

City of Olympia | Capital of Washington State

P.O. Box 1967, Olympia, WA 98507-1967 | olympiawa.gov

January 11, 2024

Sent via email

Subject: Evergreen Park PUD Amendment

File Number 23-2792

Greetings:

The recommendation of the Olympia hearing examiner hereby issued on the above date may be of interest to you. This recommendation will be submitted to the City Council for a final decision.

Final adoption of this amendment will be subject to a City Council decision, only after the appeal period for the Hearing Examiner decision expires, or appeals are heard.

In general, any appeal of a Hearing Examiner decision must be filed in court within twenty-one (21) days. See Revised Code of Washington, Chapter 36.70C.040, for more information relating to the timeliness of any appeal and filing, service and other legal requirements applicable to such appeal.

Contact Jackson Ewing, Associate Planner, Community Planning and Development, at 360.753.8314, or by email to jewing@ci.olympia.wa.us if you have questions.

Sincerely,

Debbie

DEBBIE ANDERSON
Program Specialist
Office of Community Vitality

Attachment

1	BEFORE THE CITY OF OLYMPIA HEARINGS EXAMINER
2	IN RE:) HEARING NO. 23-2792
3	EVERGREEN PARK PUD) FINDINGS OF FACT, AMENDMENT,) CONCLUSIONS OF LAW
4) AND RECOMMENDATION TO CITY COUNCIL
5	APPLICANT: Philip Stewart
6	
7	SUMMARY OF REQUEST : The Applicant seeks the City Council's approval to modify the Evergreen Park PUD to permit residential/multifamily uses within the portion of the PUD
8	currently restricted to retail/commercial.
9	PROJECT LOCATION:
10	Evergreen Park PUD.
11	SUMMARY OF DECISION:
12	The Hearing Examiner recommends that the City Council approve the proposed amendment to
13	the PUD as suggested by City Staff.
14	BACKGROUND
15	The Evergreen Park Planned Unit Development (PUD) was established in 1973. Its most recognizable development is arguably the Thurston County Courthouse Complex but it also includes a large number of legal and medical offices, government agencies and the Oympia
16	
17	Hotel. These various public and commercial uses adjoin other areas of the PUD restricted solely to residential use, mostly multifamily. The net result is that the PUD provides for a broad array
18	of public, commercial and residential uses but does not allow a mixing of these uses within the same areas of the PUD, and there is no portion of the PUD where both commercial and residential uses are jointly allowed.
19	
20	The use of the PUD model for property development has become disfavored by the Cit
21	and the Evergreen Park PUD is the only remaining PUD within City limits. It predates the City's comprehensive planning under the Growth Management Act, and many of its concepts are
22	inconsistent with current planning. Nonetheless, it can be argued that its planning concepts have worked well as it remains a neat and attractive area with low vacancy rates among its commercial properties.
23	
24	Since the Evergreen Park PUD was established fifty years ago, the City has steadily moved away from the PUD's underlying notion that commercial and residential uses should not
25	
	Findings of Fact, Conclusions of Law and Recommendation to City Council - 1 CITY OF OLYMPIA HEARING EXAMINER 299 N.W. CENTER ST. / P.O. BOX 939 CHEHALIS, WASHINGTON 98532

Phone: 360-748-3386/Fax: 748-3387

be mixed. The City's current Comprehensive Plan, as well as its current zoning, encourage the mixing of these uses, not their separation. The pending application forces the City Council to decide whether the ideas expressed in its current comprehensive planning should be extended to this historic PUD or, instead, whether it is better to leave things as they are.

The issue before the City Council is made more dramatic by the announcement by ownership of the Olympia Hotel that it seeks this amendment in order that it may apply to have the hotel converted to apartments. Thus, while the proposed amendment would have application to all areas of the PUD currently limited to commercial use, its most obvious and immediate impact would be on the future use of the hotel.

As explained more fully below, City Staff finds that the requested amendment is consistent with the City's Comprehensive Plan and recommends that it be approved. There has been some opposition by commercial property owners/tenants who would prefer that their commercial uses continue to be insulated from residential uses (especially lower income housing). The amendment is also strongly opposed by employees of the hotel as it may cause the loss of all hotel jobs (this may have already occurred).

PUBLIC HEARING

The matter came before the Hearing Examiner for a public hearing on December 11, 2023, at 5:30 p.m. The hearing was a "hybrid" hearing consisting of both a remote hearing utilizing the Zoom platform along with the opportunity to appear in person in the Council Chambers in the City Hall. The City appeared through Jackson Ewing, Associate Planner, as well as through Nicole Floyd, Senior Planner. The Applicant, Philip Stewart, was present and provided brief testimony. Several members of the public were present and five asked to testify. A verbatim recording was made of the public hearing and all testimony was taken under oath. Documents considered at the time of the hearing were the following:

- Exhibit 1. Staff Report including public comments and other attachments.
- Exhibit 2. City's PowerPoint presentation.
- Exhibit 3. Additional public comments received just prior to the hearing.
- 1. <u>City Staff Presentation</u>. The City's presentation was made by Jackson Ewing, Associate Planner and author of the City's Staff Report, with some additional comments made by Nicole Floyd, Senior Planner. Mr. Ewing's presentation was concise and relied heavily upon his Staff Report as well as his PowerPoint presentation (Exhibit 2). Mr. Ewing began by noting that the application had undergone SEPA review resulting in a Determination of Non-Significance (DNS) issued November 17, 2023. There was no challenge to the SEPA Determination and it became final on December 8, 2023. Mr. Ewing then explained that notice of the public hearing had been properly issued to all nearby and interested parties and published in The Olympian.
- Mr. Ewing then offered a fuller description of the application. The Applicant, Mr. Stewart, asks to amend the Evergreen Park PUD by adding multifamily housing as a permitted

Findings of Fact, Conclusions of Law and Recommendation to City Council - 2

1

3

4

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

use within the portion of the PUD currently restricted to retail/commercial activity. The Evergreen Park PUD is divided into a number of districts, or zones, with each district having a specific use. For example, there is the "Public Use" district containing the Thurston County Courthouse. Other districts within the PUD include an Apartment District, Garden Court District, Townhouse District and "Composite" District. All of these provide some form of residential use, primarily multifamily use. Lying south of all of these other districts, and north of Evergreen Parkway, is the "Retail/Commercial" District¹. This area is largely developed and contains a variety of medical and legal offices, government administration facilities, and a scattering of retail activities. The proposed amendment applies only to this Retail/Commercial District and would allow multifamily residential use along with the existing retail/commercial activities.

Staff notes that the amendment would not restrict any current uses but merely allow residential use as an additional permitted use. Staff also notes that the proposed amendment does not restrict any existing use, and that any change in use would require a separate, later application. For example, if the hotel seeks to change its use to residential, the requested PUD amendment would merely allow it to apply for a change in use but would not guarantee that the change would be approved. That question would be decided based upon the City's other land use regulations.

Mr. Ewing then undertook a substantive analysis of the requested amendment to the PUD. He acknowledged that there is relatively little guidance on how to decide whether the PUD should be amended as, again, this is the City's only remaining PUD and its governing regulations provide little guidance on what standards apply when an amendment is sought. The Evergreen PUD is regulated by Chapter 18.54 of the Olympia Municipal Code (OMC). OMC 18.54.060 requires that any major adjustment to the PUD shall be permitted only through the procedures found in OMC 18.56.120.B (relating to Planned Residential Developments or PRDs). OMC 18.56.120.B.2 requires that any "major" adjustment must first undergo review by the Hearing Examiner followed by approval by the City Council. City Staff regards this as a major adjustment to the PUD requiring the Hearing Examiner's review and City Council's approval. Neither Chapter 18.54, Chapter 18.56 or any other chapter of the OMC provides a clear standard for review of a requested amendment such as this. City Staff notes that the only useful guidance is found in the Purpose Statement of OMC 18.54.020 which states:

"The Evergreen Park PUD District is intended to permit flexibility in design, placement of buildings, and use of open spaces, including modification and requirements for lot frontage, building setbacks and design of circulation facilities to best use potentials of sites characterized by special features of geography, topography, size or shape, and to encourage a more creative approach in the development of land that will result in a more efficient aesthetic and desirable environment in harmony with that of the surrounding area."

¹ This district is also referred to as the "Commercial/Retail District" or "Commercial/Retail Zone". For ease of reference it will hereafter be referred to as "Retail/Commercial Zone" or "Retail/Commercial District".

Findings of Fact, Conclusions of Law

CITY OF OLYMPIA HEARING EXAMILE

and Recommendation to City

Council - 3

With this purpose in mind, City Staff finds that the proposed amendment will permit flexibility and creativity and a more efficient and desirable environment in harmony with both the surrounding area and the City as a whole. Staff adds that the amendment is consistent with the goals of the Thurston County Housing Action Plan and also notes that other areas of the City where commercial activity is allowed also allow residential uses as well. Staff therefore finds that the proposed amendment is consistent with the Purpose Statement in OMC 18.54.020.

Mr. Ewing then undertook an analysis of the proposed amendment with respect to the goals and polices in the City's current Comprehensive Plan. City Staff finds that the proposed amendment is consistent with Planned Development Policies in the Comprehensive Plan, especially GL1 and PL1.6; PL11.1 and PL11.3. Staff notes that the Comprehensive Plan clearly encourages mixed-use buildings as well as residential uses within commercial districts. Staff therefore believes that the proposed amendment will bring the PUD into closer conformity with the Comprehensive Plan by allowing residential uses in the commercial district.

Staff also finds that the proposed amendment is consistent with the Housing Chapter of the Comprehensive Plan including Policies PL16.1, PL16.2, PL16.5, PL16.8 and PL16.13. These policies clearly support adaptive reuse of existing buildings, especially in areas currently served by public streets and utilities adequate to provide for housing. Staff concludes that the amendment is consistent with the Housing Chapter of the Comprehensive Plan as it would increase housing stock and housing options as called for by the Comprehensive Plan.

City Staff acknowledges public concerns and has taken these concerns into consideration. Having done so, Staff continues to believe that the requested amendment is consistent with the Comprehensive Plan and allows for greater flexibility in land use in a manner consistent with the City's current goals and polices.

- 2. <u>Applicant's Presentation</u>. The Applicant, Philip Stewart, spoke very briefly in support of his application. Mr. Stewart is the owner of the hotel property and believes that its best future is in its conversation to multifamily housing. He asks that the PUD be amended so that its land uses are consistent with allowed uses in other commercially-zoned areas of the City.
- 3. <u>Public Comments</u>. Several public comments were received in advance of the public hearing, either in response to the Notice of Hearing or to the SEPA notice:

Bev Garrick. Ms. Garrick expresses opposition to the proposed amendment out of concern that it would lead to the closure of the hotel and the loss of a strategic convention facility. Operation of the hotel has also reduced drug and crime problems in the Evergreen Park area as the hotel has been diligent in its efforts to prohibit these activities near its facilities. Ms. Garrick fears that the reverse will be true if low income housing is allowed in place of the hotel.

<u>Jessica Jensen</u>. Ms. Jensen is an attorney with Cap City Law located in Bristol Court. Ms. Jensen, who serves on the Thurston Economic Development Council and is President of the West Olympia Business Association, expresses opposition to the proposed amendment due to concerns over the loss of one of the only Olympia hotels with full-service conference facilities;

Findings of Fact, Conclusions of Law and Recommendation to City Council - 4

CITY OF OLYMPIA HEARING EXAMINER 299 N.W. CENTER ST. / P.O. BOX 939 CHEHALIS, WASHINGTON 98532 Phone: 360-748-3386/Fax: 748-3387

that it will expose adjoining environmentally sensitive areas to more intensive use; and will increase the likelihood that the area will not be as well maintained.

Maris Zivarts. Mr. Zivarts is the Research Director or UNITEHERE Local 8, the union representing the workers as the Olympia Hotel. Speaking as the representative for these employees, Mr. Zivarts opposes the proposed amendment as it will likely result in the loss of a number of good jobs and will eliminate one of the few conference centers in the City.

Patrick McClelland. Mr. McClelland is President of Bristol Court Condominium Association and owner of two of the office suites located there. Mr. McClelland opposes the proposed amendment and believes that it will increase automobile and pedestrian traffic through the neighborhood while also increasing crime rates. Mr. McClelland notes that his current office facilities face theft and vandalism problems from adjoining residential neighbors and he fears that this problem will only increase if the amendment if approved. He asserts that both landlords and tenants within the commercial portion of Evergreen Park, including Bristol Court, have made significant financial investments into these properties on the expectation that they would remain commercial-only. Mr. McClelland argues that the proposed amendment will undermine this economic expectation and will degrade commercial property values.

Camon Talen. Mr. Talen is one of the approximately seventy employees of the Olympia Hotel, where he has worked for the past thirteen years. In a lengthy written statement, Mr. Talen asserts that the hotel ownership has engaged in wrongful conduct; has allowed the premises to fall into disrepair; and that the City has been complicit in the owner's attempts to convert the hotel to low-income housing.

John Drebick. Mr. Drebick was involved in the original establishment of the Evergreen Park PUD in the 1970s. He is opposed to the proposed amendment and believes that it is inconsistent with the PUD's concept. He asks that the amendment be denied so that the commercial portion of the Evergreen Park PUD can be incentivized to continue to use and maintain all lots within the commercial area so as to maintain its vitality and integrity.

During the public hearing additional public comment was received including additional comments from several of those who had provided earlier written comment:

<u>Susan Bitow</u>. Ms. Bitow is opposed to the proposed amendment as it would lead to the loss of an important conference center merely to provide additional housing. She is also concerned that it will cause added vehicle trips; increase burden on neighborhood parks and other facilities; invite transient use and generally increase the wear and tear on the surrounding neighborhood.

<u>Camen Talen</u>. Mr. Talen had provided earlier written comments as noted above. He reiterated many of these comments and wanted to stress the negative impact this was having upon the hotel employees.

Findings of Fact, Conclusions of Law and Recommendation to City Council - 5

23

24

25

<u>John Drebick</u>. Mr. Drebick wished to follow-up on his earlier written comments and reiterate his opposition. Mr. Drebick again noted that he has been involved in Evergreen Park since its inception and has watched its development over the past fifty years. He believes that its current model is successful and invites investment into the commercial portion, but that commercial property owners will be discouraged from further investment if multifamily housing is allowed into this area.

<u>Russell Hamilton</u> Mr. Hamilton is one of the Olympia Hotel managers and is opposed to the proposed amendment as it will cause the loss of a number of well-paying union jobs. He also concurs with the points made by other speakers.

<u>Debbi Boyd</u>. Ms. Boyd has been responsible for chairing events at the hotel and is concerned about its loss. In particular, she worries that its closure will result in a significant loss of hospitality tax and wonders how this loss will be reconciled.

- 4. <u>City's Supplemental Information</u>. In light of some of the concerns expressed by members of the public, the Hearing Examiner asked City Staff whether it had considered analyzing the proposed PUD amendment in the same way it would analyze a proposed *zoning* amendment as required by OMC 18.59.050. In other words, if an applicant sought a site-specific rezone of property from, say, a general commercial zone to a more mixed use zone, the application would be reviewed under OMC 18.59.050 and its five criteria for rezone approval:
 - A. The rezone is consistent with either the Comprehensive Plan including the Plan's Future Land Use Map as described in OMC 18.59.050 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 district; 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.

City Staff agreed with the Hearing Examiner that, although this standard for rezoning did not expressly apply to an amendment to a PUD, there is enough similarity to justify an analysis of the requested PUD amendment under OMC 18.59.050. Accordingly, the Hearing Examiner asked that the City Staff undertake this analysis and provide a Supplemental Staff Report by December 26, 2023.

City Staff complied with the Hearing Examiner's request and provided a Supplemental Staff Report analyzing the requested amendment's compliance with the standards found in OMC 18.59.050 for a zoning amendment. The Supplemental Report finds:

A. The rezone is consistent with either the Comprehensive Plan including the Plan's Future Land Use Map as described in OMC 18.59.050 or with a concurrently approved amendment to the Plan.

Staff finds that the proposed PUD amendment satisfies this requirement. Staff first notes that Planned Developments are intended to provide opportunities for innovative design in a manner compatible with existing uses. Innovative design may include a wider variety of housing types and densities or a greater mix of uses. Staff finds that the proposed amendment will bring the PUD in closer alignment with existing development standards throughout the rest of the City, noting that all other commercial zoning districts in the City allow residential use.

Staff also reiterates its earlier findings that the proposed amendment is consistent with the City's Comprehensive Plan including those portions of the Plan devoted to Planned Development. Staff cites to Goal GL1 and Policy PL1.6; Goal GL11 and Policy PL11.1 and PL11.3, all of which encourage a compatible mix of housing and commercial uses in commercial districts. Staff also cites to Policy PL16.1, PL16.2, PL16.5, PL16.8, and PL16.13 which collectively support adaptive reuse of existing buildings for housing purposes especially in areas currently served by public streets and utilities adequate to provide for housing. Staff notes that the Evergreen Park PUD has transit stops within one quarter mile and that it could readily accommodate residential uses within its commercial structures. Staff adds that the proposed amendment is consistent with the portions of the Comprehensive Plan addressing Climate and Equity, noting that the amendment would be consistent with the Thurston Climate Mitigation Plan and would open more of the City to residential development, serving the community's goal of increased housing option.

B. The rezone will maintain the public health, safety or welfare.

Staff finds that this requirement is satisfied. The existing Evergreen Park PUD has a well established street network and utilities, all capable of accommodating residential uses. Any redevelopment of existing uses would be required to meet current City standards.

Staff is sensitive to the loss of jobs caused by the discontinuance of the Olympia Hotel but notes that the decision to maintain or discontinue hotel use should be driven by market forces, not land use regulation. The proposed amendment will not preclude the hotel from remaining open but simply allow its ownership to consider alternate uses. Staff adds that the City has seen at least four new hotels/motels since 2014, several of which include public meeting rooms although admittedly none have the same sized facilities as the Olympia Hotel.

Findings of Fact, Conclusions of Law and Recommendation to City Council - 7

C. The rezone is consistent with other development regulations that implement the Comprehensive Plan.

Staff finds that this requirement is satisfied. As has been previously noted, the City's current zoning includes various commercial zoning districts, all of which allow residential use. The City's Development Regulations are designed to accommodate this mix of uses.

D. The rezone will result in a district that is compatible with adjoining zoning district; this may include providing a transition zone between potentially incompatible designations.

Staff finds that this requirement is satisfied. Staff again notes that the City's current zoning scheme recognizes the opportunity for residential uses within all of its commercial zones and, indeed, encourages a mix of such uses in more heavily populated areas of the City and especially along transit corridors and in high density neighborhoods. The Evergreen Park PUD meets all of these requirements.

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.

Staff again finds that this requirement is met:

There are adequate sewer and water lines throughout the Evergreen Park area to handle any added capacity caused by residential use.

Staff finds that the proposed amendment will **not** have a significant impact on traffic operations. To the contrary, a conversion of the Olympia Hotel to multifamily residential use would result in a *decreased* amount of traffic in the area, while the area's street grid already includes bike lanes and sidewalks and can easily handle the anticipated capacity. All nearby street intersections operate with a Level of Service (LOS) of B or C and the proposed amendment will not adversely affect Level of Service but will instead result in fewer net trips.

To summarize all of the above, after having undertaken a more intensive review of the application utilizing the guidelines found in OMC 18.59.050 for zoning amendments, Staff continues to recommend that the amendment be approved.

ANALYSIS

The Evergreen Park PUD has remained mostly unchanged since it was established fifty years ago. Although its provisions have been amended from time to time, none of its prior

Findings of Fact, Conclusions of Law and Recommendation to City Council - 8

amendments have the same transformative quality as the currently proposed amendment. Unfortunately, the City's Development Regulations do not provide ample guidance on how such an amendment should be evaluated. The Hearing Examiner believes that the best guidance is found in OMC 18.59.050 and its criteria for approving a zoning amendment. While those criteria are not applicable to an amendment of the Evergreen Park PUD, the proposed amendment is similar enough to a zoning amendment (indeed, it is almost the same) that the criteria for zoning amendment approval provide the most useful criteria when determining whether the PUD amendment should be approved. The City's Planning Staff seems to agree.

After reviewing the amendment in according to the criteria found in OMC 18.59.050, Staff reiterates its support for the PUD amendment. Staff finds that, if these criteria applied, the proposed amendment would satisfy all criteria. The Hearing Examiner concurs.

The proposed amendment can easily be found to be consistent with the City's Comprehensive Plan. The Plan repeatedly encourages mixed use neighborhoods, and of residential uses within commercial areas. The Plan also strongly encourages adaptive reuse of commercial facilities especially in areas of the City where infrastructure can readily adapt to new uses. Additionally, the Plan recognizes the significant need for additional housing within the City, especially more affordable housing.

Of course, it is one thing for the amendment to be consistent with the City's Comprehensive Plan, and another thing for it to fit well in the PUD's as-built environment. Approving the amendment will make possible an application to convert the Olympia Hotel to multifamily use at the loss of a significant number of jobs. It will also expose longstanding commercial uses to a more intense integration with residential uses - all in a manner that would not have been anticipated when those commercial uses were established. It is not surprising, then, that the application experiences opposition from the hotel's workforce and from some of the nearby commercial property owners. There is the additional issue as to whether the amendment effectively prevents the City from hosting larger conferences, perhaps sending them to other nearby communities. These issues are not insubstantial and pose difficult questions for the City Council. But having taken these concerns into careful consideration, I concur with City Staff that the proposed amendment is consistent with the City's Comprehensive Plan; would establish a City-wide uniform policy of allowing residential uses within commercially zoned areas; and would allow market forces to decide the highest and best use among the permitted uses. I therefore recommend that the amendment be approved by City Council.

FINDINGS OF FACT

- 1. Any Findings of Fact contained in the foregoing sections are adopted by the Hearing Examiner as Findings of Fact.
- 2. The Applicant, Philip Stewart, petitions to modify the Evergreen Park PUD in order to allow residential/multifamily uses within the Retail/Commercial Zone of the Evergreen Park PUD.

Findings of Fact, Conclusions of Law and Recommendation to City Council - 9

The Evergreen Park PUD was established in 1973. It is the only remaining PUD in the City of Olympia.

At the time it was established, the Evergreen Park PUD established several "zones" of use, including a Public Zone, a Retail/Commercial Zone and a variety of Residential Zones to allow different types and densities of residential use. Most notably, however, the

various zones do not allow for a mix of uses, that is, the Retail/Commercial Zone does not allow

residential use.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

As demonstrated on maps of the Evergreen Park PUD, the lower (southerly) half 6. of the PUD is largely dedicated to retail/commercial use while the upper half is devoted to residential and public use (the County Courthouse).

The Retail/Commercial Zone of the PUD is largely developed and contains a large number of buildings currently used as legal and medical offices, government administration facilities, a small amount of retail and a hotel at the far easterly end, currently known as the "Olympia Hotel".

During the fifty-year existence of the Evergreen Park PUD there have been a few 8. amendments to the PUD, most recently in 2006. These prior amendments have generally allowed increased flexibility in the use of the PUD but no previously-approved amendment has allowed the designated zones to be mixed in their allowed uses. Fifty years later, the Retail/Commercial Zone of the PUD remains restricted to these uses.

As earlier noted, the purpose of the proposed amendment is to allow multifamily housing as a permitted use in the Retail/Commercial Zone. The requested amendment would not eliminate any currently allowed uses within this portion of the PUD but would instead increase the number of allowed uses to include multifamily housing.

- The party requesting the PUD amendment is the owner of the Olympia Hotel. 10. Ownership of the hotel has made known that, if the amendment is approved, it will seek to have use of the hotel converted to multifamily housing. The proposed amendment does not guarantee that the requested use will be approved, as the application would be subject to all of the City's other development regulations and would need to be found compliant.
- The application to amend the PUD was received May 22, 2023. The application 11. underwent SEPA review and the City, acting as the Lead Agency, issued a SEPA Determination of Non-Significance (DNS) on November 17, 2023, with an appeal deadline of December 8, 2023. No appeals of the SEPA Determination were filed and it is now final.

25 Findings of Fact, Conclusions of Law

and Recommendation to City

Council - 10

13. Notice of the hearing generated several public comments as noted earlier in the public hearing section. Comments were largely in opposition and expressed concerns over increased crime; lessened security for existing businesses; increased presence of homeless individuals and concerns that the amendment was generally inconsistent with the original purpose of the PUD and its separation of uses into zones. In addition, and perhaps more importantly, public comments focused on the conversion of the Olympia Hotel to multifamily use and the resulting loss of a significant number of well paying jobs. Concerns were also expressed that the loss of the hotel would reduce the City's ability to host conferences and also reduce the City's hospitality tax revenues.

- 14. Perhaps because the Evergreen Park PUD is the City's only remaining PUD, the regulatory framework for considering amendments to the PUD is not entirely clear, nor is the criteria to be considered for amendment approval. City Staff finds that the procedure for amendment review is governed by OMC 18.54.060 which, in turn, adopts the procedures found in OMC 18.56.120.B. This ordinance declares that an amendment which substantially changes the character, basic design, density, open space or other requirements and conditions of the PUD is a "major adjustment" and may not be approved without prior review by the Hearing Examiner and final approval by City Council.
- 15. Again, there is little regulatory guidance to assist the Hearing Examiner/City Council when determining whether the proposed amendment is appropriate. Recognizing this, City Staff looks to the Purpose Statement of the PUD ordinance (OMC 18.54.020) to provide some assistance. The Purpose Statement declares:

"The Evergreen Park PUD District is intended to permit flexibility in design, placement of the buildings and use of open spaces, including modification and requirements for lot frontage, building setbacks, and design of circulation facilities to best use potentials of sites characterized by special features of geography, topography, size or shape, and to encourage a more creative approach in the development of land that will result in a more efficient, aesthetic and desirable environment in harmony with that of the surrounding area."

- 16. Previously requested amendments to the Evergreen Park PUD have undergone a similar review process and have been examined utilizing similar criteria.
- 17. Requested amendments to the Evergreen Park PUD are not subject to the same review criteria as are imposed on requests for amendments of zoning designations. See OMC 18.59.050.A-E. Nonetheless, the Hearing Examiner finds that these criteria are useful in determining whether the requested PUD amendment is appropriate, and City Staff concurs.

1

2

3

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

5 6

7

1

3

City Staff has also examined the proposed amendment with respect to the criteria found in OMC 18.59.050.A-E which serve as the criteria for determining whether a required zoning amendment is appropriate. The Supplemental Staff Report undertakes a detailed examination of the amendment with respect to each of these criteria and finds that the proposed amendment satisfies each criteria. A fuller statement of each of the City's Findings is set forth in the earlier Public Hearing Section. The Hearing Examiner has carefully reviewed the Staff's Findings and adopts them as his own Findings of Fact.

9

10

11

12

The public hearing elicited additional public concerns regarding the proposed 20. amendment. These public comments repeat those earlier expressed and include frustration over the pending loss of the hotel and its jobs; the loss of an important conference facility for the City; concerns that residential uses are a poor mix with the existing commercial facilities and will impose inappropriate and unfair burdens on these commercial properties and their tenants; and the belief that the original concept of the PUD and its intentional separation of commercial uses from residential ones should be preserved.

13 14

21. City Staff has carefully considered the public's concerns and has taken them into consideration when reaching its recommendation. Despite these public concerns, Staff finds that the requested amendment is consistent with the City's Comprehensive Plan and its goals for mixed uses and more housing; that it is consistent with the City's allowance for residential uses in the City's commercially-zoned areas; and that it is consistent with the City's desire to repurpose properties for residential use where appropriate. The Hearing Examiner concurs.

16 17

15

City Staff recommends approval of the proposed amendment to the Evergreen Park PUD. The Hearing Examiner concurs.

19

20

18

Having entered the following Findings of Fact, the Hearing Examiner makes the following:

21

CONCLUSIONS OF LAW

22 23

Any Conclusions of Law contained in the previous sections are incorporated herein as the Hearing Examiner's Conclusions of Law.

24

The Hearing Examiner has jurisdiction over the subject matter and the parties. 2.

1	3. All SEPA requirements have been met.
2	4. All notice requirements have been met.
3	5. The requested amendment to the Evergreen Park PUD is consistent with the City Comprehensive Plan including those Goals and Policies identified in the Findings of Fact.
5	6. Pursuant to OMC 18.59.050:
6	A. The amendment to the PUD is consistent with the Comprehensive Plan including the Plan's Future Land Use Map.
7	B. The requested amendment to the PUD will maintain the public health, safety or welfare.
9 10	C. The requested amendment is consistent with other development regulations that implement the Comprehensive Plan.
11	D. The requested amendment will result in a zone of the PUD that is compatible with adjoining PUD zones as well as adjoining zoning districts.
12	E. Public facilities and services existing and planned for the area are
13	adequate and likely to be available to serve potential development allowed by the proposed amendment to the PUD.
14	RECOMMENDATION
15	
16 17	Having entered his Findings of Fact and Conclusions of Law, the Hearing Examiner recommends to the City Council that the proposed amendment to the Evergreen Park PUD be approved as proposed by City Staff.
18	DATED this 3 day of JANOARY, 2024.
19	
20	Mark C. Scheibmeir
21	City of Olympia Hearing Examiner
22	
23	
24	
25	
	CITY OF OLVMBIA HEADING EVAMINE