



City Council

Approval of Medela Zoning Map Amendment ("Rezone") Recommendation

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Title

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Recommended Action

Olympia Hearing Examiner Recommendation:

"The Hearing Examiner recommends to the City Council:

1. That the Medela Property be rezoned to RM-18 (Multi-Family Residential 18 units per acre) conditioned upon the re-designation of 9th Avenue East as a Neighborhood Collector Street.
2. That if 9th Avenue East is not re-designated as a Neighborhood Collector, the Medela Property be rezoned to MR10-18 (Mixed Residential 10 to 18 units per acre).
3. That the Banomi Property be rezoned in the same manner as the Medela Property.
4. That the City Council consider additional Development Regulations for development occurring adjacent to cemeteries."

City Manager Recommendation:

Move to approve the recommendation of the Hearing Examiner amending Olympia Zoning Map as described and direct staff to prepare and present an implementing ordinance including additional regulations regarding development adjacent to cemeteries.

Report

Issue:

On January 14, 2015, the Medela Group, LLC, submitted a request to change the land-use zoning of approximately nine acres south of Pacific Avenue and east of Boulevard Road from Single-Family Residential 4 to 8 units per acre (R4-8) to Multi-Family Residential 18 units per acre (RM-18). This proposal was the subject of a public hearing held by the Olympia Hearing Examiner on July 20, 2015. The City Council is to determine what action to take based on the Hearing Examiner's recommendation.

Staff Contact:

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Presenter:

Todd Stamm, Principal Planner

Background and Analysis:

Procedural Background

The rezone proposal submitted to the City of Olympia by the Medela Group on January 14, 2015, to 'rezone' nine acres from single-family to multi-family zoning as described in the attached record is similar to but separate from a proposal submitted to Thurston County on November 12, 2009. The latter proposal was denied by the Board of County Commissioners in May 2014. On June 20, 2014, the site was annexed into the City of Olympia along with surrounding properties as part of the I-5/Boulevard Road "island" annexation. In December 2014, the City of Olympia's updated Comprehensive Plan was adopted, including - in part - designation of this site as part of the "Urban Corridor."

The application now under review was received by the City the following month. Until the updated Comprehensive Plan was adopted in December, most requests for zoning map amendments were accompanied by requests to amend the Plan. The Medela rezone application is the first to be considered under new Plan provisions that provide for a variety of zones within many of the Land Use categories of the Plan. Pursuant to the Olympia Development Code, such rezones are subject to an open-record public hearing to be held by the Olympia Hearing Examiner. The Examiner evaluated the proposal for consistency with the Comprehensive Plan, as well as the other rezone criteria recently adopted by the City Council, and issued the recommendation summarized above.

Pursuant to the State's Local Project Review Act, a City may hold only one 'open record' public hearing regarding such a rezone proposal. Therefore, pursuant to Olympia Municipal Code 18.59.060, the Council is to review the Examiner's recommendation, as well as that of the Planning Commission (if any), and either:

- Adopt the Examiner's recommendation;
- Adopt a modified version of the Examiner's recommendation;
- Reject the Examiner's recommendation; or
- Defer a decision to a later date.

The Council may elect to schedule a hearing to hear argument from interested parties. However, the Council may not choose to receive new information or evidence from City staff or the public. The Council's decision is to be based on the record of the Examiner's hearing. Accordingly, information included in this staff report is provided for the Council's convenience and not as evidence of the truth of any statement herein. Attached to this staff report are the Examiner's recommendation, the written record of the Examiner's public hearing, and a recording of the Examiner's hearing. A paper copy of the written record is also available for Council members to review in the Council office at City Hall.

Olympia's development code provides that in addition to the Examiner's hearing and recommendation, the staff "shall forward rezone, i.e., zoning map amendment, requests to the Planning Commission for review and recommendation ..." (OMC 18.59.050) The Planning Commission reviewed this proposal on June 1, 2015. As reflected in the Commission's minutes, they unanimously recommended that "the Hearing Examiner proceed without a recommendation from the

Commission.” Note, Commissioners Horn and Andresen recused themselves, and were absent from the meeting room throughout consideration of this agenda item.

Standard of Review

Section 18.59.050 provides that the City Council shall only approve a rezone after considering the following five criteria and finding that the proposal complies with at least the first three:

- A. The rezone is consistent with either the Comprehensive Plan including the Plan’s Future Land Use map as described in OMC 18.59.055 or with a concurrently approved amendment to the Plan.
- B. The rezone will maintain the public health, safety, or welfare.
- C. The rezone is consistent with other development regulations that implement the comprehensive plan.
- D. The rezone will result in a district that is compatible with adjoining zoning districts; this may include providing a transition zone between potentially incompatible designations.
- E. Public facilities and services existing and planned for the area are adequate and likely to be available to serve potential development allowed by the proposed zone.

Substance of the Proposal

This nine-acre parcel includes nine single-family homes and borders an adjacent wetland associated with Indian Creek. Access to the site is limited to two local streets, Seventh and Ninth Avenues, extending for a block from Boulevard Road through a single-family-zoned area designated as a “Low Density Neighborhood” in the City’s Plan. As described in the Examiner’s recommendation and record, rezoning an adjacent small parcel owned by Thomas Banomi was evaluated concurrently with the Medela application.

Olympia’s Single-family Residential 4 to 8 units per acre zone (R4-8) allows up to 7 homes per acre (plus bonuses) and requires a minimum of 5 homes per acre unless exceptions are granted. The development code describes the purposes of this zone, “To accommodate single-family houses and townhouses at densities ranging from a minimum of four (4) units per acre to a maximum of eight (8) units per acre; to allow sufficient residential density to facilitate effective mass transit service; and to help maintain the character of established neighborhoods.”

The proposed Residential Multi-family 18 units per acre zone (RM-18) would allow other forms of housing, including apartments, at densities of up to 18 units per acre. Unless exceptions are granted, the minimum development density is 8 units per acre. The purpose of this zone is described as, “To accommodate predominantly multifamily housing, at an average maximum density of eighteen (18) units per acre, along or near (e.g., one-fourth ($\frac{1}{4}$) mile) arterial or major collector streets where such development can be arranged and designed to be compatible with adjoining uses; to provide for development with a density and configuration that facilitates effective and efficient mass transit service; and to enable provision of affordable housing.” The zone includes ‘transitional’ provisions such as requiring duplexes or detached housing adjacent to existing single-family homes.

According to Olympia Municipal Code 18.59.050 (amended this year to guide rezone reviews), both the current R4-8 zoning and the proposed RM-18 zoning are consistent with the Comprehensive Plan's Urban Corridor designation. In addition to the proposed RM-18 zone, the staff recommended that the Examiner consider an alternative slightly lower-density Mixed Residential 10 to 18 units per acre (MR 10-18) zoning designation for this site. See the Examiner's recommendation and the hearing record for detailed comparisons of these zones.

Recommendation

The Hearing Examiner's recommendation is included above. Note that the Examiner's recommendation regarding rezoning the subject properties is dependent on the City Council's decision regarding a proposed comprehensive plan amendment to re-designate Ninth Avenue East as a Neighborhood Collector. The Council considered this proposed comprehensive plan amendment at its October 6 meeting.

In addition, pursuant to point #4 of the Examiner's recommendation, the City staff has investigated various approaches to buffering historic cemeteries from adjacent development. Few jurisdictions have specific cemetery-protection regulations. Most jurisdictions in Washington use the authority provided by the State Environmental Policy Act to mitigate potential development impacts to cemeteries as part of their permit review process. There is only one cemetery within the City of Olympia.

If the City Council wishes to pursue point #4 of the Hearing Examiner's recommendation, the staff recommends that concurrent with recommended change in zoning of the Medela property the Council adopt an interim amendment of section Olympia Municipal Code 18.04.060(N)(2) of the development code to provide that "detached single-family houses or duplexes shall be located along the perimeter" adjacent to the cemetery. In effect this amendment would impose the same transitional housing requirement adjacent to the cemetery as is accorded to adjacent existing detached single-family housing. Note that this would be an interim measure effective for 360 days. A 2016 work program item would be needed to further evaluate this and other potential approaches to buffering potential impacts to the cemetery.

Neighborhood/Community Interests (if known):

This proposal has been the subject of intense public interest as set forth in the recommendation and the hearing record.

Options:

1. Approve recommendation of Hearing Examiner and direct staff to prepare and present an ordinance consistent with that recommendation, including a concurrent ordinance adopting 'transitional housing' requirements adjacent to cemeteries.
2. Approve the recommendation of the Hearing Examiner, but do not include any provisions for cemetery buffering.
3. Reject the Examiner's recommendation and adopt separate findings and conclusions in support of that action.
4. Schedule a hearing regarding the rezone proposal and the Examiner's recommendation.

Financial Impact:

No direct impacts on City finances. Change in zoning may affect property values in the area and upon development would result in different demands for public services.

