



## Planning Commission

### Housing Options Code Amendments - Staff Recommendation Briefing

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#### **Title**

Housing Options Code Amendments - Staff Recommendation Briefing

#### **Recommended Action**

Information only. No action requested.

#### **Report**

##### **Issue:**

Discussion on the staff recommendations for the Housing Options Code Amendments.

#### **Staff Contact:**

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

Joyce Phillips, Senior Planner, Community Planning and Development

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

##### Amendment to Growth Management Act

In 2019 the State of Washington amended the Growth Management Act (GMA) to encourage cities to take actions to increase residential building capacity in Urban Growth Areas. Cities are not required to take these actions but are encouraged to do so. The actions are included in state law (see RCW 36.70A.600 attached).

##### Referral from City Council

In November of 2019, the City Council issued a referral to the Planning Commission which directed the Commission to consider three specific options from the list and to draft an ordinance that would implement at least two of the three options. The three options for consideration are summarized below:

##### OPTION 1: Accessory Dwelling Units

Allow accessory dwelling units on parcels containing single-family homes. Cities may not require on-site parking requirements, owner occupancy requirements, or square footage limitations below one thousand (1,000) square feet. To allow local flexibility, other than these factors, accessory dwelling units may be subject to locally determined provisions and must

follow all applicable state and federal laws and local ordinances.

OPTION 2: Duplexes on Corner Lots

Allow a duplex on each corner lot within all zoning districts that permit single-family residences.

OPTION 3: Duplexes, Triplexes and Courtyard Apartments

Allow at least one duplex, triplex, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure or physical constraint that would make this requirement unfeasible for a particular parcel.

Process for Code Amendments

In December of 2019 staff shared the written referral from City Council with the Planning Commission and provided a copy of the language under consideration for the three options. Subsequent briefings with the Commissions were held in January and February.

In January, the City created a project webpage to provide information about the options under consideration. Staff developed a background paper on each option that identified how the Olympia Municipal Code would need to be amended to implement the option, or to identify which additional zoning districts would need to allow certain housing types in order to implement an option.

Public notice of these proposed amendments was provided, and public meetings were held to help people learn more about the options. Questions raised at the meetings were responded to in a Questions and Answers format, which was added to the webpage. Monthly briefings before the Planning Commission at advertised public meetings, E-Newsletters (to subscribers of the City's "Planning & Development" list), and emails to Parties of Record for this proposal were also used to share information with the community. Additional outreach and public notification measures were used, including publishing a notice of the proposal in The Olympian and routing notice of these proposals to all Recognized Neighborhood Associations in the City.

In early March City Staff issued recommendations for implementing the housing options. Staff had planned to share these recommendations with the Planning Commission at its meeting on March 16, 2020 and then host an Open House which was scheduled for March 23, 2020 from 5:30 - 7:00 p.m. Both meetings were cancelled due to COVID-19 health concerns and the State of Washington's Stay Home, Stay Healthy order. Instead, two narrated presentations were added to the project webpage. The first reviewed the three options under consideration. The second focused on the original staff recommendations to implement the housing options under consideration. An E-Newsletter was published offering people the opportunity to review the presentations and provide comments. An email with similar content was also sent to the Parties of Record to inform them of this opportunity.

Original Staff Recommendations

City staff has spent a considerable amount of time to develop its recommendation. This included conversations with planners at the State of Washington Department of Commerce, Growth Management Services, to clarify how cities would need to draft code language in order to implement the language in state law. Discussions were also held with other planners around the state to discuss nuances in the language, specifically for the option regarding duplexes, triplexes, or courtyard apartments on each parcel in one or more zoning districts. A key and very important aspect of developing staff's recommendation centered on maintaining consistency of the City of

Olympia Comprehensive Plan and these draft amendments to the Olympia Municipal Code.

### House Bill 2343

After the original staff recommendations were issued, the Washington State Legislature passed House Bill 2343 (HB 2343), which the City had been monitoring. It was signed into law by Governor Inslee on March 27. The bill goes into effect on June 11, 2020. The bill revised language for two of the housing options under consideration, as summarized:

Option 1 - Accessory Dwelling Units: The revised language separates the provisions, so they can be acted on independently of each other. Additionally, it removes the language about a specific ADU size limits (1,000 square feet).

Option 3 - Duplexes, Triplexes and Courtyard Apartments: The revised language adds quadplexes, sixplexes, stacked flats, and townhouses to the list of housing types that could be addressed.

For the full text please see HB 2343, attached.

### Revised Staff Recommendation

As a result of the revisions to RCW 36.70A.600, which will go into effect before the City takes any action on these Housing Options Code Amendments, staff revised its recommendation regarding ADUs. Staff recommends allowing any ADU to be up to 800 square feet in size, regardless of the size of the primary house. This is less restrictive than the current provision, which states the ADU can be no larger than two-thirds the size of the primary residence, up to a maximum of 800 square feet.

Staff does not propose adding fourplexes, sixplexes, stacked flats at this time. Staff is not proposing any changes to the City's townhouse standards at this time.

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

Issues raised to date have centered on several issues, both from those in support of this work and from those who are concerned about or opposed to these options. The most frequently addressed topics raised have addressed the need for more housing, maintaining neighborhood character, parking, design review, stormwater, housing costs, rental costs, outside investors, maintaining trees, making efficient use of existing infrastructure and utilities, reducing greenhouse gas emissions, compact development patterns, environmental protections and solar access.

At the last Planning Commission meeting, on February 24, 2020, Commissioners were provided copies of all public comments that had been received by 5:00 p.m. on that date. The packet issued for the March 16 meeting that was cancelled had included public comments issued between February 24 and March 5. However, because the meeting was not held, this staff report includes public comments (see attachment) received after 5:00 p.m. on February 24, 2020 through May 8, 2020, including those comments submitted as part of the environmental review conducted under the State Environmental Policy Act (SEPA).

### **Options:**

No action is required. Staff requests the Planning Commission ask any clarifying questions about the staff recommendations and provide any additional guidance to staff regarding which options to

implement and how.

**Financial Impact:**

None. The cost of preparing these code amendments is included in the Department's annual base budget.

**Attachments:**

Options and Revised Staff Recommendations

ADU Comparison Table

Revised Draft Code Language

Public Comments 02/24/2020 - 05/08/2020

RCW 36.70A.600

HB 2343

Project Webpage