

## City of Olympia | Capital of Washington State

P.O. Box 1967, Olympia, WA 98507-1967

olympiawa.gov

April 9, 2018

**Greetings:** 

Subject: Dockside Flats - Shoreline Conditional Use Permit, Shoreline Substantial

**Development Permit and Land Use Approval Decision** 

File Numbers 17-4634

The enclosed decision of the Olympia Hearing Examiner hereby issued on the above date may be of interest to you. This is a final decision of the City of Olympia.

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

Please contact the City of Olympia, Community Planning and Development Department, at 601 4<sup>th</sup> Avenue East or at PO Box 1967, Olympia, WA 98507-1967, by phone at 360-753-8314, or by email <a href="mailto:cpdinfo@ci.olympia.wa.us">cpdinfo@ci.olympia.wa.us</a> if you have questions.

Sincerely,

Kenneth Haner

Office Specialist III

Enclosure

1	BEFORE THE CITY OF OLYMPIA HEARINGS EXAMINER					
2	IN RE: ) HEARING NO. 17-4634					
3	DOCKSIDE FLATS (LAURANA),  ) FINDINGS OF FACT,  CONCLUSIONS OF LAW  AND DECISION					
5						
6	APPLICANT: Urban Olympia V, LLC					
7	REPRESENTATIVES:					
8	Josh Gobel and Ron Thomas Thomas Architecture Studio 525 Columbia Street S.W.					
9						
10	Olympia, Washington 98501					
11	SUMMARY OF REQUEST:					
12	A Shoreline Substantial Development Permit, a Shoreline Conditional Use Permit, and land use					
13	approval to construct a three-story mixed-use building in the Urban Intensity shoreline jurisdiction.					
14	LOCATION OF PROPOSAL:					
15	210 State Avenue N.W., Olympia, Washington.					
16	SUMMARY OF DECISION:					
17	The Shoreline Substantial Development Permit, Shoreline Conditional Use Permit, and proposed					
18	use are approved subject to conditions requested by City Staff.					
19	BACKGROUND					
20	The Applicant proposes to construct a three-story mixed-use building commonly referred					
21	to as "Dockside Flats" but sometimes referred to as "Laurana", consisting of two upper floors of					
22	apartment units with the ground floor used for a restaurant, commercial offices, retail and					
23	parking. The project also includes a plaza between the building and Percival Landing. The					
24	project site is located at 210 State Avenue in the northwest corner of the intersection of State					
25	Avenue and Columbia Street. The site currently contains two vacant buildings previously					
9	Findings of Fact, Conclusions of Law and Decision - 1 CITY OF OLYMPIA HEARING EXAMINER 299 N.W. CENTER ST. / P.O. BOX 939 CHEHALIS, WASHINGTON 98532					

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occupied by Les Schwab. These buildings and existing parking will be removed as part of the project.

A portion of the site lies within 200 feet of Budd Inlet and the project therefore requires a Shoreline Substantial Development Permit as well as land use approval. In addition, the project includes non-water oriented commercial uses within 100 feet of the Ordinary High Water Mark of Budd Inlet and therefore also requires a Shoreline Conditional Use Permit.

The project site is located in the Urban Waterfront (UW) zoning district. Its designation in the City Shoreline Master Program is Urban Intensity. Its land use designation in the Comprehensive Plan is Urban Waterfront with High Density Overlay.

The project site is bounded by State Avenue to the south, Columbia Street to the East, a multiple use trail immediately to the west and Percival Landing/Budd Inlet further west, a Cityowned sewer lift station to the northwest, and an alley and then City-owned parking area to the north. The site lies within a neighborhood of commercial and public uses in close proximity to Percival Landing and Budd Inlet.

The project proposes to demolish all existing buildings and construct a new three-story mixed-use building with a total of 44 apartment units on the second and third floors, and ground floor retail of 6,400 square feet plus 29 onsite parking stalls (together with 10 on-street parking stalls). Other notable features include a public plaza to the west facing Percival Landing, outdoor seating for a proposed restaurant, 10-foot wide sidewalks along State Avenue and Columbia Street, a new transit stop along Columbia, and landscaping.

Prior to the public hearing on this application I undertook an independent site visit to examine the project site and all surrounding land uses.

The public hearing commenced at 6:30 p.m., on Monday, April 2, 2018, in the City Council Chambers in the City Hall. The City appeared through Cari Hornbein, Senior Planner

along with other members of City Staff. The Applicant appeared through its architects, Josh Gobel and Ron Thomas. 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 City Staff Report (Exhibit 1), including all attachments, as well as two additional letters submitted during the hearing from Larry Oline (Exhibit 2) and Bob Jacobs on behalf of Friends of the Waterfront (Exhibit 3). In addition, Power Point demonstrations were provided by the City (Exhibit 4) and the Applicant (Exhibit 5).

Ms. Hornbein's testimony followed her Staff Report and Power Point demonstration. Ms. Hornbein finds that the project is consistent with the City's Comprehensive Plan, is in compliance with the Unified Development Code, satisfies all building and construction requirements including sea level rise and tree protection requirements, and complies with the Engineering Design and Development Standards (EDDS).

The project is located within the Urban Waterfront zone. The intent of this zoning district is to integrate multiple land uses in a waterfront area, enhance public access and use of the shoreline, protect views, preserve a sense of openness on the waterfront and encourage development consistent with the Shoreline Master Program. All proposed uses are allowed uses within the UW zoning district.

The project site has a 35-foot height limit for buildings. This height limit is an absolute height limit within those areas under shoreline management regulation. In areas outside shoreline regulation this height limit can be exceeded for ancillary uses such as stairways, elevator shafts, etc. The boundary for shoreline regulations runs roughly through the center of the proposed building, with the west half of the building under SMA regulation and the east half outside of regulation. The building has been constructed to satisfy the 35-foot absolute limit on the west half of the building by placing all stairwells, elevator shafts, etc., on the east half. In

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and Decision - 4

addition, all such ancillary facilities have been placed as far east on the building as possible to allow for the maximum waterfront view protection.

Ms. Hornbein explains that the project site is exempt from any required parking for residential uses. Proposed commercial uses including retail, office and restaurant uses, require 34 parking stalls. This requirement is being met by the inclusion of 29 parking stalls within the building and credit for 10 additional stalls along State Avenue, for a total of 39 parking spaces, or five more than required. This led to questioning by the Hearing Examiner as to whether these stalls should be limited to commercial uses only, precluding their use by residents. City Staff did not object to such a condition but the Applicant asked that it not be imposed as it felt such a restriction unnecessary and unduly burdensome on the proposed apartment units.

Ms. Hornbein noted that the project site lies within the Pedestrian Street Overlay District and that both State Avenue and Columbia Street are Pedestrian A Streets. The project must therefore satisfy enhanced requirements for wider sidewalks, street trees, landscaping, bike parking, etc.

An important consideration in the approved design of the project was minimizing view impacts. The building was moved east as far as possible to protect views from public rights-of-way toward Budd Inlet, the Olympic Mountains and the Capitol Dome. Protection of views was given consideration by the Design Review Board and it found that the final design protects and, in fact, enhances scenic vistas.

The site is located within 1,000 feet of Budd Inlet and must therefore undertake a Habitat Management Plan unless this requirement is waived by the Washington Department of Fish and Wildlife (WDFW). WDFW has determined that a Habitat Management Plan is not required.

The project site is also within the Sea Level Rise Flood Damage Area and must flood proof structures to 16 feet elevation. The finished floor elevation will be 14 feet 6 inches, thus

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requiring approximately 2 feet of flood protection. This will be accomplished through "dry flood proofing", that is, the use of raised sills and temporary barriers, all in compliance with Chapter 16.80 OMC.

As earlier noted, approximately half of the site falls within Shorelines jurisdiction. The project site is designated as Urban Intensity in the City's Shoreline Management Program (SMP). Within this designation non-water oriented uses are not allowed except as part of a mixed use development. As this project proposes a mix of uses the non-water oriented commercial uses are therefore allowed subject to a Shoreline Conditional Use Permit. The project will therefore require both a Shoreline Substantial Development Permit and a Shoreline Conditional Use Permit. As previously mentioned, the project is subject to an absolute 35-foot height limit for that portion within SMA jurisdiction and is also subject to a 30-foot setback from the OHWM. Ms. Hornbein concludes that the project will satisfy these requirements; will protect and enhance waterfront views; and will satisfy the "no net loss" provisions of the City's SMP.

In conclusion, Ms. Hornbein finds that the project, as conditioned, meets all requirements of the Comprehensive Plan, the Development Code, the Engineering Design and Development Standards, and the Shoreline Master Program.

Following Ms. Hornbein's testimony the Applicant's architect, Josh Gobel, provided some additional testimony in support of the application. Mr. Gobel explained that the project includes an unusual split building design to preserve the continued use of the public alley running through the project site. To allow this continued use the western third of the building is physically separated from the east two-thirds on the ground floor level, creating a breezeway between the two portions of the building where the alley is currently located. Protection of the alleyway is not required for the upper stories and hence the two portions of the building will be united on the second and third floors. Mr. Gobel also confirmed that the final design of the building is

intended to maximize preservation of views by placing the entire building as far east as possible and by moving all of the highest elements (stairwells, etc.) to the east boundary of the building.

Currently located just northwest of the project site is a City-owned sewer facility. This facility poses several unique challenges to the project, as it must be designed around this facility and must also recognize occasionally unpleasant odors emanating from it. The proposed design includes additional landscaping to mask the sewer facility and minimize its impacts. The Applicant is currently in negotiations with the City to gain public access through this property. The Applicant is also working to arrange for a mural along the City's building to replace the current mural on the building slated for demolition.

Mr. Gobel concluded his testimony by noting that the project has been designed with requirements of the Pedestrian Overlay District in mind and the building has been designed to look like an "Olympia" building, that is ,with vertical lines similar to much of Olympia's commercial buildings.

Following the Applicant's testimony the hearing was opened to public comment. The only person wishing to speak was Bob Jacobs on behalf of Friends of the Waterfront. Mr. Jacobs also presented his testimony in writing (Exhibit 3). As noted in Mr. Jacobs' written testimony, the Friends of the Waterfront support this project and applicant the final design and its efforts to avoid view impacts along the waterfront.

The only public opposition expressed to the project has been written concerns expressed by two individuals that the project does not provide enough parking, but as earlier noted the project is exempt from residential parking and provides for more than the required number of parking stalls for commercial uses.

In summary, the project has been found by City Staff to comply with all requirements and has been well received by the public including the Friends of the Waterfront. I therefore

1 conclude that the project has met the requirements for a Shoreline Substantial Development Permit, Shoreline Conditional Use Permit, and land use approval subject to the conditions 2 3 requested by City Staff. 4 Accordingly, I make the following: 5 FINDINGS OF FACT 6 1. The Applicant, Urban Olympia V, LLC, requests a Shoreline Substantial 7 Development Permit, a Shoreline Conditional Use Permit, and land use approval to demolish the 8 existing structures at 210 State Avenue N.W., and replace them with a three-story mixed-use building with two floors of apartment units over ground floor commercial and office space. The 9 project also includes on-site and on-street parking, outdoor seating, and a plaza between the 10 11 building and Percival Landing. 12 2. Any Findings of Fact contained in the foregoing Background section are incorporated herein by reference and adopted by the Hearing Examiner as his own Findings of 13 14 Fact. 15 3. Pursuant to the State Environmental Policy Act, the City as lead agency issued a 16 Determination of Nonsignificance on March 12, 2018. No appeals were filed. 17 Notification of the public hearing was mailed to the parties of record, property 4. owners within 300 feet and recognized neighborhood associations, posted on the site and 18 19 published in The Olympian in conformance with Olympia Municipal Code 18.78.020. 20 5. City Staff recommends approval of the Shoreline Substantial Development Permit, the Shoreline Conditional Use Permit, and land use subject to conditions set forth in the 21 22 Staff Report. 23 24

6.	The Staff Report, at pages 1-3, contain additional Findings related to the property
the projec	et, and the review undertaken by City Staff. The Hearing Examiner has reviewed those
Findings	and adopts them as his own Findings of Fact.

- 7. The Staff Report, at pages 3 and 4, contain Findings related to project's consistency with the City Comprehensive Plan. The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.
- 8. The Staff Report, at pages 4 and 5, contain Findings related to the project's compliance with the City's Shoreline Master Program (SMP). The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.
- 9. The Staff Report, at page 5, contains Findings related to the project's compliance with Chapter 18.60 OMC regarding tree densities and tree protection. The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.
- 10. The Staff Report, at page 5, contains Findings related to the project's compliance with Chapter OMC 16.80 relating to Sea Level Rise and Flood Damage Prevention. The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.
- 11. The Staff Report, at page 6, contains Findings related to the project's compliance with Chapter 18.06 OMC relating to Commercial Districts, including setbacks, height limits, etc. The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.
- 12. The Staff Report, at page 6, contains Findings related to the project's compliance with Chapter 18.16 OMC relating to the Pedestrian Street Overlay District. The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.

	13.	The Staff Report, at pages 6-8, contain Findings related to the project's				
compli	iance w	ith the City Shoreline Regulations, Chapter 18.20 OMC.	The Hearing Examine			
has reviewed those Findings and adopts them as his own Findings of Fact.						

- 14. The Staff Report, at page 8, contains Findings related to the project's compliance with the City's Critical Areas Ordinance, Chapter 18.32 OMC. The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.
- 15. The Staff Report, at page 8, contains Findings related to the project's compliance with the City's Landscaping and Parking Ordinances, Chapters 18.36 and 18.38 OMC. The Hearing Examiner has reviewed those Findings and adopts them as his own Findings of Fact.
- 16. The project was reviewed for concept design by the Design Review Board on December 14, 2017. The Board has recommended approval with conditions as set forth in Attachment 10 to the Staff Report. Detail design review will occur prior to building permit and issuance.
- 17. The project has been reviewed for compliance with the EDDS relative to traffic, water, stormwater, wastewater, and solid waste and has been found to be compliant except for the undergrounding of overhead lines for which the Applicant has been granted a deviation.

  Conditions of approval have been imposed by City Staff to assure full compliance with EDDS.
- 18. Minor public concerns have been expressed over the amount of parking for the project but otherwise there has been no public opposition and Friends of the Waterfront have expressed their support for the project.

Based upon the foregoing Findings of Fact, the Hearing Examiner makes the following:

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Development Standards (EDDS).

13. The requested Shoreline Substantial Development Permit, Shoreline Conditional Use Permit, and land use should be **approved** subject to the conditions recommended by City Staff.

## **DECISION**

The Applicant's request for a Shoreline Substantial Development Permit, Shoreline Conditional Use Permit, and land use approval shall be **approved** subject to the following:

## **CONDITIONS**

- 1. Development shall be substantially as shown on the architectural site plan (Sheets A100, dated February 7, 2018). This plan shall be attached to the engineering and building permit plans at the time of submittal.
- 2. The boundary line adjustment (Case No. 17-4666) shall be recorded with Thurston County prior to building permit issuance (including foundation-only permit).
- 3. Bike parking shall meet the standards of OMC 18.38.220(c). All bike parking locations shall be shown on permit plans and clearly demonstrate compliance with these standards. Signage shall be provided in all locations where the customer entry is more than 50' from the required bicycle parking space or when the required bicycle parking space cannot be seen from the customer entry.
- 4. Construction pursuant to the shoreline substantial development and conditional use permits shall not begin prior to 21 days from the date of filing as defined in RCW 90.58.140(6) and WAC 173-27-130, or until review proceedings initiated within 21 days from the date of such filing have terminated.

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- 5. Per WAC 173-27-090(2), construction activities shall commence within two years of the effective date of the shoreline conditional use permit. The local government may authorize a single one-year extension based on reasonable factors, if a request for extension has been filed before the expiration date and notice of the proposed extension is given to parties of record and the Department of Ecology.
  - 6. The following conditions apply to public access provided under OMC 18.34.450:
    - a. Public access provisions shall run with the land and be recorded via a legal instrument such as an easement prior to certificate of occupancy;
    - Public access areas shall be constructed and available for public use at the
       time of occupancy;
    - c. Signage shall be installed in conspicuous locations indicating the public's right of access and hours of access; and
    - d. Maintenance of the public plaza shall be the responsibility of the property owner, unless an accepted public or non-profit agency assumes responsibility through a formal agreement recorded with the Thurston County Auditor.
- 7. The Applicant shall submit for detail design review prior to or at the time of building permit submittal. The following items shall be addressed in the submittal materials:
  - a. Provide lighting in the plaza and outdoor seating area on the west side of the building;
  - b. Provide an alternative paving pattern/texture between the roll-up doors and curb along Columbia Avenue; and

- a. Depict all utility lines, hydrants, poles, mechanical equipment, etc., on the landscape plan. Where conflicts occur, adjust the location of trees and/or these elements; and
- b. Provide the following information on a separate worksheet: cost estimate for the purchase, site preparation, installation, and 3-years of maintenance of all landscaping and irrigation.
- 9. Pursuant to 18.40.080.C.7, construction activity is restricted to the hours between 7:00 a.m. and 6:00 p.m.
- 10. A vegetation maintenance bond (or other assurance) shall be provided following City acceptance of the landscape installation including street trees prior to issuance of the certificate of occupancy. The bond amount shall be 125% of the cost estimate submitted with the landscape plan and approved by the City.
- 11. The engineering permit application shall comply with the 2016 Engineering

  Design and Development Standards (EDDS) and the 2016 Drainage Design and Erosion Control

  Manual (DDECM). Engineering construction plans shall address the following conditions prior
  to permit issuance:
  - a. It shall be noted that the wastewater entering the lift station adjacent to this project displaces air through an existing 20-foot high vent stack. The frequency and duration of the gases is unknown. With a change to residential and retail land uses in close proximity to (and above) the lift station, odors inherent to wastewater may periodically be unacceptable to

residents and tenants. The Applicant may install an odor abatement system at their cost as part of the project. The system may be located on City property and turned over to the City for ownership and maintenance. Details will need to be agreed upon by the Applicant and the Utility. However, installation of odor control does not ensure elimination of odors, nor will the City take responsibility for potential odors;

- b. Existing overhead power and other private utilities shall be underground along the project's street frontage, per EDDS 2.070, unless a deviation to the standards is approved by the City Engineer;
- c. An EDDS deviation request shall be submitted if proposed street tree grates are different than the four-foot standard specified in Chapter 4, EDDS;
- d. The State Avenue ramp at Columbia Street shall be designed to align with a future bulb-out configuration on the southwest corner of the intersection; and
- e. The lighting plan shall be updated at the time of engineering permit submittal to include LED fixtures. Lighting calculations per the EDDS shall be included in the plan set. Street lighting shall be added or relocated based on the results of the lighting plan.
- 12. The Applicant shall provide for the waste management/recycling for collection of all solid waste generated on the site, designed to Chapter 8 of the EDDS and subject to the following conditions:

- a. Street-side placement of garbage and recycling containers by the building occupant/management will be required. The actual location and container positioning will be determined when the containers are delivered and adjusted as necessary during the first couple of collections; and
- b. Overhead clearance for the front-load truck shall be 25 feet where the containers are emptied. The existing power lines may prohibit collection near the solid waste door on the sidewalk.
- 13. If contamination of soil or groundwater is encountered during site work and construction, the Applicant shall notify the Department of Ecology's Environmental Report Tracking System Coordinator for the Southwest Regional Office at 360-407-6300.
- 14. A right-of-way obstruction permit shall be obtained from the City prior to any work at the public right-of-way.
- 15. Right of Way Performance Bond Bonds or other allowable securities will be required by the City to guarantee the performance of work within the subject site and rights-of-way, or maintenance of required public infrastructure intended to be offered for dedication as a public improvement. See both EDDS Section 2.030.F and Volume 1 Section 2.6.1 of the 2016 DDECM for more information.
- 16. Fire sprinklers and standpipes are required for this project. The fire line must go vertical once inside the building until it reaches the proposed location of the riser room.
- 17. The sprinkler fire department connection (FDC) may be wall mounted at a location to be approved by the Fire Department.
  - 18. An exterior sprinkler control valve is required.

- 19. Street tree and on-site tree species and locations will be determined at the time of engineering and landscape plan review.
- 20. A fee in lieu of planting the minimum tree density will be determined at the time of engineering and landscape plan review at a rate of \$380.00 per tree.
- 21. Necessary tree protection measures will be determined at the time of engineering plan review of existing on-site trees and street trees to remain during construction.
- 22. A signed Inadvertent Discovery Plan (IDP) which outlines how the project proponent and site crew will respond in the event that archaeological resources are uncovered during the course of project work should be submitted by the Applicant at the time of engineering plan submittal. An approved IDP template will be provided to the Applicant by the City of Olympia. The signed IDP will be reviewed at the preconstruction meeting and shall be maintained at the project site and available for inspection for the duration of excavation and construction.
- 23. Demarcate the property line in the concrete (e.g., score line or contrasting paving) where the City and private property meet along Percival Landing.
- 24. To maintain safety and visibility, the Applicant shall coordinate with the Public Works and Parks departments regarding the proposed mural on the pump station enclosure.
- 25. Addressing shall be per the attached floor plan with the exception that the retail space on the corner will be addressed as either 203 Columbia St. NW or 201 State Ave NW, depending on which door is used as the main entrance.
- 26. The project shall comply with the City of Olympia Construction Codes as adopted through the Olympia Municipal Code, OMC 16.04, as follows:

- a. A City of Olympia demolition permit shall be obtained for the removal of existing buildings or portions of buildings and remodels. The Applicant shall submit an application to the Olympic Regional Clean Air Agency (ORCAA) prior to application and issuance of a demolition permit;
- b. The project shall comply with the provisions of accessibility as required by the International Building Code and ICC ANSI 117.1.2009;
- c. The project is subject to the provisions of the Sea Level Rise Ordinance as adopted through the Olympia Municipal Code, Chapter 16.80;
- d. A soils report is required to address soils conditions and all foundation and building design criteria per the International Building Code; and
- e. Parking shall be installed to address the provisions of the IBC for electrical vehicle charging pursuant to Washington State Amendments Chapter 427.
- 27. Impact fees shall be paid prior to building permit issuance.

  DATED this day of April, 2018.

Mark C. Scheibmeir City of Olympia Hearing Examiner

## RECONSIDERATION/APPEAL

The approved variance is a final decision of the City. Any party may file a Motion for Reconsideration within 10 days of service of this decision in accordance with OMC 18.75.060. Appeals shall be made to Superior Court pursuant to provisions of Chapter 36.70C RCW. The filing of a Motion for Reconsideration is not a prerequisite for seeking judicial review. If a Motion for Reconsideration is filed, the time for filing an appeal shall not commence until disposition of the Motion.

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