

## **Meeting Agenda**

# **City Council**

City Hall 601 4th Avenue E Olympia, WA 98501

Information: 360.753.8244

Tuesday, September 19, 2017	5:30 PM	Council Chambers
	Study Session	
1. ROLL CALL		

### 2. BUSINESS ITEM

2.A <u>17-0946</u> Missing Middle Housing Analysis Update

Attachments: Project Schedule

Work Group Charter Missing Middle web page

### 3. ADJOURNMENT

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# City Council

## Missing Middle Housing Analysis Update

## Agenda Date: 9/19/2017 Agenda Item Number: 2.A File Number: 17-0946

Type: study session	Version: 1	Status: Study Session
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## Title

Missing Middle Housing Analysis Update

## Recommended Action

### **Committee Recommendation:**

Land Use and Environment Committee has received regular status updates on the Missing Middle project.

## City Manager Recommendation:

Receive the information. Briefing only; no action requested.

## Report

**Issue:** Whether to receive a status update on the Missing Middle Housing Analysis.

## Staff Contact:

Leonard Bauer, Deputy Director, CP&D, 360.753.8206

### Presenter(s):

Leonard Bauer, Deputy Director, CP&D

## Background and Analysis:

The term 'Missing Middle' refers to a range of multi-unit housing types that are compatible in scale with single-family homes. In other words, they provide 'middle' density housing. There have been little of these types of housing constructed in Olympia (and nationwide) over the past 40 years - thus, they are referred to as 'missing.' Some examples of missing middle housing types include tiny houses, modular units, cottage homes, townhouses, duplexes, triplexes, fourplexes, small multi-family apartments, and accessory dwelling units.

The Missing Middle Housing Analysis is reviewing existing city regulations - such as zoning, permit fees, development standards, utility connection charges, etc. - for potentially disproportionate effects on the ability to provide for a variety of housing types in the City's low-density, residentially zoned areas. This implements Comprehensive Plan goals and policies regarding providing a variety of housing types and affordability levels, including:

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Goal GL 16: The range of housing types and densities are consistent with the community's changing population needs and preferences.

PL 16.2: Adopt zoning that allows a wide variety of compatible housing types and densities.

PL 16.5: Support affordable housing throughout the community by minimizing regulatory review risks, time and costs and removing unnecessary barriers to housing, by permitting small dwelling units accessory to single-family housing, and by allowing a mix of housing types.

Goal GS 3: Affordable housing is available for all income levels throughout the community.

PS 3.1 Promote a variety of residential densities and housing types so that housing can be available in a broad range of costs.

### Progress Report

The Land Use and Environment Committee reviewed and approved the scope and schedule for public involvement and outreach for this project (attached). The Committee also approved a charter (attached) for the Missing Middle Work Group, which has been meeting monthly to identify and discuss key issues.

Two Missing Middle open houses were held in conjunction with Land Use and Environment Committee meetings on May 18 and 30. At these open houses, members of the public received information about the project and provided input on key issues they feel should be considered.

Following the open houses, the Work Group discussed specific issues for each type of Missing Middle housing. Staff has developed issue papers for each of these issues, which have served the basis for Work Group's in-depth discussions and feedback. The issues papers are posted on the Missing Middle web page on the City web site (click on #4 under Project Timeline to access issue papers). Based on input from the Work Group and public open houses, staff will develop a set of draft recommendations for revisions to existing codes, fees and standards that would better align with the City comprehensive plan policies above. The draft recommendations will then be provided for public discussion and input, potentially through a survey and/or open house, and updated based on that input for review by the Planning Commission and City Council.

### Attachments:

Project Schedule Work Group Charter Missing Middle web page

"Missing Middle' Infill Housing Analysis												
Project Schedule and Outreach Plan	2017											
Project Steps	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ОСТ	NOV	DEC
1. Research Existing Conditions (since October 2016)												
2. Analyze Existing Conditions and Identify Key Issues												
3. Review Existing Codes, Fees and Standards for Potential Impacts on Key Issues:												
a. Neighborhood compatibility												
b. Building/construction requirements & costs												
c. Utilities and transportation												
4. Analyze Potential Changes to Codes, Fees or Standards												
5. Public Outreach and Community Conversation												
6. Draft Implementing Ordinances or Policies												
7. Public Review & Adoption Process												
Outreach Tools												
Project Webpage		•	•	•		lacksquare	•		•		•	lacksquare
Project e-newsletter or Social Media		ightarrow			•			•		•		
Public open house or tour					•					•		
Potential Oly Speaks survey												
Project Display- Second Floor Permitting Area											•	
Missing Middle Work Group			0	0	•	0	0	0	0	0		
Land Use & Environment Committee							•					
Planning Commission												
Coalition of Neighborhood Associations				0								
City Council												•

Citywide	0
Work Group	$\bigcirc$
Interested Parties	$\bigcirc$
Decision-makers & Advisory Committees	$\bigcirc$

## CHARTER - DRAFT 'Missing Middle' Infill Housing Work Group

January 2017

## PURPOSE

To review Olympia's codes, standards, policies and fees for their impacts on the physical and financial feasibility of building 'missing middle' infill housing in areas designated in the Olympia Comprehensive Plan for low-density residential housing.

'Missing Middle' housing refers to a range of housing types that can provide more than one housing unit per lot in a way that is compatible in scale with single-family homes. Examples may include duplexes, triplexes, fourplexes, accessory dwelling units, tiny homes, courtyard apartments, townhomes, row houses, and cottage housing. Providing a range of housing types also is a key component of the City's housing strategy, as it supports housing affordability for households across all income levels.

## **ROLES/TASKS**

- Help develop and review a strategy to address potential barriers or disincentives to construction of missing middle housing types in Olympia
- Receive, discuss and respond to information and analysis shared before and during meetings with thoughtful insights, perspectives and ideas
- Review comments and information provided during the public process
- Bring a community-wide perspective and participate in a constructive manner in the discussion of viable alternatives, creative solutions and potential trade-offs
- Work group members are encouraged to attend and participate in other public meetings during the process
- No formal decision-making role. Input from the work group will be included into specific recommendations to City advisory commissions, and then to City Council.

## MEMBERSHIP

The following is a list of desired characteristics for work group members:

- Represent perspectives of stakeholders and of the broader community
- Have a high degree of commitment and knowledge of issues related to design, construction, financing, benefits and impacts of infill housing
- Good communication skills and ability to listen to and work well with others
- Ability to bring new views and information to other work group members
- Reliable attendance

Members will be sought who can represent or have knowledge of the following perspectives related to infill housing:

- Builders/construction trades
- Banks/financing
- Neighborhood residents
- Design professions
- Civil engineers/infrastructure providers
- Housing affordability
- Renters
- Real estate/property management

The work group will also include two members of the Olympia Planning Commission and one from the Olympia Utility Advisory Committee. Two of these three members will serve as chair and vice-chair to facilitate meetings and work with staff to create meeting schedules and agendas.

## MEETING FREQUENCY

The Group will generally meet once per month for approximately seven months. If needed, the Chairs may assign 'homework' of members between meetings in order to achieve the roles/tasks of the group.

## DOCUMENTATION

An Administrative Assistant from City staff will take meeting notes and provide them to all members.

## COMMUNICATION

Staff and work group members will communicate between meetings as needed by e-mail. A list of members and their e-mail addresses will be shared at the first meeting.

## EXECUTIVE MANAGEMENT SPONSORS

Keith Stahley, Community Planning and Development Director Rich Hoey, Public Works Director

The Directors have overall responsibility for outlining the purpose of the Infill Housing Work Group and providing guidance. This includes reviewing the group's feedback to inform potential staff recommendations to City advisory commissions and City Council. The Directors are responsible for delegating staff to the group and authorizing necessary staff time to fulfill the expectations outlined in this Charter.



# Missing Middle Housing

### Featured Links

- Portland ADU Survey Results
- <u>Missing Middle Presentation</u>
  <u>to Olympia Planning</u>
  <u>Commission</u>
- APA Zoning Practice: Tiny Houses
- Article: Will the US Design
  Their Way Out of the
  Affordable Housing Crisis?
- missingmiddlehousing.com
- Small Backyard Homes: Accessory Dwelling Units (ADUs)
- Jumpstarting the Market for Accessory Dwelling Units
- The Olympian Housing Options Hampered <sup>1</sup>

### Navigation

- Codes, Plans & Standards
- Municipal Code
- Olympia Comprehensive Plan
- OPD General Orders

### **Missing Middle Work Group**

The next Missing Middle Work Group meeting is September 21, 2017 from 4:30 - 6:00 p.m. at Olympia City Hall.

### What is Missing Middle Housing?

Missing Middle Housing refers to a range of housing types that can provide more than one housing unit per lot in a way that is compatible in scale with single-family homes.

Examples may include duplexes, triplexes, fourplexes, accessory dwelling units, tiny homes, courtyard apartments, townhomes, row houses, and cottage housing.

Missing Middle Housing is a key component of the City's housing strategy, as it

supports housing affordability for households across all income levels.

### Missing Middle Housing Project



Olympia's Comprehensive Plan sets a goal that affordable housing is available for all income levels throughout the community. It includes several policies to meet that goal. One of the most important is providing a variety of housing types.

Comprehensive Plan policies related to Missing Middle housing

- PL16.2 Adopt zoning that allows a wide variety of compatible housing types and densities.
- PL16.5 Support affordable housing throughout the community by minimizing regulatory review risks, time and costs and removing unnecessary barriers to housing, by permitting small dwelling units accessory to single-family housing, and by allowing a mix of housing types.
- PL16.9 In all residential areas, allow small cottages and townhouses, and one accessory housing unit per home -- all subject to siting, design and parking requirements that ensure neighborhood character is maintained.
- **PL16.10** Require effective, but not unreasonably expensive, building designs and landscaping to blend multi-family housing into neighborhoods.
- **PS3.1** Promote a variety of residential densities and housing types so that housing can be available in a broad range of costs.

The Missing Middle Project will carry out these goals and policies. During this project, we will look at:

- · How much missing middle housing currently exists in Olympia
- · How much more will be needed to accommodate future population growth affordably
- Olympia's regulations and fees and how they may be impacting property owners' decisions on whether to build missing middle housing
- How additional missing middle housing can be added in a way that is compatible with existing neighborhoods
- <u>Missing Middle Fact Sheet</u>

**Project Timeline** 

### 2017 Annual Report to the Community





### City Calendar

09/14 - 5:00 p.m. Parking Business Improvement Area (PBIA) Board Retreat 09/14 - 6:00 p.m. Olympia Arts Commission 09/14 - 6:30 p.m. No Design Review Board 09/15 - 12:00 p.m. Olympia Planning Commission Finance Subcommittee 09/16 - 09:00 a.m. Mission Creek Nature Park Volunteer Work Party

View full calendar..

### City Updates

HANGING FLOWER BASKET RFP. We are seeking an experienced vendor to provide 160-180 hanging flower baskets to be located throughout Downtown. Apply by 5 p.m. on Friday, October 6. <u>More...</u>

### THURSTON FAIR HOUSING

SURVEY. All residents of Thurston County are invited to take a short survey that will help us identify issues and make a plan to improve access to housing for everyone. Respond by September 22. Take the survey...

2018 TOURISM FUNDING. The application period is now open for funding from Olympia's Lodging Tax for 2018 tourism-related services. Apply by 4 p.m. on Thursday, September 21. More...

### 2018-2023 PRELIMINARY

CFP. The <u>2018-2023 Preliminary</u> <u>Capital Facilities Plan</u> is now available to view online. For more information on Olympia's Budget process or how you can be involved please see our <u>Budget</u> <u>365 page</u>.

2017 ADOPTED OPERATING BUDGET. The 2017 Adopted Operating Budget is available for viewing.

2017-2022 ADOPTED CAPITAL FACILITIES PLAN The Missing Middle Project is scheduled to be completed in late 2017. A special work group is providing expertise to help guide the process through the following steps:

### 1. Research Existing Conditions - COMPLETE

We will determine how much of each missing middle housing type is in Olympia, and where they are located

- Existing Missing Middle Housing By Housing Type
- Available Buildable Lands for Each Missing Middle Housing Type

#### 2. Analyze Existing Conditions and Identify Key Issues COMPLETE

We will analyze how much opportunity there is for additional missing middle housing, and what the key issues are that may be creating impediments.

#### 3. Review Existing Codes, Fees and Standards for Potential Impacts COMPLETE

We will review what kind of impact the city's requirements have on potential additional missing middle housing.

### 4. Analyze Potential Changes to Codes, Fees and Standards

We will examine the original reason for those requirements, and look at the tradeoffs of potential changes to those requirements to better enable construction of missing middle housing.

- Accessory Dwelling Units: Building Height
- <u>Accessory Dwelling Units: Owner Occupancy</u>
- Accessory Dwelling Units: Parking Requirements
- Design Guidelines
- Impact Fees
- Parking
- Utility Fees
- Zoning Permitted Uses

### 5. Public Outreach and Community Conversation

Public outreach will occur throughout the process, but there will be extra opportunities during this time period to get public feedback on potential changes to codes, fees and standards.

- <u>Missing Middle Project Schedule and Outreach</u>
- <u>Missing Middle Work Group Charter</u>
- <u>Missing Middle Work Group Membership</u>

#### Missing Middle Work Group Notes

- March 14, 2017 Meeting
- April 27, 2017 Meeting
- May 25, 2017 Meeting
- June 22, 2017 Meeting
- July 27, 2017 Meeting
- August 24, 2017 Meeting

#### 6. Draft Implementing Ordinances or Policies

We will draft the actual text changes to city codes to carry out the recommendations emerging from this project.

#### 7. Public Review and Adoption Process

This is the formal process for adoption of changes to city codes. It will include review by the Olympia Planning Commission, at least one public hearing, and final action by the Olympia City Council.

### Questions?

Contact Leonard Bauer at 360.753.8206 or missingmiddle@ci.olympia.wa.us.

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City of Olympia, Washington PO Box 1967 Olympia, WA 98507-1967 The <u>2017-2022 Adopted Capital</u> <u>Facilities Plan</u> is available for viewing.

> OLYMPIA MUNICIPAL CODE. Quick link to codes and standards including <u>Olympia Municipal Code.</u>

> MEETINGS. Agenda and Minutes for City Council and most advisory committees.

City Hall Court & Jail Fire Department The Olympia Center More...

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