



## Planning Commission

### PUBLIC HEARING and recommendation on Zoning Text Amendment - Professional Office/Residential Multifamily (PO/RM) Zoning District

**Agenda Date:** 4/7/2014  
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#### **Title**

PUBLIC HEARING and recommendation on Zoning Text Amendment - Professional Office/Residential Multifamily (PO/RM) Zoning District

#### **Recommended Action**

Hold public hearing and recommend to City Council adoption of proposed text amendment to Professional Office/Residential Multifamily (PO/RM) Zoning District on this proposal.

#### **Report**

##### **Issue:**

Should the text of the Olympia Municipal Code be amended to:

1. Change the purpose statement for the PO/RM zoning district from allowing only small-scale commercial uses to allowing small to medium-scale commercial uses?
2. Allow restaurants that do not have drive-in or drive-through services as permitted uses in the PO/RM zoning district, rather than as conditional uses?
3. For the following types of commercial uses in the PO/RM zoning district west of Yauger Road adjacent to Harrison/Mud Bay Road, change the maximum floor area from 10,000 square feet to 5,000 square feet per acre with no single commercial use larger than 50,000 square feet?

#### **Staff Contact:**

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

Leonard Bauer, Deputy Director, Community Planning and Development

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

In 2013, the City of Olympia contracted with ECONorthwest to study the development potential of five "Opportunity Areas" in the city. For each area, the [study <http://olympiawa.gov/city-government/departments/community-planning-and-development/~media/Files/CPD/Citizen%20Advisory%20Committee%20CRA/2014%20Documents/CRA%20Comp%20A%20Final.pdf>](http://olympiawa.gov/city-government/departments/community-planning-and-development/~media/Files/CPD/Citizen%20Advisory%20Committee%20CRA/2014%20Documents/CRA%20Comp%20A%20Final.pdf)

(completed in September 2013) examined the current development character, the city's policy goals, existing barriers to private development investing in the area to implement the city's goals, and potential city actions that could address those barriers.

In November 2013, some of the recommended city actions in the study were included in the draft 2014 work program of the Community Planning and Development Department (CP&D). These actions included changes to the PO/RM zoning in the area near Kaiser Road and Harrison Avenue to reduce barriers to mixed use development. The CP&D work program was approved by the city council at its retreat on January 11, 2014. No property owner requested the PO/RM changes. Rather, the PO/RM amendments are a direct result of the EcoNorthwest study.

For the Kaiser Road/Harrison Avenue area, the study identified that the long-term market for office development is very weak, but a strong multi-family residential market, with multi-family residential development occurring adjacent to this area. The study found that the large amount of housing and lack of retail services in the area creates an opportunity for a mix of residential and retail development that could provide employment opportunities and services to the local neighborhood. There are several larger parcels in the area that could provide this type of mixed use development. The attached zoning map shows that much of this area is in the PO/RM zoning district. However, the current PO/RM zoning prohibits retail commercial development over 10,000 square feet, regardless of size of the property.

To improve the opportunity for this type of mixed-use development, this zoning code text amendment would allow for certain retail uses in proportion to the size of the property - 5,000 square feet per acre. No single commercial use could exceed 50,000 square feet, regardless of the size of the property.

The amendment would apply to the PO/RM area near Harrison Avenue and Kaiser Road, an area of approximately 102 acres that includes 40 tax parcels. The amendment would only apply to food stores, general merchandise stores, fitness centers, specialty stores, office supply stores, and pharmacies. In addition, non-drive-through restaurants would be a permitted use rather than a conditional use in PO/RM zones.

The Olympia Planning Commission held a public hearing on this proposal March 3, 2014, and extended the period for written comment until March 10. Public comments received during the first public hearing and extended comment period are included in the attachments. Additional public comment was provided at the March 17 Olympia Planning Commission meeting. The Commission scheduled a second public hearing on this proposal for April 7, 2014.

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

The affected area is in the Cooper Point Neighborhood Association. Public comments received during the first public hearing and extended comment period are included in the attachments.

**Options:**

Following conduct of a public hearing on this proposal,

1. Recommend to City Council adoption of the proposed text amendment to the PO/RM Zoning District.
2. Recommend to City Council revisions to the proposed text amendment to the PO/RM Zoning District.

3. Direct staff to prepare an alternative proposal to reduce barriers to mixed use development in the Kaiser Road/Harrison Avenue area as identified in the Opportunity Areas study.
4. Schedule further Planning Commission deliberation on this proposal for a future date.
5. Recommend City Council not consider changes to the zoning in the Kaiser Road/Harrison Avenue area at this time.

**Financial Impact:**

No cost other than staff time to process this proposal. There is a potential for a slight increase in property and sales tax revenue to the city from future development under this proposal.