



**MEMBERS:**

- City of Lacey
- City of Olympia
- City of Rainier
- City of Tenino
- City of Tumwater
- City of Yelm
- Confederated Tribes of the Chehalis Reservation
- Nisqually Indian Tribe
- Town of Bucoda
- Thurston County
- North Thurston Public Schools
- Olympia School District
- Tumwater School District
- Intercity Transit
- LOTT Clean Water Alliance
- Port of Olympia
- PUD No. 1 of Thurston County

**ASSOCIATE MEMBERS:**

- Lacey Fire District #3
- Puget Sound Regional Council
- The Evergreen State College
- Thurston Conservation District
- Thurston Economic Development Council
- Timberland Regional Library

**MEMORANDUM**

**TO:** Thurston Regional Planning Council

**FROM:** Michael Ambrogi, Senior Planner  
Allison Osterberg, Senior Planner

**DATE:** April 29, 2021

**SUBJECT:** 2021 Buildable Lands Report

**PURPOSE**

First review of the 2021 Buildable Lands Report.

**Summary:**

- Washington State’s Growth Management Act (GMA) requires the seven fastest-growing western Washington counties to conduct a “review and evaluation” of growth patterns - known as the Buildable Lands Report - to ensure they are consistent with the Act’s goals and, if not, identify “reasonable measures”. If required, reasonable measures must be adopted in city and county 2025 Comprehensive Plan periodic updates.
- TRPC has completed the 2021 Buildable Lands Report, the fourth report it has prepared.
- Based on the process outlined in RCW 36.70A.215, Volume I of the 2021 Buildable Lands Report finds that Thurston County is meeting GMA’s land use goals and is not required to identify reasonable measures.
- Volume II of the 2021 Buildable Lands Report finds that Thurston County is not on track to meet Sustainable Thurston’s land use targets.
- TRPC worked with the Buildable Lands Advisory Committee to identify strategies to move closer to meeting the Sustainable Thurston targets. The strategies are recommendations only, jurisdictions are not required to adopt them as part of the 2025 Comprehensive Plan updates.
- Project updates can be found at <https://www.trpc.org/164/Buildable-Lands-Program>.

**REQUESTED ACTION**

1<sup>st</sup> Review. Council will be asked to take action at the June 4, 2021, meeting.

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## **BACKGROUND**

In 1997 the Washington State Growth Management Act (GMA) was amended, adding the “Review and Evaluation Program,” more commonly known as the Buildable Lands Program (RCW 36.70A.215). The Buildable Lands Program requires the seven fastest growing counties in western Washington to evaluate their growth patterns to ensure they are consistent with GMA’s goals and, if not, identify corrective measures - known as “Reasonable Measures”. The Buildable Lands Reports are due to the Department of Commerce three years prior to city and county comprehensive plan updates. Reasonable measures, if identified, must be included as part of the comprehensive plan updates.

Thurston Regional Planning Council (TRPC) has prepared Thurston County’s three Buildable Lands Reports to date, in 2002, 2007, and 2014. The fourth report is due to the Department of Commerce in 2022.

TRPC is working with a stakeholder group consisting of jurisdiction staff, representatives from the real estate and development community, and members of the public to review the assumptions of the Buildable Lands Report and any recommendations that are included.

Project materials, including the 2021 report, can be found at <https://www.trpc.org/164/Buildable-Lands-Program>.

## **Parts of the report**

The draft 2021 Buildable Lands Report for Thurston County includes two sections:

- **Volume I** — Compares growth trends in Thurston County to GMA’s land use goals and identifies reasonable measures, if needed. GMA and Department of Commerce guidelines are prescriptive about how the Buildable Lands analysis must be completed.
- **Volume II** — Compares growth trends to regional goals beyond those identified under GMA, namely Sustainable Thurston’s land use goals and city and county Comprehensive Plans.

## **VOLUME I: GROWTH MANAGEMENT ACT GOALS**

TRPC staff provided Council with an update on the findings of Volume I at their February 2021 meeting. Based on the criteria laid out in the Buildable Lands legislation, Thurston County’s development trends are consistent with GMA’s land use goals.

- We are seeing urban housing densities in our urban areas, and densities are increasing. Housing densities are decreasing in the rural unincorporated county.
- There is sufficient developable land in the urban areas for 20 years of housing and employment growth.

Based on these findings, the 2021 Buildable Lands Report is not required to include reasonable measures.

### **Reasonable Measures**

“those actions necessary to reduce the differences between growth and development assumptions and targets contained in the countywide planning policies and the county and city comprehensive plans with actual development patterns.”

RCW 36.70A.215

**VOLUME II: REGIONAL GOALS**

**Sustainable Thurston**

Volume II of the 2021 Buildable Lands Report compares development trends to the regional targets included in *Creating Places - Preserving Spaces: A Sustainable Development Plan for the Thurston Region* (Sustainable Thurston). The Sustainable Thurston plan was the culmination of a two-year communitywide planning process completed in 2014 that set a vision for how Thurston County should “look, function, and feel” in 2035. The Sustainable Thurston land use vision for Thurston County is markedly different from the “business as usual” forecast. It envisioned a greater proportion of development in urban areas, city centers, and corridors with less development on farmland, forestland, and critical habitat in the rural areas.

***The Sustainable Thurston Vision***

North County Centers & Corridors	Residential Neighborhoods	South County Communities	Rural Lands
<p>Dense neighborhoods where people can live, work, and play without depending on a vehicle</p>	<p>Areas with a range of housing options centered around neighborhood retail/civic spaces</p>	<p>Foster entrepreneurship and economic development while maintaining “small town feel”</p>	<p>Preserve rural character and protect critical habitat and resource lands</p>
			

In addition, Sustainable Thurston identified two targets to track progress towards meeting the plan’s land use goals:

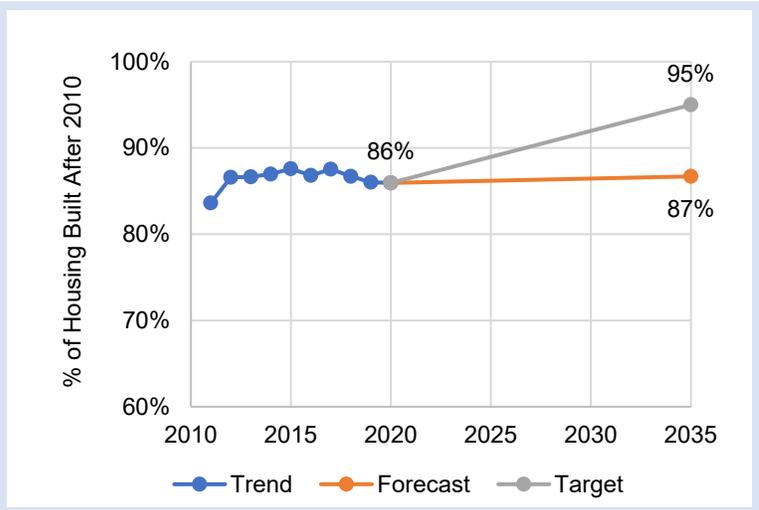
- Preserve environmentally sensitive lands, farmlands, forest lands, prairies, and rural lands and develop compact urban areas.**  
 Target — Between 2010 and 2035, no more than 5 percent of new housing will locate in the rural areas, and 95 percent will be within cities, towns, unincorporated urban growth areas, and tribal reservations. Rural areas are defined as outside of the cities, towns, unincorporated urban growth areas, and tribal reservations.
- Create vibrant centers, corridors, and neighborhoods while accommodating growth.**  
 Target — By 2035, 72 percent of all (new and existing) households in our cities, towns, and unincorporated urban growth areas will be within a half-mile (comparable to a 20-minute walk) of an urban center, corridor, or neighborhood center with access to goods and services to meet some of their daily needs.

Volume II of the 2021 Buildable Lands Report finds that Thurston County is not on track to meet these two targets. Under business as usual conditions, roughly 87 percent of housing built between 2010 and 2035 will be within the urban areas, well below the 95 percent target. In 2035 roughly 57 percent of urban area housing will be within a half mile of an urban center, urban corridor or neighborhood center, below the target of 72 percent.

**Sustainable Thurston Land Use Targets**

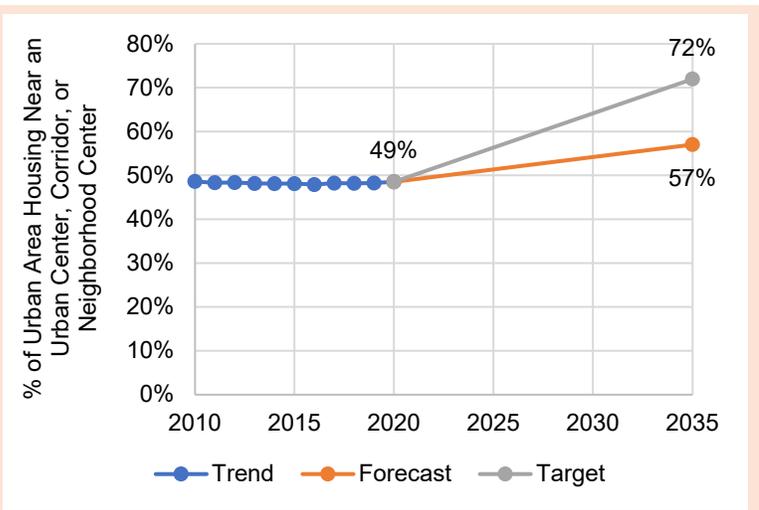
Preserve environmentally sensitive lands, farmlands, forest lands, prairies, and rural lands and develop compact urban areas.

**Target:** Between 2010 and 2035, no more than 5 percent of new housing will locate in the rural areas, and 95 percent will be within cities, towns, unincorporated urban growth areas, and tribal reservations. Rural areas are defined as outside of the cities, towns, unincorporated urban growth areas, and tribal reservations.



Create vibrant centers, corridors, and neighborhoods while accommodating growth.

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## Recommendations

Failing to make progress towards meeting the Sustainable Thurston targets does not require reasonable measures, as the targets were not adopted in Comprehensive Plan or Countywide Planning Policies. Notwithstanding, TRPC staff worked with the Buildable Lands Advisory Committee to identify strategies that would move the region closer towards meeting the Sustainable Thurston targets.

In addition, Volume II of the 2021 Buildable Lands Report compares the business as usual forecast to a land use alternative to see how much closer these strategies will get the region to the Sustainable Thurston targets. While the comparison shows that it may not be possible to meet the targets by the original 2035 timeline, there is time to make significant progress towards meeting the goals.

The Buildable Lands Advisory Committee recommends jurisdictions include the following strategies in the 2025 periodic Comprehensive Plan Updates:

### *General Recommendations*

1. Continue to work toward the Sustainable Thurston land use goals, while acknowledging that we may need a longer timeframe than 2035 to achieve the targets.
  - Include strategies to advance Sustainable Thurston goals in the next round of periodic Comprehensive Plan updates.
  - Evaluate the implications of not meeting the Sustainable Thurston land use targets on the region's climate mitigation targets.
2. Let regulatory changes set the stage, by creating a vision and removing barriers, and support efforts by the private market that complete the vision. Look for strategic opportunities and partnerships to accelerate development that will advance multiple goals.
  - Promote local workforce development and training so Thurston County has the expertise in place - builders, architects, engineers, developers, etc. - to construct the amount and types of housing envisioned in Sustainable Thurston.
3. Articulate the tradeoffs in policies and site-specific development decisions that impact our ability to meet the Sustainable Thurston vision and targets, as a formal part of the decision-making process. These tradeoffs include housing affordability, climate impacts, habitat/wildlife preservation, local agriculture systems, public health, costs, and equity.
  - When a proposal would remove land with residential capacity from that use, capacity should be replaced elsewhere in the urban area, rather than accommodated in the rural area.
  - Other potential tools include regional comparison of impact fees, land swaps for prime agriculture land, and Transfer of Development Rights program.
4. Continue to actively involve the public in developing the vision for their neighborhoods, and in understanding and balancing the tradeoffs associated with achieving the Sustainable Thurston targets.

### *Urban Centers and Corridors*

5. Continue to increase the amount of residential development in city centers.
  - Implement recommendations from past planning efforts, including the Olympia Downtown Strategy, Lacey Woodland District, and Tumwater Brewery District plans.
  - Review development trends and refine the use of policies that are resulting in increased development in urban centers, such as Multifamily Tax Exemption (MFTE), parking requirements and impact fee waivers.
6. Increase the amount of residential development in mixed use zones along corridors. In corridor zones that allow a mix of commercial and residential uses, the land use alternative assumed a greater share of land would develop with residential uses (generally 10 percentage points more).

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- Review and, where appropriate, apply successful standards from “downtown” urban centers to corridors: minimum densities, impact fee waivers/credits, Multifamily Tax Exemption (MFTE).
  - Pursue Planned Action Environmental Impact Statements (EIS) for subareas or key locations along corridors to reduce uncertainty for developers and incentivize development.
7. Create incentives for redevelopment at key redevelopment sites located along corridors that could include significant amounts of new housing.
- Create subarea plans for areas that may need support from the public sector to redevelop, similar to those created for the Brewery District in Tumwater and Woodland Square in Lacey. The land use alternative identified four potential priority sites: Capitol Village/Target Plaza (Olympia), Point Plaza East/West (Tumwater), WinCo Foods Plaza, Martin Way (Lacey UGA).
8. Review corridor “boundaries” and identify whether any new corridor or center areas should be identified for future planning and analysis.

### *Neighborhood Centers*

9. Identify and more clearly define the vision, intent, and function of urban Neighborhood Centers.
10. Increase the density of residential development near Neighborhood Centers. The land use alternative assumed minimum densities of 15 units per acre in existing residential zones within 500 feet of neighborhood centers.
11. Identify the types of businesses that will best serve households surrounding Neighborhood Centers and create incentives to attract and support those businesses. The land use alternative identified 29 sites with neighborhood-retail-type zoning that currently lack the type of businesses that serve nearby residents’ day-to-day needs.
12. Identify whether there are additional locations where future residential density may support new neighborhood centers.

### *“Wider” Urban Areas*

13. Increase residential development within the wider urban area (i.e. more than a half-mile from urban centers, urban corridors, and neighborhood centers). The land use alternative looked at increasing zoning densities in existing low/medium-density residential zones
- Continue efforts to expand middle-density housing type options (duplexes, cottage housing, accessory dwellings, etc.) in predominantly single-family neighborhoods.
14. Consider options for areas where lack of infrastructure is a barrier to future development,
- Identify infill properties where lack of local sewer connection or other infrastructure-related site constraints are a barrier to development. Make strategic investments to extend utility and other infrastructure to areas where there is not enough future development potential to pay for the improvements that will support higher density growth.
  - Consider options for areas on the edges of UGAs considered difficult to sewer. The 2021 Buildable Lands assessment identified several locations where extending sewer poses a challenge (Black Lake UGA, Northeast Olympia, Southeast Olympia, Northwest Lacey, Southeast Lacey), but also found these areas are generally zoned for low-density development and have minimal residential capacity. Options include maintaining low densities, or removing areas from Urban Growth Area boundaries where environmental constraints make them unlikely to be served by urban utilities within the 20-year planning horizon.
  - Identify areas with agricultural land that may not be suitable for urban development due to infrastructure constraints. Consider options for these areas, such as natural resource zoning or removal from the Urban Growth Area.

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*South County Cities*

15. Continue support for modest mixed-use growth, infill development, and increased amount of residential development in commercial centers.

*Rural and Natural Resource Lands*

16. Support strategies to preserve natural resource lands, including those used for agriculture and forestry, and support existing natural resource uses.
17. Consider whether future residential density may support new rural commercial centers.

NEXT STEPS

The 2021 Buildable Lands Report will be brought to TRPC for acceptance in June. Thurston County is required to submit the report to the Department of Commerce in 2022.

The 2021 Buildable Lands Report will inform city and county periodic Comprehensive Plan updates due in 2025.