



## Planning Commission

### Missing Middle Housing Analysis - Deliberations

**Agenda Date:** 6/18/2018  
**Agenda Item Number:** 6.B  
**File Number:** 18-0586

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**Type:** decision **Version:** 1 **Status:** Not Approved

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#### **Title**

Missing Middle Housing Analysis - Deliberations

#### **Recommended Action**

Continue deliberations on the draft Missing Middle staff recommendations. Recommend City Council adopt staff recommendations except #GP-4 (due to Public Works staff's clarification that it is already being implemented), and with #CYA-2b and T&F-1b revised to ensure separate action by Intercity Transit would not change where these provisions apply.

#### **Report**

##### **Issue:**

Should draft Missing Middle Housing staff recommendations be recommended to City Council for adoption? Which staff recommendations should be discussed further? What additional information is needed by the Commission to develop its recommendation to City Council on this matter? Should revisions or alternative approaches be considered?

#### **Staff Contact:**

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

Leonard Bauer, Deputy Director, Community Planning and Development

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

The term 'Missing Middle' refers to a range of multi-unit housing types that are compatible in scale with single-family homes. In other words, they provide 'middle' density housing. There have been relatively few of these types of housing constructed in Olympia (and nationwide) over the past 40 years compared to single-family homes - thus, they are referred to as 'missing.' Some examples of missing middle housing types include tiny houses, modular units, cottage homes, townhouses, duplexes, triplexes, fourplexes, small multi-family apartments, and accessory dwelling units.

The Missing Middle Housing Analysis has resulted in 43 staff-recommended revisions to the Olympia

Municipal Code, and a recommendation to develop a methodology for impact fees and general facilities charges (GFCs). The draft recommendations can be found on the Missing Middle web page on the City's website (Attachment 1). Also on the web page is all background information and issue papers considered in making the recommendations.

The recommendations directly implement several policies of the Olympia Comprehensive Plan. There are other policies in the Comprehensive Plan that also address issues directly or indirectly related to this project. The Plan calls for a balance of its goals and policies within context of the entire Plan.

The Comprehensive Plan's Land Use Chapter discusses low-, medium- and high-density neighborhoods. Corresponding zoning districts are defined in OMC 18.59.055.C. The Missing Middle analysis is focused on allowing for an appropriate variety of residential housing types in low-density neighborhoods and the corresponding zoning districts.

The Missing Middle analysis has reviewed existing city regulations - such as zoning, permit fees, development standards, utility connection charges, etc. - for potentially disproportionate effects on the ability to provide for a variety of housing types in the City's low-density (12 units or less per acre), residentially zoned areas.

The Missing Middle web page (Attachment 1) contains detailed information on the review process, public outreach, draft recommendations and Determination of Non-Significance (DNS) issued February 27, 2018, under the State Environmental Policy Act.

At its May 21 meeting, Commissioners completed initial discussion of the 43 Missing Middle staff recommendations. That initial discussion indicated three topic areas for which there was not initial concurrence among Commissioners:

- 1) off-street parking requirements
- 2) permitted uses in specific zoning districts
- 3) limitations on the number of townhouses per building.

While there are also other recommendations for which individual Commissioners expressed initial uncertainty, the Commission agreed to first focus additional discussion on these three areas of non-concurrence.

#### Townhouse units per building

At its June 4 meeting, Commissioners' further discussion appears to have resulted in general consensus on the staff recommendations related to #3 above.

#### Permitted uses in zoning districts

Attachment 2 summarizes current and recommended housing types considered as permitted uses in the two primary low-density residential zoning districts, along with current and recommended minimum lot sizes for each. Commissioners requested additional information regarding an alternative to staff recommendations #CYA-2b and T&F-1b that would limit areas within the R4-8

zoning district where triplexes, fourplexes and courtyard apartments would be permitted within 300 feet of existing transit routes. Draft code amendment text for this alternative is included in Attachment 3. Additional information requested by the Commission for this alternative will be provided at the June 18 Commission meeting.

#### Off-street parking

The Commission did not have sufficient time to discuss this topic at its June 4 meeting. A summary of existing and proposed off-street parking requirements for residential uses is included in Attachment 4 to this staff report, revised as discussed at the May 21 meeting to reflect current application to residential uses not explicitly listed in City codes. Attachment 5 provides a comparison of Olympia's current off-street parking requirements with those of other jurisdictions. The current Olympia off-street parking requirements can be generally summarized as:

- 2 spaces per unit for single-family homes, duplexes, townhomes and manufactured homes
- 1.5 spaces per unit for apartment buildings of three or more units of one bedroom or more
- 1 space per unit for ADUs, cottage housing, studio apartments, and group living facilities

The Missing Middle staff recommendations propose two changes to these requirements: 1) remove the requirement of 1 space per unit for ADUs; and 2) reduce the requirement for single-family houses less than 800 square feet in size to 1 space per unit. An additional recommendation would provide for a potential waiver when ADU's are proposed as garage conversions for single-family houses in which the garage currently serves as one of the two required off-street parking spaces for that house.

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

The Missing Middle Housing Analysis has garnered significant community and neighborhood interest. There is a large e-mail list of interested parties, and the Coalition of Neighborhood Associations has had regular briefings and discussions monthly during 2017 and 2018. Staff have provided updates and taken comment at more than fourteen meetings with neighborhood associations and other organizations.

#### **Options:**

1. Continue deliberations on the draft Missing Middle staff recommendations.
2. Recommend City Council adopt staff recommendations except #GP-4 (clarified already being implemented) and with #CYA-2b and T&F-1b revised to ensure separate action by Intercity Transit would not change application of these provisions.
3. Recommend City Council adopt staff recommendations as described in Option 2 and with specific additional revisions.
4. Do not recommend adoption of any recommendations regarding Missing Middle housing.

#### **Financial Impact:**

The Missing Middle analysis is included as part of the adopted City budget. Draft recommendations may have long-term impacts to property tax revenues and infrastructure expenditures for the City.

#### **Attachments:**

Missing Middle web page

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Existing and proposed housing types

Alternative code amendment

Existing and proposed off-street parking requirements

Parking comparison with other jurisdictions

Written Public Comment