

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING TITLE 17, SUBDIVISIONS, OF THE OLYMPIA MUNICIPAL CODE, RELATED TO LOT SPLITTING

WHEREAS, HB 1096, passed by the Legislature in the 2025 Legislative session, created new law requiring cities to allow for lot splits of residential lots, under certain specified conditions; passage of this legislation necessitates an update to Olympia’s municipal code to allow for such lot splits where consistent with the newly enacted state law;

WHEREAS, on February 23, 2026, the City of Olympia Community Planning and Economic Development Department proposed multiple minor amendments to various chapters in the Olympia Municipal Code, including Title 17, Subdivisions, of the Olympia Municipal Code (OMC) (the Proposed Amendments); and

WHEREAS, Notice of Application for the Proposed Amendments was routed to all Recognized Neighborhood Associations within the City of Olympia and to the Council of Neighborhoods Association on February 23, 2026; and

WHEREAS, on February 23, 2026, the Proposed Amendments were sent to the Washington State Department of Commerce Growth Management Services with the Notice of Intent to Adopt Development Regulation amendments as required by RCW 36.70A.106 and no comments were received from state agencies during the comment period; and

WHEREAS, on March 2, 2026, the Olympia Planning Commission received a briefing on the Proposed Amendments; and

WHEREAS, on March 11, 2026, the City of Olympia issued a Determination of Non-Significance pursuant to the State Environmental Policy Act (SEPA) on the Proposed Amendments; and

WHEREAS, on March 25, 2026, notice of the public hearing for the Proposed Amendments was provided to all Recognized Neighborhood Associations with the City of Olympia pursuant to Chapter 18.70 OMC, Public Notification; and

WHEREAS, on March 25, 2026, notice of the public hearing for the Proposed Amendments was provided to all Parties of Record pursuant to Chapter 18.70 OMC, Public Notification; and

WHEREAS, on March 27, 2006, a legal notice was published in *The Olympian* newspaper regarding the date of the Olympia Planning Commission’s public hearing on the Proposed Amendments; and

WHEREAS, on April 6, 2026, the Olympia Planning Commission received a briefing, held a public hearing, and deliberated the Proposed Amendments; and

WHEREAS, there were no written or oral public comments or testimony received on the Proposed Amendments; and

WHEREAS, following the public hearing and deliberations, on April 6, 2026, the Planning Commission provided to the City Council its recommendation to amend Title 17, Subdivisions, of the Olympia Municipal Code (OMC), as proposed; and

WHEREAS, the Proposed Amendments are consistent with the Olympia Comprehensive Plan and other chapters of Title 18 OMC; and

WHEREAS, the Proposed Amendments have been reviewed pursuant to the Rezones and Text Amendments process outlined in Chapter 18.70 OMC; and

WHEREAS, Chapters 35A.63 and 36.70A RCW and Article 11, Section 11 of the Washington State Constitution authorize and permit the City to adopt this Ordinance;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Addition of OMC 17.31. A new Chapter is added to Olympia Municipal Code. Chapter 17.31 is hereby added to read as follows:

Chapter 17.31 – Lot Splitting

Chapter Contents

17.31.010 Application Type and Process

17.31.020 Lot Splitting Definitions

17.31.030 Requirements

Section 17.31.010 – Application Type and Process

- A. A lot split is a type of short subdivision under OMC 17.32 and is considered a Type II application under OMC 18.70. A lot split application may be reviewed concurrently with the review of a residential building permit to create new middle housing or single-family housing.
- B. The application process for a residential lot to be split requires only an administrative decision, through which the application is reviewed, approved, or denied by the Director or Director's designee based on applicable clear and objective development standards, with no public hearings, nor any design review, if applicable, other than administrative design review.

Section 17.31.020 – Lot Splitting Definitions

For the purposes of this section, the following definitions apply unless the context clearly requires otherwise:

- A. "Lot split" means the administrative process of dividing an existing lot into two lots for the purpose of sale, lease, or transfer of ownership.
- B. "Lot split survey" means the final survey prepared for filing for record with the county auditor and containing all elements and requirements for a lot split under state law and any local regulations.
- C. "Newly created lot" means a lot that was created by a lot split under this section.
- D. "Parent lot" means a lot that is subjected to a lot split under this section.

Section 17.31.030 – Requirements

- A. A new buildable residential lot and residential building permit or permits must be administratively approved and are not subject to administrative appeal if they comply with applicable development standards and the following conditions are met:
 - 1. No more than one newly created lot is created through the administrative lot split;

2. Both the parent lot and the newly created lot meet the minimum lot size allowed under Title 18 OMC;
 3. The parent lot was not created through the splitting of a residential lot authorized by this section;
 4. The parent lot is located in a residential zone and not in an exclusively nonresidential zone including zones that are exclusively commercial, retail, agricultural, or industrial;
 5. If the lot split would require demolition or alteration of any existing housing that would displace a renter, the applicant must recommend a displacement mitigation strategy that may include relocation assistance;
 6. The City or other applicable sewer and water purveyors have issued certificates of availability to serve the newly created lot and dwelling units;
 7. Access and utility rights are granted or conveyed as necessary on or before recording of the lot split survey to provide access for the maximum number of dwelling units that could be developed on the newly created lot, provided such access rights may be reduced consistent with the City's adopted codes, regulations, or design standards as applicable through review of a subsequent application for a building permit, short subdivision, unit lot subdivision, subdivision application, or short subdivision if less than the maximum number of dwelling units are built on the newly created lot;
 8. The Director determines that the application follows all applicable development regulations; and
 9. The lot split survey has been approved by the Director or designee and includes a condition on the face of the survey that further lot splits of the parent lot and newly created lot are not authorized by this section.
- B. A proposed lot split may be conditioned upon dedication of right-of-way on the parent lot to the extent such dedication is required under applicable codes, regulations, and design standards for the development, short plat, or subdivision of the parent lot absent an administrative lot split.
 - C. Development of dwelling units on the newly created lot may be conditioned upon construction of frontage improvements to a right-of-way adjacent to either the parent lot or the newly created lot to the extent required under applicable codes, regulations, and design standards.
 - D. Any construction on the newly created lot is subject to all existing state and local laws and regulations, including those specified in this section. Nothing in this section modifies the requirements for approval of residential building permits in chapter **19.27** RCW.
 - E. The City may not impose a limit on the total number of dwelling units allowed on the parent lot or newly created lot that is less than the number of dwelling units allowed by the underlying zoning of the parent lot prior to the administrative lot split.
 - F. Notwithstanding the provisions of this section, lots that are not buildable according to the City's development regulations including critical areas, shorelines, stormwater, setbacks, impervious surface areas, and building coverage standards, are not eligible for a lot split under this section.

- G. If a lot split results in a lot of a size that would allow for further land division, the lot is not eligible for a lot split, but may be divided under other applicable land subdivision processes.
- H. The newly created lot must meet any City minimum density requirements.
- I. The City is immune from any liability, loss, or other damage suffered by another that is related to the City's approval of a lot split under RCW 58.17 and this section, including if the lot split creates a lot that is later determined to not be buildable.
- J. Parent lots and newly created lots approved under this section must have a lot split survey recorded with the Thurston County auditor with a notation that future lot splits are not allowed on the lot.
- K. An application process or a residential lot to be split under this section is subject to the maximum time period for actions as set forth in OMC 18.70, unless extended pursuant to project-specific mutual agreement as permitted by RCW 36.70B.080.

Section 2. Olympia Municipal Code. Copies of the Olympia Municipal Code are and must be retained on file with the office of the City Clerk.

Section 3. Corrections. The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerk errors, references, ordinance numbering, section/subsection numbers, and/or any references thereto.

Section 4. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or application of the provisions to other persons or circumstances remains unaffected.

Section 5. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 6. Effective Date. This Ordinance takes effect five days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Michael M. Young

SENIOR DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED: