

CITY OF OLYMPIA HEARING EXAMINER

STAFF REPORT

July 26, 2021

Project Name /File No.: Harrison Avenue Mixed Use- Binding Site Plan 16-9112

Applicant: Kern Rexus, representing Rexus LLC

Authorized Representatives: Chris Cramer, Professional Engineer of Patrick Harron & Associates and Heather Burgess, Attorney, Phillips Burgess PLLC

Requested Action: The applicant is seeking preliminary binding site plan approval to subdivide 6.2 acres of land commercially zoned into 5 lots for mixed use development, consisting of multifamily housing, office, retail, and restaurant with connecting streets and stormwater facilities. The proposal also includes a parking modification to reduce vehicle parking requirements by 20%.

Project Location: 3840/4004 Harrison Avenue NW

Zone District: High Density Corridor 4 (HDC-4)

Overlay Districts: Pedestrian Overlay "Street A"

Comprehensive Plan Designation: Urban Corridor (UC)

SEPA Determination: A Determination of Nonsignificance was issued on June 2, 2021 (Attachment 2). The comment period ended on June 16, 2021, and the appeal period expired on June 23, 2021. No appeal of the SEPA determination was filed with the City.

Public Notification: Public notification of this hearing was issued on July 12, 2021 (Attachment 3). Notice was mailed to property owners within 300 feet of the subject property, parties of record, and applicable recognized neighborhood associations; posted on-site; and published in *The Olympian* on July 14, 2021, in conformance with OMC 18.78.020.

Staff Action: The project was referred to the Olympia Hearing Examiner by Keith Stahley, Assistant City Manager (former Director of Community Planning & Development) per Olympia Municipal Code 18.60.080.C

Staff Recommendation: Approve the Preliminary Binding Site Plan and request for the parking modification with conditions.

Staff Contact: Paula Smith, Associate Planner
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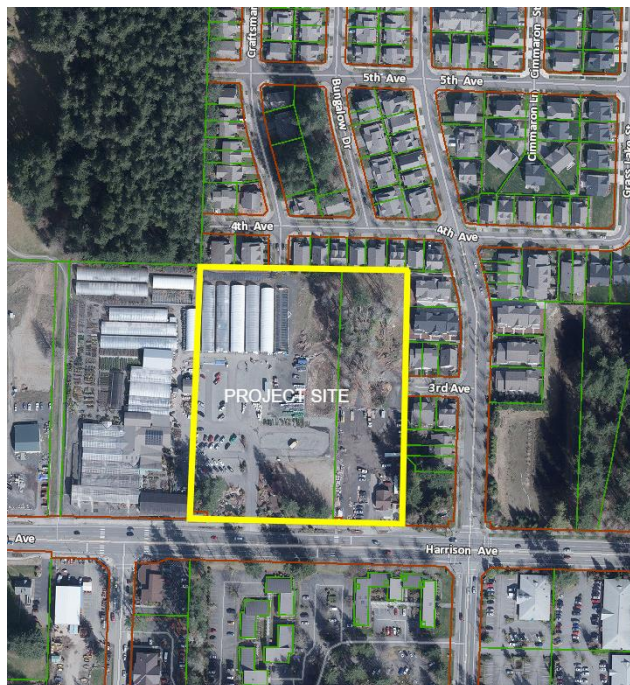
I. BACKGROUND INFORMATION

A. Property Description and Context

The proposal is to divide two commercially zoned parcels through a Binding Site Plan application into five lots for mixed use development. The project site is a total of 6.2 acres located in the northwest area of Olympia. The property is located west of the intersection of Yauger Way and Harrison Avenue, which is along an urban corridor serving Olympia. The project site has existing development on the project parcels. One parcel consisting of a residence has a Land Use Approval granted by the City to convert to commercial use (Attachment 4) and the other parcel is partially developed with multiple greenhouse structures and other accessory uses for the business of the Bark and Garden Center that is adjacent to the west and is owned by Rexus LLS, the applicant. The project site is surrounded by a variety of land uses.

Uses and zoning surrounding the project site are as follows:

- To the west, is the Bark and Garden Center and other businesses and/or property owned by Rexus LLC.
- South, across Harrison Avenue is a complex of medical offices.
- To the north and east is Grasslake Village, a mixed housing development consisting of 4 subdivision phases built in the 2000's. This development consists of single-family homes, townhomes, and small multifamily complexes.
 - Directly abutting the project site to the east are 2 small apartment buildings (3 and 4 units) and two 2-unit townhome buildings with 3rd Avenue stubbed for future connection to the project site.
 - Bordering the north boundary are a row of single-family homes, 2 duplexes with Craftsman Drive stubbed for future connection to project site.



Zoning Background:

The project site was among many parcels on the westside of Olympia that were part of the Kaiser Harrison Opportunity Area, of which was a city-initiated action to rezone properties to a more appropriate zone in 2015.

This property was rezoned from Mixed Use Residential 7-13 zone to High Density Corridor 4 (HDC) which is a commercial zoning district, which allows for a variety of commercial and residential uses.

Per the OMC, The High-Density Corridor-4 (HDC-4) district is intended to:

- a. *Provide for a compatible mix of high-intensity commercial, offices, and high-density multifamily residential uses.*
- b. *Transform these areas to commercial and residential activity centers, over time.*
- c. *Ensure that access to transit is a part of new projects.*
- d. *Establish a street edge that is as continuous as possible with buildings which are close to the street and which have multiple floors, distinctive windows facing the street, and entrances that are visible from the street.*
- e. *Create a safe, convenient, and attractive environment for pedestrians, transit riders, and bicyclists, and which includes parking and access for vehicles.*

B. Project Description:

The binding site plan (Attachment 5) is to subdivide the subject parcels into five lots for a mixed-use development with associated parking, utilities, street connections and improvements in a 3-phase development plan (Attachment 6).

- Lot 1- No further development is proposed of this lot except for street connections improvements. There are existing greenhouses and associated vehicle parking of the Bark and Garden business located directly west.
- Lot 2- Proposal consists of a 2-story, 10,250 square foot mixed use building with restaurant and retail uses on the first floor and 8 residential units on the second floor. A pedestrian courtyard lies between the building and Harrison Avenue.
- Lot 3- Has an existing residential single-family home that was permitted to convert into a commercial retail use, however the conditions of approval have not yet been met and the Certificate of Occupancy by the building official has not been issued to date. The proposed *future plan* of lot 3 is to replace the existing recently converted building with a larger building consisting of 3,972 square feet of retail uses with three residential units on the second floor. A pedestrian courtyard is proposed between the building and the right of way of Harrison Avenue.
- Lot 4 -Proposal consists of a 3-story mixed used building with 4,675 square feet of office space on the first floor and 10 residential units on the 2nd and 3rd floors
- Lot 5- Proposal consists of a 4 story 58,712 square feet residential multifamily building with 40 units.

The applicant's phased proposal for development consists of the following:

- Phase 1. Development and construction on Lots 1, 2, 3 and 4. Street improvements to include the new intersection of Craftsman Drive and Harrison Avenue with Craftsman Drive being constructed up to the point that it lines up with the proposed north boundary line of Lot 2.

- Phase 2. Development of Lot 5 with the street improvements connecting to the existing stubbed street known as 3rd Avenue located east of this project parcel.
- Phase 3. There are no future development plans shown for this phase, future street dedication being shown on the map that demonstrates the Craftsman Drive connection to be made to the north stubbed street along northern border of the project.

C. City Review Process

Application Submittal: A Preliminary Binding Site Plan application was submitted and deemed complete on November 30, 2016; the Notice of Application (Attachment 7) was issued on December 7, 2016.

Neighborhood Meeting: The City held two neighborhood meetings. The first one on January 4, 2017, and the second on August 22, 2019. The second meeting accompanied substantial changes to the project plans. The city issued a revised Notice of Application that included a request for input from the community regarding the revised plans, which included the proposed street connections. The second meeting was well attended by the interested citizens and property owners that lived within the area of the Grasslake neighborhood. A summary of the meeting and comments and concerns raised at this meeting can be found in Attachment 8.

Staff Review: City staff reviewed the project for compliance with applicable codes, standards, and ordinances. It was found that additional information was needed, and revisions were necessary a few times during the overall review of the project. Written comments were provided to the applicant on February 2, 2017, which were amended on April 24, 2017, on November 4, 2019, and March 12, 2021 (Attachment 9). The City granted extensions to the applicant's first response timeline to allow the applicant time to work through specific issues regarding stormwater and street alignments to complete their response back to the City and more recently a time extension was granted due to COVID-19.

Public Comment

Public comments have been received throughout the various reviews and revisions of this project (Attachment 10, 11, 12 and 13). Many comments are from citizens that live or own property in the area have expressed concerns about the development. The applicant provided a response to comments received (Attachment 14). Some concerns raised in the comment letters include:

- Increased traffic volumes in the area; too narrow streets for commercial traffic;
- Potential impacts to pedestrians safety;
- Concern of related to the existing storm water drainage in the area;
- Uncertainty regarding impacts of street connectivity from connections to 3rd Avenue and Craftsman Drive into existing residential developments.
- Concern over commercial traffic entering and exiting through 3rd Avenue.

Hearing Examiner Authority

Per OMC 18.82.120 a preliminary binding site plan application is within the jurisdiction of the Director of Community Planning & Development for decision. Because the complexity of the project and transportation and environmental issues related to the project, the director referred this project under his authority to the hearing examiner, per OMC 18.60.080 on August 27, 2019 (Attachment 15).

II. APPLICABLE REGULATIONS AND ANALYSIS.

This section identifies specific regulations in the Olympia Municipal Code that apply to the proposed project. Staff's findings and conclusions to these standards are noted in italics.

- A. City of Olympia Comprehensive Plan
- B. OMC 14.04 Environmental Policies
- C. OMC 16.60 Tree, Soil and Native Vegetation Protection and Replacement
- D. OMC 17.34 Binding Site Plans
- E. OMC 18.06 Commercial Districts
- F. OMC 18.16 Pedestrian Street Overlay District
- G. OMC 18.12, Historic Preservation
- H. OMC 18.36 Landscaping
- I. OMC 18.38 Parking and Loading
- J. Engineering Design and Development Standards (EDDS)/Drainage Design and Erosion Control Manual

A. COMPREHENSIVE PLAN

The subject property is designated Urban Corridor on the Future Land Use Map. The City of Olympia Comprehensive Plan includes the following statements and policies that are relevant to the proposal:

Land Use and Urban Design

GL1: Land use patterns, densities, and site designs are sustainable and support decreasing automobile reliance.

- **Policy PL16.1** Support increasing housing densities through the well-designed, efficient, and cost-effective use of buildable land, consistent with environmental constraints and affordability. Use both incentives and regulations, such as minimum and maximum density limits, to achieve such efficient use.

Finding/Conclusion: The proposal provides for additional housing along with a mix of commercial uses. A mix of uses help promote the opportunities to live, work, shop and play in proximity thus decreasing the reliance of automotive use.

Transportation/Connectivity

GT4: The street network is a well-connected system of small blocks, allowing short, direct trips for pedestrians, bicyclists, transit users, motorists, and service vehicles

- **PT4.3** Build new street and pathway connections so that people walking, biking or accessing bus stops have direct route option, making these modes more inviting.
- **PT4.7** Build new street connections so that emergency vehicles, transit, and other service vehicles have direct and efficient access.
- **PT4.10** Require new developments to connect to the existing street network and provide for future street connections to ensure the gridded street system is built concurrent with development.

Findings/Conclusions- The proposal provides connections to 2 existing stubbed streets, 3rd Avenue and Craftsman Drive, which will allow an additional route for vehicle, biking and pedestrian traffic to Harrison Avenue from the Grasslake development. This also allows other access options for emergency services and transit with these connections. As proposed the street connections supports this comprehensive plan goal.

GT5: Street connections to existing residential areas and in environmentally sensitive areas will be carefully examined before a decision is made to create a connection for motor vehicle traffic.

- **PT5.2** Carefully examine proposed street connections to existing residential neighborhoods. The developer, City, or County will analyze the street connection with the involvement of affected neighborhoods and stakeholders. Consideration will be given to the unique neighborhood character and context, particularly any direct impacts of a street connection on established neighborhoods. This analysis will determine whether or not to construct the street connection for motor vehicle traffic. Affected neighborhoods and other stakeholders will be consulted before a final decision is made and be involved in identification of any potential mitigation measures. As appropriate, this evaluation will include:
 - Effects on the overall city transportation system;
 - Effects on reduced vehicle miles travelled and associated greenhouse gases;
 - Opportunities for making additional connections that would reduce neighborhood impacts of the connection being evaluated;
 - Impacts on directness of travel for pedestrians, bicyclists, transit users, and motorists;
 - Impacts on directness of travel for emergency-, public-, and commercial-service vehicles;
 - An assessment of travel patterns of the larger neighborhood area and volumes at nearby major intersections;
 - An assessment of traffic volumes at the connection and whether projected volumes are expected to exceed the typical range for that classification of street;
 - Bicycle and pedestrian safety;
 - Noise impacts and air pollution;
 - Social justice issues and any impacts on the unique character of a neighborhood or effects on affordability of housing;
 - Likelihood of diverting significant cross-town arterial traffic on to local neighborhood streets;
 - Effectiveness of proposed traffic-calming measures;
 - The cost of a street connection and the cost of any alternative approach to meeting transportation needs if a street connection is not made;
 - Consideration of the information in Appendix A of this chapter;

Findings/Conclusions- The City evaluated the street connections involved in the project after receiving public comments and concerns related to the proposed connecting streets. The City reviewed the traffic impact analysis (Attachment 16) and provided a response to the traffic impact analysis and for each of the points made in the above section (Attachment 17). In summary, the city is recommending that the street connections be made as originally planned through the previous plat of Grasslake Village (Attachment 18) to provide a gridded street system that will allow neighborhood access without leaving low-volume local access streets and recirculate unnecessarily on Harrison Avenue, provide efficiency for public, emergency vehicles, and transit service in the area and will create shorter pedestrian and bicycle connections.

Regarding comments over the street connection concern over commercial traffic coming into the neighborhood impacting the streets and pedestrian safety, the city is recommending traffic calming devices to be installed (per the EDDS) at 3rd Avenue and Craftsman Drive to discourage commercial

traffic from utilizing the neighborhood streets and that a temporary access lane be constructed to allow vehicle traffic from Phase 2 to travel south to Harrison. As conditioned the project will further the Comprehensive Goal.

- **PT10.3** Expand the City's network of street connections, pathways and trails to help relieve congestion.

Findings/Conclusions: The proposal provides for street connectivity providing additional options of traveling in this area, thus relieving traffic congestion.

Together with Conditions, noted at the end of this report, the proposed project will further these goals and policies of the Comprehensive Plan.

B. ENVIRONMENTAL POLICY (OMC 14.04)

After careful review of the applicable environmental documents and public comments, the city issued a Determination of Non-Significance, pursuant to RCW 43.21C, WAC 197-11, and OMC 14.04 (Attachment 2). A public notice was issued on June 2, 2021, and 14-day comment period was provided for the DNS, as required by OMC 14.04.090.F. No appeal was filed during the required 21-day appeal period (OMC 18.75.020.B.1.b.ii).

C. OMC 16.60, TREE, SOIL, AND NATIVE VEGETATION PROTECTION AND REPLACEMENT

In summary, the project is subject to standards in OMC 16.60 regarding tree densities and tree protection standards. Developing properties are required to meet the minimum density of 30 tree units per acre. To verify compliance to these standards, a Level V Soils and Vegetation Plan is required per OMC 16.60.050.B. and must meet the requirements within the Urban Forestry Manual.

Findings/Conclusions: The applicant provided a report (Attachment 19) from 2002 for different a project involving only a portion of the project site. As the report does not include all parcels involved in this current project nor does it reflect current conditions, therefore it is unknown if the overall development meets tree density requirements of 30 tree units per acre. The project has been conditioned to address this deficiency.

D. BINDING SITE PLAN (OMC 17.34)

17.34.060 Review Criteria. This section provides criteria for review of a binding site plan application. A binding site plan application may be approved if the following review criteria have been satisfied.

1. The binding site plan conforms with requirements of all city and state ordinances, codes, standards and policies including those found in: the zoning ordinance, the building code, the fire code, public works standards, the state environmental policy act, and the comprehensive plan.
2. Appropriate provisions have been made for streets, utilities, drainage ways, water supplies and sanitary wastes.
3. The physical characteristics of the site are not subject to flooding, inundation or swamp conditions.
4. The public use and interest will be served by the plan.

Findings/Conclusions: The Public work standards such as the Engineering Design and Development Standards (EDDS) and Drainage Design and Erosion Control Manual DDECM findings; State Environmental Policy Act, zoning ordinances and the Comprehensive Plan findings can be found throughout this report. Appropriate provisions are proposed for streets, utilities, water, sewer, sanitary waste and associated building and fire codes.

The parcel is not known to flood or have any swamp (wetland) conditions and the proposal will serve the public use and interest.

For compliance to the zoning ordinance, staff reviewed the applicable codes to only that of which was depicted on the face of the binding site plan map, such as building setbacks, building height limitations, development coverages, vehicle parking requirements and conceptually the areas provided for landscaping. All other zoning compliance review would be conducted during the land use review process for each development proposal. The applicant chose not to conduct land use review concurrently with of the binding site plan application. Land Use Review is required for any construction of any nonresidential building per OMC 18.60040. As conditioned, the project will comply.

Agency Comments. Comments from a variety of agencies have been received (Attachment 20) throughout the review of the project and are as follows:

- Thurston County Health Department (TCEH)- Provided a letter to the City dated February 10, 2021, with their recommendation to approve of the preliminary binding site plan with conditions. These conditions and comments are as follows:
 - There is an existing off-site well to the west of the project site and must be shown on the map with its 100- foot sanitary control area. The applicant must grant a non-public restrictive covenant for the portion of the sanitary control area that encroaches on the project site. The covenant must be submitted to this office for review prior to being filed with the Thurston County Auditor's Office.
 - An onsite sewage system previously served tax parcel 12817140900 (4004 Harrison Avenue), an on-site sewage system abandonment permit application is required to be submitted.
 - That the existing well located on tax parcel 12817140900(4004 Harrison Avenue) noted to be decommissioned existing must be properly decommissioned by a licensed well driller per Washington State Department of Ecology standards. A copy of the decommissioning report must be submitted to this office. Should the well remain for irrigation purposes it must be shown on the site plan with its 100-foot sanitary control area and properly labeled, have a pump installed, be wired for power, and have a protective covenant recorded with the Thurston County Auditor to provide adequate protection of the sanitary control area. This would also require demonstrating that through the design of the project the well will be adequately protected from contamination, including stormwater runoff and infiltration, refuse storage, and sanitary sewer lines.
- Intercity Transit- Provided their review and comments to the city in a letter dated January 3, 2020. Based on the mixed-use development and the increased use of transit service, they are requesting that the developer pour a concrete pad and reimburse the transit agency for the cost and installation of the shelter.

- State of Washington, Department of Ecology- The city received letters dated November 24, 2020, and January 16, 2021, with their findings and comments. Mainly these are standard comments and notifications but was noted that the property is within a quarter mile of several known or suspected contaminated sites and that if contamination is suspected or discovered that their department be notified.
- Nisqually and Squaxin Island Tribes- Correspondence received on June 4, 2021, and June 16, 2021, indicate they have no apparent concern but want to be notified if any archaeological or cultural resources are uncovered during implementation of the project.

Findings/Conclusions: City staff reviewed these agency comments received and finds some of these conditions or requests acceptable in further meeting any state or other applicable requirements at this stage of the project and others will be addressed at time of each land use review stage. As conditioned, the project will comply.

E. OMC Title 18 Commercial Districts

OMC 18.06.040 Permitted and Conditional Uses, Table 18.06.040 Table 6.01; Identifies land uses in the commercial districts which are permitted outright (P) or subject to a Conditional Use Permit (C). The applicable requirements for these uses and activities are identified by a number referencing the list of use regulations under Section [18.06.060](#), Use Standards.

Findings/Conclusions: The variety of uses stated on the face of the binding site plan map are apartments, apartments above ground floor in mixed use development, restaurant, office and retail and are all labeled as permitted uses in the High-Density Corridor -4 zoning district with the table. Some of the development applicable to the project in within the table below.

OMC 18.06.080 Commercial Development Standards - Table 6.02:

HDC-4 Development Standard	Requirement	Proposal	Staff findings
Minimum Lot Size	No Minimum except for townhome development	The proposal has no townhome lots	N/A
Front Yard Setback	0-10 feet Maximum Code reference 18.130	Buildings setbacks on lots 2 and 3 are more than 10 feet from the front property line. Buildings on lot 4 and 5 are closer than 10 feet to the front property line.	<i>Lot 1 has no proposed building and will be reviewed for compliance at the time of a future land use application. Lots 2 and future lot 3 complies as allowed through the exception provided in 18.16.080.A.2.c when providing for a pedestrian plaza. * Lot 4 and Lot 5 complies.</i>
Rear Yard Setback	10' minimum; Except: 1. Next to single-family use or an RLI, R4, R4-8, or R6-12 district - 15' minimum + 5' for each bldg. floor above 2 stories.	Lot 2 has approx. 80-foot setback. Future Lot 3 has a 5-foot setback. Lot 4 has over a 100-foot setback. Lot 5 has a 57-foot setback.	<i>Lots 2, 3 and 4 require a 10-foot setback. Future Lot 3 only shows a 5-foot setback, which will need to be revised. Lot 1 and lot 5 rear yards are adjacent to the RLI District. The proposed 4 story building on Lot 5 has a proposed 57-foot rear yard setback. The code requires a 25-foot setback. No proposed buildings are</i>

	2. Next to MR7-13, MR10-18, RM-18, RM-24 or RMH district (refer to 1 above if adjacent use is single-family) = 10' minimum + 5' for each bldg. floor above 2 stories.	Lot 1 has no proposed building.	<i>shown on future lot 1 and will need to comply at time of development. The setbacks proposed and as conditioned, will comply.</i>
Side Yard Setbacks	No Minimum; Except: 1. Next to RLI, R4, R4-8, or R6-12 district = 15' minimum + 5' for each building floor above 2 stories. 2. Next to MR7-13, MR10-18, RM-18, RM-24 or RMH district = 10' minimum + 5' for each bldg. floor above 2 stories. 3. Residential excluding mixed-use structures; 5' except 6' on one side of zero lot.	Lot 1 has no proposed building. Lot 2 provides a 28 foot and 20-foot side yard setbacks. Future Lots 3 has a 14-foot setback. Lots 4 and 5 have approx. 74-foot setback.	<i>N/A</i> <i>Lot 2 has no minimum side yard setback.</i> <i>Lots 3, 4 and 5 are next to the MR 10-18 district.</i> <i>Proposed 2 story building on future lot 3 requires a 10-foot setback and the proposal meets the criteria with a 14-foot setback.</i> <i>Lot 4- Proposed 3 story building on lot 4 requires a 15-foot setback along the eastern boundary and the proposed meets the requirement.</i> <i>Lot 5- The proposed 3/4 story residential building on lot 5 requires a 5-foot setback along the eastern boundary and the proposal meets the requirement.</i>
Maximum Height	The portion of a building within 100' of land zoned for maximum density of less than 14 units per acre is limited to 35'. The portion of a building within 50' of land zoned for a maximum density of 14 units per acre or more is limited to the lesser of 60' or the height allowed in the abutting district. Up to 60' otherwise; or up to 70', if at least 50% of the required parking is under the building; or up to 75', if at least one story is residential.	Lot 2 has a 2-story building. Lot 3 is noted to have 2 floors. Lot 4 is noted as a 3 - story building with a maximum height of 35 feet.	<i>Lot 2 is not adjacent to district with density provisions and the maximum height allowed is 60 feet. The proposed height complies.</i> <i>Lot 3 proposed building is within 50 feet of land zoned for a density of 14 units or more and is limited to the lesser of 60 feet or the abutting districts height allowance, which is 45 feet in the MR 10-18. The proposal indicates this is a 2-story building and complies.</i> <i>Lot 4 is within 50 feet of land zoned for a maximum density of 14 units or more per acre, but the building is over 50 feet away, therefore the building height allowance with the top floors being residential, allows for the building height</i>

		<p>Lot 5 has a 4-story building and steps down to a 3 story towards the rear.</p>	<p>at 75 feet. The note on the map indicates a maximum height of 35 feet which is in error. The proposed building is 3 stories and complies.</p> <p>Lot 5 The portion of the building within 100 feet of the zone with a density of less than 14 units per acre is shown to be 3 stories and noted on the map of having a maximum of 35 feet and there is no portion of the building within 50 feet of the adjacent zone with density of more than 14 units, and therefore allowed to a maximum of 75 feet. The 3/4 story building complies.</p>
<p>Maximum Impervious Coverage</p>	<p>85% for all structures</p>	<p>Lot 1 -existing</p> <p>Lot 2 – proposed impervious (building and walk) 14, 296 sf</p> <p>Lot 3- Proposed impervious (full building build out and walk) 4643 SF</p> <p>Lot 4- proposed impervious (building and walk) 5483 sf</p> <p>Lot 5- Proposed impervious (building and walk) 16,716 sf</p>	<p>Lot 1- existing conditions are not exceeding maximum imperious surfaces.</p> <p>Lot 2- based on the proposed lot size at 31,150 sf the maximum allowed is 26,478 sf of impervious surfaces.</p> <p>Lot 3- based on the proposed lot size at 11,532 sf the maximum allowed is 9,802 sf of impervious surfaces.</p> <p>Lot 4- based on the proposed lot size at 32,554 sf the maximum allowed is 27,671 sf of impervious surfaces.</p> <p>Lot 5- based on the proposed lot size at 45,007 sf the maximum allowed is 38,256 sf of impervious surfaces.</p> <p>All lots are not exceeding the maximum impervious surfaces allowed as proposed.**</p>

* OMC 18.16.080.A.2.c.i Exceptions to Maximum Setbacks.

The street wall may be set back to provide transition to residential neighborhoods, to allow privacy in residential development, to meet centerline setback requirements, for building entrances, for pedestrian plazas, and to allow existing setback buildings as conforming uses.

** As noted on the map, all paved surfaces within the binding site plan, except for the public streets will be of a pervious asphalt. Staff notes that even if those areas were of an impervious material the lots would be still in compliance of maximum impervious allowances except for lot 2 which would exceed the allowance by

approximately 500 square feet. Impervious totals are also reviewed and confirmed at time of land use review. As conditioned, the project will comply.

F. OMC 18.12, HISTORIC PRESERVATION

18.12.140 Cultural Resources

Cultural Resources shall be protected from damage during construction and all other development activities. Development projects that require a State Environmental Policy Act (SEPA) threshold shall be required to sign an Inadvertent Discovery Plan (IDP) prior to construction permits.

Finding/Conclusion: This location is considered low to moderate risk for the discovery of archeologic or cultural resources. In response to checklist item 13.b., an Inadvertent Discovery Plan must be in place prior to issuance of any construction permit. This is a condition that typically would be placed upon the land use review approval and construction permitting and as conditioned, will comply.

G. OMC 18.16, PEDESTRIAN STREET OVERLAY DISTRICT

The project site is located along a Pedestrian "A" Street which abuts Harrison Avenue and is subject to the criteria within this Chapter. This chapter intends that these pedestrian street overlay areas in the Kaiser-Harrison area will help to provide a highly integrated and pedestrian friendly mix of office, retail, and residential use which will encourage people to work, shop, play, and live in an area by supporting decreased dependence on motor vehicles, making travel on foot pleasant and easy, and encourages around-the-clock activity to occur. The chapter generally addresses projects to implement certain pedestrian amenities and has criteria such as minimizing street wall heights, canopies and having well defined building entrances are applied to enhance the pedestrian experience.

Finding/Conclusion The criteria in this chapter is typically reviewed for compliance during the land use review process, of which has not yet been applied for. Areas depicted on the face of the binding site plan for designated pedestrian plaza appear to provide adequate space to allow for requirements and pedestrian amenities as required by OMC 18.16. As conditioned, the project will comply.

H. OMC 18.36, LANDSCAPING

Generally, this chapter applies to all development applications, except for individual single-family residential lots and development containing four (4) or less attached dwelling units and addresses the variety of requirements for parking lot, screening, and perimeter landscaping. Based on the proposed uses, a landscaping plan would be required at time of land use review.

Findings and Conclusions: The preliminary binding site plan shows the areas and space being proposed for landscaping. Staff identified that one landscaping island is needed on Lot 2 where a parking stall is located. The island should be located the end of the south row of parking adjacent to the new right of way of Craftsman Drive. All other areas are adequate to meet landscaping for parking lot, screening and perimeter landscaping requirements which are typically reviewed during land use review. Detailed plans will be required at time of land use review and at civil engineering review. As conditioned the project will comply.

I. OMC. 183.38, PARKING AND LOADING

Generally, this chapter addresses vehicle, bicycle and loading berth requirements and are based on the type and typically the size of that use. The specific number of motor vehicle parking spaces stated

in the code in the range of +/- ten percent (10%) shall be provided. Bicycle parking which is in the form of long and short term are generally required for most uses. Loading berth requirements are based on size and use of the building. Modification to increase and decrease parking requirement are allowed and must meet certain criteria to qualify for such.

The table below shows the proposed uses found on the face of the binding site plan and what the parking code requires for the number of parking stalls.

USE	Sq. ft./Unit	FORMULA	Vehicle Parking Stalls Required	Proposed
Restaurant	4,000	10 space per 1,000 sq. ft.	40	
Retail	10,222	3.5 stalls per 1,000 sq. ft.	35.8	
Office	4,675	1 stall per 300 sq. ft.	15.6	
Multifamily Residential	61 Units	1.5 stalls per unit	91.5	
			Total= 183	
			10% HDC reduction*= minus 18.3 Stalls totaling 165 Stalls	
Parking Modification				
		20% Modification (if approved)	Reduction of 33 stalls totaling 132 stalls	132 stalls

* OMC 18.38.160.A. The median motor vehicle parking requirements contained in Section 18.38.100 shall be reduced by ten (10) percent for uses in the High Density Corridor 1, 2, 3 and 4 Districts. (see High Density Corridor Map), Neighborhood and Urban Villages, and within the Downtown (see Figure 38-2). This shall not be used in combination with an administrative parking variance or other reductions unless approved by the Director.

Parking Modification. Per OMC 18.38.080 For parking modifications of up to 20%, a report shall be submitted providing the basis for more or less parking and must include the following:

- a. For modification requests of up to twenty percent:
 - i. Describe site and use characteristics, specifically:
 - (A) Site accessibility and proximity to transit infrastructure and transit times;
 - (B) Site accessibility and proximity to bicycle and pedestrian infrastructure;
 - (C) Shared and combined parking opportunities; and
 - (D) Employee or customer density and transportation usage and patterns.
 - ii. Describe and demonstrate alternative transportation strategies such as carpooling, flexible work schedules, telecommuting, or parking fees, if used.
 - iii. Demonstrate compliance with commute trip reduction measures as required by state law, if applicable.
 - iv. Identify possible negative effects on adjacent uses and mitigation strategies, if applicable.

Findings and Conclusions: The project is located within the high-density corridor 4 district which requires the parking to be reduced by 10%. The applicant has also requested a parking modification and provided a report from Heath & Associates, transportation engineer (Attachment 21) to decrease parking by up to 20% which was allowed with Director approval. The overall parking requirements were reviewed for the entire development as a whole and not per individual lots needs. The minimum overall vehicle parking to be provided based on use equals to no less than 165 vehicle stalls or within +/- 10% of that total.

The parking modification report submitted addresses the items listed above. In summary, the report concludes the following:

- *The development has a variety of uses that have varying peak parking activities, with residential mainly with the greatest demand at night when commercial uses have little to no parking needs and residential needs reduce during daytime while commercial uses increase.*
- *Shared parking opportunities allow for proposed parking needs to be met without any anticipated impacts to the adjacent residential neighborhood streets even during peak parking demands.*
- *The subject site offers convenient access to local transit located adjacent to the site, new internal sidewalks and bike lanes that support and encourages alternative modes of travel.*

A 20% reduction modification of 165 stalls results in 33 stalls for a final total of 132 stalls, which is the total being provided by the project. This report also mentions that staff is recommending removal of one vehicle stall to provide space to allow for a required landscape island. Even with this elimination of one additional vehicle space, together with the code allowance of parking being provided within +/- of 10%, the required parking, the project will still comply if approved. The Director recommends that the Hearing Examiner approve the parking modification and as conditioned the project will comply with meeting parking requirements.

The building located on lot 2 requires one loading berth, of which is being provided and shown on the map. As for bicycle parking requirements, this is typically reviewed for compliance during land use review and has been conditioned to comply.

J. ENGINEERING DESIGN AND DEVELOPMENT STANDARDS (EDDS)/DRAINAGE DESIGN AND EROSION CONTROL MANUAL (DDECM)

The Binding Site Plan stamped received April 19, 2021, has been reviewed for compliance with the EDDS relative to sewer, water, solid waste, streets and street trees and Stormwater Drainage Report for compliance to the DDECM for stormwater.

Sewer 2.050.A - The developer will install sewer facilities in accordance with the provisions of Chapter 7 of the EDDS.

Findings/Conclusions:

The City has capacity for this development's anticipated sanitary sewage discharge. This project will be required to extend a sewer main on the internal street network as shown on the plans. The proposed sanitary sewer main extensions and connections comply.

Water 2.060.B - The developer will install water facilities in accordance with the provisions of Chapter 6 of the "Engineering Design and Development Standards" (EDDS).

Findings/Conclusions:

The City has capacity for this development's water requirements. This project will be required to extend a water main on the internal street network as shown on the plans. As proposed, the project complies.

Streets and Alleys 2.040.B, General 2.040.B.1 - Streets and alleys will be designed and constructed in conformance with the provisions of Engineering Design and Development Standards, Chapter 4. The layout of the streets will provide for continuation of existing streets in adjoining subdivisions or of their proper projection when adjoining property is not subdivided. The minimum requirements established by the current editions of the American Association of State Highway and Transportation Officials (AASHTO) and the Institute of Transportation Engineers (ITE) standards, and as identified by Table 11, Chapter 4. Access to Developments 2.040.B.2 (EDDS) - A development will abut a public right-of-way and have public right-of-way frontage with site access to one or more streets improved to comply with the standards as set forth in Table 1. Chapter 4 of the Engineering Design and Development Standards.

Findings/Conclusions:

This development has adjacent existing stubbed streets within a subdivision, one along the easterly boundary (3rd Avenue) and the other along the northerly boundary (Craftsman Drive). All street improvements are to be extended as shown on the binding site plans; All new proposed street rights of way will be designed to the street standards that are noted on the face of the binding site plan.

It is recommended that the proposed street and utility improvements be installed per the phasing plan and as conditioned at the end of this report.

Solid Waste 8.020 - Waste Resources provides for collection and disposal of all solid waste and recycling generated from all residential and commercial properties.

Findings/Conclusions:

The City has capacity for this development's anticipated solid waste generation. The solid waste enclosures have been conceptually accepted as shown on the binding site plan. Details of the enclosures and will be reviewed at time of land use review and civil engineering reviews. The project has been conditioned to comply.

Storm Drainage 2.060.C - The developer will provide for the treatment storage and disposal of surface drainage through a storm drainage system designed to the 2009 Drainage Design and Erosion Control Manual for Olympia (DDECM) and Chapter 5 of the Engineering Design and Development Standards for Phases 1 and 2; provided that if the applicant has not started construction by January 1, 2022, the project shall comply with the DDECM in place at the time of engineering permit application. This requirement is based on a December 29, 2016, decision of the Washington State Supreme Court, *Snohomish County, et. al. v. Pollution Control Hearings Bd., et., 92805-3* where the Court found that the State vested rights doctrine does not apply to storm water regulations that cities and counties adopt to implement the National Pollutant Discharge Elimination System permitting program. "Started construction" means the site work associated with, and directly related

to the approved project has begun (e.g. grading the project site to final grade or utility installation). More information on this issue is provided in a February 22, 2017, email that City staff provided to applicants (Attachment 22) informing them of this issue.

As the binding site plan does not establish details in the Storm Drainage Report for future development in Phase 3 (lot 1), the civil engineering permit application for Phase 3 will be required to comply with the *DDECM* in place at the time of engineering permit application.

General 5.010 - The standards established by this chapter are intended to represent the minimum standards for the design and construction of storm drainage facilities. Except as otherwise stated herein, these standards apply to all stormwater pipe and facilities, regardless of whether final ownership is private or public. The latest adopted edition of the City of Olympia Drainage Design and Erosion Control Manual (Drainage Manual, or *DDECM*) is considered a part of this chapter of the Engineering Design and Development Standards. This Drainage Manual sets forth the minimum drainage and erosion control requirements as supplemented herein.

Findings/Conclusions: In earlier versions of the storm drainage report that was proposed, the plan was to discharge stormwater runoff from the site to the nearby Yauger stormwater facility but was found to be problematic as the facility is at capacity with no further stormwater being directed to it. Other options to direct stormwater off site nearby were investigated by the applicant but those too were found not feasible. The applicant revised their Storm Drainage Report (Attachment 23) which proposes to infiltrate stormwater all on-site instead. The project is subject to the requirements of the applicable City of Olympia Drainage Design and Erosion Control Manual (*DDECM*) and must address Core Requirements 1 through 10.

In summary of the Stormwater Drainage Report recommending stormwater improvements are as follows:

- *on-site soils are noted to support shallow infiltration and stormwater for the project will be treated and detained onsite.*
- *Parking lot pavement will be porous, and the proposed paving section is sized to handle all runoff from paving, landscaping and building roof areas.*
- *Stormwater collected from 3rd Avenue will be treated in a vault and then infiltrated on Lot 5 using an infiltrated trench under the proposed parking lot.*
- *Stormwater collected from Craftsman Dr NW will be treated in a vault and then infiltrated on Lot 2 using an infiltrated trench under the proposed parking lot.*

*The Stormwater Department reviewed the Storm Drainage Report and the Stormwater Site Plan and conceptually accepts the proposed design and find it in compliance with the 2009 *DDECM*. Staff also notes that this report addresses only Phases 1 and 2 of the binding site plan and does not establish details for future development in Phase 3 (lot 1), therefore Phase 3 will be required to comply with regulations and ordinances in place at the time of application. As conditioned the project will comply.*

III. CONCLUSION AND RECOMMENDATION

Pursuant to OMC 18.72.100, the Director finds that the project, as conditioned, meets all applicable codes and standards. Therefore, the Director recommends approval subject to the following conditions:

Preliminary Binding Site Plan, conditions of approval:

1. **Preliminary Approved Map.** The Final Binding Site Plan shall be substantially in conformance with the preliminary map and as modified by the conditions of approval herein, and as modified by the Hearing Examiner.
2. **Final Binding Site Plan.** A final binding site plan application meeting requirement of OMC 17.34.090 shall be filed within two years from the date of the approval by the Hearing Examiner. The phasing plan shall be included as part of the final binding site plan map as a separate sheet.
3. **Binding Site Plan Notes.**
Add the following under plat notes section on the face of the map:
 - a. The use and development of the property must be in accordance with the binding site plan as represented herein or as hereafter amended, and in accordance with the provisions of the binding site plan regulations of the city.
 - b. If the roads and utilities shown on this plan were not constructed and installed at the time that the property subject to this plan was divided, any permit required to develop any portion of the property will not be issued until the roads and utilities necessary to serve that portion of this property have been constructed and installed or until arrangements acceptable to the City of Olympia have been made to ensure that the construction and installation of such roads and utilities will be accomplished.
 - c. Any vacant or redeveloped lot within the approved binding site plan shall comply with the standards in place at the time the development application for the site is made.
 - d. Land Use Review is required for each building development on each lot or each phase. Any project elements not specified on the binding site plan must comply with the applicable regulations and ordinances in place at the time of a complete land use review application. These include items such as, but not limited to, design review, site design details, and landscaping features.
 - e. A 20% parking modification (reduction) has been approved and has been applied to the development shown within the binding site plan. Modifications to building size, site layout, or anticipated use will require recalculation of the total onsite parking required. At such a time, the 20% reduction would remain applicable.
 - f. In accordance with OMC Title 15, City of Olympia impact fees for transportation, parks, and schools shall be paid at time of each building permit issuance.
 - g. Following the Land Use Review process for each building or phase, a civil engineering permit application shall be submitted for review and approval prior to construction for that portion of the project. For Phases 1 and 2, the engineering permit application shall comply with the 2016 Engineering Design and Development Standards (EDDS) and the 2009 Drainage Design and Erosion Control Manual (DDECM); provided that where an engineering permit has been issued for Phases 1 and 2, and where the applicant has not started construction by January 1, 2022, the project must comply with the most current DDECM. As the binding site plan does

not establish details for future development in Phase 3 (lot 1), the civil engineering permit application for Phase 3 will be required to comply with regulations and ordinances in place at the time of application.

- h. If contamination of soil or groundwater is encountered during site work and construction, the applicant shall notify the Department of Ecology's Environmental Report Tracking System Coordinator for the Southwest Regional Office.

4. The following requirements shall be listed on the phasing plan:

A. Phase 1 Requirements

1. Construct that portion of the new Commercial Collector Street connection with Harrison Avenue (Craftsman Drive) located on Lot 1 but within the phase 1 boundary.
2. Reconstruct the access to Harrison Avenue on Lot 3, restricting it to right-in, right-out only, consistent with Standard Drawing 4-39.
3. Provide a bus pad and shelter on Lot 3.

B. Phase 2 Requirements

1. Construct a Local Access Street extending 3rd Avenue NW west to Lot 1.
2. Construct traffic calming devices consistent with Standard Drawing 4-13C, at both the east and west ends of this Local Access extension of 3rd Avenue NW.
3. From the west end of this Local Access extension of 3rd Avenue NW, construct a temporary access lane to the Commercial Collector section of Craftsman Drive to the south constructed portion under Phase 1. This temporary access lane shall be constructed with the following attributes:
 - a. The access lane shall provide the apartments included in Lots 4 and 5 equal access to Harrison Avenue via Craftsman Drive.
 - b. The access lane will require an easement across lot 1. This easement shall be replaced with right of way dedication and full street construction when lot 1 develops in Phase 3.
 - c. The temporary access lane shall be constructed to allow a paved surface for vehicular/pedestrian/bicycle traffic. The total asphalt pavement width shall be 26 feet and include a striped 6-foot shoulder for people biking and walking.

C. Phase 3 requirements

1. Construct the remaining section of Craftsman Drive in Lot 1, to meet the Collector Street Standard, replacing the temporary access lane in Lot 1 constructed under Phase 2, and extending it north to the existing Craftsman Drive on the northern property line.
2. Construct traffic calming devices, consistent with Standard Drawing 4-13C, at the northern connection of Craftsman Drive in Lot 1 at the Grass Lake Village frontage.

5. **Level 5 Soil and Vegetation Report.** Shall be submitted at the time of Final Binding Site Plan application and shall meet the standards per OMC 16.60 and the Urban Forestry Manual. If an area for

tree protection and preservation of existing trees to serve the entire development is desired, the area shall be depicted or designated as a separate tract and noted on the binding site plan map.

6. **Landscaping Island.** Provide a landscaping island on the west side of Lot 2 adjacent to the drive aisle to Craftsman Drive.
7. **Building Setback.** The building on future lot 3 shall have a 10-foot setback.
8. **Building Height Note.** Remove the note on the face of the map on lot 4 indicating the maximum height is 35 feet.
9. **Off Site Well.** The existing off-site well to the west of the project site must be shown on the final map with its 100- foot sanitary control area. The applicant must grant a non-public restrictive covenant for the portion of the sanitary control area that encroaches on the project site. The covenant must be submitted to Thurston County Environmental Health for review prior to being filed with the Thurston County Auditor's Office.
10. **On-site Well-** The existing well must be properly decommissioned by a licensed well driller per Washington State Department of Ecology standards. A copy of the decommissioning report must be submitted to Thurston County Environmental Health. Should the well remain for irrigation purposes it must be shown on the site plan with its 100-foot sanitary control area and properly labeled, have a pump installed, be wired for power, and have a protective covenant recorded with the Thurston County Auditor to provide adequate protection of the sanitary control area. This would also require demonstrating that through the design of the project the well will be adequately protected from contamination, including stormwater runoff and infiltration, refuse storage, and sanitary sewer lines.
11. **On-site Septic System.** An on-site sewage system abandonment permit application shall be submitted to Thurston County Environmental Health prior to final binding application. There will be no additional fees associated with the abandonment permit as it will be part of the final binding site plan review.

End of Conditions

Staff Report provided by: Paula Smith, Associate Planner, on Behalf of the Director and the Site Plan Review Committee
Phone: 360.753.8596 E-Mail: psmith@ci.olympia.wa.us

Attachment:

2. Notice of SEPA DNS 060221
3. Hearing Notice
4. 18-0026 Notice of Approval
5. BSP Map Revised 041921
6. Phasing Plan Exhibit
7. Notice of Application
8. Neighborhood Meeting Summary and Details
9. Substantive Review Comments (3 Reviews)
10. 1st Review Public Comments

11. 2nd Review Public Comments
12. 3rd Review Public Comments
13. Last Public Comment
14. Applicant Response to Comments
15. Email Keith Stahley, Director Referral to HEX
16. Traffic Impact Analysis
17. TIA Review and Street Connectivity Analysis
18. Grasslake Village Div. I Plat Map
19. Sound Urban Forestry Report
20. Agency Comments
21. Parking Modification Request and Report
22. Email Notice to Applicants, Tim Smith
23. Storm Drainage Report