



PLANNING COMMISSION STAFF REPORT

May 16, 2023

SUBJECT: Gwinwood Retreat Center Comprehensive Plan Amendment and Map Re-designation Application. Project no. 23-83.

RECOMMENDATION: Conduct a public hearing and make a formal recommendation to the City Council on the Gwinwood Retreat Center Comprehensive Plan Amendment and Map Re-designation request. Staff recommends approval of the request.

TO: Lacey Planning Commission

STAFF CONTACTS: Grant Beck, Planning and Development Services Manager
Ryan Andrews, Planning Manager *RA*

ATTACHMENT(S):

1. Gwinwood CPA and Map Re-designation Application
2. Map of Existing Zoning and Aerial Photo
3. Public Comments received through May 9, 2023

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

Planning Commission Briefing April 18, 2023
City Council/Planning Commission Joint Worksession February 9, 2023

I. GENERAL INFORMATION

A. Applicant/Owner:

Gwinwood Retreat Center
Kate Ayers, Representative
PO Box 3445
Lacey, WA 98509

Physical address: 6015 30th Avenue SE, Lacey, WA 98503

B. Action:

Designation of a portion of four parcels from High Density Residential (HD) to Open Space Institutional (OS-I) on the Comprehensive Land Use Plan and Zoning map.

C. Proposal Description:

This is a non-project action to designate a portion of four parcels totaling approximately 7.5 acres of the 28 total acres of the property that is used as a private retreat center including a lodge, cabins, and various other outbuildings located at the southwest corner of Hicks Lake south and east of the intersection of Hicks Lake Road SE and 30th Avenue SE. The northern portion of the property is currently zoned High Density Residential. The application is to re-designate the High Density portion of the property to Open Space Institutional.

Please see attached application for amendment to the Comprehensive Land Use Plan and Zoning map.

D. Legal Description

See attached application packet for legal description.

E. Location:

The location of the proposal is generally south and east of the intersection of Hicks Lake Road SE and 30th Avenue SE. The retreat center is addressed as 6015 30th Avenue SE. The application will apply to a portion of parcel numbers 11828140900 and 11828110800.

F. Site Information

Project size: approximately 7.5 acres

Site Access: 25th Avenue SE to south on Hicks Lake Road SE to east on 30th Avenue SE

Water: City of Lacey

Sewer: City of Lacey

Power/Natural Gas: Puget Sound Energy

Fire Protection: Lacey Fire District # 3

G. Reason for Request:

The purpose of the request is to consider rezoning the property to Open Space Institutional to provide more consistency between the current and future uses on the property than what the High Density Residential zone provides. The existing High Density residential zone requires residential uses at a density of 12 units per acre or greater. This means that any future development of the property will be required to be developed for multifamily units to meet the density requirements of the zone. The property is owned by a group of churches who wish to continue to utilize the property as a retreat center into the future. The High Density zoning district allows the use to continue, however, any future development of the property would have to adhere to the requirements of the High Density zone. Rezoning to Open Space Institutional would be more appropriate for the current and future use of the property.

H. Existing Zoning

High Density Residential (HD): This designation permits the highest acceptable residential density in strategic locations where public services such as utilities, police and fire protection, streets, schools, and parks are available. This zone provides ensures that a variety of housing types are accommodated across the community.

I. Proposed Zoning

Open Space Institutional (OS-I): This designation is important to protect and preserve certain areas of land devoted to existing and future use for civic, cultural, education and similar facilities as well as the social needs of the community whether publicly or privately sponsored. The designation also is intended to protect parks, open space and other natural physical assets of the community.

II. LAND USE OF THE SUBJECT SITE AND SURROUNDING AREA

Existing Land Use and Ownership Patterns:

Subject Site:

The subject property is currently used as a private retreat center at the southwest corner of Hicks Lake containing various outbuildings including cabins and a lodge building that was originally developed in 1947. The property contains other amenities including a playground and dock at the edge of the lake. The remainder of the site includes stands of Douglas Fir and a wetland that connects from Hicks Lake to Ruddell Road on the southern portion of the site.

Surrounding Properties:

The surrounding properties have a mixture of zoning. Properties to the south are zoned Open Space Institutional associated with the wetland system. The properties to the north are zoned High Density Residential. These properties have approval for two separate multi-family developments totaling 310 units. The zoning to the west is Low Density Residential and contains the existing Forest Grove apartment complex which is accessed off of Ruddell Road SE. Hicks Lake is located immediately to the east of the property. An Open Space Institutional zone can provide a transition to the environmentally sensitive areas to the east associated with Hicks Lake and to the south associated with a wetland that connects from Hicks Lake to Ruddell Road.

III. ENVIRONMENTAL DETERMINATION:

A Determination of Nonsignificance (DNS) was issued on April 19, 2023. Based upon information contained in the environmental checklist, the site's expected designation, and development of the site in any capacity would not have significant impacts to the environment. The DNS had a 14-day comment period, which ended on May 3, 2023. The City did not receive any comments; therefore, the DNS became final on May 4, 2023. A determination of environmental non significance granted by the responsible official fulfills the City's requirements for environmental review under RCW 43.21.C.

IV. APPLICABLE COMPREHENSIVE GOALS AND POLICIES/LONG RANGE PLANNING ISSUES:

The Comprehensive Plan has two elements that can be used as a guide for consideration of this application. The two Elements are the Land Use Element and the Environmental Element.

A. Land Use Element

Land Use Element Policies (from Lakes Planning Area):

Goal 1: Protection of environmental resources in this planning area shall be a priority.

Policy A: Require development to work around environmentally sensitive areas and take advantage of and promote environmental resources as an amenity.

Policy B: All development shall be sensitive to protecting environmentally sensitive areas.

Goal 4: Improve infrastructure in the planning area particularly related to sewer and transportation.

Policy A: Consistent with the policies of the Shoreline Master Program, extension of sewer service shall be prioritized around lakes to protect water quality.

Policy C: Ensure that the various transportation elements identify strategies to improve corridors to meet growth projections.

B. Environmental Element

The Environmental Element Contains an important discussion on how the City will grow as land supply becomes limited:

“As the City matures and additional growth occurs, available green-field areas will become limited and available land supplies will increasingly contain environmentally sensitive areas. Urban environmental concerns will continue to be a priority for the community. Public investment in the urban environment, efficient use of land supply and resources, enhancement of the urban ecosystem, and minimizing adverse environmental impacts will assist in nurturing a healthy, sustainable environment.”

The Environmental Element also addresses the request by stating the following related to critical areas:

Goal 1 (Critical Areas): Incorporate a systems perspective into policy, regulatory, and service decisions, recognizing the interrelationship of people, nature, and the economy.

Policy A: Recognize that Lacey’s quality of life is one of its competitive advantages and promote economic growth that maintains and enhances this quality of life.

Policy C: Continue to preserve and protect significant environmental features including unique wetlands, shorelines, hillsides, and habitat areas to support wildlife and protect surface and groundwater resources.

V. STAFF ANALYSIS

In considering the application, it is important to analyze the impact that the potential re-designation would have on the housing supply since the property could currently be developed for high density purposes.

There are currently 2,493 multifamily units within the development pipeline in Lacey. Those units are in some stage of the permit process with either a land use application submitted or approved, an active building permit under review, or a project that is currently under construction. A reasonable assumption is that the Gwinwood properties could develop at 20 units per acre for an addition of 150 units to the pipeline as the developable portion of the property is approximately 7.5 acres. 150 units would equal approximately 6% of the total number of multifamily units within the development pipeline. While this number of units would provide more housing supply to the community, it is not significant enough to warrant retaining under its current designation. Additionally, these units would not provide any affordable housing resources as they would likely be developed at the very top of the multifamily market given their proximity to Hicks Lake and the amenities that would provide.

Additionally, it is important to consider the community benefit that the retreat center provides. The facility is one-of-a-kind in the community as it provides opportunity for the rental of space for gatherings, trainings, and retreats in a natural environment. The property is a resource for the surrounding community as well as the entire state. According to the representative of the Gwinwood Retreat Center, the plans for the property are to operate the retreat center as such for the foreseeable future. The current zoning of High Density Residential is not consistent with the current or desired future use of the property. The proposed zone of Open Space Institutional would be more consistent with the desired use. According to LMC 16.48.020, Permitted Uses, the retreat center would be a permitted use under community meeting or recreation halls. Should the existing zoning of High Density remain, the existing use would remain as non-conforming with the underlying zoning.

The Gwinwood site is relatively limited for transportation options. Both Hicks Lake Road SE and 30th Avenue SE are identified as local streets by the “Functional Classification Map” within the *2030 Transportation Plan*. Both are connected to the nearest collector at 25th Avenue SE which connects to Ruddell Road SE. Hicks Lake Road is currently a two-lane road with very little improvement other than a two-lane paved section, however, there are sidewalks and frontage improvements installed adjacent to the Donegal Hills subdivision. As properties develop, they will be required to dedicate right-of-way and ultimately develop the improvements consistent with the project approvals. 30th Avenue is unimproved outside of an existing paved area providing access to the retreat center and residential parcels to the north.

City utilities are available on the site and will be further extended at the time of development. Water lines enter the Gwinwood site from 30th Avenue SE with a 6-inch line. The water lines on the Gwinwood site dead end in an 8-inch line. Sewer on site is provided by a small-diameter grinder line that runs east down 30th Avenue SE and eventually connects to a gravity line near the intersection of 30th Avenue and Hicks Lake Road. It is anticipated that any development on the Gwinwood site would be less intensive under the proposed zoning than under the existing High Density zone. Any development on the site would be required to extend and connect to City utilities. The proposed Map Re-designation would be adequately served by the existing utilities.

VI. PLANNING COMMISSION AUTHORITY AND RESPONSIBILITY

The Planning Commission has the responsibility and authority to recommend action to the Lacey City Council on the proposed Comprehensive Land Use Plan amendment and map re-designation application. The Planning Commission must hold at least one public hearing on the proposal. Based upon public comments, staff analysis, review of the Comprehensive Land Use Plan, and other applicable information, the Commission must make a recommendation to the Lacey City Council as to the merits of the application and the designation the Planning Commission believes is in the public's best interest. Staff has developed the following proposed findings and conclusions that can be adopted by the Planning Commission in making a formal recommendation to the City Council.

VII. STAFF FINDINGS AND CONCLUSIONS:

- A. The Land Use and Environmental Elements of the Comprehensive Plan identify the need to balance the development of an urbanizing community with environmental protection when adjacent to sensitive areas.
- B. The Open Space Institutional zoning designation will be consistent with the surrounding properties and will act as a logical transition between the High Density Residential zone to the north and the wetland complex to the south.
- C. The Open Space Institutional zone will support the goals of the property owner to operate the retreat center as such for the foreseeable future. The retreat center provides an important community resource for gathering space not provided elsewhere.
- D. Re-designating the High Density Residential zone to Open Space Institutional will not have a marked impact on the amount of multi-family residential development within the community.
- E. The property is adequately served with City utilities and will extend utilities throughout the property as a condition of development.

F. The location is fairly limited in transportation options. However, these options will be improved with the eventual development of the multi-family projects to the north.

VIII. STAFF RECOMMENDATION CONCERNING ACTION ON THE PROPOSED COMPREHENSIVE PLAN AND ZONING AMENDMENT APPLICATION

Based upon the analysis provided in this report, and the conclusions and findings identified in section VII of this report, staff recommends approval of the change from High Density Residential to Open Space Institutional on the Comprehensive Land Use Plan map and the official zoning map for the Lacey Urban Growth Area.