



## Planning Commission

### Recommendation to City Council on Multi-Family Transitions Development Code Amendment

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#### **Title**

Recommendation to City Council on Multi-Family Transitions Development Code Amendment

#### **Recommended Action**

Move to recommend the City Council change Olympia Municipal Code (OMC) 18.04.060.N to reduce from 10 to 5 acres the threshold for requiring that multi-family projects in the RM-18 and RMU zoning districts include a variety of housing types (not more than 70% of any one housing type) (Option 1.)

#### **Report**

##### **Issue:**

Consider a change to the development code to be consistent with proposed Land Use Policy PL16.12 in the Comprehensive Plan Update regarding multi-family housing projects. This would reduce from 10 to 5 acres the threshold for requiring that multi-family (apartment) projects in the Multi-family Residential 18 units per acre (RM-18) and Residential Mixed Use (RMU) zoning districts include a variety of housing types (i.e., detached single family, duplex, triplex, townhome, apartment building.)

#### **Staff Contact:**

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#### **Presenter(s):**

Amy Buckler

#### **Background and Analysis:**

##### Process:

Washington's Growth Management Act requires that cities like Olympia adopt, "development regulations that are consistent with and implement the comprehensive plan." Although simultaneous amendment of the Plan and the development regulations is not required, amendments are to be 'concurrent' which is generally interpreted to mean as close in time as practical.

The Olympia Planning Commission holds a public hearing regarding any proposed change to development regulations and makes a recommendation to the City Council. Following tonight's public

hearing, the Commission will deliberate on the issue at their next meeting.

The State Environmental Policy Act (SEPA) requires a review of the prospective environmental impacts of development code amendments, prior to their adoption. Staff is on track to complete the SEPA determination, notice and public comment period prior to City Council action on the plan update.

The Commission was briefed regarding this potential amendment on August 19, 2013. Public notification of this hearing was:

- Published in *The Olympian* on January 30, 2014
- Mailed to affected property owners, Registered Neighborhood Associations, public agencies, OPC contact lists, Westside Business Association and Olympia Master Builders on January 30
- Mailed to residences adjacent to affected property owners on February 5, 2014 (in accordance with Planning Commission direction from August.)

Staff requests that the Planning Commission - following the close of oral testimony this evening - hold the written comment period open until Monday, February 17 at 5:00 p.m., to ensure adjacent residences have adequate time to respond should they so choose. Staff will bundle any written comments received and attach them to the staff report for OPC's deliberation (scheduled for January 24, 2014.)

As there are several potential code amendments for consistency with the proposed Comprehensive Plan Update this year, the OPC recommendation will be bundled with others and forwarded to the City Council at the same time or shortly after Council takes action on the Comprehensive Plan Update (scheduled for no later than June, 2014.)

Analysis:

In the Comprehensive Plan Update, Land Use Policy 16.12 states, "Require a mix of single-family and multi-family structures in villages, mixed residential density districts, and apartment projects when these exceed five acres; and use a variety of housing types and setbacks to transition to adjacent single-family areas."

The above policy was analyzed as part of the Comprehensive Plan Update (CPU) process. Both staff and the Planning Commission forwarded the recommendation. There were no significant public comments received regarding the matter. If this proposed policy is indeed adopted into the CPU, the City would need to change the development code at the same time or shortly after adoption to ensure consistency.

The policy applies to three types of residential zones in the City, and upon further analysis could be applied in the specific bulleted zones:

1. Villages (master planned developments, such as Briggs or Woodbury Crossing)
2. Mixed residential zones
  - Residential Mixed Use 7-13 Units per Acre (MR 7-13)
  - Residential Mixed Use 10-18 Units per Acre (MR 10-18)
  - **Residential Mixed Use (RMU)**
3. Those which allow multi-family housing (3 or more units)
  - **Residential Multi-family 18 Units per Acre (RM-18)**

- Residential Multi-family 24 Units per Acre (RM-24)
- Residential Multi-family High Rise (RM-H)
- Urban Residential (UR)

**Of the above listed zones, staff did not consider mixed housing amendments to the following because:**

- Olympia’s ‘Villages’ are specifically selected geographical areas, and all have approved master plans that are in various stages of development. Those plans were guided by a specific set of village regulations in Olympia Municipal Code (OMC) 18.05, which provides specific criteria for mix of housing types.
- RM 7-13 and RM 10-18 have their own specific criteria for mixed housing types, in OMC 18.04.040.Q. These respectively require 65-75% and 35-75% of the housing to be single-family dwellings and other criteria.
- The RM-24 zone has an *average* density of 24 units per acre, with a minimum density onsite of 18 units per acre. Past review of mixed housing for this zone found it would exceedingly difficult to achieve the required densities along with the City’s parking, height and other requirements. This zone is really intended to build with multi-family housing.
- The only area zoned RM-H is part of the State Capitol Campus, where the staff and OPC recommendation on the Comp Plan Update proposes a change to the land use designation on the future land use map to “Planned Development.” Later this spring, OPC will review potential zoning code changes for consistency with the proposed changes to the future land use map.
- By definition, the UR zone means, “to accommodate multifamily housing *in multistory structures* in or near the State Capitol Campus ...” and the existing parcel sizes in this zone would not make it applicable anyway.
- The RMU zone exists in only one area, and the parcel sizes in that area render the 5-acre clause non-applicable. However, RMU is included in the same section of the OMC that describes the mix housing requirements for RM-18 (the only zone for which the proposed code amendment would apply.)

**The proposed development code amendment** is located in [Olympia Municipal Code <http://www.codepublishing.com/wa/olympia/>](http://www.codepublishing.com/wa/olympia/) (OMC) 18.04.060.N regarding “Large Multifamily Housing Projects” (*see attached.*)

**OMC 18.04.060.N:**

- Requires properties in the RM-18 and RMU zones that meet a certain threshold to provide a mix of housing types, so that no more than 70% of the dwellings are of a single type (i.e., single family detached, duplex, triplex, townhouses or multi-story apartment building.)
  - Current threshold is 10 acres.
  - Proposal is to change this threshold to 5 acres.
- In the RM-18 zone, multi-family housing projects are required to locate single-family or duplexes around the perimeter of the development (one lot deep) to provide a transition from

apartment to single-family dwellings, when the new development is across the street and visible from existing detached single-family homes.

➤ Currently not proposed to change.

**Real properties subject to this potential code change are legal parcels with the following characteristics:**

- Zoned Residential Multi-Family 18 Units per Acre (RM-18)
- Parcels 5+ acre in size (thus not really applicable in the RMU zone)

If code change is adopted, the approximately 13 property owners would be subject to the provision at time of permit application to the City of Olympia to (re)develop the property. *Development regulations do not apply retroactively to existing developments, except that renovations must not render the site further nonconforming to new code.*

At the previous briefing last August, staff preliminarily proposed changing part b of 18.04.060.N to change the 5-acre provision to 3-acres to provide the mixing and transition clause for situations when there are two abutting parcels. However, upon further analysis, staff found no real situation where such a provision would have an impact on development.

Visual Presentation

Staff will outline the specific impacts of the proposed code amendment to the Planning Commission at the briefing, including GIS mapping to locate affected properties, context for what 5 and 10 acres looks like, and photographs of housing types.

NOTE: The Olympia City Hall block is approximately 1.25 acres in size.

Additional Information:

- Policy analysis is provided in the CPU's [Final Supplemental Environmental Impact Statement \(FESIS\)](http://olympiawa.gov/~media/Files/Imagine%20Olympia/FSEIS%20Comp%20Plan%20Update%20Issued%20120412/FSEISCompPlanUpdateIssued120412Web.pdf) <<http://olympiawa.gov/~media/Files/Imagine%20Olympia/FSEIS%20Comp%20Plan%20Update%20Issued%20120412/FSEISCompPlanUpdateIssued120412Web.pdf>>, online at imagineolympia.com under the title, "Large Multifamily Housing Projects.
- The minutes from the August 19, 2014 OPC briefing are available on the City's [Agenda & Minutes Calendar](https://olympia.legistar.com/Calendar.aspx) <<https://olympia.legistar.com/Calendar.aspx>>.

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

To date, there has not been significant public interest in this set of amendments. Two public comments/questions were received following notice, and they are attached.

**Options:**

**Option 1:** Move to recommend the City Council change Olympia Municipal Code 18.04.060.N to reduce from 10 to 5 acres the threshold for requiring that multi-family projects in the RM-18 and RMU zoning districts include a variety of housing types (not more than 70% of any one housing type) (Option 1.)

**Option 2:** No change: Move to keep the threshold at 10 acres in both PL16.12 in both the

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Comprehensive Plan Update and the Municipal Code 18.04.060.N.

**Financial Impact:**

None: This action is included in the base budget and Community Planning & Development's 2014 Work Plan.