



# Meeting Agenda

## Planning Commission

City Hall  
601 4th Avenue E  
Olympia, WA 98501  
Contact: Joyce Phillips  
360.570.3722

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**Monday, June 5, 2017**

**6:30 PM**

**Room 207**

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**1. CALL TO ORDER**

*Estimated time for items 1 through 5: 20 minutes*

**1.A ROLL CALL**

**2. APPROVAL OF AGENDA**

**3. APPROVAL OF MINUTES**

- 3.A** [17-0603](#) Approval of the May 15, 2017 Olympia Planning Commission Meeting Minutes

**Attachments:** [OPC 5.15.17 draft minutes](#)

**4. PUBLIC COMMENT**

*An opportunity for the public to address the Commission regarding items related to City business, including items on the agenda. However, this does exclude items for which the Commission or Hearing Examiner has held a public hearing in the last 45 days or will hold a hearing on in the next 45 days or for quasi-judicial review items for which there can be only one public hearing.*

**5. STAFF ANNOUNCEMENTS**

*This agenda item is also an opportunity for Commissioners to ask staff about City or Planning Commission business.*

**6. BUSINESS ITEMS**

- 6.A** [17-0609](#) Ordinance Removing Zoning Designations from the State Capitol Campus

**Attachments:** [Draft Zoning Ordinance](#)  
[Proposed Map Changes](#)

*Estimated time: 30 minutes*

- 6.B** [17-0586](#) Olympia Police Department Briefing

*Estimated time: 30 minutes*

**6.C**     [17-0593](#)     Briefing on Downtown Zoning Recommendations

**Attachments:**   [Scope of Changes](#)  
[Downtown Zoning Map](#)  
[Zoning Map with Character Areas](#)  
[Downtown Strategy Overview](#)

*Estimated time: 30 minutes*

**6.D**     [17-0600](#)     Briefing on State Environmental Policy Act (SEPA) Exemption Recommendations

**Attachments:**   [SEPA background](#)  
[Options for SEPA Flexibility](#)

*Estimated time: 30 minutes*

**7.        REPORTS**

*From Officers and Commissioners, and regarding relevant topics.*

**8.        OTHER TOPICS****9.        ADJOURNMENT**

*Approximately 9:00 p.m.*

**Upcoming Meetings**

*Next regular Commission meeting is June 19, 2017. See 'meeting details' in Legistar for list of other meetings and events related to Commission activities.*

**Accommodations**

*The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Advisory Committee meeting, please contact the Advisory Committee staff liaison (contact number in the upper right corner of the agenda) at least 48 hours in advance of the meeting. For hearing impaired, please contact us by dialing the Washington State Relay Service at 7-1-1 or 1.800.833.6384.*



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## Planning Commission

### Approval of the May 15, 2017 Olympia Planning Commission Meeting Minutes

**Agenda Date:** 6/5/2017  
**Agenda Item Number:** 3.A  
**File Number:** 17-0603

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**Type:** minutes **Version:** 1 **Status:** In Committee

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**Title**

Approval of the May 15, 2017 Olympia Planning Commission Meeting Minutes

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# Meeting Minutes

## Planning Commission

ATTACHMENT 1

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Contact: Joyce Phillips  
360.570.3722

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**Monday, May 15, 2017**

**6:30 PM**

**Room 207**

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**1. CALL TO ORDER**

Chair Mark called the meeting to order at 6:30 p.m.

**1.A ROLL CALL**

Commissioner Kamkar arrived after the roll call was taken.

**Present:** 7 - Chair Brian Mark, Commissioner Travis Burns, Commissioner Rad Cunningham, Commissioner Paula Ehlers, Commissioner Darrell Hoppe, Commissioner Negheen Kamkar and Commissioner Carole Richmond

**Excused:** 1 - Vice Chair Mike Auderer

**OTHERS PRESENT**

Community Planning and Development:  
Senior Planner, Joyce Phillips  
Office Specialist/Minutes Recorder, Stacey Rodell  
Public Works:  
Water Resources Director, Andy Haub  
Engineering and Planning Manager, Eric Christensen

**2. APPROVAL OF AGENDA**

**The agenda was approved.**

**3. APPROVAL OF MINUTES**

**3.A** [17-0527](#) Approval of the May 1, 2017 Olympia Planning Commission Meeting Minutes

**The minutes were approved.**

**4. PUBLIC COMMENT - None**

**5. STAFF ANNOUNCEMENTS**

Ms. Phillips announced the following:

- The Planning Commission retreat will be Saturday, September 30, 2017 from

10:00 a.m. to 2:00 p.m. at the Harbor House.

- A public hearing is scheduled for the June 5, 2017 Planning Commission meeting. Please make every attempt to be present - we will need a quorum of members for the public hearing.
- There were three major planning conferences last week that many planning staff attended:
  - Washington Chapter of the American Planning Association (Chelan)
  - Congress of New Urbanism/Urban Land Institute (Seattle and the Cascade Region)
  - National American Planning Association (NYC)
- Upcoming Site Plan Review Committee projects:
  - Briggs Village Multi Family North - Five three-story buildings for a total of 72 residential units
  - Village at Mill Pond Phase 2 - 45 residential lots
  - Thurston County Parking Renovation - Install a new security fence and gate around the existing parking lot for judicial staff. Install stairs and a walkway to provide direct access between the parking lot and employee entrance.
  - Annie's Artists Flats Recommendation
  - Capital High School Baseball Field House Pre-submission
  - Roosevelt Elementary School Remodel Pre-submission

## 6. BUSINESS ITEMS

### 6.A [17-0447](#) Update on Sea Level Rise Planning

Mr. Haub and Mr. Christensen presented an update on sea level rise planning via a PowerPoint presentation. They reported on the following:

- Developing a response
- National Research Council West Coast Projections - 2012
- Frequency of downtown flooding
- Olympia's Comprehensive Plan - 2014
- Sea rise planning
- 2017 planning goal
- Planning dynamics
- Magnitude and timing
- Shared understanding
- Planning approach
- Leading the plan
- Sea rise response
- Elevated or flood-proofed buildings
- The Plan - 2017/2018 - turn risk and vulnerability into strategies and decisions
- Storm drainage system
- Storm system modification
- Elevate landscapes

- Planter box barriers
- Flood barriers
- Elevated roadways
- Shoreline ownership

The City webpage includes an interactive map that can help with understanding how sea rise could affect the downtown area. The website address is:  
[www.olympiawa.gov/sealevelrise](http://www.olympiawa.gov/sealevelrise)

**The information was received.**

## 7. REPORTS

Commissioner Cunningham reported the National Parks Council is offering technical assistance to cities. Also the Recreation and Conservation Office is offering a fifty percent matching grant to invest in parks.

Commissioner Watts announced her resignation from the Planning Commission due to changes in her personal career. Ms. Phillips presented her with a certificate of appreciation and the Commissioners thanked Commissioner Watts for her service on the Commission.

Commissioner Richmond reported she attended the Congress for New Urbanism conference. She also announced the upcoming Missing Middle open house which will be on May 18, 2017 at Olympia High School.

Commissioner Hoppe reported he volunteered with a non-profit organization to install bee hives on the roof of the Food Bank building. He also joined the observation of the May Day event on May 1, 2017 and commended the Olympia Police Department and other City departments on their work of dealing with the May Day protesters.

Chair Mark reported on a recent article on Thurston Talks featuring Commissioner Cunningham. Chair Mark also reported on his work with Northeast Neighborhood Association (NENA) and their recent submittal of an application for the City's Neighborhood Matching Grant program. NENA plans on repainting the neighborhood mural, cleaning up the kiosk, starting a program called "NENA Nights" for neighbor gatherings and night hikes for children in Mission Creek. He also reported the Arts Commission closed its gateways survey on May 12, 2017.

Commissioner Kamkar indicated she is thankful that her daytime job should be slowing down a bit which will allow her more time to focus on work of the Planning Commission. She briefly reported on her feelings about the May Day protests.

Commissioner Ehlers provided a brief report on the Missing Middle workgroup meeting she attended.

## 8. OTHER TOPICS

Chair Mark provided a review of the Community Values and Vision chapter of the City of Olympia's Comprehensive Plan via a PowerPoint presentation.

This chapter of the Comprehensive Plan:

- Is the foundation for the vision and action plan
- Is the gateway to the rest of the comprehensive plan
- Communicates what the citizens of Olympia value

What Olympians value:

- Public participation and partners
  - Through collaborative and open discussions, Olympians embrace a shared responsibility to make our community a better place.
- Our natural environment
  - A beautiful natural setting that is preserved and enhanced
- Land use and urban design
  - A walkable, vibrant city.
- Transportation
  - Complete streets that move people, not just cars.
- Utilities
  - Clean, plentiful water and significant reduction of waste.
- Public health, arts, parks and recreation
  - A healthy, fun and enriching place to live.
- Economy
  - Olympia's economy is healthy due to a diverse mix of new and existing employment sectors, in addition to being the center of state government.
- Public Services
  - Responsive services and affordable housing for all.

Conclusion:

- Requires a sincere dedication to include all voices
- Requires a willingness to guide our city in the right direction outside of our own individual interests
- Requires that we work together as a team to create a climate of inclusion and collaboration

## 9. ADJOURNMENT

The meeting adjourned at 8:25 p.m.





## Planning Commission

### Ordinance Removing Zoning Designations from the State Capitol Campus

Agenda Date: 6/5/2017  
Agenda Item Number: 6.A  
File Number: 17-0609

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Type: recommendation Version: 1 Status: In Committee

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#### Title

Ordinance Removing Zoning Designations from the State Capitol Campus

#### Recommended Action

Move to recommend approval of the attached ordinance amending the City's zoning map to remove all zoning designations from the entirety of the Capitol Campus owned or controlled by the State of Washington.

#### Report

##### Issue:

Should the zoning map of the City's development code be amended to remove zoning designations from the State Capitol Campus?

#### Staff Contact:

Leonard Bauer, Deputy Director, Community Planning and Development Department, 360.753.8206

#### Presenter:

Leonard Bauer, Deputy Director

#### Background and Analysis:

The Washington State Capitol Campus is an area designated, managed and controlled by the State of Washington for specific purposes. State law (Chapters 43.34 and 79.24 RCW) provides governing authority for planning, land use and development for the State Capitol Campus to the State Capitol Committee. A map of properties that are part of the State Capitol Campus is attached.

The City of Olympia does not have land use planning or zoning authority for the State Capitol Campus. In place of its more common regulatory role, the City works in cooperation with the State in the planning for Campus development and activities.

The City does have authority to regulate shoreline development on the Campus because under the Shoreline Management Act the City is acting on behalf of the Washington Department of Ecology; and the City inspects construction on the Campus for compliance with building codes pursuant to an agreement with the State.

Despite the state laws described above, the City's zoning map currently applies a variety of zoning

districts to the Campus. For example, the largest portion is designated as Commercial Services - High Density, while areas around Capitol Lake are designated as Residential Multi-family High-Rise, Residential 4-8 & 6-12, Urban Waterfront, and Planned Unit Development. Areas near Union Avenue and Sylvester Park are in the Downtown Business zoning district.

During the City's process of updating its Comprehensive Plan, questions were raised regarding the appropriate zoning of the State Capitol Campus. On July 7, 2014, the Olympia Planning Commission considered a staff recommendation to zone the State Capitol Campus as a 'planned development.' However, this proposal was discontinued when the State Capitol Campus Committee objected based on the state laws cited above. Subsequently, the City Attorney and CPD staff have had numerous conversations with staff of the WA Department of Enterprise Services and the Attorney General's Office to identify an approach to the City's zoning map that would accurately communicate the jurisdictional authorities for the State Capitol Campus. The parties have now agreed that removing all zoning map designations for the State Capitol Campus is the most accurate depiction of existing jurisdictional land use authority of the State Capitol Campus Committee. The attached ordinance accomplishes this change, and adds a note to the Official City Zoning Map that reads "The Washington State Capitol Committee alone has authority over land use for the State Capitol Campus."

#### Neighborhood/Community Interests:

On May 22, 2014, City staff hosted a combined public information meeting regarding four pending zoning map changes, including the proposed zoning of the State Capitol Campus as planned development. Only State staff participated with regard to that proposal. Since that time, except for communications with State staff, notice of this proposal has generated minimal public interest.

Historically, the South Capitol Neighborhood Association has had strong interest in any land use changes on the State Capitol Campus. The attached ordinance clarifies, but does not change, land use authority over the State Capitol Campus.

#### Options:

1. Recommend adoption of the attached ordinance removing zoning designations from the State Capitol Campus on the City Zoning Map.
2. Retain the existing zoning of the Capitol Campus.

#### Financial Impact:

None.

#### Attachments:

Draft Zoning Ordinance  
Proposed Map Changes

Ordinance No. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING THE OFFICIAL OLYMPIA ZONING MAP TO REMOVE THE ZONING DESIGNATIONS OF ALL LANDS AND WATERS WITHIN THE STATE CAPITOL CAMPUS AND LABEL THOSE AREAS AS "STATE CAPITOL CAMPUS"

WHEREAS, the Olympia City Council (the City) and the State Capitol Committee have determined that the City has no jurisdiction or authority to identify land use or zoning designations at the State Capitol Campus, as defined by the State Capitol Committee; and

WHEREAS, the Official Zoning Map of the City of Olympia designates zoning at the State Capitol Campus, as described and shown on the attached map, as of this date; and

WHEREAS, pursuant to state law, including but not limited to Chapters 43.34 and 79.24 RCW, the State Capitol Campus, including development, planning and land uses thereon, is governed by the State Capitol Committee; and

WHEREAS, the Shoreline Master Program is an implementation of separate state law and thus applicable to the State Capitol Campus as well, except as prohibited by law; and

WHEREAS, the State Capitol Committee is advised in these matters by the Capitol Campus Design Advisory Committee; and

WHEREAS, following a public hearing on June 5, 2017, the Olympia Planning Commission recommended an amendment to the City of Olympia Official Zoning Map to remove the current zoning designations at the State Capitol Campus, as defined by the State Capitol Committee; and

WHEREAS, on May 18, 2017, the Capitol Campus Design Advisory Committee reviewed this proposed ordinance and recommended approval; and

WHEREAS, on June 15, 2017, the State Capitol Campus Committee reviewed this proposed ordinance and recommended approval; and

WHEREAS, the Olympia City Council and the State Capitol Committee recommended the City of Olympia Official Zoning Map be amended to delineate the real property owned and controlled by the State of Washington, named the "State Capitol Campus," and to recognize the Washington State Capitol Committee alone has authority over land use at the State Capitol Campus; and

WHEREAS, this Ordinance meets the goals and requirements of the Growth Management Act, if it is applicable; and

WHEREAS, the purpose of this Ordinance is intended to recognize and implement existing law and not to change existing laws; and

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of Official Olympia Zoning Map adopted by OMC 18.02.160.B. The Official Zoning Map of the City of Olympia is hereby amended to remove the zoning designations relating

to the Washington State Capitol Campus as defined now or as amended in the future by the State Capitol Committee. The map shall be revised and maintained accordingly to delineate the boundary of the "State Capitol Campus" and a note shall be added to the legend of the map stating, "The Washington State Capitol Committee alone has authority over land use for the State Capitol Campus." The Mayor is authorized but not required to sign such map.

Section 2. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect five (5) days after publication, as provided by law.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

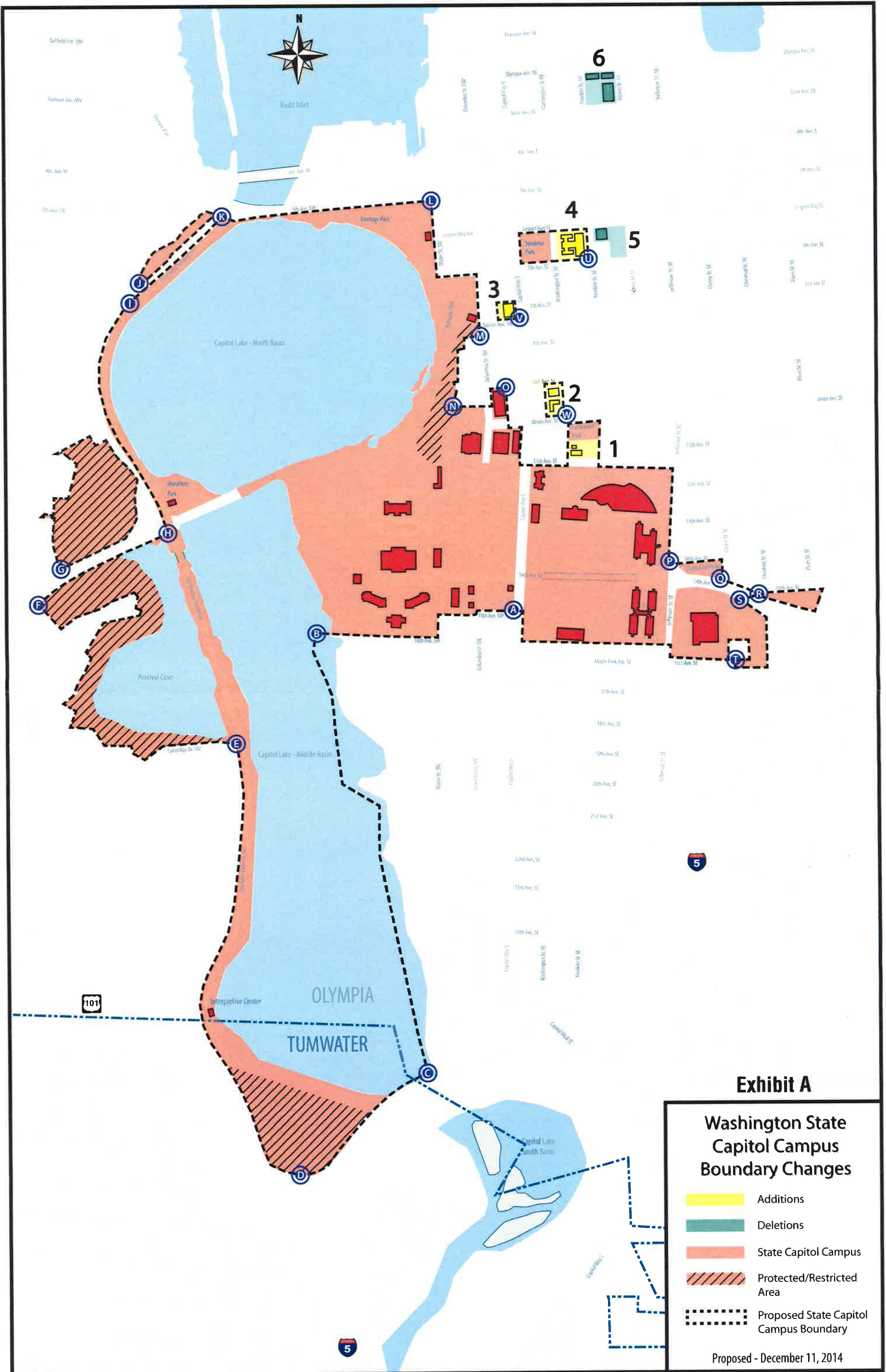
APPROVED AS TO FORM:

\_\_\_\_\_  
DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



**Exhibit A**

**Washington State Capitol Campus Boundary Changes**

- Additions
- Deletions
- State Capitol Campus
- Protected/Restricted Area
- Proposed State Capitol Campus Boundary

Proposed - December 11, 2014





Planning Commission  
Olympia Police Department Briefing

Agenda Date: 6/5/2017  
Agenda Item Number: 6.B  
File Number: 17-0586

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Type: report Version: 2 Status: In Committee

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Title  
Olympia Police Department Briefing

Recommended Action  
Committee Recommendation:  
Not referred to committee.

City Manager Recommendation:  
Briefing only - no action requested

Report  
Issue:  
Presentation about the current and future Police Department initiatives.

Staff Contact:  
Laura Wohl, Administrative Services Manager  
Olympia Police Department  
360.753.8214

Presenter(s):  
Lt. Paul Lower  
Laura Wohl, Administrative Services Manager

Background and Analysis:  
The Olympia Police Department is continuing to lead the profession in modern policing practices, building strong relationships with the community and addressing the most challenging issues facing the City.

Attachments:  
NA

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**Planning Commission**  
**Briefing on Downtown Zoning**  
**Recommendations**

**Agenda Date:** 6/5/2017  
**Agenda Item Number:** 6.C  
**File Number:** 17-0593

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**Type:** report   **Version:** 1   **Status:** In Committee

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**Title**

Briefing on Downtown Zoning Recommendations

**Recommended Action**

**Committee Recommendation:**

On April 20, 2017 the Council's Land Use and Environment Committee guided staff to move forward with a public process to update Downtown zoning and development standards in accordance with the Downtown Strategy.

**City Manager Recommendation:**

Receive the briefing. Discussion only. No action requested.

**Report**

**Issue:**

Briefing and discussion about recommended scope for updates to Downtown zoning and development standards.

**Staff Contact:**

Amy Buckler, Senior Planner, Community Planning & Development, 360.753.8314

**Presenter(s):**

Amy Buckler, Senior Planner  
Leonard Bauer, Assistant Director, CP&D

**Background and Analysis:**

One of the first actions recommended in the Downtown Strategy (DTS) is to update Downtown zoning and development standards. This effort is anticipated to occur in 2017-2018. Staff will review the scope of work - a summary is **attached**.

As part of the process to form the DTS, the planning team compared current zoning and development standards with Downtown goals and character area concepts, and found these to be generally consistent. Most of Downtown is zoned as Downtown Business (DB) or Urban Waterfront (UW), both of which provide flexibility for a variety of land uses. **See attached zoning map.** In addition to recommending some minor updates and general housekeeping, the scope includes three

main areas where changes could be made to be more consistent with the Downtown Strategy:

#### Consider an Art/Tech Overlay

The overlay would allow for uses desired in the Art/Tech area that are not desired in other parts of Downtown. This area encourages light industrial uses, such as artisan manufacturing/studios and microbreweries, distilleries and wineries. While these uses might fit throughout Downtown, the City may also want to consider limiting these or subsets of these uses to the Art/Tech area only, primarily to contain potential impacts, such as smell, noise or vibration. In addition, or perhaps as an alternative measure, the City may want to focus adaptive reuse incentives to encourage these types of uses within this area. The underlying zoning of DB and UW could provide a baseline of allowed uses and incentives also available in other areas, while the addition of a special overlay district could provide for unique opportunities and character development.

#### Consider Zoning in Southeast Neighborhood Area

Much of the Southeast Neighborhood Character Area is zoned Urban Residential (UR), which is intended to accommodate multifamily housing in an urban neighborhood close to activity, jobs and transit. While the zoning and the character area vision are generally aligned, the City should consider expanding the boundary of the UR zone to more fully encompass the SE neighborhood, along with changes to allow for more neighborhood serving commercial uses.

This area is also adjacent to the Capitol Campus and several parcels are owned by the State or are already occupied by commercial uses. Thus, it will be important to retain as much land as possible in residential use to maintain a critical mass of residences. At the same time, residents in the Southeast need better access to local commercial services.

Expanding the UR zone boundaries (avoiding land owned by the State) and allowing more small neighborhood-serving businesses on the ground floor of mixed use buildings would strengthen the urban residential nature of this area. Additionally, expanding home based business options might make live-work units more attractive. The City should also consider prohibiting new office uses here to prevent additional loss of residential properties.

#### Further consideration of recommended view protection

The Downtown Strategy recommends the City take moderate actions, including design guidelines and removing height bonuses where applicable, to protect/enhance three views:

- West Bay Park to Mt. Rainier
- East Bay Overlook to Capitol Dome
- Deschutes Parkway to Mt. Rainier

Upon adoption of the DTS, the City Council had some concerns about the view protection recommendations and guided that the zoning update process should result in and provide for consideration of a range of options, including removing height bonuses, other possible methods to protect the views, and no action.

#### Public Process

The first step is for staff to meet with affected parties (i.e., property owners, artists, neighborhood associations, etc.) over the next few months. This will be followed by a public meeting to inform and

gather input, a SEPA comment period, briefing to the Planning Commission about a draft ordinance with options and implications, and a Planning Commission public hearing and recommendation to the City Council.

**Neighborhood/Community Interests (if known):**

The recommended scope for zoning and development standard updates was developed as part of the extensive public process to form a Downtown Strategy.

**Options:**

Discussion only. No action requested.

**Financial Impact:**

Included in base budget.

**Attachments:**

Proposed Updates  
Zoning map  
Zoning map w/ character areas  
DTS Overview

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## Scope for 2017 Downtown Zoning Changes

	Topic	Issue	Code Section
Essential for implementing the Downtown Strategy	Clean-ups	Broken links, etc.	Various in 18.04 & 18.06
	Intent statements	Review for Downtown Business (DB) & Urban Waterfront (UW) zones; possibly update to better align with DTS	18.04.020, 18.06.020
	Use Table – Allowed and Conditional Uses	Consider moderate changes to the allowed use table – generally, the perceived changes are not likely to be controversial. May include addition of definitions for light industrial uses that are anticipated.	18.04.040 – UR 18.06.040- DB & UW 18.02 - Definitions
	Various minor updates to existing development standards	A variety of potential updates have been identified that generally require minimal analysis and are not likely to be controversial, though will involve meeting with stakeholders, regarding consideration of: <ul style="list-style-type: none"> <li>• Making on-site treatment and storage for hazardous waste an accessory use only, rather than permitted use in the DB zone</li> <li>• Prohibiting Type 2 recycling facilities in the DB (already prohibited in UW)</li> <li>• Prohibiting new permanent surface parking lots in the UW and UR zones (already prohibited in the DB)</li> <li>• Allowed/prohibited locations for warehousing and wholesale sales</li> <li>• Number of slips allowed in marinas</li> <li>• Noise mitigation standards</li> <li>• The utility of existing lot size limits, setbacks and traffic mitigation for schools that require a conditional use permit and workshops for disabled people</li> <li>• Appropriate standards for retail space compartmentalization</li> <li>• 60% max building envelope requirement in some UW areas – explore intent to keep physical and visual access to the water, and whether this requirement is the best way to get there (added by LUEC on 4/20/17)</li> </ul>	Various in 18.04 & 18.06
	Height bonuses	Per DTS and Council decision on 4/24/17, consider view protection for three identified views. Explore options ranging from removing height bonuses on affecting properties to no change and potential for other creative options in between	18.06.100
	Establish overlay for Art/Tech area	Consider the types of uses especially desired in this area, and what appropriate allowed uses and incentives should be relative to other areas of Downtown. Per LUEC on 4/20/17, do not exclude surviving light industrial uses –Make sure there is still room for machine shops, auto, welding, artisan manufacturing.	18.02 18.06
Update UR Zone	Consider changing the zoning boundary, allowed uses and development standards to better align with Southeast DT neighborhood area. Especially want more small scale commercial and live/work options (later per LUEC on 4/20/17). (Need to consider how this affects other UR zoned areas in other parts of the city also.)	18.04 Various	
Added Item	Implement Development Agreement	Per a development agreement between the City and property owner pertaining to construction of WSECU's office building on Union Ave, change parcel zoning from Urban Residential to Downtown Business.	County document #3415424

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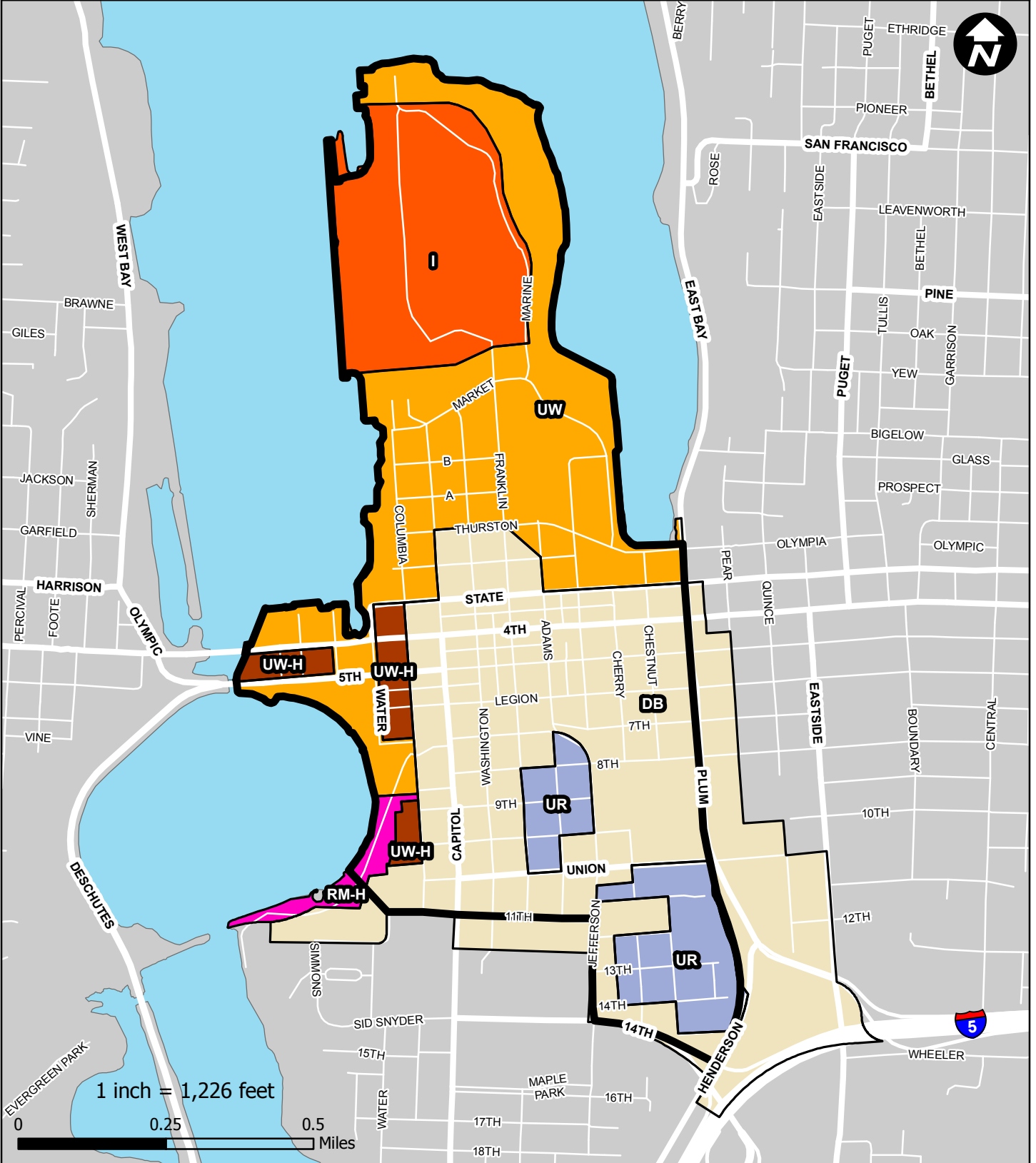
ATTACHMENT 1



# Downtown Olympia Zoning

Community Planning and Development

Map printed 4/3/2017



### Downtown Zoning

- DB
- UW
- I
- UW-H
- RM-H
- Downtown Planning Boundary
- UR

This map is intended for 8.5x11" portrait printing.

The City of Olympia and its personnel cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. The parcels, right-of-ways, utilities and structures depicted hereon are based on record information and aerial photos only. It is recommended the recipient and or user field verify all information prior to use. The use of this data for purposes other than those for which they were created may yield inaccurate or misleading results. The recipient may not assert any proprietary rights to this information. The City of Olympia and its personnel neither accept or assume liability or responsibility, whatsoever, for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.

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ATTACHMENT 2

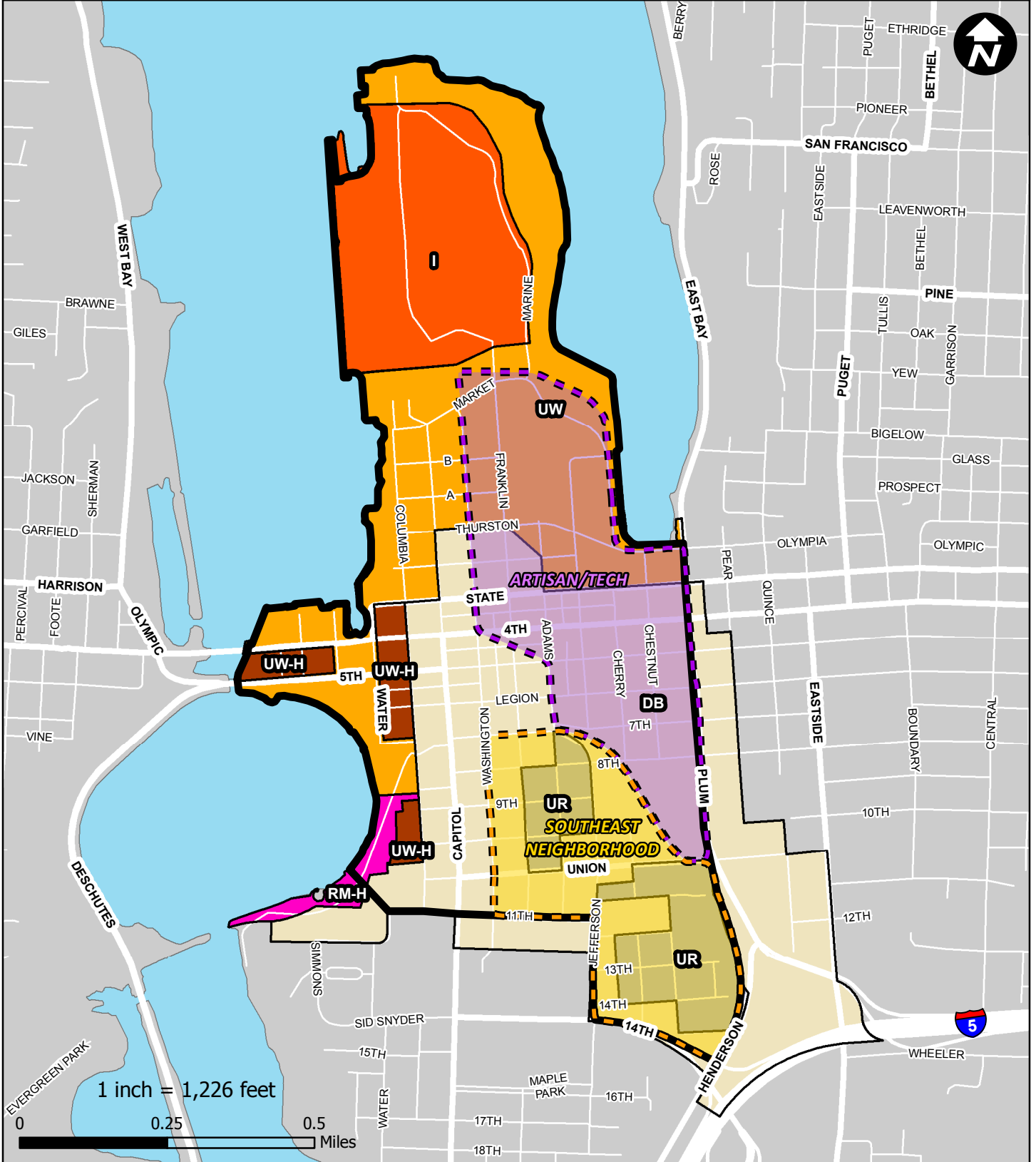




# Downtown Olympia Zoning

Community Planning and Development

Map printed 4/4/2017



### Downtown Zoning

- DB
- UW
- I
- UW-H
- RM-H
- UR

### Downtown Strategy Area

- Southeast Neighborhood
- Artisan/Tech
- Downtown Planning Boundary

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ATTACHMENT 3



# OLYMPIA DOWNTOWN STRATEGY

Downtown Olympia is South Puget Sound’s regional hub for economic and social activity. With eclectic shopping and dining, numerous arts and entertainment venues and a rich historic fabric, Downtown has much to offer. In addition, recent public and private investments totaling over \$180m have set the stage for a budding renaissance that is realizing numerous community goals.

However, Downtown faces some challenges—development uncertainties related to sea level rise and site contamination, a continuing need for inclusive residential opportunities and a vibrant business and retail environment, and homelessness and street dependency. The Downtown Strategy is the City’s effort to address these concerns with a clear set of actions to sustain and improve downtown for its residents, workers, and visitors.

The Downtown Strategy’s recommended actions will be impactful—by meeting multiple goals at once—and realistic in terms of resources and timing. It also focuses on preserving Olympia’s unique qualities, like its waterfront and natural setting and eclectic and

historic character. Specifically, the actions forward the following themes identified early in the process:

- Waterfront and natural setting,
- Family friendly,
- Pedestrian and people-oriented public spaces,
- Walkable lifestyle,
- Vibrant, diverse economic center (reduce development uncertainties and encourage private investment),
- Environmentally conscious building and site design,
- Historic character preservation,
- Diversity of housing, and
- Safe and comfortable bicycle routes.

Many of the actions are already underway or are currently being initiated. The Downtown Strategy includes these efforts as well as a number of proposals that arose during the planning process. Inside are some of the key ideas that have emerged. As the display illustrates, some proposals are for downtown-wide programs while others are specific to the colored “character areas” identified on the map.

# DOWNTOWN STRATEGY

## DOWNTOWN-WIDE

The recommended actions interrelate and address multiple goals simultaneously. For example, encouraging development that fits in its character area leads to a more beautiful and unique Downtown while also supporting a vibrant retail environment. Sample actions are provided below and to the right.

Evolve Downtown into an even more beautiful, safe, welcoming, and eclectic place:

- Update and simplify building and street development code and design guidelines based on Downtown's unique qualities (including views)
- Apply for an EPA brownfields assessment grant to remove uncertainty about contaminated sites

Ensure that people can get around by foot, bicycle, transit, and car with ease on attractive streets:

- Transform five street segments in the retail core to make the pedestrian experience spectacular
- Explore new and diverse funding options for sidewalk repair and street improvements
- Incorporate public art and directional signs/elements to cultivate character areas

Encourage private investment and a vibrant business and retail environment:

- Use a host of tools to encourage retail and development that fulfills Downtown goals
- Complete the Downtown Parking Strategy for more convenient, available parking to support local business and residential needs
- Complete an evening lighting audit to lead to safe and character-appropriate lighting for streets, alleys, and parking lots

Keep Downtown livable and accommodate a mix of incomes and lifestyles:

- Develop a comprehensive "Housing Strategy" that identifies affordability needs and goals, establishes a monitoring program, identifies tools to fill the housing gaps, and is backed up with policy and funding commitments
- Use incentives to retain existing and encourage new market rate and lower cost affordable housing
- Work with partners to form an Olympia Coordinated Homeless Strategy

## WATERFRONT

- Complete and market the Olympia Waterfront Route (ped/bike trail)
- Form a Sea Level Response Plan
- Develop a plan for the isthmus
- With partners, develop an action plan to enhance and promote waterfront recreation activities

*A beautiful pedestrian and bicycle trail—the Olympia Waterfront Route—highlights Olympia's unique qualities*

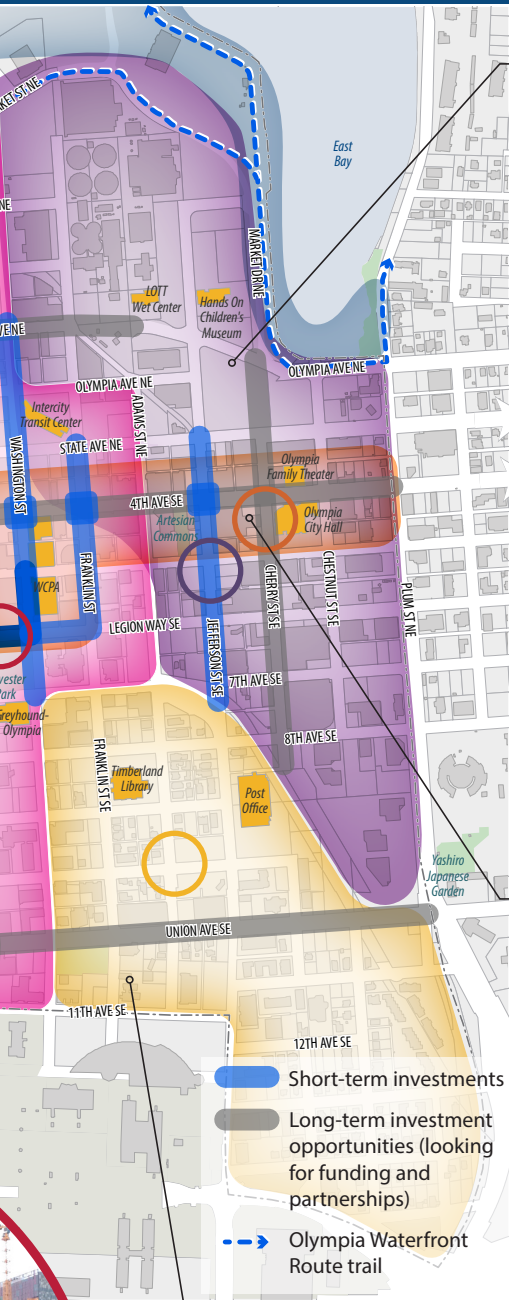
## CAPITOL TO MARKET

- Design and construct a segment of Legion Way as a landscaped and artistic street that easily converts to a car-free zone for festivals
- Improve Capitol Way, especially for pedestrians and transit
- Design and construct Franklin Ave to elegantly accommodate people, transit, and cars
- Improve Washington St for bicycles
- Implement a host of tools for supporting local retail

*Capitol Way is enhanced as a multi-modal spine*



# ACTIONS



## ARTISAN/TECH

- Encourage existing buildings to be adapted and reused rather than replaced over time
- Design and construct Jefferson St to add to the Art/Tech character, be greener, and be more pedestrian-friendly
- Encourage arts, science education, family entertainment, artisan manufacturing, brewing, distilling, culinary arts, etc.

*Jefferson St gets street trees, existing buildings in the Art/Tech area are reused, and new buildings have an eclectic character*



## ENTERTAINMENT

- Slow traffic at intersections along 4th Ave
- Develop a nightlife/safety plan
- Emphasize art features and entertainment activities

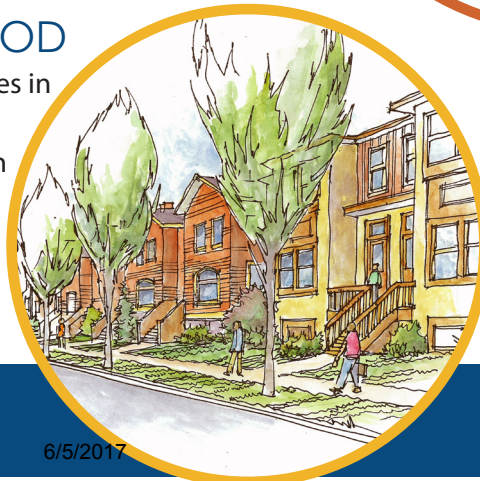
*Blocks north and south of 4th Ave are lively at night*



## SE NEIGHBORHOOD

- Incorporate pedestrian amenities in new street standards
- Encourage local-serving retail in the area
- Explore park needs

*Legion Ave paving and landscaping is more pedestrian and bicycle-friendly and ready for festivals*



*New development includes a variety of housing types and transitions gracefully between new and old and large and small buildings*

## THE STRATEGY MEETS GOALS

Over 3,500 community members (from Olympia and other areas of the county) helped to shape the Downtown Strategy through workshops and online. Thanks to their time and effort, Olympia has a path forward for sustaining and improving Downtown. For a complete list of actions and background information, see the full Downtown Strategy at [olympiawa.gov/dts](http://olympiawa.gov/dts) (available December 2016). In the report, the actions are organized by the categories below—land use, transportation, housing, and community and economic development.

### LAND USE

walkable urban center

### TRANSPORTATION

multi-modal,  
attractive streets

### HOUSING

livable, mixed income  
neighborhoods

### COMMUNITY AND ECONOMIC DEVELOPMENT

healthy businesses  
and vibrant work/play  
environment

### COMPREHENSIVE PLAN/CITYWIDE ACTION PLAN OUTCOMES FOR DOWNTOWN

Not only do the actions reflect community goals raised in this process, but they also work toward the Comprehensive Plan's vision for Downtown:

- 1 A vibrant, attractive urban destination
- 2 A safe and welcoming Downtown for all
- 3 A mix of urban housing options
- 4 A variety of businesses
- 5 Connections to our cultural and historic fabric
- 6 Engaging arts and entertainment experiences

Through five public workshops, four online surveys, nine Stakeholder Work Group meetings, multiple City Council and Land Use and Environment Committee briefings and discussions, and many meetings with targeted participants (e.g., social services and affordable housing providers, retailers, developers, architects, and arts and theater representatives), we are confident the Downtown Strategy represents community views.



*We began the process by asking participants about their goals for downtown, including where and what types of residential and other development they would like to see.*



*Then we asked what actions would improve living, working, and visiting downtown.*



*Finally, we discussed specific strategies for meeting downtown goals, like tools for housing affordability and landmark views preservation.*

The Downtown Strategy ties together many community conversations and reflects local values and goals.



### STAY IN TOUCH!

[olympiawa.gov/dts](http://olympiawa.gov/dts) | Sign up for planning newsletters at [olympiawa.gov/subscribe](http://olympiawa.gov/subscribe)  
Contact Amy Buckler, Senior Planner at 360.570.5847 or [dts@ci.olympia.wa.us](mailto:dts@ci.olympia.wa.us)



## Planning Commission

### Briefing on State Environmental Policy Act (SEPA) Exemption Recommendations

Agenda Date: 6/5/2017  
Agenda Item Number: 6.D  
File Number: 17-0600

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Type: report Version: 1 Status: In Committee

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#### Title

Briefing on State Environmental Policy Act (SEPA) Exemption Recommendations

#### Recommended Action

##### Committee Recommendation:

One April 20, 2017 the Council's Land Use and Environment Committee guided staff to move forward with a public process to further consider an update to the SEPA ordinance to establish Downtown as a SEPA exemption area, in accordance with the Downtown Strategy.

##### City Manager Recommendation:

Receive the briefing. Discussion only; No action requested.

#### Report

##### Issue:

Briefing and discussion about recommendation to establish Downtown as a SEPA infill exemption area.

##### Staff Contact:

Leonard Bauer, Deputy Director, Community Planning & Development, 360.753.8206

##### Presenter(s):

Leonard Bauer, Deputy Director

##### Background and Analysis:

During scoping for the Downtown Strategy (DTS), the Council's Land Use and Environment Committee considered options for providing State Environmental Policy Act (SEPA) flexibility in Downtown.

General background about SEPA is attached.

Options for providing SEPA flexibility is attached.

In 2015, the Committee recommended and the City Council adopted a scope for the DTS which included exploring increased SEPA exemption levels for minor construction projects and/or urban infill exemption levels. During 2016, the DTS planning team explored these options in light of

Downtown goals, and recommend within the DTS the City establish Downtown as an SEPA Urban Infill Exemption Area.

The purpose of exempting SEPA is to reduce duplicative process, not to reduce environmental risk assessment or mitigation. Environmental issues must still be addressed, but rather than relying on the SEPA process for this, environmental issues are addressed upfront in the development code. This helps to reduce uncertain development costs and permit review times, and is a way to incentivize development that meets community goals.

During scoping, the City Council decided not to complete a planned action Environment Impact Statement (EIS) for the entire Downtown. The reason was that a similar objective can be achieved by the other options.

### SEPA Urban Infill Area

The State's SEPA statute (RCW 43.21C.229) allows for urban infill exemptions in order to encourage residential or mixed use development in urban areas where the density goals of the comprehensive plan are not being met. When an EIS has been prepared to analyze the development goals in the comprehensive plan (which is the case for Olympia), a city can exempt some or all of the following types of development from additional SEPA review:

- Stand-alone residential
- Mixed use residential/commercial
- Stand-alone commercial less than 65,000, excluding retail

The exemption would not apply to:

- Industrial uses
- Lands covered by water (in most cases)
- Projects where part of the proposal requires both exempt and non-exempt actions
- Some other very specific cases outlined under the SEPA statute

### Gap Analysis

A first step was to identify any gaps in our environmental regulations where we have had to use SEPA in the past to address an environmental issue in Downtown. Subsequently, the City needs to establish regulations for those environmental issues for which SEPA was the sole method of addressing an issue.

The gap analysis revealed the City has often used SEPA to reiterate regulations that are required regardless of SEPA (e.g., remediating contaminated soil and groundwater, controlling dust at the construction site). The gap analysis also identified three areas that should be addressed by adopting new regulations before establishing a SEPA exemption:

1. Flood risk associated with sea level rise: In the past, the City used SEPA to address flood risk due to sea level rise by requiring higher finished floor elevations in high risk areas of Downtown. To ensure this issue could still be addressed without SEPA, the City adopted increased flood-proofing standards in August of 2016.



2. Off-site traffic impact mitigation: There may be areas where it is possible a large traffic generating project could cause off-site traffic impacts needing to be mitigated through infrastructure improvements at the time of development (e.g., a traffic light.) To ensure this issue can still be addressed without SEPA, staff is exploring an appropriate size threshold - downtown projects larger than that threshold would require a traffic study to determine any needed improvements that would then be required.
  
3. Cultural resources: Tribal nations tend to use SEPA notice as their trigger to comment on projects, and Downtown is of particular interest to tribes due to the historical and cultural significance of Downtown lands. Early in 2017, staff met with representatives of the Nisqually Tribe and State Department of Archaeology and Historic Preservation (DAHP) to discuss other available comment opportunities (e.g., at notice of application) and potential code revisions to address how concerns about development in historical or culturally significant areas should be addressed. Staff is currently in conversation with representatives from the Squaxin Tribe.

### Public Process

Staff will continue to meet with stakeholders over the next few months to address the issues described above. This will be followed by a public meeting to inform and gather input, a SEPA comment period, briefing to the Planning Commission about a draft ordinance with options and implications, and a Planning Commission public hearing and recommendation to the City Council.

### Neighborhood/Community Interests (if known):

The recommended action in the Downtown Strategy was shared with the public at open houses on Oct 29, 2016 and February 7, 2017, and the Planning Commission's public hearing on the DTS on February 27, 2017. The Downtown Strategy was adopted by the City Council on April 25, 2017.

### Options:

Discussion only. No action requested.

### Financial Impact:

Included in base budget

### Attachments:

SEPA Background  
Options for SEPA Flexibility

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## What is SEPA?

Enacted by the Washington Legislature in 1971, the State Environmental Policy Act – commonly called SEPA – helps state and local agencies in Washington identify possible environmental impacts that could result from governmental decisions such as:

- Issuing permits for private projects such as an office building, grocery store, or apartment complex.
- Constructing public facilities like a new school, highway, or water pipeline.
- Adopting regulations, policies, or plans such as a county or city comprehensive plan, critical area ordinance, or state water quality regulation.

## Using SEPA in Decision-Making

State and local agencies in Washington use SEPA to evaluate proposed decisions. Information learned through the review process can be used to:

- Change a proposal to reduce likely impacts.
- Apply conditions to or deny a proposal when adverse environmental impacts are identified.

Under SEPA, project proponents are usually asked to provide information about the proposal and its potential impacts on the environment. When a proponent has gathered and submitted enough information about their proposal, the lead agency can:

- Issue a determination of non-significance – also called a DNS – if it finds the proposal is unlikely to have a significant adverse environmental impact.
- Issue a mitigated determination of non-significance – or MDNS- concluding that identified significant impacts will be reduced to a level of non-significance through specific mitigated measures.
- Require an environmental impact statement – or an EIS – if the information indicates the proposal is likely to have a significant adverse environmental impact. An EIS needs to include:
  - An evaluation of alternatives to the proposal.
  - Measures that would reduce or eliminate likely environmental impacts.

The DNS, MDNS or EIS may be appealed by parties who participated in the review process. SEPA gives state and local agencies the authority to require conditions on permits to offset or mitigate any identified adverse environmental impacts. Federal and state court decisions make clear that any conditions imposed must be directly related and proportional to the impacts of the project.

## Some Projects Can be Exempt

SEPA also gives local governments the option to allow some minor projects to be exempt from review. Other projects may be exempt if they are consistent with adopted plans that underwent SEPA review. Various options include:

- **Increased exemption levels** for minor construction projects (WAC 197-11-800(1)(c))
- **Urban infill exemption levels** (RCW 43.21C.229)
- **Planned Action – Environmental Impact Statement (EIS)** (RCW 43.21C.440)

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ATTACHMENT 1



## Options Considered for SEPA Exemption in Olympia's Downtown

1. **Increased exemption levels for minor construction projects** (WAC 197-11-800(1)(c)) – The WA Department of Ecology has adopted rules to exempt permits for smaller-scale construction projects from SEPA review. Ecology recently amended those rules to provide cities and counties with the option to increase the exemption levels for certain types of projects that are consistent with an adopted comprehensive plan that underwent SEPA review.

For example, Olympia currently exempts projects that include construction of 9 dwelling units or less. The new rules allow the city to increase the exemption up to 30 single-family homes or 60 units of apartments or condominiums.

Example: Seattle has used this provision in five urban centers and urban villages, and in its Downtown, to tailor SEPA review thresholds to infill for those specific areas.

2. **Urban infill exemption levels** (RCW 43.21C.229) – This provision of the statute is intended to encourage residential or mixed use development in urban areas where the density goals of the comprehensive plan are not being met. When an EIS has been prepared to analyze the development goals in the comprehensive plan (which is the case for Olympia), a city can exempt some or all of the following types of development from additional SEPA review:
  - Residential
  - Mixed Use
  - Stand-alone Commercial up to 65,000 square feet (excluding retail)

Example: Kent has adopted an urban infill exemption ordinance for a portion of its Downtown to encourage residential and mixed use development.

3. **Planned Actions** (RCW 43.21C.440) – Cities and counties may prepare a detailed EIS in conjunction with a comprehensive plan or subarea plan that evaluates the environmental impacts of all the types of development proposed in the plan. Using the information in the EIS, the city/county adopts a “planned action” ordinance that identifies the conditions that each type of development must meet. When a project application is submitted that meets the conditions specified in the planned action ordinance, no additional SEPA review of that project is required.

Examples: A 2009 review of the results of ten cities’ planned actions:

<http://www.mrsc.org/artdocmisc/munkberg.pdf>.



## BACKGROUND: Factors to Consider with SEPA Options

	<b>Increased Exemption Levels for Minor Construction Projects</b>	<b>Urban Infill Exemption Levels</b>	<b>Planned Action</b>
<b>City can designate geographic area</b>	Yes	Yes	Yes
<b>Additional EIS required of city</b>	No	No	Yes (typical cost \$150,000 - \$250,000)
<b>Additional SEPA review for project permits</b>	None for types of development designated by city, subject to state maximum thresholds	None for types of development designated by city	None, in most cases; city could define exceptions
<b>Development types eligible for SEPA exemption</b>	Residential, office, school, commercial, recreational, service, storage, parking; subject to state maximum thresholds	Residential, mixed-use, stand-alone commercial up to 65,000 square feet (retail excluded)	Defined by city in planned action ordinance; must have been analyzed in city's EIS
<b>Results in pre-defined conditions for new development (i.e., predictability)</b>	In city codes and development standards	In city codes and development standards	Detailed in planned action ordinance, in addition to city codes and development standards
<b>Possibility of appeal of SEPA review</b>	None for exempted types of development	None for exempted types of development	For EIS only; none for development projects that are consistent with planned action
<b>Length of time remains in effect</b>	No end date; effective until City Council action to discontinue	No end date; effective until City Council action to discontinue	Defined in planned action ordinance; typically 10-20 years
<b>Reduced time and cost of permit process (for applicant and city)</b>	Yes, for exempted types of development	Yes, for exempted types of development	Yes, for nearly all development