



Planning Commission

Missing Middle Housing Analysis - Deliberations

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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 or other transit providers 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?

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Presenter(s):

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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 NonSignificance (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, which the Commission continued discussing at its June 4 and 18 meetings:

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

At the conclusion of its June 18 meeting, the Commission agreed to three remaining issues for additional discussion at its July 9 meeting:

A. Off-street parking

A summary of existing and proposed off-street parking requirements for residential uses is included in Attachment 2 to this staff report. Attachment 3 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.

At the June 18 Commission meeting, a motion was made, and later withdrawn, to recommend adoption of the two proposed parking changes in the Missing Middle staff recommendations, plus the following additional changes:

- Require 1 off-street parking space per 4 units for single-room occupancies
- For duplex, triplex, fourplex, courtyard apartments, townhouses, and manufactured homes, require 1 off-street parking space, or 1.5 spaces if no on-street parking is available on the street frontage of the parcel.

Options:

1. Recommend adoption of staff-recommended parking changes
2. Recommend adoption of one or both changes included in June 18 motion (above)
3. Recommend other changes to off-street parking requirements
4. Do not recommend changes to existing off-street parking requirements

B. Duplexes in R4-8 zoning district

Staff recommendation (DUP-1) is to permit duplexes throughout the R4-8 zoning district. At its June 18 meeting, Commissioners discussed this recommendation in relation to the comprehensive plan, and particularly if it is inconsistent with Policy PL16.11:

Require that multi-family structures be located near a collector street with transit, or near an arterial street, or near a neighborhood center, and that they be designed for compatibility with adjacent lower density housing; and be 'stepped' to conform with topography.

A similar policy is included in comprehensive plan Policy PT14.2:

Encourage schools, public services, major employers, and senior and multifamily housing to locate along priority bus corridors, as they tend to benefit from the availability of public transit.

Commissioners requested more information on the use of the term “multi-family” elsewhere in the comprehensive plan and city codes.

There is no definition of “multi-family” in the Olympia comprehensive plan or zoning code. The following definitions are included in the Olympia zoning code:

OMC 18.020.180.D Definitions

Dwelling Unit. Various types of housing or human shelter, which are listed below and categorized by use.

- ii. Apartment. A dwelling within a structure designed and used for occupancy by three or more individual persons or families living independently of each other. These*

structures include triplexes, fourplexes, and other multi-unit configurations.

vii. *Duplex. One building containing two single-family dwelling units totally separated from each other by a one-hour fire wall or floor.*

xiv. *Single-Family Dwelling. A single unit providing complete, independent living facilities for a family, including permanent provisions for living, sleeping, cooking and sanitation.*

Most city codes consistently differentiate between a duplex (2 units) and multi-family residential (3+ units):

- All Engineering Design and Development Standards
- All International Building Codes
- Street Addressing Code (OMC 12.48)
- Zoning Code Residential Development Standards (OMC 18.04.080)
- Parking Code (OMC 18.38)
- Zoning Code Land Use Review Standards (OMC 18.60)
- Shoreline Master Program
- City Utilities and Rates (OMC 4.24 and 13.16)
- Park Impact Fees (OMC 15.16)

There are other references in city codes to residential structures of 4+ or 5+ units as “multi-family”:

- Design Review (OMC 18.100)
- Tree Protection Code (OMC 16.60)
- Multi-Family Tax Exemption Program (OMC 5.86)

There are other references in city codes to duplexes as being “multi-family” residences:

- Zoning Code Villages and Centers Standards (OMC 18.05)
- Transportation Impact Fees (OMC 15.16)

Conclusion: Staff recommendation DUP-1 is inconsistent with the comprehensive plan, because the common use of the term “duplex” in the City’s plans and codes does not consider it to be a multi-family structure.

Options:

1. Recommend adoption of staff-recommended change DUP-1 to permit duplexes in R4-8 zoning district.
2. Revise DUP-1 to permit duplexes in the R4-8 zoning district only within a specified distance of collector streets with transit, arterial streets, commercial zoning districts, and priority bus corridors.
3. Recommend other changes to staff recommendations.
4. Do not recommend permitting duplexes in the R4-8 zoning district.

C. Permitted uses in R4-8 zoning district near transit routes and commercial services

Staff's recommendation is to allow - within 600 feet of transit routes and commercial zoning districts - triplexes, fourplexes and courtyard apartments as permitted uses in the R4-8 zoning district, if required minimum lot sizes are met (recommendations #CYA-2b and T&F-1b). Staff also recommends the draft code language regarding these recommendations be revised to ensure transit route changes by Intercity Transit (IT) or other transit providers do not immediately effect a change to the City's zoning.

At its June 18 meeting, Commissioners received additional information regarding an alternative that would limit areas in which these uses would be permitted in the R4-8 zoning district to within 300 feet of existing transit routes and commercial zoning districts (Attachment 4). Draft code amendment text for this alternative is included in Attachment 5. A motion proposing to increase the distance to ¼-mile (1,320 feet) failed on a 7-2 vote. A motion to adopt staff's recommendation was withdrawn.

Options:

1. Recommend adoption of staff-recommended changes #CYA-2b and T&F-1b, revised to ensure transit provider route changes do not effect a change to City's zoning.
2. Recommend adoption of changes in #1, with distance altered to 300 feet.
3. Recommend adoption of changes in #1, revised to apply to areas within 600 feet of collector streets with transit, arterial streets, commercial zoning districts and priority bus corridors.
4. Recommend other changes to staff recommendations.
5. Do not recommend allowing triplexes, fourplexes or courtyard apartments in R4-8 zoning district.

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, in addition to numerous public meetings.

Options:

1. Recommend City Council adopt staff recommendations except #GP-4 (clarified as already being implemented) and with #CYA-2b and T&F-1b revised to ensure separate action by transit provider routes would not change application of these provisions.
2. Recommend City Council adopt staff recommendations with specific revisions on the three issues described in this staff report above, and/or any other specific revisions.
3. Do not recommend adoption of any recommendations regarding Missing Middle housing.
4. Continue deliberations on the draft Missing Middle staff recommendations.

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:

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Missing Middle web page
Existing and proposed off-street parking requirements
Parking comparison with other jurisdictions
Residential capacity table for zoning alternatives
Alternative code amendment
Written Public Comment