



## Planning Commission

### Recommendation on the Urban Neighborhoods Proposal

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#### 13-1043

Recommendation on the Urban Neighborhoods Proposal

#### Report

##### Issue:

The Planning Commission is in process of reviewing their 'Urban Neighborhoods' proposal, included as part of their recommendation on the Comprehensive Plan Update. The Commission is expected to complete their final recommendation to the City Council on this matter this evening.

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##### Presenter(s):

Chair Jerome Parker  
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Amy Buckler

#### Background & Summary:

On December 10, 2013, the OPC Leadership Team met with Councilmember Jones (filling in as Council's liaison to OPC since Councilmember Langer is out of town) to discuss the City Council's direction in regard to this matter. Councilmember Jones reiterated the City Council asked OPC to provide a revised recommendation because they understood there was a need for clarifications [and internal consistency] in regard to the Urban Neighborhoods and Corridor policies and the Addendum. He also provided the following:

- Council is anxious to adopt the Comp Plan Update, thus would like the Commission to provide their revised recommendation by the end of this year.
- Council would like to review as "well baked" a draft plan as possible.
- If there are decisions that can come later, it's okay. The City can amend the Comp Plan annually, so future OPC work items are a possibility.
- There is a place for some vagueness in the Comp Plan because the zoning and development

codes include the regulatory detail.

- He commended the Commission and staff for the continued good work.

At the request of the Commission and Leadership Team, staff has not made changes to the matrix of policy recommendations in Attachment 2; except to catalogue the decisions made by the Commission on December 9 and to identify policies that may be 'Low Hanging Fruit,' in other words, may take less time to deliberate upon. This will help Chair Parker facilitate the meeting, as well as identify focal points for the Commission as they prepare for the meeting.

See 'Options' for the proposed deliberation procedure for this evening.

**Prior Work Sessions:**

**December 9, 2013** - The Commission reviewed the matrix of recommended goals and policies, and decided to initially approve all policies where there were no changes proposed from the OPC draft plan online. The Commission completed their recommendations on Goal 14 and Policy 14.1 (Attachment 2.)

**November 18, 2013** - The Commission discussed the policy text associated with Urban Neighborhoods, and requested staff to return with specific recommendation to jumpstart deliberation.

**November 4, 2013** - The Commission reviewed a new draft version of the combined Future Land Use and Urban Neighborhoods Map, and 'walked through' a set of questions provided by staff at the meeting. The Commission asked staff to make two changes to the map:

- Remove the area north of Thurston Avenue from the High Density Neighborhood (hatched area) on the downtown peninsula. *Staff Response: Completed.*
- Compare the Medium Density Neighborhoods (MDN) with the Zoning Map, and change the designation to Low Density Neighborhoods (LDN) in cases where the underlying zoning would be consistent with LDN rather than MDN. *Staff Response: Completed - several small areas throughout the City were changed to LDN.*

**October 21, 2013** - The Commission discussed the initial staff analysis provided in the staff report, and Commissioner Horn clarified the intent of the previous Urban Neighborhoods proposals. The Commission requested staff produce a new draft map for their continued discussion that more clearly expresses the intent.

Summary of discussion on October 21, 2013:

- The intent was **not** to replace the current mixed residential/commercial land use along the arterials with a purely residential designation, nor was it to render existing commercial uses in those areas non-conforming.
- Direction to change the map:
  - Keep the UC designation wherever there is currently underlying High Density Corridor (HDC) zoning.

- Areas where there is not HDC zoning and the 'Urban Corridor' designation was removed by the Addendum should reflect a land use designation compatible with the current underlying zoning.
- Show 'High Density Neighborhood' areas, Medium Density Neighborhood Centers and gateways as depicted on the Addendum map.
- The Future Land Use map proposes land use designations that are flexible enough to allow for future zoning changes in the neighborhoods. However, no zoning changes are being proposed in this proposal. The idea is subarea planning provide the opportunity to discuss zoning if stakeholders decide that is a priority issue.
- The Low-Density Housing designation should have a maximum allowed density of 14 units per acre. (*Under current zoning, this could include R4, R4-CB, R4-8 or R6-12 zones, for example.*) The definition should include allowance for minimum densities less than 4 units per acre (*for example, R 1/5*) when there are environmental constraints.
- Ensure the base version of the Future Land Use map used is up-to-date and reflects OPC's other recommendations for future land use (*for example, keep Light Industrial and Industrial designations separate.*)
- Include information about current zoning height limits:
  - Zoning height limits for residential and commercial zones are included in Attachments 10 & 11.
  - Note: Height limits may also be imposed by regulations for Height Overlay Districts (Olympia Municipal Code 18.10) or scenic view protection provisions administered through the Design Review Code (OMC 18.100-180.)
- Commissioner Horn posed the following questions for future discussion:
  - Where should gateways end?
  - Are these the right Neighborhood Centers?
  - Are these the correct boundaries for the High Density Neighborhoods?

Staff will prepare additional questions, including questions regarding the goals/policy/text proposals in the Addendum, for the Commission to consider before the next meeting.

**October 7, 2013** - The Commission received a background briefing from Thera Black, Senior Planner at Thurston Regional Planning, and Sophie Stimson, Senior Planner at City of Olympia Public Works Transportation. The briefing was about regional and local transportation planning, including an overview of the Regional Transportation Plan, Urban Corridors Task Force and the Olympia Transportation Mobility Strategy, among others.

**September 23, 2013** - The Commission received a briefing about the two Urban Neighborhood proposals, including a review of the implications.

**\*\*The following summary was previously transmitted ...**

One aspect of the Planning Commission's recommendation on the Comprehensive Plan Update is referred to as the 'Urban Neighborhoods' proposal. In general, this relates to density and transportation downtown, along Capitol Way, State and Fourth Avenues, Harrison Avenue and the abutting single-family neighborhoods.

The Commission issued two versions of the "Urban Neighborhoods" proposal:

- 1) **March 18 Version:** On March 18 (the final date of OPC deliberations on the Comprehensive Plan), the Commission recommended a set of goals and policies and a map referred to as the 'Urban Neighborhoods' proposal. This version of the proposal is included in the OPC Recommended Draft of the Comprehensive Plan Update.
- 2) **The Addendum:** On May 6, 2013, the Commission recommended a revised version of the 'Urban Neighborhoods' proposal. This included the same set of goals and policies, additional policy recommendations and a revised map. This version is referred to as 'The Addendum' because it was attached to the Chair's May 20 cover letter to City Council outlining the Planning Commission's Comprehensive Plan recommendations. (This document is available at [www.imagineolympia.com](http://www.imagineolympia.com) <<http://www.imagineolympia.com>>, under "Phase 3 Drafts & Recommendations.")

The reason for the Addendum is that on March 18, the Commission felt they did not have enough time to fully address how the 'Urban Neighborhood' map, goal and policies should relate to other aspects of the Plan. In addition, there were some unanswered questions, such as the map lacked a legend, some terms were unclear to the staff, etc. Therefore, the Commission (including the four to-be-retired Commissioners Tousley, Leveen, Reddick, and Richards) agreed the remaining members should refine the map in May.

During April and May, the five remaining Commissioners (Parker, Horn, Bardin, Ingman, and Kiswa) deliberated on the Addendum. By the time they completed a vote on the refined version on May 6, there were four brand new Commissioners (Brown, Watts, Hoppe and Andresen) who also voted to approve the refined proposal.

The City released the Planning Commission's recommended draft on May 20. Since that time, staff has completed a basic review of the Addendum and concluded some of the consequences may have been unintended by the Planning Commission. This was discussed with the Commission's Leadership Team and Councilmembers.

**Council Referral to OPC:** On September 10, the City Council moved to push the timeline for their review of the Comprehensive Plan draft into early 2014; public hearings are likely to occur in January or February, with adoption of the updated plan to occur no later than June.

At the same time, Council referred the Urban Neighborhoods issue back to the Planning Commission for review and a new recommendation, if necessary. They directed the Planning Commission to issue a final recommendation on the 'Urban Neighborhoods' issue no later than December, in time for Council's public hearings.

**Summary of the Urban Neighborhoods Proposals:**

Both the March 18 and Addendum versions propose the same set of Urban Neighborhood goals and policies. However, the maps are different, and the Commission also proposed new policy direction with the Addendum.

**Urban Neighborhood Goal and Policies** (same for both versions):

**Goal 14:** Olympia’s neighborhoods provide housing choices that fit the diversity of local income levels and life styles. They are shaped by public planning processes that continuously involve citizens, neighborhoods, and City officials.

**PL14.1** : Establish eight gateways that are entry/exit pathways along major streets to downtown Olympia and our Capitol. These streets will act as tree-lined civic boulevards that present a unified streetscape that enhances the grandeur of our Capital City.

**PL14.2:** High-density Neighborhoods concentrate housing into a number of designated sites: Downtown Olympia; Pacific/Martin/Lilly Triangle; and West Capital Mall. Commercial uses directly serve high-density neighborhoods and allow people to meet their daily needs without traveling outside their neighborhood. High-density neighborhoods are primarily walk-dependent. At least one-quarter of the forecasted growth shall be in downtown Olympia.

**PL14.3** : Protect and preserve the existing established Low-density Neighborhoods. Disallow medium- or high-density development in existing Low-density Neighborhood areas except for Neighborhood Centers.

**PL14.4:** Allow medium-density Neighborhood Centers in low-density neighborhoods to include both civic and commercial uses that serve the neighborhood. Neighborhood centers emerge from a neighborhood public process.

In sum:

- 8 gateways (landscaped entrance/exit pathways) to the Capitol Campus and downtown;
- Housing concentrated in “high-density neighborhoods” identified on the map;
- Downtown to accommodate ¼ of future growth;
- Current zoning stayed in low-density neighborhoods; except
- Allow medium-density around neighborhood centers as identified on the map.

With the Addendum the Commission proposed a new map (attached) that would replace both the Future Land Map and the original Urban Neighborhoods map included with their March 18 recommendation. They also made additional changes to other policies in the Plan. In sum:

- Refining the gateways concept;

- Removing most of the UC designation, except for areas near Capitol Mall and the Pacific/Martin/Lilly triangle;
- Designating the former UC areas as “Low-Density Neighborhoods;”
- Defining new land use designations, including specific allowed densities:
  - Low: 14 units per acre (up from current 8)
  - Medium: 15 to 30 units per acre (up from current 6 to 24)
  - Neighborhood Center: 15 to 30 units per acre
  - High Density Neighborhoods: 30 units per acre minimum (up from a current minimum of 15 to 30 along UC);
- Establishing all neighborhood centers as medium density;
- Establishing a 35’ height limit in low- and medium-density neighborhoods, and allowed heights in high-density neighborhoods consistent with height and view protection policies recommended by the Commission;
- “Grandfathering” current zoning in low-density neighborhoods;
- Removing townhomes from policy regarding allowed uses in single-family neighborhoods.
- Unknown impacts to facility master plans.

**Initial Analysis:**

The March 18 version identifies “nodes” where the City would focus density and investment along the corridors; a move that is consistent with regional transportation and land use goals. Further analysis still needs to be done to determine if current zoning downtown is adequate to accommodate ¼ of Olympia’s growth; depending, this could lead to some rezoning downtown.

Should the community move forward with the March 18 version, the map would be viewed as ‘an overlay,’ providing additional guidance for planning decisions. Hatched areas on the map would signify where the zoning density should be increased along the corridor, as well as the locations of proposed gateways. The concepts of “gateways,” “tree lined civic boulevards,” and “continuous [public] involvement” would need to be fleshed out at the implementation stage.

In May, the Commission set out to refine the March 18 map; however, the Addendum resulted in much more than a refinement, with bigger implications for the City than may have been intended. These include:

- The Addendum changes the Future Land Use map, which establishes the underlying land use vision for the City. Replacing areas of the Urban Corridor - a mixed residential/commercial land use designation - to a purely residential Low-Density designation would demand rezoning these areas to residential zoning. This would limit future commercial development along the arterial and render existing commercial non-conforming.

- Moving from mixed use zoning to residential zoning along the arterials may not be consistent with the Regional Transportation Plan (RTP), which calls for mixed use along the urban transit corridors to achieve higher densities that promote other community goals such as live/work balance, rapid transit, etc. Countywide Planning Policies say we will be consistent with the RTP, so if Olympia wants to move away from that, this is a conversation that needs to be had at the regional level. Meanwhile, this move could affect our ability to receive grant support from TRPC.
- Despite the high-density nodes, removal of commercial uses along other major sections of the bus corridor would reduce employment and services along the corridor, which may have cascading effects to current transportation plans. For example, planning for a dense mix of land uses is key to Strategy Corridor planning, as this is an assumed way to reduce auto trips, thereby reduce traffic congestion. The assumption is used in fulfilling legal requirements regarding traffic congestion that may otherwise demand a minimum of 5 traffic lanes on the arterials.
- The Addendum changes the definition of Low-Density Housing such that the maximum allowed density is 14 units per acre. Most of the City is designated Low-Density Housing so this would raise the allowed density in single-family neighborhoods all over the City.
- Removes provisions for residential densities lower than 4 units per acre, such as the R-4 designation for areas with high groundwater in the southeast.
- May not be feasible to ‘Grandfather’ current zoning in the Comprehensive Plan through a land use designation that theoretically could allow for a future zoning change.
- The Addendum map was created using the July Draft version of the Future Land Use map, thus inadvertently undoes some of the Commission’s original recommendations (i.e., Light Industrial not separated from Industrial.)

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

According to the record, the primary intent of the ‘Urban Neighborhoods’ proposal was a response to public concern about the impacts of increasing density near or in existing single-family neighborhoods. Specifically, residents of the Carlyon, Wildwood and Governor Stevens neighborhoods (all situated south of I-5 along Capitol Way) provided a large percentage of the total comments to the Planning Commission in regard to the Comprehensive Plan Update.

In summary, these residents expressed:

- Concern that parts of their neighborhood are designated “Urban Corridor (UC)” on the Comprehensive Plan Future Land Use map. Policies in the draft plan describe the UC as extending about a ¼ mile into neighborhoods from either side of the arterial;
- Concern regarding additional policies that describe the UC as having more intensive land uses within the first 400’ from the arterial, including multi-story and commercial buildings.
- Questions about whether this is an appropriate vision for their neighborhoods, or the city-at-large;

- Fear about negative impacts to their neighborhoods, including: loss of historic homes and neighborhood character; impact to wildlife; traffic; and decreased safety.
- Confusion about the minimum and maximum densities allowed in UC, as well as in the R4-8 zone.

**Options:**

For each item, following any discussion, if the Commission is unable to reach a consensus, a motion should be made and a vote taken.

**The Leadership Team proposes the following procedure for December 16:**

The Commission will deliberate on each of the proposed policy changes listed in the matrix of policy recommendations (Attachment 2), in this order:

1. 'Low Hanging Fruit' (identified on Attachment 2).  
Discussion may occur, however the objective is to move through these quickly.
2. 'Key Decision Points.'
  - *Low Density Neighborhood* definition
  - *Medium Density Neighborhood* definition
  - *High Density Neighborhood* definition
  - *Urban Corridor* definition
  - Policy 13.7 which describes the Urban Corridor land use designation
  - Criteria for Rezones
3. *Medium Density Neighborhood Centers*

If the Commission does not have time to deliberate on the Medium-Density Neighborhood Centers this evening, staff suggests the Commission recommend the same definition of "Neighborhood Centers" as provided in the OPC Recommended Draft online, and if desired, request a future work item regarding Neighborhood Centers in January when you develop your 2014 Work Plan.

Following the 2013 OPC Retreat Tour of Neighborhood Centers, the Commission indicated they may be interested in reviewing the Neighborhood Center regulations in the Municipal Code. Whether a Comprehensive Plan amendment would also be needed is unclear at this time. OPC could request a work item that allows for review of the applicable Comprehensive Plan goals and policies along with recommended code revisions.

If what is in the OPC Recommended draft moves forward for now, the "Neighborhood Centers (NCs)" definition, Goal GL21 and related policies would continue to guide that these are small neighborhood retail centers along Collector or Arterial streets, within 600' from a transit stop, and including housing, a food store, and a neighborhood park or civic green (details about size is in the Code.) At the same time, Policy PL14.4 would guide that although NC's may be within Low Density Neighborhoods, NC's can be surrounded by Medium Density neighborhood zoning/uses, and that any such change would emerge from a neighborhood public process (like subarea planning.)



4. Following the above actions, the Commission should complete the recommendation with a final motion, such as:

Move to recommend to City Council the matrix of goals and policies as amended on December 9 and this evening. Also, the Commission directs staff to forward a final Future Land Use map consistent with their recommendations and including a legend for the Civic Boulevards and Gateways. The Commission also approves staff to make any non-substantive text changes to the Plan for the purpose of consistency with these recommendations, such as to the background text of the plan.

**Additional Considerations:**

- Where to look in the current draft Plan (online at [www.imagineolympia.com](http://www.imagineolympia.com) <<http://www.imagineolympia.com>>):
  - Urban Neighborhoods is described in goal GL14 and related policies, as well as depicted on the Urban Neighborhoods map.
  - Urban Corridors are identified on the Transportation Corridors map (Transportation chapter) and Future Land Use map (Land Use Chapter). This designation is described specifically in goals GL13 (Land Use) and GT14 (Transportation) and their related policies. Appendix A of the Land Use Chapter also includes a definition and table further describing the Urban Corridor land use designation.
  
- The Addendum text is available at [www.imagineolympia.com](http://www.imagineolympia.com), under “Phase 3 Drafts & Recommendations.”
  
- Staff is available to meet with any Commissioner during the week to provide background or answer questions about this work item.

**Financial Impact:** Not known.