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## Land Use & Environment Committee

### Downtown Exempt Parking Area Code Amendment Recommendation

**Agenda Date:** 8/11/2022  
**Agenda Item Number:** 6.C  
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**Title**

Downtown Exempt Parking Area Code Amendment Recommendation

**Recommended Action**

**Committee Recommendation:**

Move to accept, and forward to the full City Council for consideration, the Planning Commission recommendation to amend the Downtown Exempt Parking Area standards.

**City Manager Recommendation:**

Move to accept, and forward to the full City Council for consideration, the Planning Commission recommendation to amend the Downtown Exempt Parking Area standards.

**Report**

**Issue:**

Whether to approve and forward to the full City Council for consideration, the Planning Commission recommendation to amend the Downtown Exempt Parking Area standards.

**Staff Contact:**

Joyce Phillips, Principal Planner, Community Planning and Development, 360.570.3722

**Presenter(s):**

Leonard Bauer, Director, Community Planning and Development

**Background and Analysis:**

At its February 17, 2022, meeting, the Land Use and Environment Committee (LUEC) referred to the Planning Commission a potential revision to the Downtown Exempt Parking Area map and requirements. The proposal, if approved, would make the entire area within the boundary exempt from automobile parking requirements for residential development.

Approximately two years ago, Community Planning and Development staff noted that some housing projects that had gone through the presubmission conference stage of review were not proceeding to the application stage. Upon inquiry, it was noted that the parking requirements were one of the reasons some of these projects were not moving forward.

In March 2021, the LUEC discussed potential revisions to the Downtown Exempt Parking Area boundary. The proposal was to keep the outer boundary the same, as shown in Figure 38-2 of Chapter 18.38 of the Olympia Code (see Attachment 1), but to make the entire area exempt from minimum automobile parking requirements for residential development rather than having a portion of the boundary limited to a 10% reduction in residential parking requirements. The fact that the code currently allows the ability to request parking revisions of up to 40% administratively, and to higher degrees upon approval of the Hearing Examiner, were considered.

This proposal is specifically called out in the Olympia Housing Action Plan (HAP) as consistent with HAP action 3.i:

*3.i Reduce parking requirements for residential uses, including for multifamily developments near frequent transit routes.*

The Committee referred the issue to the Planning Commission but asked staff to first compile data to help inform the Commission about parking demands in the area of newly constructed apartment buildings, and the impact any changes would potentially have on the Downtown and surrounding neighborhoods.

Staff have been surveying the downtown core periodically since 2019 and regularly since 2021, but the data does not appear to directly provide the desired information because:

1. The area surveyed does not encompass most of the newly constructed apartment buildings.
2. The surveys do not go far enough back in time to get the baseline data which could help illustrate the impact of the added housing.

Staff contacted and spoke with property managers of five of the newer Downtown apartment developments, who shared that their parking is consistently leased to capacity. This is off-street parking that has been provided, even though it was not required by City codes.

It should be noted that the parking exemption does not apply to new commercial development over 3,000 square feet in size. Additionally, most residential projects do provide off-street parking even when not required by the City. In those cases, parking is typically provided at 0.7-0.8 spaces per unit. Staff anticipates that most developers will continue to provide parking at a similar amount based on market demand and financing requirements.

Additionally, changes in state law (RCW 36.70A.620) were made related to parking, which were recently adopted by the City. Those changes have specific maximums for certain housing types (market rate, housing for seniors and persons with disabilities, and housing affordable to very low-income or extremely low-income individuals) when located within a quarter mile of a transit stop with certain levels of frequency.

It should be noted that while off-street automobile parking would not be required for new residential development within the Downtown Parking Exempt Area, bicycle parking would still be required at the existing ratios.

Planning Commission

The Planning Commission conducted a public hearing on July 18, 2022. One person testified in

support of the proposal and some written comments (see Attachment 2) were submitted. Upon completing its deliberations, the Planning Commission recommended approval of the proposed amendments to the Downtown Exempt Parking Area standards.

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

The proposal was routed to Recognized Neighborhood Associations, adjacent jurisdictions, Tribes, State agencies, and other governmental entities. Staff also reached out to the Downtown Neighborhood Association, the Parking and Business Improvement Area (PBIA), and members of the development community that had shared their experiences in deciding whether or not to proceed after presubmission conferences for residential development projects. All comments received are attached.

**Options:**

1. Move to accept, and forward to the full City Council for consideration, the Planning Commission recommendation to amend the Downtown Exempt Parking Area standards.
2. Move to accept with revisions, and forward to the full City Council for consideration, the Planning Commission recommendation to amend the Downtown Exempt Parking Area standards.
3. Do not move to accept, the Planning Commission recommendation to amend the Downtown Exempt Parking Area standards and return the proposed amendments back the Planning Commission with specific direction on issues to be reconsidered.

**Financial Impact:**

There is no specific fiscal impact of the proposal to the City budget. Resources associated with processing this proposal are covered by the Community Planning and Development Department's base budget.

**Attachments:**

Draft Code  
Public Comments