Dwelling Unit (ADU) Program Update

RECOMMENDATION: Briefing item only. Action is not required by the Planning Commission. Staff will provide a briefing to the Planning Commission on the Accessory Dwelling Unit program and upcoming outreach.

TO: Lacey Planning Commission

STAFF CONTACTS: Rick Walk, Community, and Economic Development Director RW
Ryan Andrews, Planning Manager RA
Hans Shepherd, Senior Planner HS

ATTACHMENT(S):
1. ADU Renderings
2. ADU Potential Map (2019)
3. Labor & Industries Approved DADUs
   - DADU Showrooms
4. What can I build on my lot?
   - Interactive GIS Feasibility map

PRIOR COUNCIL/ COMMISSION/ COMMITTEE REVIEW: None.

Background:

Consistent with the Affordable Housing Strategy, the Accessory Dwelling Unit (ADU) Program is an implementation strategy to increase the number of affordable housing options within the City of Lacey. Specifically, the program seeks to increase the abundance, diversity, and flexibility in housing design through small-scale residential infill.

Starting in 2019, the Community and Economic Development Department contracted with the Artisans Group, a local architect, to develop designs and construction drawings for two ADU styles. Developed in coordination with City staff, the construction plans are pre-approved for building code compliance, thus making it easier and less expensive for homeowners to plan, design, obtain permits, and ultimately build a detached ADU on their property.

In partnership with the cities of Olympia and Tumwater, two additional (four total) designs were approved for the program. These designs range from a 480 square foot studio to an 800 square foot two-bedroom. Each design emphasizes affordability, neighborhood compatibility, and accessibility. Final design renderings were completed in 2021 (Attachment 1).

A community workshop was held in 2020 as part of a public-facing project kickoff. While the workshop was well attended, it was shortly followed by the COVID-19 Stay Home, Stay Healthy Order within Washington State. As a result, much of the initial enthusiasm generated from the community kickoff was lost. That said, the potential for ADUs within the City of Lacey is still high. Based on an assessment of properties within the City that had basic traits to potentially accommodate an ADU, approximately 2,300 residential lots are at least 10,000 square feet in size and are either on sewer or close enough to connect (Attachment 2).

Next Steps:

To promote the ADU program coming out of the COVID-19 pandemic, city staff has identified three parallel tracks to advance in the coming months. The purpose of each of these tracks is to further engage the public about the pre-approved ADU program and provide additional resources for those who may be in the feasibility stage of building an ADU.

Pre-Approved Plans: To remain adaptable to changing trends and design standards, city staff will continue to review ADU plans above and beyond those currently included within our pre-approved offerings. These plans could include factory assembled structures. The Washington Department of Labor and Industries has approved some factory assembled structures for use as an ADU. These types of structures (which could also include manufactured homes) will help create broader options at different price points than a stick-built structure (Attachment 3).

Design Guide: While design criteria for ADUs was added to the Lacey Municipal Code in 2011 (and most recently amended in 2019), understanding this code can create additional barriers for interested residents. Utilizing current plan sets and design criteria, city staff will develop a step-by-step design guide for distribution and publishing to the program webpage.

Site Suitability Map: Working in tandem with the development of a City of Lacey ADU Design Guide, city staff will update the current webpage to boost program transparency and offer additional resources for prospective builders. This may include the development of an interactive GIS-based resource where property owners and interested ADU builders can conduct initial research on the viability of their site (Attachment 4).

Promotion Strategy: Following the development of a formal design guide and in tandem with the launch of the ADU Suitability Map, city staff will conduct an awareness campaign to reintroduce the program to the community. This campaign may involve a range of outreach methods including direct mailers, utility inserts, social media blasts, community events, and press releases.

By offering pre-approved ADU designs and construction drawings, this program will save the homeowner the cost of preparing plans, construction drawings, and in some cases, the need for hiring additional contractors. These savings and pre-approved designs offer a more predictable path forward while lowering the barrier to entry.

artisansgroup

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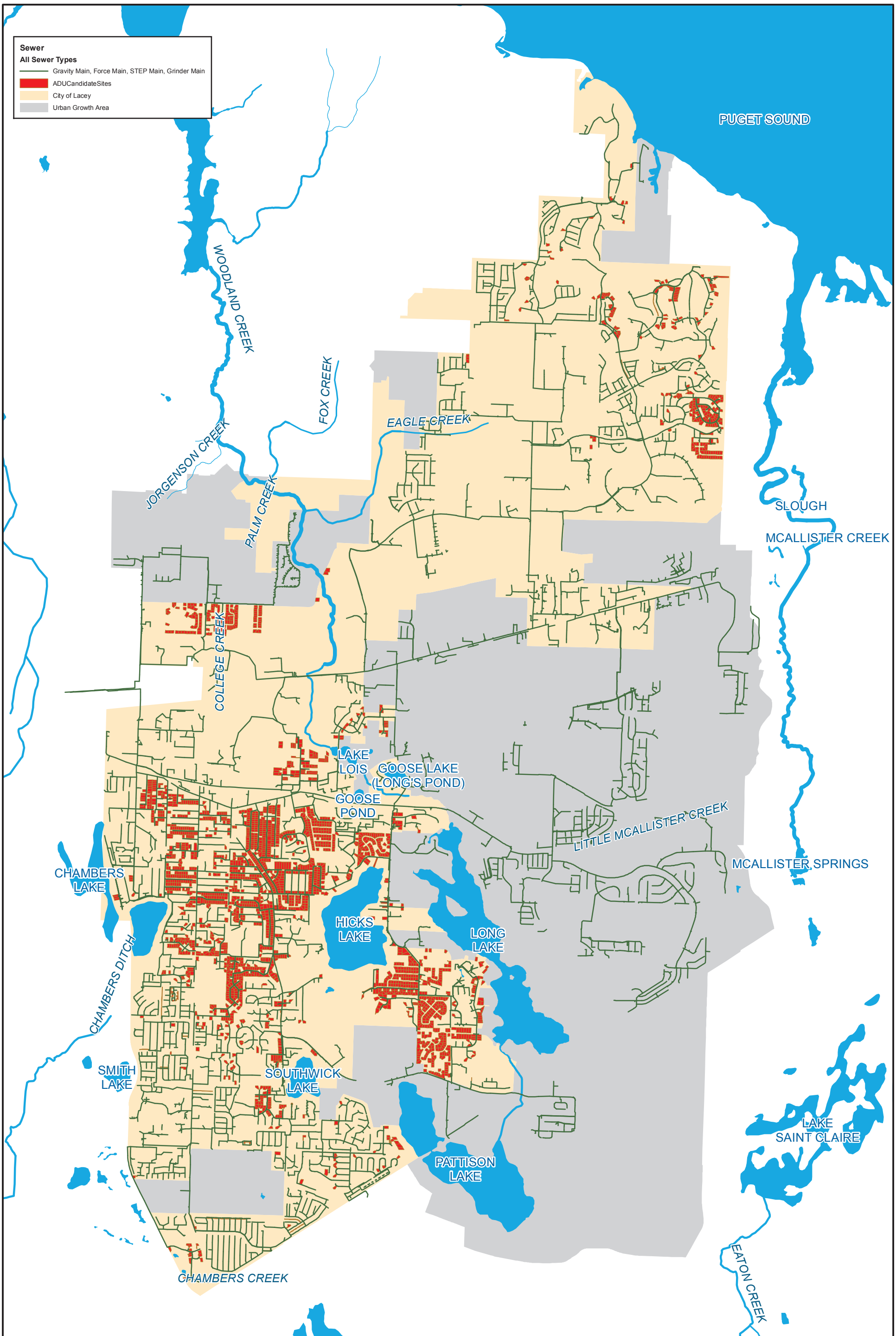

City of Lacey

Acessory Dwelling Unit - Candidate Parcels

0 1,800 3,600
Feet

abodu

Seattle Pre-approved ADU plan submission

August 2021

L&I Certified DADU

Abodu

John Geary, President

650-279-0168

John@Abodu.com

Abodu.com

abodu

High level note: We are not applying for a specific DADU category, but rather submitting our L&I certified designs to be featured in the online gallery. Thus we would have to be the exclusive builder of these designs (by nature of the L&I process). All three of our plans have been submitted and approved by Washington L&I.

Project Description

Abodu is proud to submit three L&I certified DADU designs for consideration in Seattle's pre-approved ADU program. Abodu pioneered the concept of pre-approved ADUs in partnership with the City of San Jose, California and has proven to be a strong provider of fast, cost-effective ADUs. Abodu provides homeowners upfront price transparency and painless project management from permitting to construction to installation of our modular units. Abodu units start at $199K, with a process that takes 4-6 months from permit submission to handing over the keys. We hope to work with Seattle homeowners to further reduce cost and project timelines. Abodu has three DADU designs, all of which are built to be no-compromise living spaces that look amazing in any backyard. We are proud to present the Abodu Studio, a 340 sq. ft. studio DADU; the Abodu One, a 500 sq. ft.1 BR DADU; and the Abodu Two, a 600 sq. ft. 2 BR DADU.

One of Abodu's primary manufacturing partners is located just outside of Seattle, allowing for high quality service and low transit distances for Seattle homeowners.

Fulfillment of Design Criteria

Cost: We utilize cost savings from factory production to offer homeowners a reasonable price for a high standard spec-level ADU. Our designs don't include unnecessary materials, but rather a high-integrity, no-compromise set of finishes.

Green building and design: Green building is at the heart of Abodu. Factory-construction allows us to minimize construction waste and reduce carbon emissions from daily labor transit. All Abodu structures are framed with FSC certified timber, providing carbon capture. All designs include a heat-pump water heater, high-efficiency mini-split HVAC system, 2x6 exterior walls for increased insulation (R-30) and a roof/floor assembly that allow for R-40 insulation.

Privacy: Abodu ADUs are designed to provide privacy for Abodu residents, primary structure residents and neighbors. Sleeping areas have been shielded from low windows. Signature side elevation windows provide natural light, but limit primary home and neighbor sightlines. Our 1BR has a small window on the rear elevation (beneath the fence line) and our Studio has no windows on the rear elevation.

Context: Abodu designs are meant to be distinct, yet compatible with almost any home. We achieve this through modern edges that are softened by familiar form. Our diagonal-

gable roof structure allows for beautiful interior cathedral ceilings, while providing contextual relationships with a wide variety of primary home designs. We use various types of roofing material (composite shingle, standing seam metal, etc.) and exterior siding material (stained cedar, fiber cement, stucco, etc.) to provide homeowners a wide-array of exterior compatibility or uniqueness, depending on taste.

Culturally responsive design: Abodu's are built to be lived in by households of all cultural backgrounds. With large kitchens and ample living space, residents are enabled to utilize familiar living layouts, appliances and other cultural uses to feel right at home.

Constructability: Abodu units can be built in factory in 6-8 weeks with a dialed-in cost. Abodu makes the process painless and predictable for homeowners that are terrified by the opacity and uncertainty of typical construction.

Estimated Construction Cost

Abodu Studio: starting at $199k

Abodu One: starting at $225k

Abodu Two: starting at $259k

Assumptions:

- **Lot: Flat, with reasonable access (140 ft or less) via crane or rollers from front, side or rear of backyard**
- **Sewer: 4" sewer line connection easily reachable in rear of home**
- **Water: 1" water line connection easily reachable in rear of home**
- **Electric: 200 amp panel already installed on site, but can be installed by us**

What can increase cost slightly?

- **Deep lot that requires a significantly larger crane for install and significant trenching distance for utility connections**
- **Requirement of sewage ejector pump due to inadequate fall**
- **Electric panel upgrade**

abodu

Additional Photos of the Abodu One: (see Abodu.com for more photos and a 3D walk through)

abodu

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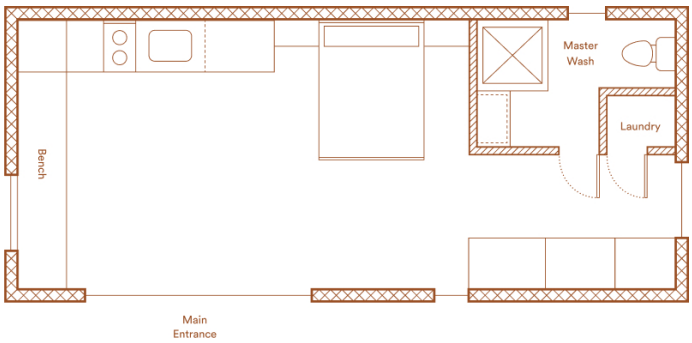
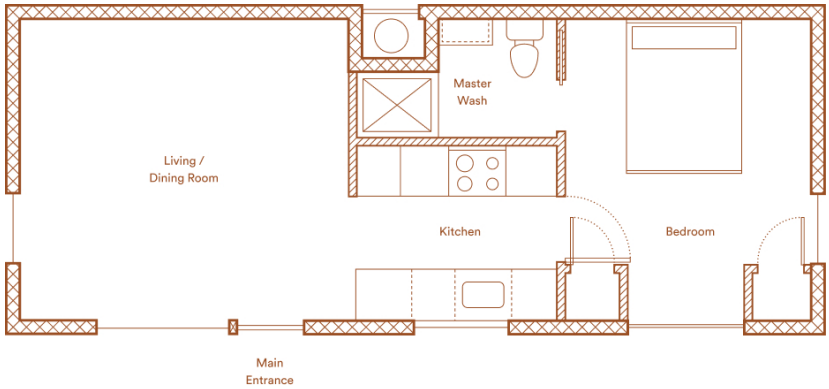
Abodu Studio

340 sq ft | $199K



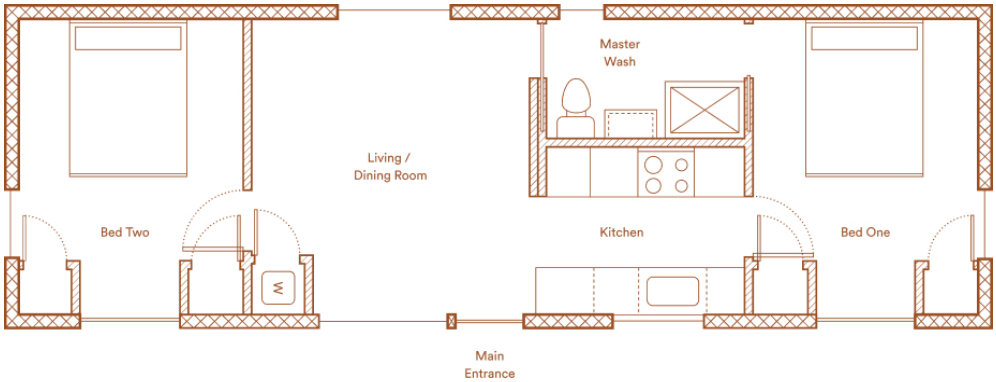
Abodu One

500 sq ft | $225K



Abodu Two

620 sq ft | $259K



abodu

Abodu Studio

340 sq ft | $199K

Abodu One

500 sq ft | $225K