



Policy Decision Points

Middle Housing Code Amendments

January 28, 2025

What is happening?

Staff is developing code amendments (regulations) to implement new state requirements for housing. Most of the revisions are to address requirements. However, there are some parts of the proposal that are not specifically required, or at least not required yet, where there is room for more than one policy direction to follow. In some cases, the City Council’s Land Use and Environment Committee (LUEC) provided early direction to staff. In other cases, staff chose the direction they believed the LUEC or City Council would suggest, or those most in alignment with our Comprehensive Plan, Housing Action Plan, and One Community Plan.

The primary requirement is that cities must allow more dwelling units per lot than was previously allowed in some zoning districts. This applies to “...all lots zoned predominantly for residential use, unless zoning permitting higher densities or intensities applies...”.

Why does that matter?

Staff would like community members to know where a decision is being made because it is required, or where there is room to write the code language differently. This may help people focus their comments on those parts of the proposal where their comments have the most opportunity to affect the outcome.

Policy Decisions Used in Draft Code Amendments:

Provision:	Proposal Based on Policy Decision:	Policy Direction Used:
Tier 1 or Tier 2	Tier 1 Cities have a population of 75,000 or more. Tier 2 Cities have a population of 25,000-75,000. Olympia is a Tier 2 City currently, with a population of approx. 55,400. By 2030, Olympia and its urban growth area is projected to meet the Tier 1 population threshold.	Draft the code amendments to satisfy Tier 1 requirements, so we do not have to revise the code once the population reaches 75,000. <ul style="list-style-type: none"> This means the base unit density is 4 units per lot, instead of 2. This means the base unit density increases to 6 (instead of 4) when near a “major transit stop” or when at least 2 (instead of 1) affordable housing units are provided for at least 50 years.
Major Transit Stop	The state law defines major transit stop. Under the state’s definition, the City of Olympia does not have a major transit stop.	Instead of using the state’s definition of major transit stop, use “frequent transit routes” like the City used in its parking code: Transit stops that have 4 or more stops per hour for 12 or more hours per day.
Distance from Major Transit Stop	The unit lot density increase allowed with proximity to a major transit stop is ¼-mile. The distance used in other parts of the statute is ½-mile (in regard to parking).	The proposal is drafted to apply the unit lot density increase to lots within ½-mile (instead of a ¼-mile) of a frequent transit route, as locally defined (instead of using the state definition of Major Transit Stop).
Accessory Dwelling Unit(s) and Unit Lot Density	Under the state’s model ordinance, Cities can choose whether to count ADUs in the Unit Lot Density allowed. At its most intensive, a 6-plex or a 6-plex and 2 ADUs would be allowed.	The proposal is written so that ADUs are considered in calculating the maximum number of units allowed on a lot.

Provision:	Proposal Based on Policy Decision:	Policy Direction Used:
ADU maximum size	Cities can no longer adopt a size limit for ADUs that is less than 1,000 square feet. Olympia will have to increase the maximum size for ADUs from 850 to 1,000 square feet.	The proposal is written so that the maximum size allowed for an ADU is 1,000 sq. feet.
Number of Stories	The City currently allows a building height of 35 feet (measured from average grade to the midpoint of the roof pitch) but limits the number of stories to 2, in most of the residential zoning districts that allow 12 or fewer units per acre.	The proposal is written to keep the maximum building height the same (35 feet) but allows 3 stories in zoning districts that allow 12 or fewer units per acre.
Unit Lot Subdivision (9 lots or less)	Cities are required to allow unit lot subdivisions as a short plat (division of land with 9 or fewer lots).	The proposal is written to allow unit lot subdivisions for short plats only. Divisions of land with 10 or more lots would need to go through preliminary plat process.

These are not all of the places in the draft amendments where a policy decision was made that was not specifically required. However, these are the policy decision points staff believes the majority of members of the public will be most interested in.

If you have any questions, want to submit comments, or would like to be a “party of record” to receive a notice approximately 10 days before the public hearing, please contact Joyce Phillips, Principal Planner, at middle@ci.olympia.wa.us.

Please note that all public comments received will be considered in the development of the next draft. All public comments received will be provided to the Planning Commission and City Council for consideration during the decision-making process.