

**Missing Middle Infill Housing
Frequently Asked Questions
Q&A Sessions
December 11 & 13, 2017**

Accessory Dwelling Units (ADUs)

1. Can an ADU be built in front of an existing house?

An ADU may be located in front of an existing house if it meets the required minimum setback from the front property line (generally 20 feet in residential zoning districts).

2. Can an ADU share the existing house's connection to a STEP sewer?

Yes, that is allowed under current City standards.

3. Are ADUs subject to density limits in the zoning code?

ADUs are not subject to maximum density calculations in the zoning code under Section 18.04.080.3 of the Olympia Municipal Code (OMC).

4. Are Fire Sprinklers required in ADUs?

Yes, automatic fire sprinkler systems are required to be installed in all new or significantly renovated residences, including ADUs (see OMC 16.32.140). In cases where a significant renovation of an existing finished residence makes installation infeasible, alternative methods may be permitted consistent with the International Building and Fire Codes.

5. Are ADUs allowed on lots with duplexes? Can more than one ADU be built on a lot?

No. One ADU is allowed on a residential lot only in conjunction with a detached single-family house.

6. Some ADUs are built off of alleys – but not all alleys are graveled or paved. Would the ADU owner be required to improve the alley?

No. If the existing alley provides access to the property, it would not be required to be upgraded as part of construction of an ADU.

Property Values

7. Will there be analysis of Missing Middle recommendations' impacts to property values?

No, it would not be possible to predict future property values accurately. Many factors affect the value of a piece of property, including location, what uses are permitted, the availability of public services, real estate market conditions, and many others. For example, if properties in a zoning district are permitted to develop with more residences, that may generally raise the value of all properties in that area. However, many other factors may also affect property values in that area, causing them to increase or decrease.

8. Would building an ADU increase my property taxes?

It is not possible to say with certainty, as taxes are dependent on the tax rate and the value of the specific property. In general, adding an ADU on your property would likely raise the value of that property. This means that, if the property tax rate were the same, the tax assessment for that property would likely be larger due to the increased property value.

Density

9. Currently there are limits on the number of residential units that can be built per acre in residential neighborhoods (aka, the residential 'density'). Will these density limits still apply?

Residential zoning districts in Olympia include a minimum and maximum residential density permitted in that district. The Missing Middle recommendations do not include changes to the minimum or maximum densities allowed in any zoning district. Most of the recommendations apply in two zoning districts, which allow 4-8 and 6-12 residential units per acre. (Some housing types are also proposed to be allowed in higher-density districts.)

There are three important exceptions related to Missing Middle housing:

- ADUs are currently exempted from density calculations in the existing zoning regulations. This is not proposed to change with the Missing Middle recommendations; however, as duplexes and two-unit townhouses are very similar density to a house with an ADU, they also are proposed to be exempted from density calculations in most cases.*
- Density bonuses – an increase in the maximum allowed density by a certain amount - are currently allowed for townhouses (15% density increase) and cottage housing (20% density increase). The townhouse density bonus is not proposed to be changed; the cottage housing density bonus is proposed to be increased to 50%.*

- *The Missing Middle recommendations also propose to change the current requirements regarding a transferred development right to allow up to 9 units per acre in the R 4-8 zoning district when a transferred development right (TDR) is purchased from a property outside the city limits. [The TDR program has been in place since the mid-1990's to encourage preservation of agricultural land by allowing a farmer to sell the right to develop his/her farm and transfer that right to a property in a city. See Olympia Municipal Code Chapter 18.90.]*

10. How is residential density calculated?

*[Note: Please also refer to the illustrations of **Infill Housing Examples** that can be found [here](#).]*

When a property owner applies to subdivide or build on a piece of property, the City's review of that application includes ensuring the number of residences that will be built is between the minimum and maximum allowed density in that zoning district. Residential density is calculated only for that property – it does not include neighboring properties.

In the case of a subdivision of an existing parcel into multiple lots, each lot must meet or exceed the required minimum lot size AND the total number of lots to be created must be between the minimum and maximum density allowed in that zoning district. The Missing Middle recommendations propose that the total number of lots to be created may be less than the minimum density IF one or more of the lots will include multiple residential units. However, the total number of residential units that will be built on the original property being subdivided must still meet the allowed density.

In the case of a proposal to build on an existing parcel, the number of proposed residential units is divided by the size of the parcel (measured in acres). For example, four units proposed to be built on a .5-acre parcel equals 8 units per acre. The parcel must also meet the minimum lot size allowed in that zoning district. One change being discussed is to exempt smaller lots from the density calculation, where applying the minimum lot size requirements would control the density.

11. When zoning density is calculated it considers more than minimum lot size - it must also consider wetland buffers and other undevelopable land, correct?

Correct. Section 18.04.080 of the Olympia Municipal Code describes how minimum and maximum densities are calculated. Critical areas (such as wetlands, and their buffers), and some other undevelopable areas, are not included in the portion of the property on which the density calculation is based.

12. Will existing property lines still matter when calculating zoning density and minimum lot sizes? Will lot consolidations be required to eliminate property lines?

Existing property lines will not be changed by the Missing Middle recommendations. A lot consolidation process would still be needed to legally eliminate a property line and combine two lots.

13. What neighborhoods are expected to take more density?

The Missing Middle recommendations would allow for a broader variety of housing types, but do not change the density currently allowed in residential zoning districts. (Note: there are optional density bonuses in some cases, as described in #9 above.)

The City has asked the Thurston Regional Planning Council (TRPC) to conduct an analysis of the potential capacity in Olympia for Missing Middle housing. The results of that analysis will be mapped to show where in Olympia there would be additional capacity for development or redevelopment of Missing Middle Housing if the recommendations were adopted.

Parking

14. How will parking impacts to the neighborhoods be addressed?

The City's current requirements for new residential developments to provide off-street parking spaces will remain the same, except for ADUs. For example, duplexes and townhouses are required to provide two off-street parking spaces per residence. Housing types of three or more units are required to provide 1.5 parking spaces per residence. In the case of ADUs, the current requirement for one additional off-street parking space is proposed to be eliminated.

Neighborhoods

15. Some housing types seem more likely to be rentals. Does the City have any estimates of how many new units will be rentals?

No. Decisions regarding whether any housing, whether a single-family house or multi-family residence, is rented are made by property owners, and change frequently. It is not possible for the City to maintain an up-to-date database of which housing units are rented or owned. U.S. Census Bureau information in 2015 (the most recent year available) shows that 52% of Olympia's households rented their residence.

16. Will these new types of housing be more likely to be short term rentals (e.g., AirBnB, etc.) How will the city address that?

The City has begun analysis of short-term rentals and how the City may approach their regulation and taxation, as well as addressing potential impacts to neighbors. Recommendations from this analysis are also expected to come before the Olympia City Council in 2018.

17. I'm concerned that old houses may be torn down to build more units, such as a triplex or fourplex. How likely is it that existing houses could be converted to a triplex or fourplex?

As part of the Missing Middle project, City staff are requesting financial information from actual construction projects to try to answer this question. While additional information is still being gathered, the limited examples examined so far show little profit in demolishing an existing house that provides rent to the owner, in order to build a 3-4 unit building. Real estate and construction market conditions change over time, so the City plans to monitor the number of such conversions in the future.

18. How would proximity to a transit route be calculated?

Some of the recommended changes would allow additional Missing Middle housing types (courtyard apartments, triplexes and fourplexes) within 600 feet of transit routes in some areas. This distance is roughly the equivalent of two city blocks in the city's older neighborhoods. In general, distance is measured from the closest property line to the right of way that provides transit service.

19. Some neighborhoods have a lot of transit routes. Would that make it more likely that more housing units would be built in those neighborhoods?

Because several housing types (courtyard apartments, triplexes and fourplexes) are proposed to be permitted within 600 feet of transit routes in some areas, more of those housing types could be permitted in neighborhoods with more transit routes.

20. How does increasing the variety of housing relate to neighborhood retail?

In 2013, the Olympia Planning Commission examined policies in many cities regarding neighborhood retail centers. That analysis showed that, generally, each household can support roughly 15 square feet of retail space. This means it would take about 500 households to support a neighborhood retail center the size of the Wildwood Center on Capitol Way (which currently contains Vic's Pizza, Olympia Coffee Roasters, Spud's Produce, and Lucky Lunchbox). There are not currently that many households living within ¼-mile walking distance of that center, but additional customers arrive by vehicle due to its location along

Capitol Way. Most other neighborhood centers also do not have sufficient households within walking distance to fully support the retail center without additional customers arriving by automobile.

However, if additional housing types are permitted to locate within ¼-mile walking distance of neighborhood centers in Olympia, it may lead to enough households living in close proximity to support a small retail center to serve that neighborhood.

21. How is tree protection considered when permitting more housing units on a property?

The City's existing tree protection ordinance will continue to apply. This includes maintaining a required density of trees and providing a soil and vegetation plan with new development proposals. (See Olympia Municipal Code Chapter 16.60)

Impact Fees

22. Are building permit fees or impact fees going to be reduced for some of these housing types?

Building permit fees are based on the value of the construction project, and are not proposed to be changed. Impact fees are paid based on the impact of development on public facilities, such as roads or parks. Impact fees are recommended to be studied to determine if the impact of Missing Middle housing types is different than is currently calculated. If a study shows the impact to be less, impact fees may be reduced.

23. Impact fees for parks are listed as different for ADUs if they are detached. Why?

Parks impact fees are charged for ADUs if they are built separately (detached) from the primary house. There is currently not a parks impact fee charged for ADUs that are attached to the primary house. As mentioned above, a study of impact fees is recommended as part of the Missing Middle recommendations.

Infrastructure/Stormwater

24. Does the city plan for infrastructure based on the density allowed by zoning?

The City of Olympia adopts master plans for each of its infrastructure utilities (e.g., water, sewer, stormwater). Master plans consider many factors including projections of housing development based on zoning.

25. Do ADUs or Tiny Homes have to be connected to sewer or can they use composting toilets and gray water systems?

Composting toilets and gray water disposal systems may be permitted by Thurston County. However, in the City of Olympia it is also required to connect to sanitary sewer service where available, or an approved on-site septic system if permitted.

26. What is being done to address areas of the city that lack sewer service? Without sewer these housing options aren't available to some parts of the city.

The City of Olympia Wastewater Management Plan is the adopted master plan for sewer service in the city. Most areas of the city are planned to be provided sewer service, but a few areas may continue to be served by on-site sewage systems. If a new Missing Middle housing development is proposed within 200 feet of an existing sewer line, it will be required to extend sewer service at the time of development. Any development that requires the splitting of a lot or lots into more lots will be required to connect to sewer, regardless of distance. Septic systems are only considered for permitting on lots that existed prior to Nov. 21, 2006 or were created through consolidation of lots in existence prior to Nov. 21, 2006.

27. Would the city consider reimbursement or prioritization to build sidewalks in these areas near transit where there aren't sidewalks?

The City's Engineering Design and Development Standards require a sidewalk be constructed as part of most new developments. For Missing Middle housing, this generally means developments of more than two new residential units. Because some of these Missing Middle housing types are permitted in areas near transit routes, that would result in more sidewalks being constructed in those areas. In addition, the City's Sidewalk Program focuses new city-funded sidewalk construction on major streets (Arterials, Major Collectors and Neighborhood Collectors), which make up about half of the City's street network. One of the ranking criteria for sidewalk construction on major streets includes proximity to transit routes. The other half of the street network is smaller "local access" or neighborhood streets. While not a formal part of the City's Sidewalk Program, local access streets with a unique need – such as serving as a transit route – are considered for sidewalk construction.

28. How do these recommendations relate to stormwater provisions?

New developments in the City of Olympia are required to meet standards which require stormwater to be infiltrated on-site, rather than allowed to runoff in pipes or on the surface. These standards are in place and will apply to new Missing Middle developments, as well.

29. How will this impact LOTT? Especially if Sea Level Rise is taken into consideration?

The Lacey-Olympia-Tumwater-Thurston County (LOTT) Alliance operates a regional wastewater treatment facility that serves all four jurisdictions. LOTT adopts long-term plans for future service based on growth projections for the region. The Missing Middle recommendations may have slight impacts to the distribution of new housing units within the region, but are not likely to affect the overall regional growth projections used by LOTT to plan for overall wastewater capacity.

LOTT, the Port of Olympia and the City of Olympia are working together to develop a comprehensive [Sea Level Rise Response Plan](#) to address potential future challenges posed by Sea Level Rise to the downtown Olympia area, including the LOTT Wastewater Treatment Plant.

30. How will infrastructure improvements for cottage housing be different?

Cottage housing is currently allowed in most residential zoning districts. The Missing Middle recommendations include allowing phased construction of common areas and street frontage improvements, and potential phased payment of impact fees and general facilities fees as cottages are built over time.

Tiny Homes

31. For tiny home communities, would a shared, common building be required?

Tiny homes communities may be built either as a co-housing housing development or a cottage development (Olympia Municipal Code 18.04.060.F or 18.04.060.H). Co-housing developments require at least one common building, while cottage developments do not require a common building.

32. What is the city's current policy for tiny homes on wheels? Is any change proposed?

Tiny homes on wheels are considered to be recreational vehicles by the WA State Department of Labor and Industries, which currently has authority over permitting them. The City does not allow permanent residency in recreational vehicles.

Tiny homes built on permanent foundations are permitted by the City, and must meet adopted building codes.

33. Can the City's building codes be changes to better allow for tiny homes?

The WA State Building Code Council authorizes building codes that cities and counties implement. The Building Code Council could elect to consider authorizing an optional appendix for tiny homes, though it has not yet done so.

Miscellaneous

34. How will comments from the survey be used?

Results from the December 2017 survey on Missing Middle housing recommendations are available on the [Missing Middle web page](#). They are being considered by the Olympia Planning Commission as part of its review of those recommendations.

35. Can small units be built without permits?

No. All residential construction is subject to the International Building Codes and Olympia Municipal Code and must first receive a building permit.

36. Will the environmental impacts of these changes be considered, especially for traffic?

Yes. Potential significant environmental impacts of the Missing Middle recommendations are required to be considered by the City under the State Environmental Policy Act (SEPA). This must occur prior to final action on the recommendations.

37. I understand there will be an analysis of the capacity for Missing Middle housing in Olympia. Where is the information for the capacity analysis coming from?

The City has asked the Thurston Regional Planning Council (TRPC) to conduct an analysis of the potential capacity in Olympia for Missing Middle housing. TRPC conducted a city-wide residential capacity analysis in conjunction with the City of Olympia Comprehensive Plan update in 2013. That analysis will be adjusted to consider the Missing Middle Housing recommendations. The results of that analysis will be mapped to show where in Olympia there would be additional capacity for development or redevelopment of Missing Middle Housing if the recommendations were adopted.

38. Are developers ever required to build this type of housing?

The City cannot compel property owners to build. However, zoning regulations do limit the types of housing that can be permitted in each zoning district of the City. The Missing Middle Housing recommendations would increase the types of housing that could be permitted in Olympia's low-density residential zoning districts. Whether additional housing is actually constructed is dependent on decisions made by individual property owners.

39. What are the next steps? When would this go into effect if it is passed?

The Olympia Planning Commission is considering the Missing Middle recommendations at its meetings January 8 & 22, and February 5 & 26. The February 26 meeting is tentatively scheduled to include a public hearing. Public comments may also be submitted any time to missingmiddle@ci.olympia.wa.us and will be provided to the Planning Commission at their subsequent meeting.

At the conclusion of its consideration, the Planning Commission will make a recommendation to the Olympia City Council. It is estimated that the City Council would consider the Planning Commission's recommendations in March or April, 2018. If adopted, the recommendations would likely go into effect approximately one week after the City Council's adoption.