

CITY OF OLYMPIA HEARING EXAMINER

MEDELA REZONE STAFF REPORT

Summary

Public Hearing: 6:30 p.m., July 20, 2015, Olympia City Hall

Project File: CP&D 15-0010

Applicant: Medela Group, LLC, 250 Courtney Creek Lane, Belfair, WA 98538

Representative: Joseph Rehberger, Cascadia Law Group PLLC, 606 Columbia Street NW, Suite 212, Olympia, WA 98501

Type of Action

Request: Amendment of land use zoning map to change designation of approximately nine acres from Single-Family Residential 4 to 8 units per acre to Multi-family Residential 18 units per acre. See Attachment A, Medela Rezone application.

Project Location: East of 700 to 900 blocks of Chambers Street SE; generally southeast intersection of Pacific Avenue and Boulevard Road. See Attachments B & C, location and vicinity maps.

Legal Description: Parcel descriptions included in application and available on request.

Future Land Use Map

Designation: Urban Corridor

SEPA Determination: State Environmental Policy Act Determination of Non-significance issued on June 1, 2015.

Public Notification: Initial notice of this hearing was issued on June 1, 2015. Upon request of an interested party, the hearing was postponed from July 6, 2015, to July 20. Public notification of rescheduling of the hearing was mailed to property owners within 300 feet and recognized neighborhood associations within 1000 feet on June 29, 2015, and posted at the site and published in *The Olympian* on or before July 7, 2015 in conformance with Olympia Municipal Code (OMC) 18.78.020.

Staff

Recommendation: Approval subject to prior approval of proposed amendment of Comprehensive Plan with regard to site access; see details below.

Proposed Findings of Fact, Analysis and Conclusions

Proposal History

On November 12, 2009, Medela Group LLC, submitted a request to Thurston County to amend the County's joint city-county comprehensive plan and to rezone nine acres southwest of the intersection of Pacific Avenue and Boulevard Road from a single-family to a multi-family zoning designation. During an extended review process, the City of Olympia through its City Council recommended that the County approve those requests and indicated that subject to Board approval of the amendment the City would amend its transportation plan maps with regard to access to the site.

Ultimately, in May of 2014, the Thurston County Board of County Commissioners denied the Medela Group's requests. Although the proposal before the Examiner is an independent application, documents associated with that review process have been submitted by the applicant and other interested parties for the Examiner's consideration. Similarly, this report will occasionally refer to relevant aspects of that prior and very similar proposal for this site.

As a result of the long-period of review of that proposal, an on-going annexation process concluded during the same time period. That annexation proceeding included this site and a much larger adjacent 'island' of over 200 unincorporated acres being annexed into the City of Olympia. Begun in 2010, the annexation of this site and areas to the north and south was effective on June 20, 2014.

Following annexation of the site and Olympia's substantial update of its Comprehensive Plan adopted in December of 2014, Medela Group LLC indicated an interest in pursuing a similar rezone request through the City's process. The resulting application was received by the City of Olympia on January 14, 2015. (Attachment A.) A determination of completeness was not issued and accordingly, pursuant to State Local Project Review Act, on or about February 11, 2015, the application was automatically deemed complete. Because of the procedural timing limitations as discussed below, i.e., by agreement with Thurston County no final rezone decision would be made before July, review of this application did not begin immediately.

Public notice of the application was issued on April 6, 2015. This notice was posted and mailed to owners of property within 300 feet, 'recognized' neighborhood associations within 1000 feet, and potentially interested agencies. On April 16 additional notice was issued to interested parties of record known to the City as a result of the prior proceeding summarized above.

One-Year Waiting Period

Of specific relevance given the timing of this annexation and the proposal being reviewed by the Examiner are two agreements between Thurston County and the cities of Olympia, Lacey and Tumwater. The county-wide planning policies of Thurston County and its cities first adopted in 1992, provide that, "Each joint plan or zoning will include an agreement to honor the plan or zoning for a mutually agreeable period following adoption of the plan or annexation." (Section 3.2.) A pre-existing 1988 memorandum of understanding between the County and the cities of Lacey,

Olympia and Tumwater provided, in part, that, "The cities and county shall honor "Joint Plans" for three years after adoption or one year after annexation, whichever is longer." And "The joint planning process, as described in Section VII, shall be followed for comprehensive plan amendments or rezones affecting an area covered by the Joint Plan for up to one year after annexation. (See Attachment D for full text of this agreement and Section IV.D.3 & 4 specifically.) The envisioned 'Joint Plan' between Olympia and Thurston County was adopted in 1994.

The issue of whether the City should consider this rezone application prior to expiration of the one-year period has been raised by members of the public, as well as discussed by City staff. As an example, attachment E, is a statement offered by an interested party to the City Council in April of this year.

With regard to this agreement and the 'one year after annexation' clause in particular, the City has provided notice of the rezone application to Thurston County. In addition, City staff have been in contact with County staff and offered additional information, briefings and any coordination of review sought by the County. City staff informed County staff and all other interested parties that no final decisions regarding this proposal would be made until after the one-year period had elapsed. Thurston County has raised no objection to the City's consideration of this rezone application. Accordingly, it is City staff's opinion that the process being followed is not inconsistent with this agreement and related provisions of similar agreements.

Rezone Boundary

As depicted in the application, the rezone proposed by the applicant includes at least a dozen tax parcels. In addition, as shown on Attachment B and described above, the City staff has proposed that a rezone of an additional parcel to the southeast be considered. By letter of June 22, legal counsel for a neighboring property owner raised an objection regarding the northern boundary of the proposed rezone. (Attachment F.) By letter of July 10, legal counsel to the applicant has responded. (Attachment G) In brief, the issue arises because the zoning boundary as mapped by Thurston County, and subsequently by the City, does not appear to correspond with the property line.

In brief, City staff is of the opinion that, one, the Examiner is without authority to decide issues of title to property, and, two, the exact boundary in question need not be determined by the Examiner or the City in general to decide whether or not the requested rezone should be granted. This issue arises, apparently, because the legal description of the applicant's property as mapped by Thurston County extends into property used and claimed by the owners of the adjacent cemetery. This discrepancy is visible on Thurston County's geographic information system, geodata.org, accessible on the internet. (See attachment H, a 'screenshot' of the location in question.) An apparent boundary between the two properties based on use and fencing is clearly visible at the site. (See attachment I, a photograph of the fence line between these two properties.)

The zone boundary in question was first established by Thurston County on its zoning map and transferred to the City upon annexation of the area. Olympia Municipal Code 18.02.160(C)(1) Establishment of zoning districts - Use District Boundaries, provides that, "Land use district boundaries, unless otherwise indicated by natural

land forms, are intended to follow lot lines or the centerline of streets and alleys as shown on the zoning map. Where the lot line location or street layout on the ground varies from that shown on the zoning map the designations shown on the map shall be applied to carry out the intent and purpose of this title.”

Mapping discrepancies such as this are common place in Olympia. In this instance, regardless of the specific location mapped by Thurston County, the City staff would interpret this line as falling along the lot or property line in accordance with the clear intent.

Related Transportation Plan Amendment

In March of 2015, the City staff proposed an update of the Transportation maps of the City’s Comprehensive Plan. That proposal addresses a variety of local street changes that have been considered or at issue in the last few years, such as street extensions precluded by various development approvals. Among the proposed changes is re-designation of the block of Ninth Avenue SE leading from Boulevard Road to the Medela rezone site as a ‘neighborhood collector’ instead of a ‘local access street.’ In 2014 the City Council had tentatively approved this change as requested by Medela Group contingent on Thurston County granting the associated amendment of the land use aspect of the Plan as requested by Medela Group. Because the County denied that request, the street designation remained ‘local access street.’

When evaluating this issue again, the City staff concluded that in light of the limited access to this part of the city, this change should be considered regardless of the zoning of the site in question. This Transportation Map amendment is part of a separate year-long process of amending the city’s Comprehensive Plan and will include review and recommendation by the Olympia Planning Commission and a City Council decision before the end of the calendar year. The Commission’s public hearing on this issue is tentatively scheduled for August 3.

Pre-hearing Public Review

Numerous public comments have been submitted during review of this proposal. (See Attachment U, public comments received between January and July 10.) Note that public comments submitted during review of the former proposal are not included in this set.

On April 23, 2015, City staff hosted a public information meeting for interested parties at the Olympia Regional Learning Academy near the site. A couple dozen people attended. During this about two-hour meeting the staff and applicant’s representative described the proposal and review process and answered questions from the public.

In addition to the Examiner, OMC 18.59.050 provides that the Olympia Planning Commission may also review and provide a recommendation regarding proposed site-specific rezones. Accordingly, this proposal was presented to the Commission on June 1, 2015. Although the Commission did not hold a public hearing, interested parties of record were provided with notice of this meeting. Members of the Commission who had previously participated in review of the earlier similar Plan-amendment proposal recused themselves and did not take part in this Commission action. The Commission

voted unanimously to, "Recommend that the Hearing Examiner proceed without a recommendation from the Commission."

Banomi Parcel Added for Hearing

To provide the Examiner with the option of recommending that the rezone include one isolated single-family zoned parcel that would result from approval of the rezone as proposed by the applicant, the City staff expanded the SEPA review and hearing notice for the rezone to encompass the possibility of also rezoning tax parcel 09480047000 at 922 Steele Street SE. This single-family lot owned by Thomas Banomi is southeast of the rezone area adjacent to Interstate 5. (Attachment J, SEPA DNS and hearing notice; see Attachment B for location.)

Notice was mailed directly to Mr. Banomi regarding this aspect of the proposal. Because this parcel is at the edge of the area designated as an urban corridor, and the owner has expressed no public opinion regarding the possibility of rezoning this parcel, at this time the City staff offers no recommendation regarding rezoning parcel.

Site Description

This site includes fourteen tax parcels. Nine single-family homes are located on the site; two of which are not occupied due to their deteriorated condition. The current condition of the area at this low residential density may be characterized as 'rural residential' in nature. A variety of photos of the site and vicinity including an aerial photograph are provided to give the Examiner a general sense of the area and surrounding land uses but are not definitive (attachment K). The Examiner is encouraged to conduct a site visit to better understand the context of this proposal.

The site generally slopes gently southeasterly. As a result the properties to the north and west tend to be a bit above the site. The interior of the site includes one potential 'landslide hazard area' slightly over ten feet high. If deemed to be a hazard during development review, the City's critical area regulations would require either small separation buffers or regrading of the slope to eliminate the hazard. This small area does not appear to present a substantial impediment to development consistent with the proposed RM-18 zone.

The southeast corner of the property includes a wetland and floodplain associated with Indian Creek. Although the exact extent and location of the wetland nor the floodplain have not been determined, both are believed to be less than one acre of the proposed rezone area. The Banomi parcel mentioned above is also at the southeast corner of the site and is a single-family residential lot adjacent to Interstate 5.

Surrounding Land Uses:

Although the rezone site may be characterized as 'rural residential' in nature, the surrounding area is not. This site is bordered by Interstate-5 on the south. To the east are maintenance facilities of Puget Sound Energy (electricity and natural gas utility). Thurston County's Emergency Coordination Center is to the northeast. Bordering the site on the north is the Forest Memorial Gardens Funeral Home and Cemetery. All of

these properties are accessed from Pacific Avenue. Nearby southeast of the Pacific Avenue and Boulevard Road intersection are an office complex and a gas station. To the west is a single-family neighborhood. This neighborhood includes a church and about thirty homes and occupies the 280-foot wide area between Boulevard Road and Chambers Street adjacent to the proposed rezone site. Most lots in this area are slightly larger than 5,000 square feet. Like the rezone site, this neighborhood is accessed from Boulevard Road, Seventh and Ninth Avenues, and Chambers Street SE. It extends to the west beyond Boulevard Road and is sometimes referred to as the 'Eastside' neighborhood.

Parties associated with the cemetery have expressed concerns that residential development, and especially multi-floor apartments, will result in land use conflicts. They assert that land uses allowed by the proposed RM-18 zoning would be inconsistent with the grieving, reflection and memorialization functions of cemeteries and funeral homes. (See comments in Attachment U.)

Applicable Plans and Regulations

Olympia's Comprehensive Plan was updated in December of 2014. In particular, that update revised the Future Land Use Map designation for this area from single-family residential to 'urban corridor.' (See Attachment L, Future Land Use Map excerpt.) Prior to that change, this area was mapped in the Plan as part of a 'high density corridor' which was to have "15+ residential units per acre on the main road and within ¼ mile of this road. Where existing lower density residential abuts the main road, [the] average may be 7 units per acre or more. Excellent transit service can be expected in these area." However, that former Plan's version of the more specific Future Land Use Map of the plan designated the rezone site and the adjacent cemetery as 'residential 4-8 units per acre.'

The new 'Urban Corridor' designation is discussed below, but in summary: "This designation applies to certain areas in the vicinity of major arterial streets. Generally more intense commercial uses and larger structures should be located near the street edge with less intensive uses and smaller structures farther from the street to transition to adjacent designations. Particular 'nodes' or intersections may be more intensely developed. Opportunities to live, work, shop and recreate will be located within walking distance of these areas."

The updated Comprehensive Plan of the City has been forwarded to the County for consideration and adoption as an updated 'joint plan' for Olympia's urban growth area. To date the County has not taken any action with respect to those changes and thus the County version of the joint plan reflects the City's Comprehensive Plan in effect before December of 2014.

Rezone Criteria:

To conform to the updated Comprehensive Plan, on March 3, 2015 by ordinance 6952, the City updated its criteria for evaluating rezone applications such as this one. In the City staff's opinion, unlike some types of construction proposals, there is no 'vested right' created by a rezone application and thus this proposal is subject to these new criteria. The analysis below is based on that assumption, should the

Examiner conclude otherwise copies of the former similar criteria and appropriate analysis can be provided.

Specifically, in Olympia changes in site-specific zoning are governed the following regulations, with emphasis added for the Examiner's convenience:

OMC 18.58.020 Authority

The City Council may, upon its own motion, amend, supplement or change by ordinance, any of the provisions, use district boundaries or use district classifications herein established; provided, that *in the case of privately initiated rezones, which do not require a Comprehensive Plan Amendment, the Council shall first review the recommendation of the Hearing Examiner*, and that in the case of all other non-ministerial changes, including text amendments and privately initiated rezones which require a Comprehensive Plan Amendment, the Council shall first review the recommendation of the Planning Commission.

OMC 18.58.040 Rezone procedures

In the case of privately initiated rezones which do not require a Comprehensive Plan Amendment, the rezone application shall follow the procedures outlined in Sections 18.82.140 through 18.82.280, Hearing Examiner.

OMC 18.59.050 Decision criteria for rezone requests

The Department shall forward rezone, i.e., zoning map amendment, requests to the Planning Commission for review and recommendation and to the City Council for consideration for review and action. The following criteria will be used to evaluate each rezone request. A zoning map amendment shall only be approved if the Council concludes that at minimum the proposal complies with subsections A through C. To be considered are whether:

- A. The rezone is consistent with either the Comprehensive Plan including the Plan's Future Land Use map as described in OMC [18.59.055](#) or with a concurrently approved amendment to the Plan.
- B. The rezone will maintain the public health, safety, or welfare.
- C. The rezone is consistent with other development regulations that implement the comprehensive plan.
- D. The rezone will result in a district that is compatible with adjoining zoning districts; this may include providing a transition zone between potentially incompatible designations.
- E. Public facilities and services existing and planned for the area are adequate and likely to be available to serve potential development allowed by the proposed zone.

OMC 18.59.055 Consistency between the zoning map and the future land use map

- A. Although the Future Land Use map is not specific with regard to the edges of Land Use designations, *the zoning map boundaries should not vary more than 200 feet from the land use designation shown on the Future Land Map.*
- B. Each Neighborhood Retail or Neighborhood Center district, if any, shall be no further than four blocks (approximately 1000 feet) from a Neighborhood Center location indicated on the Future Land Use Map or is at a location proposed pursuant to the Subarea Planning process described in the Comprehensive Plan.
- C. *Districts on the zoning map shall correspond to categories of the Future Land Use Map in accordance with the following table and be consistent with the purposes of each designation. Only those districts listed below are deemed to be consistent with the corresponding Future Land Use map designation, provided that zoning districts in locations enacted prior to January 1, 2015, may remain.*

FUTURE LAND USE MAP DESIGNATION	ZONING DISTRICT(S)
Low Density Neighborhoods	Residential - 1 Unit per 5 Acres Residential Low Impact Residential - 4 Units per Acre Residential - 4 to 8 Units per Acre Residential - 6 to 12 Units per Acre (only when adjacent to similar or higher density zoning district)
Urban Corridor	High-Density Corridor - 1 High-Density Corridor - 2 High-Density Corridor - 3 (only within area designated High Density Neighborhood Overlay) High-Density Corridor - 4 General Commercial Commercial Services - High Density Manufactured Housing Park Mixed Residential 10 to 18 Units per Acre Residential Multifamily 18 Units per Acre Residential Multifamily 24 Units per Acre

(Note, this table is an excerpt. Pursuant to OMC 18.82.100(C), the Examiner may take 'judicial notice' of the entirety of the Comprehensive Plan, the Olympia Municipal Code, and similarly adopted documents. In other words, they need not be submitted as exhibits or referenced at the hearing for the Examiner to consider them.)

Comprehensive Plan's Urban Corridor Designation

Olympia's recently updated Comprehensive Plan addresses 'Urban Corridors' at some length:

Portions of our major arterial streets are lined with low-density residential and office uses and typical strip-commercial development. Driveways to each business interrupt and slow the flow of vehicular and pedestrian traffic; the pattern of buildings behind parking lots makes pedestrian access difficult and uninviting; and the disjointed signage, landscaping, and building designs are often unattractive. As a result, these areas have limited appeal as places to live, work, and shop.

Over time, thoughtful planning will change some of these sections of major streets into 'urban corridors' that will have a mix of high-density uses, and where people will enjoy walking, shopping, working, and living. See Transportation Corridors Map. Urban corridors like this are key to avoiding sprawl by providing an appealing housing alternative for people who want to live in an attractive, bustling urban environment close to transit, work and shopping. Redevelopment along these corridors will be focused in areas with the greatest potential for intensive, mixed-use development so that public and private investment will have maximum benefit. These corridors, first described in the 1993 Thurston Regional Transportation Plan , also should include land uses that support the community, such as community centers, day care centers, social service offices, educational functions, parks, and other public open space.

In cooperation with Lacey, Tumwater and Thurston County, this Plan calls for gradually redeveloping these urban corridors (listed below) with:

- Compatible housing, such as apartments and townhouses, within or near commercial uses
- Excellent, frequent transit service
- Housing and employment densities sufficient to support frequent transit service
- Wide sidewalks with trees, attractive landscaping, and benches
- Multi-story buildings oriented toward the street rather than parking lots
- Parking spaces located behind the buildings or in structures

The land use designations along these streets vary (see Future Land Use Map at the end of this chapter), to promote a gradual increase in density and scale of uses that supports and remains in context with the adjacent neighborhoods. Slightly less intensive land uses at the fringes of these corridors will create a gradual transition from the activity of the major

street edge to less-dense areas in adjacent neighborhoods. Similarly, areas furthest from the downtown core are expected to infill and redevelop with excellent support both for cars and for those who walk, bike and use public transit.

Land Use and Urban Design Goal 13 of the Plan and its related policies (attachment M) support that vision. The topic of urban corridors is central to the Plan and is also addressed in many other parts of the document, including in particular the transportation chapter.

As shown on the Future Land Use Map (attachment N), in many locations including the site in question, the Urban Corridor designation extends about one-quarter mile from the associated major arterial - in this case Pacific Avenue. The result in this instance, as depicted the Map, is that the Urban Corridor designation encompasses all of the neighboring properties along Pacific Avenue and its southern boundary roughly approximates the southern boundary of the site of the proposed rezone, while the existing single family areas between Boulevard Rod and Chambers Street are designated to continue as a 'Low Density Neighborhood.'

Unlike the prior Plan, which designated all lands within one-quarter mile of Pacific Avenue, Fourth avenue, and other major streets for 'high density corridor' development, the Plan adopted in December provides for continued 'low density neighborhood' uses in some locations near major arterials. Among these areas was the first block of housing along the east side of Boulevard Road. As a result, although the rezone site is within one-quarter mile of Pacific Avenue 'as the crow flies' and is part of a designated urban corridor, it is not directly accessible from that arterial street. Instead, the sole existing access is from Boulevard Road via Seventh and Ninth Avenue through the adjacent lower density one-block-wide area.

This contrast in the Plan between the future of the area east and west of Chambers Street presents one of the key issues of the Examiner's consideration. As set forth in the table at the end of the Land Use and Urban Design chapter of the Plan these two future land use designations focus on residential development, but at different densities and with different housing forms. See table excerpt below.

Table: Future Land Use Designations

FUTURE LAND USE DESIGNATION	PRIMARY USE ¹	RESIDENTIAL DENSITY ²	BUILDING HEIGHTS ³	ESTIMATED ACREAGE ⁴	PERCENTAGE OF UGA ⁵
Low-Density Neighborhoods (LDN)	Single-family Residential	Up to 12 units per acre	2 to 3 stories	11,000 ac.	71%
Urban Corridors	Commercial	Minimum 15 units per acre	3 to 6 stories	1,500 ac.	10%

Comparison of current, proposed and alternative land use zones

The site of the proposed rezone is now within a Single Family Residential 4-8 unit/acre zoning district, as is the single-family neighborhood to the west. The portion of the Puget Sound Energy property on the border east of the site is in a General Commercial zone as is the adjacent cemetery to the north. The remaining properties along Pacific Avenue are in High Density Corridor (known as 'hdc') zones. Both the general commercial and HDC zones allow broad ranges of commercial development and a mult-family housing densities limited only by setbacks, site coverage and heights of the allowed buildings. As noted, Interstate-5 borders the site on the south.

The attached tables summarize the regulatory limits of the R 4-8 and proposed RM-18 zone in more detail, as well as an alternative MR 10-18 (mixed residential 10 to 18 units per acre zone that the Examiner may consider recommending for this site. See Attachment O for details.

The RM-18 and MR-10-18 zones also include a special regulation to increase compatibility with adjoining single-family areas. OMC 18.04.060(N) (emphasis added) requires:

To ensure that large multifamily housing projects provide a transition to adjoining lower density development, multifamily projects shall be subject to the following requirements:

1. Mix of Dwelling Types.
 - a. *In the RM-18 and RMU districts, no more than seventy (70) percent of the total housing units on sites of five (5) or more acres shall be of a single dwelling type (e.g., detached single-family units, duplexes, triplexes, multi-story apartment buildings, or townhouses). (Note, this provision currently applies only to projects exceeding ten acres, however on July 7, 2015, the City Council unanimously preliminarily approved an amendment to 'five acres' and final approval is scheduled for July 21.)*
 - b. Multifamily housing projects in the RM-18 or RMU districts on sites of five (5) or more acres, which abut an existing or approved multifamily development of five (5) or more acres, shall contain a mix of dwelling types such that no more than eighty (80) percent of the total units in both projects (combined) are of one (1) dwelling type. The Director (or Hearing Examiner if applicable) shall grant an exception to this requirement if s/he determines that topography, permanent buffers, or other site features will sufficiently distinguish the developments.
2. Transitional Housing Types. *In the RM-18, MR 7-13 and MR 10-18 districts detached single-family houses or duplexes shall be located along the perimeter (i.e., to the depth of one (1) lot) of multifamily housing projects over five (5) acres in size which are directly across the*

street and visible from existing detached single-family houses. Townhouses, duplexes, or detached houses shall be located along the boundary of multifamily housing sites over five (5) acres in size which adjoin, but do not directly face, existing detached single-family housing (e.g., back to back or side to side). The Director (or Hearing Examiner) may allow exceptions to these requirements where existing or proposed landscaping, screening, or buffers provide an effective transition between the uses. (See Chapters [18.170](#) Multi-Family Residential Design Guidelines and 18.36.140 Residential Landscape requirements.)

The MR 10-18 zone has a few additional features. In this zone 35% to 75% of the units must be single-family dwellings. Thus apartments can be between 25% to 65% of each project. However, no more than 55% of the housing can be in buildings with five or more units. The zone also includes regulations requiring 'mixing' of the units. See OMC 18.04.060.Q.1.c.

Other Development Regulations

During the County's review of the similar land use plan amendment and rezone, the Washington Department of Archaeology and Historic Preservation expressed concern about cultural resources in the area. See Attachment P. The City's historic preservation officer conducted a site visit and investigation relative to the proposal now before the City. The results of that investigation are summarized in the attached email of July 8, which also provides photos of many of the homes in the area. Attachment Q. As indicated, although there are structures and cultural resources of interest on the site and in the vicinity, none would preclude a change in zoning from single to multi-family land uses. These issues would be addressed as part of development review regardless of the zoning.

In addition, Olympia's tree regulations require that any new development preserve or provide 30 tree 'units' per acre, which equates to 30 small trees per acre or fewer larger ones since they equal more units. Except for single-family homes on lots of 5,000 square foot or larger, any new housing would be subject to the City's design criteria, either the 'in-fill' or 'multi-family' requirements.

Public Health, Safety and Welfare

The proximity to the Interstate-5 corridor presents issues associated with safety, noise and air pollution. Upon development of the site separation barriers such as fencing and landscaping adjacent to the interstate are likely to be required, and the possibility of noise walls would be evaluated. Although publicly discussed, to date the City has not adopted policies or regulations addressing the issue of air quality in the vicinity of high traffic areas. Because single-family and multi-family building codes differ, and occupants utilize the property differently, the impact of the freeway may vary with the form of housing. However, City staff isn't aware of any definitive studies suggesting which type of housing results in the great impact.

The site is adjacent to Indian Creek and includes wetlands associated with the stream. Indian creek flows from north to south in this area. It passes under the developed portion of the nearby Puget Sound Energy property in a culvert and enters a culvert under Interstate 5. Final determinations regarding the quality rating of the

stream and associated wetland have not been done for this rezone review; and instead would be required upon a proposal to develop the site. However, all reviews to date have indicated that buffers would be required, with widths possibly reaching 200 feet or more. Although limiting the potential development area of the site, the presence of these environmental features would not preclude development consistent with the proposed RM-18 zone. (Note, Olympia's current regulations allow the residential density associated with any buffer - but not the critical area itself- to be transferred to the remainder of the property so long as designs comply with other standards.)

A regulated floodplain is associated with Indian Creek. The City's flood hazard regulations would require that any development in the vicinity be elevated to minimize the flood risk, and that any fill not increase that risk on or off the site.

Public Facilities and Services

Fire protection and other emergency services are provided to this site by the City of Olympia. Fire stations are located about one mile to the south and a little over one mile both east and west of the site. So long as physical access improvements are made concurrently with development, the City does not anticipate any issues related to response time or other issues associated with serving this site regardless of zoning.

This site is within the City's water and sewer service area. Water mains are at the site and have capacity to serve multi-family development. To ensure adequate water pressure, a 'looped' line would probably be required upon development of the site. A sewer main is located near the southeast corner of the site with capacity to serve the densities allowed by the proposed zone. No stormwater facilities are in the vicinity. It is likely that upon development stormwater would be detained and treated on the site and released to Indian Creek consistent with then-applicable standards.

Solid waste collection services are currently provided to this site by Lemay, Inc., aka Pacific Disposal. LeMay is Thurston County's contractor. Pursuant to state regulations and local agreements, the City will assume the responsibility for serving this area about ten years after annexation, i.e., likely in 2024. Neither LeMay nor the City anticipates any issues with capacity to serve future development in this area.

The nearest public park to the site is Lion's Park, a neighborhood park, less than one-quarter mile to the west. The City has a goal of providing such parks within one mile of all residences. The direct route from the site to the park would cross Boulevard Road at an uncontrolled intersection. City staff monitors safety at these crossing points, and at minimum pedestrian-crossing safety improvements would probably be evaluated at the intersection of Ninth and Boulevard during development review.

The Olympia School District, which serves this area, was notified of this rezone proposal and has expressed no concerns regarding service capacity. The City collects school impact fees to help pay for capacity expansion when issuing residential building permits. The City also commonly exercises SEPA-authority to require that apartment developments provide the safe-walking routes to elementary and middle schools similar to those required for residential subdivisions. Although specific school boundaries are subject to change, this site is currently with the Madison elementary and Reeves middle school areas. Reeves is well over one mile from the site and

students would be bused to it. Given bus stops on Boulevard Road and the proximity of Madison school, school walking route issues would likely lead to evaluating the Boulevard Road and Ninth and/or Seventh Avenue pedestrian crossings as part of any development review.

Site Access

As noted above, the proposed rezone site is accessed from Boulevard Road via Seventh Avenue and Ninth Avenue. There are no other existing accesses to the site. Each of these routes has only a short segment of sidewalk and road pavement widths are generally about twenty feet. Seventh Avenue from Chambers Street to Boulevard Road has only a 30-foot right-of-way while Ninth Avenue has a 60-foot right-of-way. A home on Olympia's historic register is on the north side of Seventh Avenue. During the earlier review, County Public Works staff suggested that dedication of right-of-way along Seventh Avenue would be needed for development of the Medela site.

The minimal motor vehicle access to the site is one of the prominent issues of this proposal. Seventh and Ninth Avenues are both currently classified as local streets. Such streets, as described in Table 3 of the City's Engineering Design and Development Standards, have a capacity of up to 500 daily motor vehicle trips, also known as 'average daily traffic' or 'ADT.' However, a fully improved version of a local access street requires 48 feet of right-of-way. See Table 2 of the EDDS.

In comparison, a 'neighborhood collector' street without bike lanes is designed for up to 3,000 trips per day. These two types of streets differ significantly. Local access streets have a parking lane and one 13-foot-wide lane to be shared by vehicles traveling in each direction. Known as 'queued' streets this design assumes users will wait for oncoming traffic before proceeding. By comparison, neighborhood collectors are more traditional streets with two travel lanes totaling 19 feet plus a parking lane. As a result, neighborhood collectors require 55 feet of right-of-way. These streets are also designed for slightly higher speeds - 25 instead of 20 miles per hour. Note that the existing 60-foot right-of-way of Ninth Avenue would not provide sufficient space for bike lanes of standard 5-foot width. (See attachment R, street cross-sections.)

Because Seventh Avenue has insufficient right-of-way for even a standard local street, and the location of existing homes would make acquiring such right-of-way difficult and unduly impact the adjacent homes, the City staff analyzed access to this site assuming 90% of the new motor vehicle traffic would use Ninth Avenue to and from Boulevard Road. To achieve this split upon development of the area, "traffic calming," signage, and other measures would probably be needed to direct traffic away from Seventh Avenue.

As currently classified and even if fully improved to local access standards, Ninth Avenue does not have the capacity to serve more than about 50 single-family homes. Studies of patterns development in Olympia suggest that the development of R 4-8 zoned property usually achieves 4 to 7 units per acre.

Thus, as described in the attached memo from City traffic engineer, David Smith, if the lower density of this range is assumed for an 8-acre project (one acre was assumed to be needed to provide buffers along the property boundaries and due to other 'inefficiencies' such as the existing homes sites) currently planned

improvements would provide capacity for development of the site. (Note, improvements to both Seventh and Ninth Avenues would likely be required as a condition of development - however at this stage one cannot determine specifically what form those improvements would take.) In contrast, the development patterns commonly associated with mixed residential zoning of intermediate densities (MR 10-18 zone) and the proposed zoning (RM-18) at its highest reasonably possible density both exceed the capacity of Ninth Avenue even if fully improved to local access standards. (See attachment S.)

Thus, absent extraordinary commute trip reduction measures, any development consistent with either zone would likely exceed the capacity of these two streets. Although a relatively low-density MR 10-18 type of development might be accommodated solely by local access streets, if developed consistent with the usual density of the RM-18 or MR 10-18 zoning districts, a reclassification of Ninth Avenue would likely be needed.

Transit stops are now located nearby on both Pacific Avenue and Boulevard Road. Pedestrian access from the site to Pacific Avenue -- the bus corridor that results in this site being part of an Urban Corridor -- could be achieved by a variety of means. Direct access could be via the existing rights-of-way, probably in combination with new sidewalks along Seventh and Ninth Avenue. In addition, a new pedestrian route northeasterly to Pacific Avenue or easterly to Devoe Street appears to be feasible with the cooperation of the adjoining property owners. (If construction meets certain standards and procedures, trail crossings of streams and wetlands are permitted.) However, do note that owners of the Fir Grove Office Park northwesterly between the site and Pacific Avenue have expressed concerns about pedestrians trespassing through their property.

Miscellaneous Issues

During the neighborhood information meeting on April 23, 2015, interested parties submitted a list of questions. This list was not submitted as a 'public comment' so it is attached as a separate document for the examiner's consideration. (Attachment T.) In brief, the staff's responses are:

- Although the site is near Pacific Avenue, a major arterial, motor vehicle access to the site is limited to two local streets as described above.
- Additional density in this area may not directly benefit the Eastside Neighborhood, although it may lead to additional vitality such as more nearby businesses focused on serving the neighborhood.
- The subarea planning process - to identify neighborhood priorities - was added to Olympia's Comprehensive Plan in 2014. There are twelve planning areas and the City anticipates six to ten years will be needed to address all of these subareas. Actions consistent with the Comprehensive Plan, including changes in zoning, may be considered prior to subarea planning for an area.
- Downtown and the subarea north of State Avenue and east of East Bay were selected for subarea planning in 2015. A subarea planning process has not yet been scheduled for the area including the Medela rezone.
- Although plans include moving toward less dependence on automobile use, it is unlikely that any development in Olympia will be 'car-free' for many years.

- Any street upgrades associated with development of the Medela property will probably be paid for by the developer. A specific decision would be made if and when a development is approved.
- City staff isn't aware of any cost estimates for 9th Avenue improvements.
- Improvements to 9th Avenue would bring the street to modern urban standards, including sidewalks which would benefit all users. However, if improvements are required for development approval the primary beneficiary would be the developer and residents of any new development.
- City staff anticipates that development of the site would not require street improvements west of Boulevard Road due to the limited traffic likely to be added to those streets. However, if warranted such improvement could be required if and when a development is approved.
- Emergency services to any development vary with the type of occupant. For example, senior housing projects require more medical services than average apartments. This area is already served by the City and no special service demands are expected associated with this site.
- Whether sound barriers are needed along Interstate-5 would be determined when a development proposal is received. The cost of such improvements is usually borne by the developer, unless state or federal regulations lead to a different result.
- No major steps have been taken to protect Indian Creek. Appropriate measures to mitigate impacts to the adjacent stream would be determined if and when a development is approved.
- City staff hasn't identified any comparable RM-18 zoned development in the City in the last five years. Most new multi-family development has instead been in the higher density RM-24 zone (primarily on the westside near the Capital Mall) and in the Downtown Business zone. Older RM-18 projects include the Walnut Estates apartments on the northeast corner of Cooper Point Road and 14th Avenue NW, the Huntington apartments at 913 Lilly Road NE, the Country Estates apartments on 22nd Avenue SE east of Hoffman Road, and - most recent - the Polo Club 'apartment homes' in the vicinity of Landview Drive SE north of the Yelm Highway.

RECOMMENDED CONCLUSIONS

1. The rezone is consistent with the Comprehensive Plan including the Plan's Future Land Use map as described in OMC 18.59.055. The site is within the area designated as an Urban Corridor and the proposed RM-18 zone is consistent with that designation. However, pedestrian access from the site to transit services is indirect and should be improved prior to extensive development.
2. The rezone will maintain the public health, safety, or welfare. Appropriate measures should be employed to ensure that the adjacent freeway does not have undue adverse impacts upon the health and welfare of residents of any future developments.
3. The rezone is consistent with other development regulations that implement the comprehensive plan. Critical area and other regulations are sufficient to minimize impacts of development consistent with RM-18 zoning.

4. The rezone will result in a district that is compatible with adjoining zoning districts. Measures to ensure appropriate transition between multi-family development and the adjacent single-family neighborhood are included in the City's development code. However, upon development special measures may be required to ensure compatibility at the 'interface' between any new residential development and the adjacent cemetery. These measures may include designs or activity restrictions to ensure compatibility between residential land uses and the purposes and special setting of the cemetery.
5. With one exception, public facilities and services existing and planned for the area are adequate and likely to be available to serve potential development allowed by the proposed zone. Seventh and Ninth Avenue leading to the site, as well as 8th Avenue Chambers, Steele Streets are inadequate as existing and planned to serve the type of development that would likely be associated with the proposed RM-18 zone. However, should 9th Avenue be reclassified as a neighborhood collector to provide the primary access to the site, a street system could be created adequate to support multi-family development of the site.

STAFF RECOMMENDATION

That the Examiner either recommend approval of the requested change to RM-18 if and only if 9th Avenue SE from Boulevard Road to Chambers Street is first reclassified as a neighborhood collector;

Or, in the alternative, that the Examiner recommend that the zoning of the site be changed to MR 10-18 and that the Examiner clearly communicate that the limited access to the site will limit development consistent with that zone.

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Date Issued: July 13, 2015

[Attachments are provided to the Hearing Examiner and upon request are provided to any other interested party at no charge.]

Attachments

Attachment A: Medela Rezone Application including SEPA checklist, list of parcels and legal descriptions, site maps, JWM&A report of January 10, 2013, Key Environmental Solutions report of January 8, 2013, DAHP letter of March 13, 2014, City staff report of October, 2012, and list of neighboring property owners (total of 69 pages)

Attachment B: Map of Medela rezone site

Attachment C: Vicinity map

Attachment D: Memorandum of Understanding - Urban Growth Management Agreement of 1988 (16 pages)

Attachment E: Hanna Statement submitted to Council (3 pages)

Attachment F: Edwards letter of June 22, 2015 (3 pages)

Attachment G: Rehberger letter of July 10, 2015 (3 pages)

Attachment H: Screenshot of geodata.org as accessed on July 13, 2015.

Attachment I: July 12, 2015 photo of northern rezone boundary

Attachment J: SEPA DNS and hearing notice (2 pages)

Attachment K: Area photos including aerial photograph (3 pages)

Attachment L: Future Land Use Map excerpt.

Attachment M: Land Use Goal 13 and related policies

Attachment N: Future Land Use Map

Attachment O: Zoning table excerpts (4 pages)

Attachment P: Dept. of Archeology and Historic Preservation letter of March 3, 2014 (2 pages)

Attachment Q: Sadlier email of July 8 (9 pages)

Attachment R: Local access and neighborhood collector cross-sections (2 pages)

Attachment S: Smith memo of July 10 (2 pages)

Attachment T: Miscellaneous questions presented by public (2 pages)

Attachment U: Set of public comments through July 10, 2015