

OMC 18.05 Staff Analysis.

City staff supports:

- Setting a minimum and maximum of allowed commercial space instead of tying the commercial requirement to the number of residential uses allowed in an urban village.
- Increasing percentage of multifamily from maximum 50% up to 85%.
- Reducing minimum single family housing percentage to 15% up to 50% of the total units of the site.
- Increasing story limit of commercial/mixed use building from three to four stories for buildings fronting the village square
- Allowing rooftop courtyards to be counted towards open space requirements.

These changes are supported because they are consistent with the majority of the applicable comprehensive plans goals and polices. The amendments are intended to provide flexibility to urban villages and provide for additional multifamily units to support the required commercial space.

City staff does not support:

- Changes to the residential development standards.
- Changes to perimeter height standards.

As proposed, buildings built in the mixed-use village core would be reviewed as commercial. Allowing for first floor commercial with dwelling units built above the commercial space. The city does not support residential only buildings around the town square of the urban village.

City staff analysis:

City staff supports the above changes to OMC 18.05 to provide for flexibility to respond to market conditions and increase housing allowances in an area already built out to support additional units. The area is served by city sewer, city, and transit. The proposed changes would allow for additional residential units to be constructed above the required commercial space that will face the town square in urban villages.

The standards in OMC 18.05 were developed based on the city's comprehensive plan which was intended to cover growth in the community through 2025. Specifically, goal 16 related to housing, and goal 24 which focuses on planned developments including urban villages. Briggs Village is the only Urban Village in the city, however, others could be proposed in the future.

GL16 The range of housing types and densities are consistent with the community's changing population needs and preferences.

Staff analysis: The regulations that established the urban village code requirements were a result of a commercial minded forecast. Since that time housing has become the primary need in the City of Olympia. Housing has been identified as one of cities highest priorities. Both Washington State and City of Olympia

have declared emergencies over the lack of housing in the region. These changes would support overarching housing goals by allowing additional multifamily units in designated “urban villages”

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.

Staff analysis: Currently market conditions have not supported development as expected in the one existing “urban village” Changes would provide incentive to build out commercial and provide additional units above commercial, within mixed use buildings.

PL16.2 Adopt zoning that allows a wide variety of compatible housing types and densities.

Staff analysis: The current code is restrictive and requires at least 50% single family housing in the one urban village. See further analysis under PL24.11, which provides specific language for the location of Briggs Village, the one urban village within the City of Olympia.

PL16.3 Allow 'clustering' of housing compatible with the adjacent neighborhood to preserve and protect environmentally sensitive areas.

Staff analysis: The one existing urban village has already been designed to preserve and protect critical area and shorelines within or adjacent to the village. Any future villages would be designed to protect these sensitive areas though OMC 18.20 and 18.32.

PL16.5 Support affordable housing throughout the community by minimizing regulatory review risks, time and costs and removing unnecessary barriers to housing, by permitting small dwelling units accessory to single-family housing, and by allowing a mix of housing types.

Staff analysis: The proposed changes would support this policy removing the tie between commercial square footage and residential allowances. Additionally, the required mix of housing would be changed to allow more flexibility in housing types expanding allowed ranges of single-family and multifamily to allow market flexibility.

PL16.7 Allow single-family housing on small lots, but prohibit reduced setbacks abutting conventional lots.

Staff analysis: The city’s revised proposal would maintain existing protections for adjacent neighborhoods around the perimeter of urban villages. Within 100 feet of the perimeter of urban villages projects are limited to 35 feet in height.

PL16.8 Encourage and provide incentives for residences above businesses.

Staff Analysis: The city is proposing changes to the code that would promote the intended commercial uses in urban villages, removing the link between dwelling units and required commercial square footage. Instead setting a minimum and maximum range. The intent is to still require commercial space on the first floor of buildings facing the center square, which is a core requirement of urban villages.

PL16.11 Require that multi-family structures be located near a collector street with transit, or near an arterial street, or near a neighborhood center, and that they be designed for compatibility with adjacent lower density housing; and be 'stepped' to conform with topography.

Staff analysis: All multifamily is required to be in the core of "urban villages". Proposed changes would still make this a requirement of multifamily structures within existing or new "urban villages"

PL16.12 Require a mix of single-family and multi-family structures in villages, mixed residential density districts, and apartment projects when these exceed five acres; and use a variety of housing types and setbacks to transition to adjacent low-density areas.

Staff analysis: Proposed changes would comply with this policy, structures within 100 feet of village edges would be restricted in height. This code is not supported to be changed as proposed by the applicant, as it would not comply with this policy.

GL24 Mixed use developments, also known as "villages," are planned with a pedestrian orientation and a coordinated and balanced mix of land uses.

Staff analysis: If changes to OMC 18.05 are approved any existing "urban village" would require a major master plan amendment to achieve proposed changes. This would require additional review by the Hearing Examiner and City Council.

PL24.2 Provide for any redevelopment or redesign of planned developments including the Evergreen Park Planned Unit Development to be consistent with the 'village vision' of this Plan.

Staff analysis: Staff has reviewed the "village vision". Based on proposed changes the village would still be consistent with this vision. A walkable, livable area, with services that serve people living in and around the village site.

PL24.4 Provide for a compatible mix of housing in each village with pleasant living, shopping and working environment, pedestrian-oriented character, well-located and sized open spaces, attractive well-connected streets and a balance of retail stores, offices, housing, and public uses.

Staff analysis: Proposed changes would not reduce the amount of commercial/retail square footage allowed in an "urban village" This commercial square footage range exceeds the requirements for other village types approvable through OMC 18.05. Changes would still result in the requirement for a commercial core to be required in every "urban village". The goals of these code changes would be to promote the commercial core, supplementing it with allowance of additional multifamily units.

PL24.5 Require a neighborhood center, a variety of housing, connected trails, prominent open spaces, wildlife habitat, and recreation areas in each village.

Staff analysis: The goal of the amendment is to increase housing density in the core of urban villages. Promoting first floor commercial/office development with up to three stories of residential above. In the only existing village "Briggs Village" these trails and recreational areas have already been built out and exist. These code changes would not change requirements for these features in any "urban village"

PL24.8 Require village integrity but provide flexibility for developers to respond to market conditions.

Staff analysis: The applicant has provided market analysis on the area of the one existing "urban village" known as Briggs Village. Staff feels that this section, along with housing goals and policies supports the proposed changes. The applicant has provided data indicating that housing is the preferred economic use, and that additional housing units are likely to spur the built out of commercial/mixed use projects in the core of "urban villages"

PL24.9 Limit each village to about 40 to 200 acres; require that at least 60% but allow no more than 75% of housing to be single-family units; and require at least 5% of the site be open space with at least one large usable open space for the public at the neighborhood center.

Staff analysis: As proposed the code changes do not comply with the comprehensive plan requirement for a majority of housing units in villages be single family residences. However, PL 24.11 is more specific to the only urban village in the City of Olympia.

PL24.10 Require that 90% of village housing be within a quarter mile of the neighborhood center and a transit stop.

Staff analysis: Changes to the housing type mix allow more housing in the village core and the current village core is within a quarter mile of a bus stop located on Henderson Ave. All housing provided will meet the above standards.

PL24.11 Provide for a single "urban village" at the intersection of Henderson Boulevard and Yelm Highway; allowing up to 175,000 square feet of commercial floor area plus an additional 50,000 square feet if a larger grocery is included; and requiring that only 50% of the housing be single-family.

Staff analysis: The proposed code changes meet the commercial square footage requirements setting a range between a minimum 52,500 square feet and a maximum of 175,000 square feet. However, the proposal does not meet the requirement of 50% of housing be single family residential. While the plan does not comply with this comprehensive plan policy, staff feels that other goals and policies outweigh this specific language. By setting percentage requirement of single family, the language is restrictive and does not allow the plan to be modified to respond to market conditions.

Summary:

Staff requests the Planning Commission to review the applicable goals of the comprehensive plan and make a recommendation to city council.