



Meeting Agenda

Land Use & Environment Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Thursday, April 25, 2024

4:00 PM

Council Chambers, Online and
Via Phone

Register to Attend:

https://us02web.zoom.us/webinar/register/WN_-OpRSCOfTFyY7GikivbWJQ

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **APPROVAL OF AGENDA**

4. **PUBLIC COMMENT**

(Estimated Time: 0-15 Minutes)

During this portion of the meeting, community members may address the Committee for up to two (2) minutes regarding the Committee's business meeting topics.

5. **APPROVAL OF MINUTES**

- 5.A [24-0359](#) Approval of Approval of February 21, 2024 Land Use & Environment Committee Meeting Minutes

Attachments: [Minutes](#)

6. **COMMITTEE BUSINESS**

- 6.A [24-0339](#) Proposed Changes to the Parking Program Briefing

Attachments: [Hours Expansion Financial Impact](#)

- 6.B [24-0343](#) Neighborhood Centers Update

Attachments: [Draft Olympia Neighborhood Centers Strategy](#)
[Neighborhood Profiles](#)
[Market Analysis](#)
[2014 Summary of Findings](#)
[Link to Engage Olympia](#)

7. **REPORTS AND UPDATES**

8. **ADJOURNMENT**

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City Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8244

Land Use & Environment Committee

Approval of Approval of February 21, 2024
Land Use & Environment Committee Meeting
Minutes

Agenda Date: 4/25/2024
Agenda Item Number: 5.A
File Number:24-0359

Type: minutes **Version:** 1 **Status:** In Committee

Title

Approval of Approval of February 21, 2024 Land Use & Environment Committee Meeting Minutes



Meeting Minutes - Draft

Land Use & Environment Committee

City Hall
601 4th Avenue E
Olympia, WA 98501
Information: 360.753.8244

Wednesday, February 21, 2024 4:00 PM Room 112, Virtual and via phone

Register to Attend:

https://us02web.zoom.us/webinar/register/WN_-Ya42niBRKOaDWp7dCjgow

1. CALL TO ORDER

Chair Madrone called the meeting to order at 4:00 p.m.

2. ROLL CALL

Present: 3 - Chair Dani Madrone, Committee member Jim Cooper and Committee member Robert Vanderpool

2.A OTHERS PRESENT

City Manager Jay Burney
Assistant City Manager Rich Hoey
Community Planning and Development Director Leonard Bauer
Community Planning and Development Deputy Director Tim Smith
Housing Program Specialist Christa Lenssen
Housing Program Manager Darian Lightfoot
Principal Planner Joyce Phillips
Associate Planner Casey Schaufler
Co-Executive Director of NW Cooperative Development Practitioners Sam Green
Knoxworks Consulting Owner Paul Knox

3. APPROVAL OF AGENDA

The agenda was approved.

4. PUBLIC COMMENT

Karen Messmer spoke.

5. APPROVAL OF MINUTES

5.A [24-0172](#) Approval of January 25, 2024 Land Use & Environment Committee Meeting Minutes

The minutes were approved.

6. COMMITTEE BUSINESS

6.A [24-0145](#) Olympia 2045: Comprehensive Plan Update Briefing

Ms. Phillips provided an update on the process of updating the Olympia Comprehensive Plan.

The discussion was completed.

6.B [24-0155](#) Drive-Throughs in Mixed Use Developments Along Downtown Entry Corridors Requested Code Amendment Recommendation

Mr. Schaufler presented the zoning text application and the Planning Commission recommendation. The Committee discussed tradeoffs of approving recommendation or considering the original staff recommendation.

Committee Member Cooper moved, seconded by Chair Madrone, to accept the Planning Commission recommendation except extend from Union to 5th Avenue. The motion carried by the following vote:

Aye: 2 - Chair Madrone and Committee member Cooper

Nay: 1 - Committee member Vanderpool

6.C [24-0164](#) Affordable Homeownership Study Briefing

Ms. Lenssen introduced the consultant team, who presented their ten top issues for consideration to include in the final draft of a report on affordable home ownership. Committee members discussed their priorities among the recommendations to guide staff in using this study to move forward.

The discussion was completed.

7. REPORTS AND UPDATES

Mr. Bauer shared the agenda items scheduled for the March 21 meeting.

8. ADJOURNMENT

The meeting adjourned at 7:08 p.m.



Land Use & Environment Committee

Proposed Changes to the Parking Program Briefing

Agenda Date: 4/25/2024
Agenda Item Number: 6.A
File Number: 24-0339

Type: discussion **Version:** 1 **Status:** In Committee

Title

Proposed Changes to the Parking Program Briefing

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Direct staff to proceed with a public outreach program regarding proposed parking program changes to carry out recommendations of the Downtown Parking Strategy.

Report

Issue:

Whether to Direct staff to proceed with a public outreach program regarding proposed parking program changes to carry out recommendations of the Downtown Parking Strategy.

Staff Contact:

Chelsea Baker van Drood, Parking Services Program Specialist, Community Planning & Development, 360.239.3468

Presenter(s):

Chelsea Baker van Drood, Parking Services Program Specialist, Community Planning & Development

Background and Analysis:

Adopted by the City Council in 2019, the Downtown Parking Strategy guides the development of parking policy and parking management strategies that support community goals. The Parking Strategy recommends expanding hours of enforcement, converting more meters to a three-hour limit, improving the use of off-street parking, improving way-finding signage, increasing the use of mobile payment options, and adjusting prices to achieve an 85% occupancy rate.

Staff will present draft proposals for each of these actions, which are informed by public feedback received in 2023 at a public meeting. The next step would be an additional public outreach program to further discuss these proposals with potentially affected downtown stakeholders.

Climate Analysis:

Expanding enforcement hours for parking will cause some to look into other transportation options and will lower the occupancy rate on evenings and weekends. This reflects fewer auto trips and lower greenhouse gas emissions.

Improving wayfinding will reduce the number of vehicles parked in spots that aren't ideal (such as long-term parkers in short term spaces) and will allow drivers to go directly to a parking space that fits their needs so they aren't clogging traffic and driving around searching for a space.

Fully utilizing city leased lots by consolidating permits and adding more hourly paid spaces will open up more on-street spaces for customers and reduce the demand for new surface lots. Monthly permits encourage daily driving because parking becomes a sunk cost once the permit is purchased, thus discouraging the driver from using other modes of transportation. Providing hourly paid spaces in the lots will reduce the number of leased permits sold, disincentivize daily driving, and ensure that drivers only pay for the amount of time that they park.

With the conversion of the 2-hour meters to a 3-hour limit, we plan on maintaining the \$1.25 per hour price at those meters, but because vehicles will be allowed to stay an extra hour, this may tip occupancy rates over the 85% goal. A higher hourly price may be needed to bring the occupancy rate down and encourage drivers to use other modes of transportation. Increasing the presence of 3-hour meters may also inadvertently encourage employees to park on the street near their businesses which would also negatively affect the occupancy rate.

Equity Analysis:

Increased City staff presence will improve the sense of safety downtown for marginalized individuals. Expanded hours will lower the occupancy rate to allow for more accessible parking for those who need it during the busiest hours. Removing coin operated meters will create a barrier for un-banked individuals and older people who have difficulties with technology, but the vast majority of the areas that will be mobile payment only contain meters that currently do not frequently receive coins.

Neighborhood/Community Interests (if known):

Parking availability is a concern for visitors to and residents of Olympia.

Financial Impact:

Increased enforcement hours are projected to pay for increased enforcement costs. The estimated costs are \$119,622 with revenue estimated at \$140,155. Further details are included in the attachment. Removing meters will also reduce maintenance costs.

Options:

1. Discuss proposed changes to the parking program and provide feedback to staff and direction on beginning public outreach program.
2. Discuss proposed changes of the parking program at another time.
3. Take other action.

Attachments:

Hours Expansion Financial Impact

Proposal for Evenings and Weekend Parking Enforcement

Financial Impact Table

Our revenue projections are compiled from citation reports from UPSafety based on the area we wish to enforce. Revenue collected through our PayByPhone service and IPS meter reports.

Estimated Costs

Item	Quantity	Amount	Total
PSFR1 (Step 5)	1	\$116,662	\$116,662
Phones	2	\$480	\$960
Signage updates			\$1,000
Handheld Units	2		\$7,145
Total			\$118,622

Estimated Revenue

Item	Amount
Extra 2 Weekday Hours	\$42,444
Saturday Enforcement	\$32,711
Additional Citations Paid ¹	\$65,000
Total	\$140,155

There would be no need to add office space as we currently have room to add two cubicles.

¹ Represents proportional increase in enforcement hours for citations paid in enforcement area in 2022.



Land Use & Environment Committee

Neighborhood Centers Update

Agenda Date: 4/25/2024
Agenda Item Number: 6.B
File Number: 24-0343

Type: information **Version:** 1 **Status:** In Committee

Title

Neighborhood Centers Update

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive an informational briefing on the Neighborhood Centers project.

Report

Issue:

Whether to receive an informational briefing on the Neighborhood Centers project.

Staff Contact:

Casey Schaufler, Associate Planner, Community Planning and Development, 360.753.8254.

Presenter(s):

Casey Schaufler, Associate Planner, Community Planning & Development.

Background and Analysis:

Olympia's Comprehensive Plan identifies 17 areas for future neighborhood center development. Neighborhood centers are small walkable and transit friendly business areas within neighborhoods that serve the day-to-day retail and service needs of residents. These destinations are important to achieving community goals to reduce environmental impacts, improve human health, foster community interaction, and create resilient neighborhoods.

Despite these long-held goals, neighborhood centers have not developed as envisioned. Following the last periodic update of the Comprehensive Plan in 2014, the Planning Commission set out to better understand why they have not developed, and to help create solutions. Initial work included stakeholder interviews and an online survey, after which no further work was done until 2021. Results of this early work were consolidated into the attached *2014 Summary*.

Staff briefed the Land Use and Environment Committee in September 2021, just before starting the recruitment process to hire a consultant. The successful team was MAKERS Architecture and Urban

Design and Leland Consulting Group. Outcomes from these tasks are incorporated into the *Neighborhood Profiles and Market Analysis*.

Following public outreach events held throughout the summer of 2022, the consultants worked with staff to identify policy and regulatory recommendations to address barriers to neighborhood centers development. The final deliverable is the Olympia Neighborhood Centers Strategy report.

The Olympia Neighborhood Centers Strategy updates a 2014 effort by the City to foster small Neighborhood Centers (Centers) that provide commercial services to local residents as called for in Olympia's Comprehensive Plan. Specifically, the project evaluated the performance of existing centers, and recommends actions to enhance their viability. To accomplish this, the consultant team conducted an in-depth survey of the existing Centers' economic, demographic, and physical characteristics, explored opportunities for their growth and enhancement, and prepared recommendations for improving their performance. At the same time, the team analyzed the current City Comprehensive Plan policies and criteria for designating centers to identify measures to deal with centers more effectively at the policy level. The team also identified development regulations that act as barriers to development within Neighborhood Centers.

Climate Analysis:

The Neighborhood Centers Strategy will provide recommendations for long-term reduction of greenhouse gas emissions. It will facilitate development of small commercial services for established residential neighborhoods. Development of small commercial uses in existing neighborhood locations will result in a number of benefits in regard to climate impacts including the following: reducing sprawl; providing goods, services, and jobs proximity to existing housing; emphasis on construction of a more efficient transportation network with more connections and more opportunities for active forms of travel; and a reduction in vehicle miles traveled.

Equity Analysis:

Businesses in general will benefit from additional residents located in close proximity to their establishments. Residents of adjacent neighborhoods will be able to use modes of active transportation (walking and biking). Residents without vehicles may benefit from improved access to local services and gathering spaces that otherwise would only be available through use of public transit.

Neighborhood/Community Interests (if known):

Neighborhood centers garnered robust public interest during the last Comprehensive Plan update in 2014. Public engagement included a workshop, popup events and an online survey held in the summer of 2022. Engagement and survey summaries are available on the Neighborhood Centers Engage Olympia website.

Financial Impact:

The project is funded by the Community Planning and Development Department's base budget. The contract with MAKERS Architecture and Urban Design and Leland Consulting Group is in the amount of \$111,680.

Options:

1. Receive the briefing.
2. Do not receive the briefing.

3. Receive the briefing at another time.

Attachments:

Draft Olympia Neighborhood Centers Strategy
Neighborhood Profiles
Market Analysis
2014 Summary of Findings
Link to Engage Olympia

Olympia Neighborhood Centers Strategy DRAFT

Last Updated: April 11, 2024

1 | Executive Summary

Project Purpose and Process

Neighborhood centers have been part of Olympia’s vision as a vibrant, sustainable community for over 20 years. For a city of Olympia’s size and scale, neighborhood centers are intended to be small walk- and transit- friendly business clusters within residential neighborhoods that serve the day-to-day retail and service needs of residents, increase walkability, reduce the carbon footprint, provide greater housing options, and foster community. However, most neighborhood centers have not developed as envisioned.

This Olympia Neighborhood Centers Strategy updates a 2014 effort by the City to foster small Neighborhood Centers (Centers) that provide commercial services to local residents as called for in Olympia’s Comprehensive Plan. Specifically, the project evaluated the performance of existing centers, and recommends actions to enhance their viability. To accomplish this, the planning team conducted an in-depth survey of the existing centers’ economic, demographic, and physical characteristics, explored opportunities for their growth and enhancement, and prepared recommendations for improving their performance. At the same time, the team analyzed the current City Comprehensive Plan policies and criteria for designating centers to identify measures to deal with centers more effectively at the policy level. The team also identified development regulations that act as barriers to development within Neighborhood Centers.

Report Contents

This report contains the following sections:

- **Section 2. Background** – the purpose and prior history of this exploration
- **Section 3. Analysis and Evaluation Summary** – the performance of existing centers, as evaluated in the Market Study (Appendix B) and Neighborhood Center Profiles (Appendix C)
- **Section 4. Policy Recommendations** for Comprehensive Plan policies that address the criteria for designating and fostering neighborhood centers
- **Section 5. Zoning Recommendations** that include: 1) general recommendations to facilitate neighborhood center activities and development and 2) a proposal to expand the size of neighborhood center activities into surrounding residential neighborhoods
- **Section 6. Citywide Program Recommendations** to provide assistance to neighborhoods and neighborhood center businesses in general
- **Section 7. Neighborhood-specific Recommendations** for individual neighborhood centers

Methods

- Public engagement – open houses, questionnaire, pop-ups
- Economic assessment
- Neighborhood profiles – criteria

Key Findings

1. Community members are still interested in neighborhood centers as places for meeting day-to-day needs and creating gathering places.
2. In general, the existing neighborhood centers are functioning to their intended purposes even though they do not exhibit the quantitative metrics that usually apply to commercial businesses of that size. This leads to the conclusion that the City should continue to foster existing centers but not expect substantial growth or increased performance.
3. The market analysis showed that:
 - a. Most of Olympia's centers could support 40,000 square feet or more of new commercial space. This means that financial feasibility and land availability are the main obstacles to new development. Financial feasibility is impacted by zoning and development regulatory barriers and challenging site conditions. Land availability is partially impacted by a lack of land zoned to allow neighborhood businesses.
 - b. The most successful neighborhood center businesses are currently relying predominately on automobile traffic to provide their customer base. Holistic land use and transportation planning is needed to increase the share of pedestrian traffic.
4. Several actions could help neighborhood centers thrive:
 - a. Update Comprehensive Plan policies (see Section 4) to:
 - i. Refine guidance on appropriate siting and support for neighborhood centers
 - ii. Remove designation from centers that have limited potential to become successful neighborhood centers
 - b. Update the City's zoning code and development regulations (see Section 5) to:
 - i. Permit small commercial uses (SCUs) in residential zones within approximately 300 feet (one block) of designated neighborhood centers
 - ii. Rezone a select few parcels within neighborhood centers to Neighborhood Retail (NR)
 - iii. Update the NR zone and other regulations (e.g., solid waste, parking) to remove barriers to neighborhood commercial uses

- c. Implement citywide programs (see Section 6) to support healthy businesses, including:
 - i. Establish a building improvement matching grant program
 - ii. Streamline process for parklets in neighborhood centers (e.g., make the COVID pandemic-era Simplified Sidewalks program permanent)
 - iii. Consider site-specific development evaluation and/or pilot projects
 - iv. Consider making desired development more accessible through pre-approved prototypical centers projects, deal-fostering, education, and other methods
- d. Pursue neighborhood center specific actions (see Section 7), such as sidewalk/crossing improvements, fostering partnerships on opportunity sites, and select rezones.

2 | Background

What are Neighborhood Centers?

Neighborhood Centers are intended to be small areas in neighborhoods that foster commercial activity to meet everyday needs and offer places for social interaction. They are officially designated on the City of Olympia Comprehensive Plan map and marked on Figure 2.

This report does not examine neighborhood centers associated with master-planned Neighborhood Villages, as these areas all have approved master plans, nor Urban Centers or Corridors as these accommodate a higher intensity of activity than that envisioned for neighborhood centers.

Olympia's Neighborhood Retail (NR) zone is intended to implement the vision for neighborhood centers. NR zones (according to Olympia's development regulations and rezone criteria):

- Allow small-scale commercial uses (OMC 18.06)
- Should only be applied in/near designated neighborhood centers (OMC 18.59.055)
- Should be limited to 1 acre in size (OMC 18.59.055)

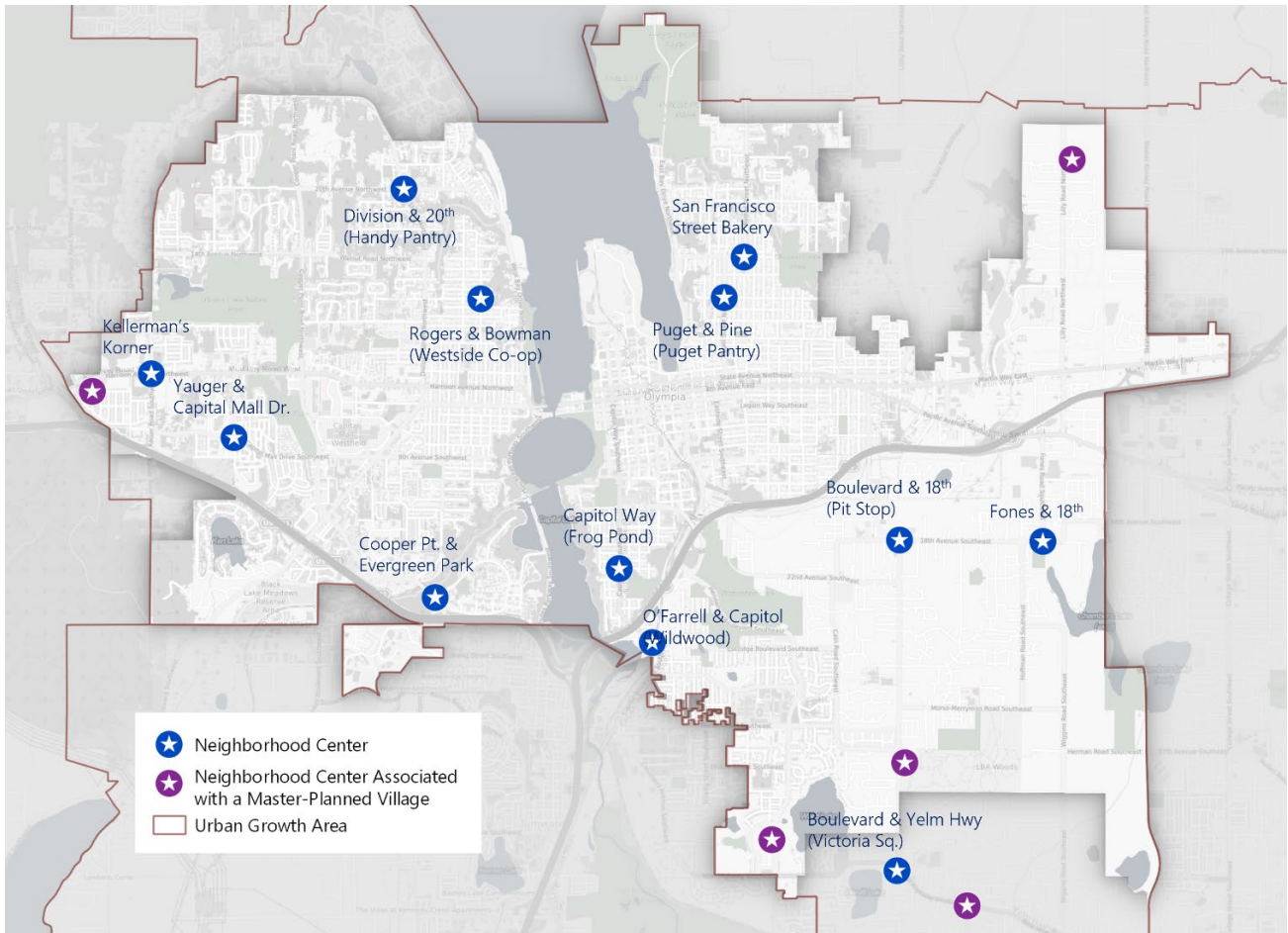
Current Neighborhood Centers Vision:

Neighborhood Centers are small walk- and transit-friendly activity clusters within neighborhoods that serve the day-to-day retail and service needs of local residents and foster community interaction (City of Olympia Comprehensive Plan, Land Use and Urban Design chapter, [Neighborhoods section](#)).



Figure 1. San Francisco St Bakery

Figure 2. Designated Neighborhood Centers



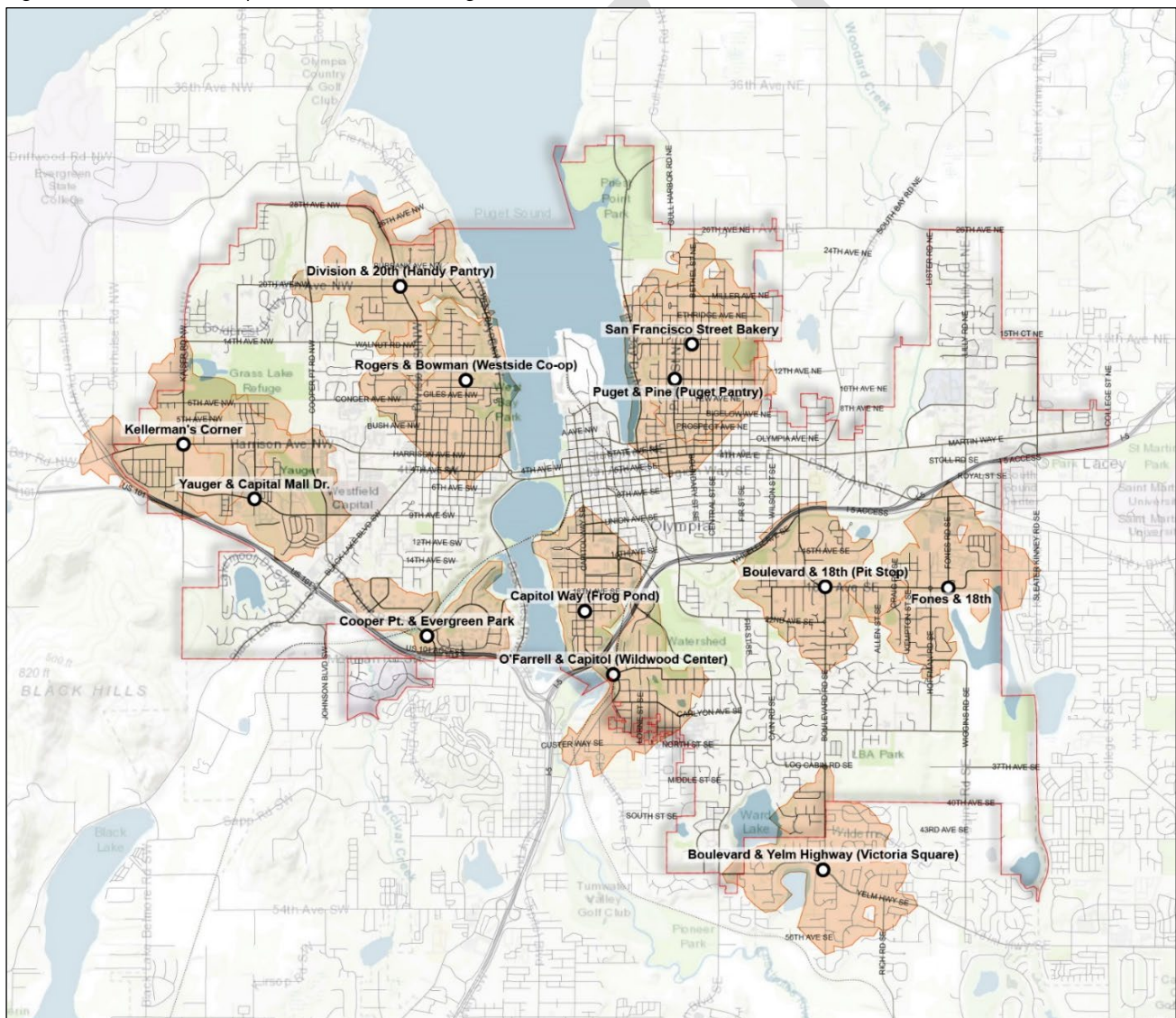
Source: City of Olympia, LCG, MAKERS, 2022

15-minute Neighborhoods

Neighborhood centers are meant to easily serve daily needs, which means that people should be able to reach them quickly, safely, and without a car. Figure 3 illustrates the centers' "15-minute walksheds," areas where someone can live or work and within 15 minutes, walk or roll (i.e., use a wheelchair, stroller, or other small wheeled device) to the neighborhood center. Places without the beige highlight are areas lacking active transportation access to a designated neighborhood center.

Note, this map does not show the PUD neighborhoods nor larger centers like Downtown, the Capital Mall Triangle, and Martin Way commercial centers. Notably, some areas of the city include walkable street grids but no designated neighborhood center.

Figure 3. Walkshed Map and 15-Minute Neighborhoods



Why is the City pursuing Neighborhood Centers?

Olympia's Comprehensive Plan, which represents Olympians' vision for their city and guides its future, includes policies that support neighborhood centers in several places, including:

- [Community Values and Vision](#)
- Designated neighborhood centers on the [Future Land Use Map](#)
- Neighborhood Center policies ([GL 21](#))
- [General neighborhood policies \(GL 14\)](#)

[See Appendix A Comprehensive Plan Policy Analysis for more background on existing policies.](#)

Likewise, the Thurston Regional Planning Council's Sustainable Thurston plan, adopted in 2013, guides sustainability policy for the Thurston region. One goal of this plan is to create vibrant centers, corridors and neighborhoods while accommodating growth. One target is that, by 2035, 72% of all households should be within a half-mile (a 10-minute walk) of an urban center, corridor, or neighborhood center with access to goods and services to meet some of their daily needs.

Neighborhood Centers meet city/community/regional goals in the following ways; they:

- Contribute to walkability, accessibility, and vibrancy in Olympia's neighborhoods by allowing services and amenities close to where people live
- Improve livability by offering local services, especially to convenience stores, and dining and drinking places where local residents can gather
- Foster economic development and resilience by providing space for small and start-up businesses
- Support the natural environment and regional climate mitigation goals by reducing reliance on the automobile

Olympians adore their successful neighborhood centers, such as Westside Food Co-op, Wildwood Center, Frog Pond, and San Francisco Street Bakery. However, other centers have not seen the same success.

Through several City processes over the years, Olympians have expressed interest in seeing neighborhood centers succeed throughout the city. A 2014 City-led process identified the types of businesses and non-commercial elements Olympians prefer in their neighborhoods, code barriers to their development, and areas of concern ([Summary of 2014 Findings about Olympia's Neighborhood Centers](#)).

Summary of 2014 Findings

CAUSE:	PROPOSAL:	EXPECTED OUTCOME:
<p>The Master Plan process is too onerous.</p> <p>Certain development regulations may be outdated.</p> <p>There are neighborhood concerns about design, primarily about the mass and scale of buildings.</p>	<p><u>Consider</u> code amendments to:</p> <ul style="list-style-type: none"> Remove the master plan process for neighborhood centers, and update neighborhood retail zoning regulations as the alternative process. (update allowed uses and other development standards) Decrease the number of required vehicle parking stalls for neighborhood center businesses. Update the sign code to allow businesses to have more visibility, while also balance this with public concerns about sign clutter. Expand design review to all neighborhood center developments. Consider adoption of standards that provide more certainty, yet maintain flexibility for variety of tenants. Incorporate Crime Prevention through Environmental Design (CPTED) standards. 	<p>The process and regulations around neighborhood centers will be easier to understand, apply for and administer.</p>
<p>In some areas, surrounding population densities are too low to support neighborhood center businesses.</p>	<p>As part of the neighborhood subarea planning process, provide a data profile of planned neighborhood center locations within the subarea. (e.g., current & projected number and income of households within 1/2 mile, nearest park, transit route, other commercial area, etc.)</p> <p>As an option for the subarea planning process, facilitate a visioning, followed by a feasibility analysis to determine whether higher densities or other characteristics are likely needed to support the subarea's vision for its neighborhood center.</p>	<p>Subarea stakeholders explore options for feasibility, including increased population around centers, or may rethink vision for these locations.</p>
<p>Costs are prohibitive:</p> <ul style="list-style-type: none"> Construction of new mixed-use buildings Rehabilitation of existing, underused sites 	<p>Explore possible partnerships between the City, neighborhoods, business and property owner/developers to reduce costs associated with neighborhood center development or improvement (e.g., assistance with addressing contamination, constructing improvements, and place-making.)</p> <p>Provide info about tax incentives associated with upgrading older buildings. See also #1, #2 and #4</p>	<p>Provide a 'tool-kit' of potential partnerships & other incentives to help overcome financial hurdles to developing or operating a center business.</p>
<p>There is not enough land onsite to stage garbage, recycling and compost bins.</p>	<p>Consider allowing shared space among neighborhood businesses for staging garbage, recycling and compost.</p> <p>Continue to explore the City's options for picking up commercial recycling through the City's Zero Waste Plan, and consider prioritization of centers.</p>	<p>There is adequate collection & space to manage waste and recycling.</p>
<p>Inadequate pedestrian infrastructure</p>	<p>Prioritize improvement of pedestrian infrastructure and amenities in neighborhood center areas as they develop.</p>	<p>Improve pedestrian safety and walkability.</p>

Source: Summary of 2014 Findings about Olympia's Neighborhood Centers
https://www.olympiawa.gov/Document_center/Business/Economic%20Development/NC-2014-Outreach%20Summary.pdf

What has changed?

While the City has undertaken planning studies to identify appropriate locations for existing or new Centers, conditions are changing rapidly enough that there is a need to periodically review their designations. For example, during stakeholder interviews and public engagement, other neighborhoods—Swantown Inn and Friendly Grove Park—were suggested for designation as neighborhood centers. At the same time, recent planning—the Kaiser Harrison Opportunity Plan—for Kellerman’s Corner envisioned, and updated zoning, for it to become a more intense center than a typical neighborhood center.

In some neighborhoods, Olympians have developed guiding plans or expressed visions for their own neighborhoods, including:

- Eastside Subarea Plan, developed by the Eastside Neighborhood Association
- Olympia Northeast Neighborhoods Alliance (ONNA) Subarea Plan

In response to changing conditions and community interests, the City led this study to set a strategy for fostering successful neighborhood centers.

3 | Analysis and Evaluation Summary

Evaluation Purpose

Neighborhood centers have not developed as fully as envisioned in the Comprehensive Plan. To understand why, the Olympia Neighborhood Center Strategy background analysis and evaluation focused on two questions:

1. **Current success.** Which designated centers are doing well and meeting the City’s vision for small neighborhood clusters of commercial and active uses as noted in the Olympia Comprehensive Plan?
2. **Future potential.** Which centers have the potential for expansion and/or would benefit, in terms of economic viability and service to the local community, from City actions to expand or stabilize the services the centers provide?

This evaluation highlighted needs for improving multiple centers’ performance and maximizing their potential. Chapters 4-7 outline City actions to support the centers, either maximizing their existing future potential or finding ways to increase their future potential.

Analysis Method

The planning team evaluated the neighborhood centers for their current success and future potential using the parameters described in **Figure 4. Centers Evaluation Criteria**. These parameters reflect common standards for neighborhood centers used in Olympia’s Comprehensive Plan (described in detail in **Appendix A. Comprehensive Plan Policy Analysis**), the [AARP Livability Index](#), the [EPA Walkability Index](#), [Walk Score](#), [LEED for Cities and Communities](#), [LEED for Neighborhood Development](#), [STAR Community Rating System for Compact and Complete Communities](#), and the 15-minute city concept built on several planning theories over the last century ([Moreno et al, 2021](#); [Congress for New Urbanism, 2021](#)).

The team collected and analyzed the data in **Appendix B. Market Study Analysis and Findings Summary** and **Appendix C. Neighborhood Center Profiles**, which combined the market analysis results with additional physical characteristics and neighborhood-specific observations. The team also compared the metric results against community perceptions of “successful” centers and those that should remain designated as neighborhood centers and be supported over time (i.e., “future potential”). The results are summarized in **Figure 9. Neighborhood Centers Comparison: Current Success** and **Figure 10. Neighborhood Centers Comparison: Future Potential**.

Figure 4. Centers Evaluation Criteria

<p>The team collected the following metrics for each designated neighborhood center to evaluate current success and future potential. Qualitatively, each metric's influence on current success and future potential is as follows:</p> <ul style="list-style-type: none"> ● Strong driver of current success ● Driver of current success ● Strong driver of future potential ● Driver of current success 				
PARAMETER	MEASURES	HOW EVALUATED	CURRENT SUCCESS DRIVER	FUTURE POTENTIAL DRIVER
PEOPLE	Population	# of residents within the ½ mile area	●	●
	Employees	# of jobs within the ½ mile area	●	●
PLACES	Commercial Uses	List of businesses and number of desired uses (community preferences from earlier efforts, including coffee shop, bakery, restaurant, food store, and grocery store) within 300 feet of the neighborhood epicenter (and others in larger area when notable)	●	●
	Public Attractions	List of major civic or public institutions and open spaces, such as park, school, library, hospital, etc. (Google Maps)	●	●
PHYSICAL FORM	Age and Size of Building Stock	<ul style="list-style-type: none"> Average year built of buildings within 300 feet of the neighborhood epicenter Area (square feet (sq ft)) of commercial space (A small center should be ~10,000 sq ft). 	●	●
	Public Realm Quality	Qualitative observations on urban design and social interaction opportunities, including: <ul style="list-style-type: none"> Places to interact, including commercial and residential setbacks and lot, configuration to support social interactions, Presence of street trees, and Comfortable setting, including pedestrian lighting, lack of blank walls on "main street," adequate transparency, weather protection, buffered sidewalks from traffic, etc. 	●	●

PARAMETER	MEASURES	HOW EVALUATED	CURRENT SUCCESS DRIVER	FUTURE POTENTIAL DRIVER
ACCESS – Walk and Transit Friendliness	Intersection Density	Density of intersections per square mile in the ½ mile areas	●	●
	Pedestrian Connectivity	<ul style="list-style-type: none"> • % of street sides with sidewalks (GIS sidewalk data) • % of intersections on major arterials with ADA ramps on all corners (aerial and street view images) 	●	●
	Traffic Speeds & Volumes	For neighborhood center cross-streets: <ul style="list-style-type: none"> • Posted speed limit or actual speed (whichever is in GIS data) • Traffic counts (ADT) taken from points closest to the epicenter intersection. When more than one count was available, the highest value is shown. 	●	●
	Transit	For the neighborhood center cross streets: <ul style="list-style-type: none"> • List of routes serving the center (Intercity Transit Data) • # of weekday transit trips per day (Intercity Transit Data) 	●	●
POTENTIAL	Zoning	<ul style="list-style-type: none"> • List of zones within the ½ mile area • Qualitative observations 		●
	Parcel Size & Configuration	<ul style="list-style-type: none"> • Average lot size within 300 ft • Qualitative observations 		●
	Land Availability	Number of acres within 300 ft with total property value (land plus building/site area) of \$20 per square foot or below		●
	Market Strength	<ul style="list-style-type: none"> • Unmet demand for goods and services (leakage) within the ½ mile • Median household income • (Note, commercial rents across the board are around \$18.50 per sq ft) 		●
EQUITY	Washington Environmental Health Disparities Map Rankings (1-10) <ul style="list-style-type: none"> • Socioeconomic Factors (combined score for language, education, race/ethnicity, poverty, transportation expense, unaffordable housing, and employment) • People of Color • People Living in Poverty • Environmental Exposures (air quality and toxins) The higher the ranking, the more vulnerable the community is and the more priority should be placed on meeting community needs. When a neighborhood center includes multiple census tracts with different rankings, the team calculated a proportionate average (by land area for each unique ranking).			

Current Success

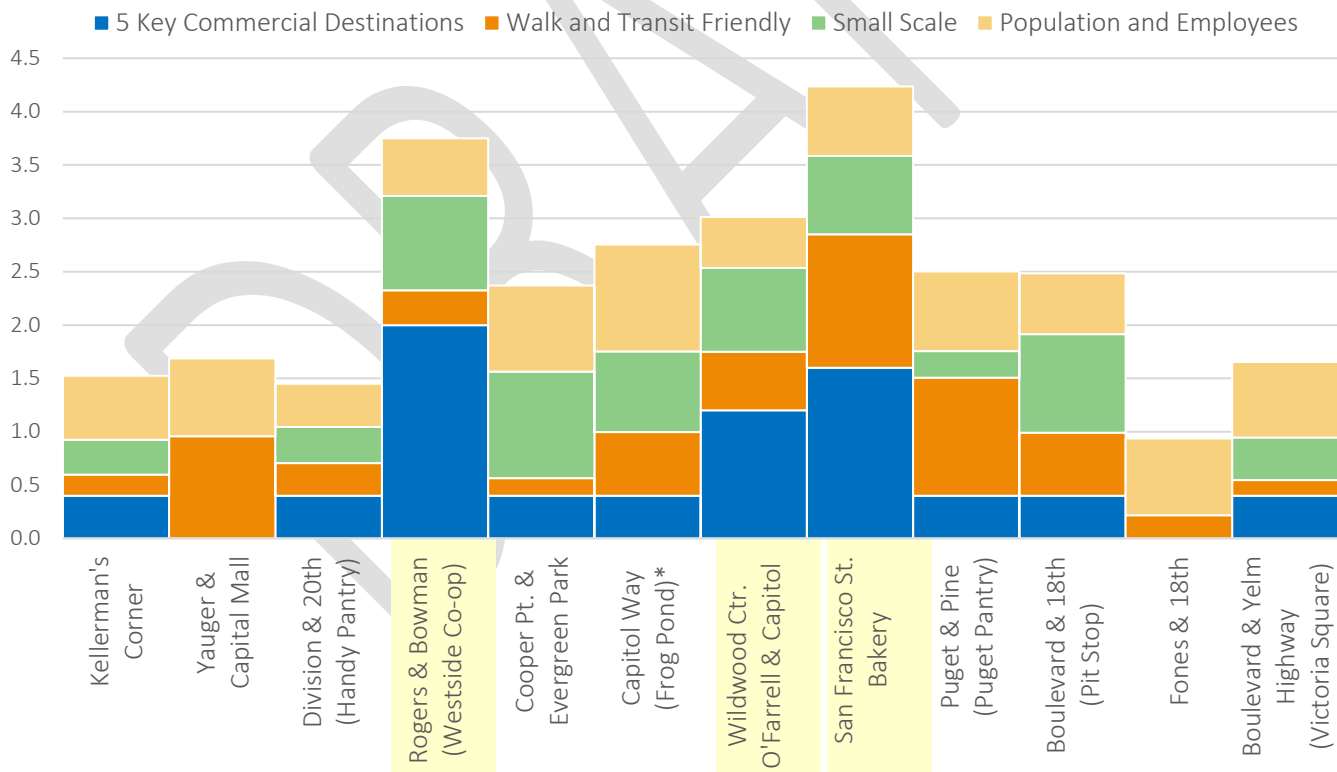
Analysis and findings. Appendix C. Neighborhood Center Profiles

summarizes the functional and market-based characteristics of each center. Based on this analysis, the centers fell into three categories relative to their performance in meeting the City’s objectives (see **Figure 5** and **Figure 9**):

- Centers that largely meet the City’s objectives: Westside Food Co-op, Wildwood Center, Frog Pond, and San Francisco Street Bakery
- Centers that do not currently meet most of the criteria but do provide a valuable service to their local communities: Kellerman’s Corner, Handy Pantry, Pit Stop
- Centers that perform poorly in terms of the criteria: Cooper Point, Yauger & Capital Mall, Fones & 18th St, and Victoria Square (Boulevard & Yelm Highway)

Further details regarding the comparative economic and demographic characteristics of the range of centers are in **Appendices B and C**.

Figure 5. Neighborhood Centers: Market Study Current Success Summary Chart



Current success drivers. The two most important factors in determining a center's success are:

1. The number of businesses or attractions at the center
2. Excellent pedestrian/bicycle access

Generally, it appears that 3 or more commercial services or public facilities create a critical mass of activity. For example, all the successful centers have at least three businesses or public facilities. Sometimes, as is the case of San Francisco and Frog Pond, the other activities include a public facility such as a school, park, library, or playground.

Pedestrian and bicycle access can be a strong driver, but when lacking, can be made up for with other transportation access, such as in the case of Wildwood. While San Francisco, Rogers/Bowman, and Frog Pond—three of the four top ranking centers—are in walkable neighborhoods, Wildwood does not feature a nearby walkable community. However, it is well located for bus and auto access.

Figure 6. Community perception of centers' current success



Optional question (249 response(s), 11 skipped)

Source: City of Olympia, Neighborhood Centers Survey, July-August 2022

Future Potential

Analysis. To explore the second question and identify those centers that have both the market potential and available redevelopable land that would allow the center to expand, the team:

- Analyzed the potential demographic and economic growth in roughly a ½ mile radius
- Conducted phone interviews with local business and property owners and residents to identify their ideas, concerns, and views on business expansion opportunities
- Visited the centers to identify underutilized properties and other opportunities for redevelopment and access improvements

Findings. As a result of this analysis, the centers fell into three categories (see **Figure 7** and **Figure 10**):

1. Centers with specific opportunities to explore: Kellerman’s Corner (note, this center was removed from analysis due to recent planning effort to accommodate greater intensities than a typical neighborhood center), Handy Pantry (if GruB is interested), Rogers & Bowman (Westside Co-op), San Francisco, and Puget Pantry
2. Centers with little expansion opportunity but which would benefit from City action to strengthen their long-term viability: Frog Pond, Wildwood, Pit Stop
3. Centers with little opportunity for achieving the City’s objectives: Yauger, Cooper Point, Fones Road/18th Avenue, Victoria Square

Figure 7. Neighborhood Centers: Market Study Future Potential Summary Chart

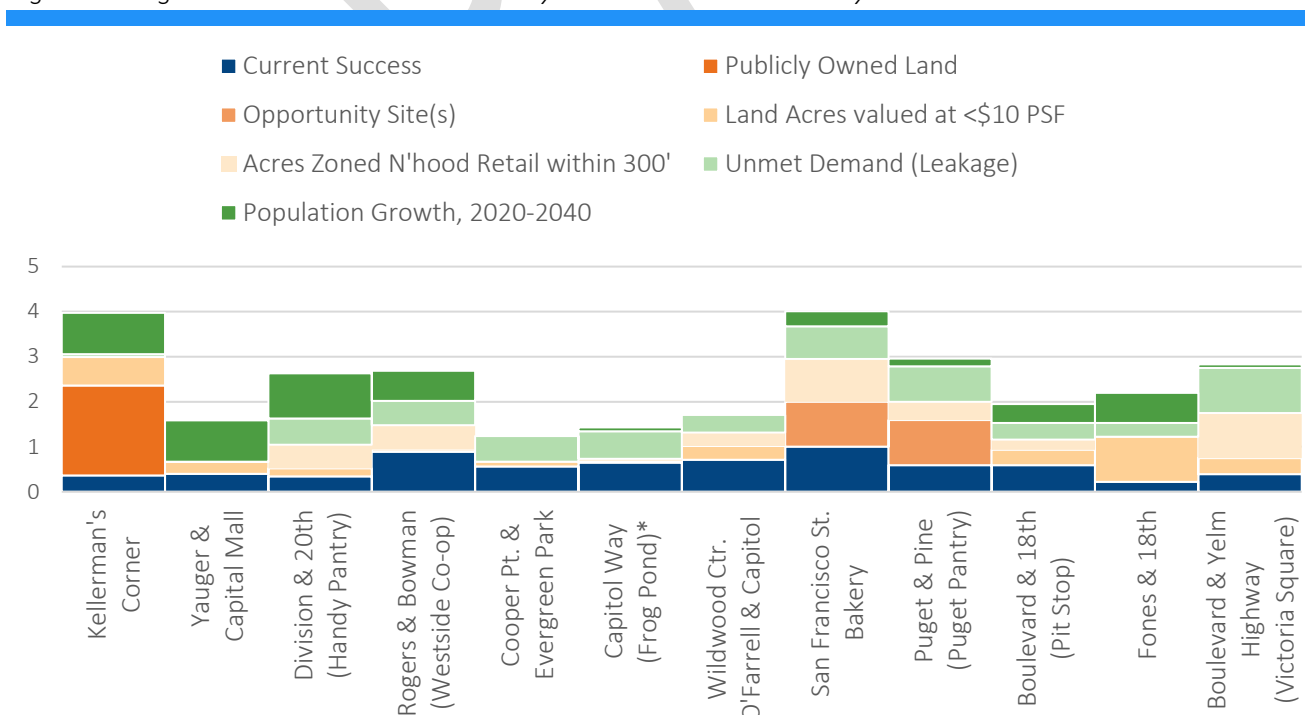
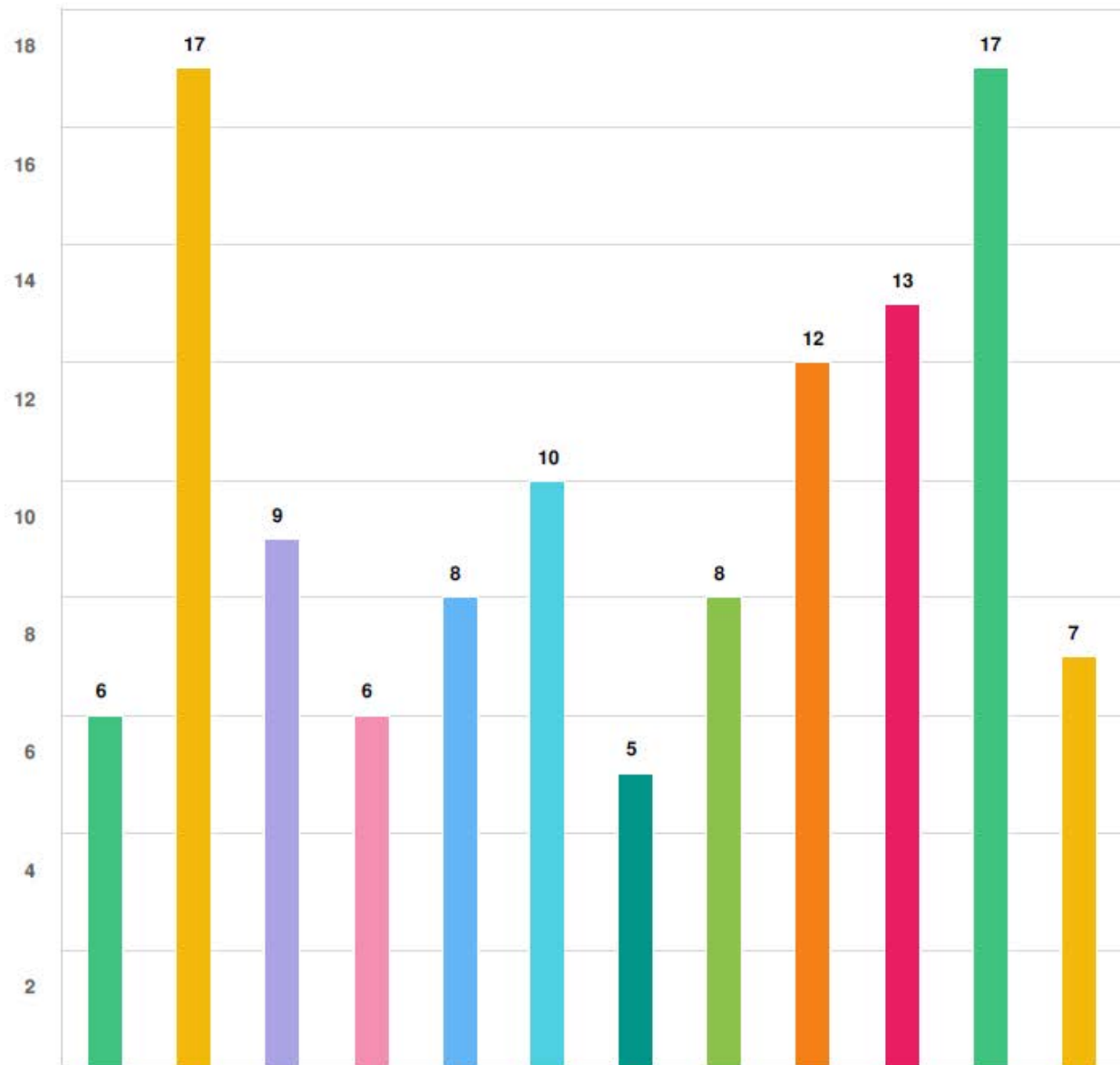


Figure 8. Community perceptions on which neighborhood centers have limited future potential

Q12 Should any neighborhood centers no longer be designated on the Future Land Use Map in the Comprehensive Plan? Check any that should be removed.



Question options

- Boulevard Road/Yelm Highway (Victoria Square)
 ● Fones Road/18th Avenue
 ● Boulevard Road/18th Avenue (Pit Stop)
- Pine Avenue/Puget Street (Puget Pantry)
- San Francisco Avenue/Bethel Street (San Francisco Street Bakery, Convenience Store)
- O'Farrell Avenue/Capital Way (Wildwood Center)
 ● Capital Way (Frog Pond)
 ● Cooper Point Road/Evergreen Park Drive
- Rogers Street/Bowman Avenue (Westside Food Co-op, Westside Grocery Building)
- Division Street/20th Avenue (Handy Pantry)
 ● Yauger Way/Capital Mall Drive
 ● Kellerman's Corner

Optional question (53 response(s), 207 skipped)

Source: City of Olympia, Neighborhood Centers Survey, July-August 2022

Figure 9. Neighborhood Centers Comparison: Current Success

Center		Kellerman's Corner	Yauger & Capitol Mall	Handy Pantry	Westside Co-op	Cooper Point	Frog Pond	Wildwood	SF Bakery	Puget Pantry	Pit Stop	Fones	Victoria Square
Type		Auto	Auto	Local Neighborhood	Auto/N'hood hybrid	Auto/Suburban	Local Neighborhood	Auto	Local N'hood	Local N'hood	Auto	Auto/Suburban	Auto/Suburban
Criteria	People – Population and jobs	✓	✓	✓	✓	✗	✓	?	✓	✓	✗	?	✗
	Access – Walk and transit friendly	✗	?	✓	✓	✗	✓	?	✓	✓	✗	?	✗
	Places - Commercial	✗	✗	✓	✓	✗	✓	✓	✓	✓	?	✗	✗
	Places - Public	?	✗	?	✓	✗	✓	✓	✓	?	✗	✗	✗
Overall current success evaluation		?	✗	?	✓	✗	✓	✓	✓	✓	?	✗	✗
		Few services and arterial setting but market and potential for action is promising.	No neighborhood-oriented commercial or public uses.	Corner grocery in a residential neighborhood.	A functioning neighborhood center with multiple draws including The Olympia Food Co-op grocery and nursery and the Bits Café.	Very poor location and connectivity. Area completely fragmented by creek, arterials, and freeway	A beloved “pony keg” in an excellent pedestrian environment with a waxing studio, attorney, dental office, and a school with playfields nearby.	A high quality automobile-oriented stop for convenience grocery and food.	The bakery is a big draw and the elementary school increases activity. The corner convenience store provides services.	Corner grocery and a few small live/work businesses in a modest, traditional, single-family neighborhood.	Poor location and pedestrian connectivity. Area completely. Excellent traffic volumes.	Approximately ½+ mile to full-service shopping complex. Development south of 18 th constrained by Chambers Lake and wetlands.	Current uses include an AM/PM minimart-gas station and a small professional office cluster.

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Figure 10. Neighborhood Centers Comparison: Future Potential

Center		Kellerman's Corner	Yauger & Capitol Mall	Handy Pantry	Westside Co-op	Cooper Point	Frog Pond	Wildwood	SF Bakery	Puget Pantry	Pit Stop	Fones	Victoria Square
Type		Auto	Auto	Local Neighborhood	Auto/N'hood hybrid	Auto/Suburban	Local Neighborhood	Auto	Local N'hood	Local N'hood	Auto	Auto/Suburban	Auto/Suburban
Criteria	Publicly Owned Land & Opportunity Site(s)	✓	✗	✗	✗	✗	✗	✗	✓	✓	✗	✗	✗
	Land Valued at <\$10 PSF	✓	✓	?	?	?	?	✓	✗	✗	✓	✓	✓
	Unmet Demand (Leakage)	✗	✗	✓	✓	✓	✓	?	✓	✓	?	?	✓
	Population Growth, 2020-2040	✓	✓	✓	✓	✗	✗	✗	?	?	?	✓	✗
Opportunities for City actions		✓ The 20-acre site southwest of the intersection and the wooded area to the north are possible development sites. Pedestrian improvements needed.	✗ No land	✓ Very limited opportunity unless the neighborhood would like to consider substantial upzone. Cleanup costs could be prohibitive. Perhaps coordinate with GruB.	✓ Parking lot pop-ups & pedestrian improvements (a sidewalk) between the different uses would add to the center.	✗ No potential except maybe move to the PUD center	? No expansion opportunity	? No expansion opportunity	✓ Interest in developing the convenience store and gas station, but toxic clean-up has hindered efforts. Potential of a larger development on ½ or all of the block.	✓ Vacant parcel south of the convenience store is zoned NR. There are some local entrepreneurial activities. Live/work or residential businesses might be an opportunity.	? Limited potential for expansion	? Opportunities depend on market. Considerations include the commercial complex to the north and the lack of existing or potential residences to the south and east.	✗ Few development opportunities
Recommended next steps		Merits further study, but under non-neighborhood process due to vision for high intensity center	Drop from consideration	Contact GruB	Consider discussions with owner(s)	Drop or move to PUD	Apply city-wide business support activities	Apply city-wide business support activities	This center warrants further study.	This center warrants further study.	Apply city-wide business support activities	Keep under observation	Drop from consideration

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Recommendations for Success

To understand options for encouraging more successful neighborhood centers, the team built on the data and physical characteristics-driven evaluation summarized above and interviewed property and business owners to understand barriers to neighborhood businesses, talked with and surveyed neighbors, and reviewed programs used in other cities. Community members broadly supported City actions to increase neighborhood-scale commercial development in designated neighborhood centers, with some dissenting views (see **Figure 10** and **Figure 11**). These methods led to several types of recommendations covered in the following chapters:

- Policy
- Zoning
- Citywide programs
- Neighborhood-specific actions

Figure 11. Community preferences on zoning changes

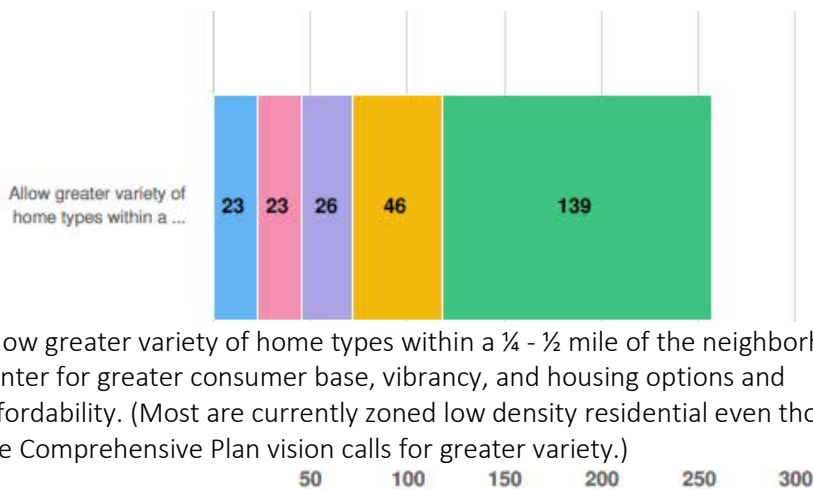
Q15 How much would you support the City in exploring the following zoning options to better accommodate neighborhood retail?



Some allowances for mixed use buildings that have businesses on the ground floor and residences or offices above. (Existing centers have small or no areas zoned to support mixed-use format, and many office uses are not allowed.)



Allow small-scale neighborhood commercial development in low density residential zones in/near neighborhood center locations provided they fit with the community vision. (Traditionally, residential zones do not allow businesses mixed in with residences.)



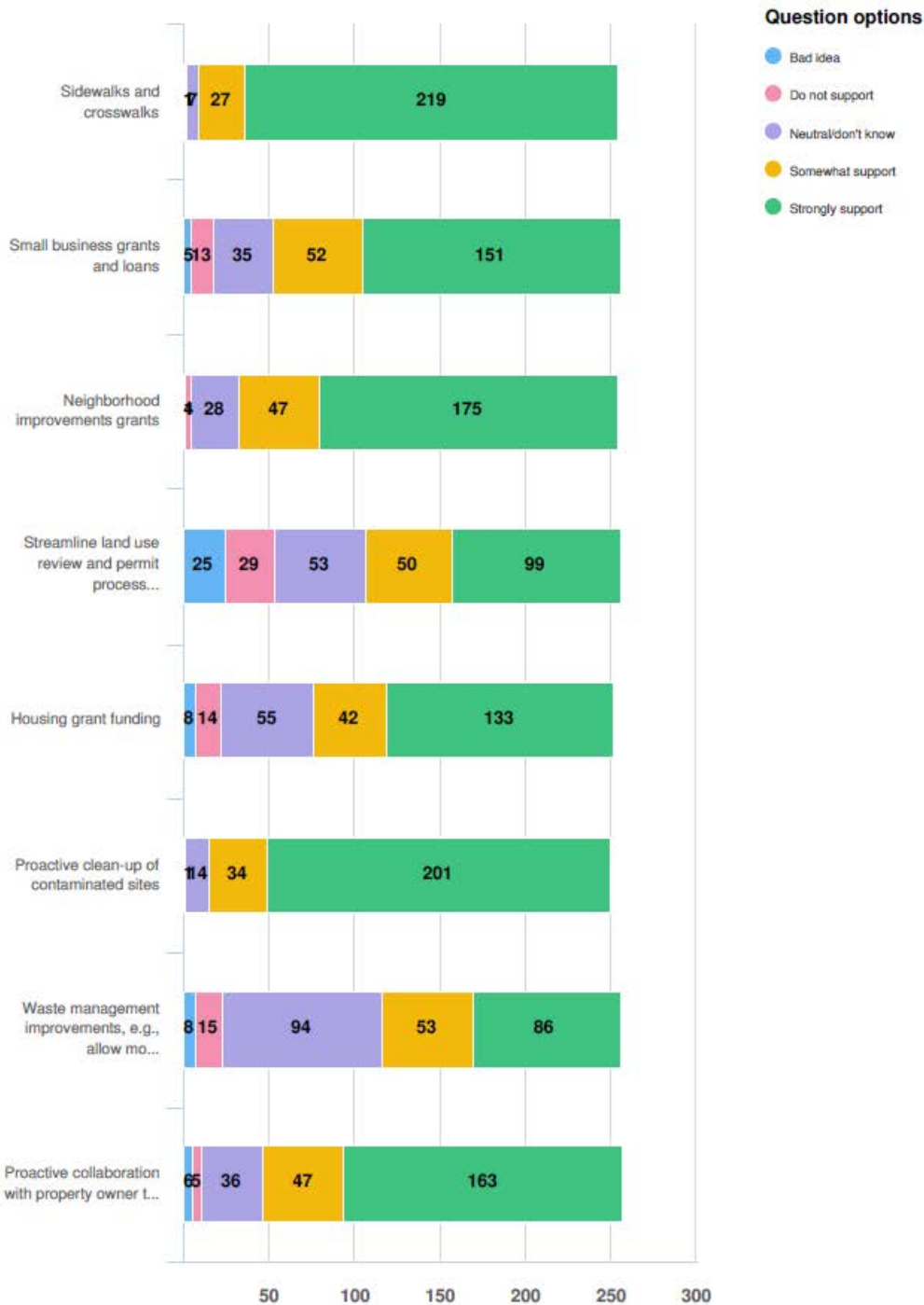
Allow greater variety of home types within a ¼ - ½ mile of the neighborhood center for greater consumer base, vibrancy, and housing options and affordability. (Most are currently zoned low density residential even though the Comprehensive Plan vision calls for greater variety.)

Optional question (258 response(s), 2 skipped)

Source: City of Olympia, Neighborhood Centers Survey, July-August 2022

Figure 12. Community preferences on City investments

Q16 How much would you support the following types of City investments in neighborhood centers?



Optional question (259 response(s), 1 skipped)

Source: City of Olympia, Neighborhood Centers Survey, July-August 2022

4 | Policy Recommendations

Comprehensive Plan Policies

Appendix A. Comprehensive Plan Policy Analysis records existing policies and compares them with clarified and updated objectives (based on the market and physical conditions analysis) to recommend the following updates.

The strike-out/underline edits to the Goal GL 21 policies listed below are recommended language changes to consider when updating the Comprehensive Plan.

- **PL21.1:** ~~Establish a neighborhood center at each village site,~~ encourage Encourage development of the neighborhood centers shown on the Future Land Use Map, and add additional centers when compatible with existing land uses and where they are more than one-half mile from other commercial areas.
- **PL21.2:** Locate neighborhood centers along collector or arterial streets and within about 600 feet of a transit stop.
- **PL21.3:** Support housing, a food store, a café or bakery, and a neighborhood park or civic green at all neighborhood centers. Allow churches, schools, and convenience businesses and services that cater primarily to neighborhood residents. Prohibit auto-oriented uses such as car sales, and those businesses that do not benefit from pedestrian traffic. Vary the specific size and composition of such centers for balance with surrounding uses. ~~Where practical, focus commercial uses on civic greens or parks.~~ Limit the size of commercial uses to the scale and demand for services of the surrounding existing or emerging neighborhood. (Note: A larger urban center is permitted in the Briggs Urban Village.)
- **PL21.4:** Allow neighborhood center designs that are innovative and provide variety, but that ensure compatibility with adjoining uses. Consider appropriate phasing, scale, design, and exterior materials, as well as glare, noise and traffic impacts when evaluating compatibility. Require that buildings include primary access directly from street sidewalks and be oriented toward the neighborhood and any adjacent park or green. Require that signage be consistent with neighborhood character.
- **PL21.5:** Locate streets and trails for non-arterial access to the neighborhood center.

- *PL21.6: Give priority to pedestrian oriented street and public realm improvements as called for in the Transportation Element. In particular, provide for safe street crossings.*
- *PL21.7: Locate neighborhood centers close to the geographic center of existing and emerging neighborhoods. Also, locate them where there is a demonstrated need for new commercial services and they do not conflict with the local market for existing commercial areas.*
- ~~*PL21.8: Add a new land use designation or overlay on the Land Use Map that indicates where Neighborhood Centers might be appropriately developed.*~~
- *PL.21.9: Develop a process that gives local community members the opportunity to propose new centers or the relocation of existing designated but not yet developed centers. During the process the City should use the criteria in this Chapter to evaluate the suitability and feasibility of a center at the proposed location.*
- *PL. 21.10: Review and, as appropriate, revise the current Neighborhood Retail zoning provisions to facilitate the development and health of Neighborhood Centers, including standards to ensure that they minimize impacts to the local neighborhood and fit within its physical context.*
- *PL14.3: In low-density neighborhoods, allow medium-density neighborhood centers that include civic and commercial uses that serve the neighborhood. Neighborhood centers emerge from a neighborhood-based public process (see Policy 21.9).*

Recommended Neighborhood Center Criteria

The following criteria would better align future neighborhood center designations with Olympia’s desired outcomes (see **Appendix A. Comprehensive Plan Policy Analysis** for more detail):

Size: Generally, neighborhood centers in established residential neighborhoods should not contain more than 10,000 square feet of commercial space and occupy more than 2 acres, although there may be exceptions if conditions warrant. Generally, traditional neighborhood centers should not occupy more than a 300-foot radius from their center, although there may be exceptions, especially for community fostering activities.

Location: Neighborhood centers should be located at the center of a neighborhood or in a location that is accessible such as Wildwood and Kellerman’s Corner. The residential development should cover most of the land within a quarter mile and there should be no competing commercial development within half a mile.

Service Area and Population: Ideally, the surrounding neighborhood should feature about 12 dwelling units per net acre, although this number will require a mix of multi-family and single-family residential types. Traditional neighborhood centers can serve 1,000 dwelling units within a quarter mile and 3,000 dwelling unit within half a mile, but this goal may be difficult in established neighborhoods.

Services and Activities: A combination of shops and services totaling 10,000 SF is a good target but many existing centers in established neighborhoods are much smaller. Some current successful Centers are closer to 1-2,000 square feet. Three or more businesses or attractions seem to be a critical mass for higher activity levels.

Non-motorized Access: Centers and their surroundings should feature a network of walking and biking routes with connections to parks, schools, and downtown. Such a network should be accessible and safe for all ages. Ideally, half the current population necessary to support local businesses should have excellent pedestrian and bicycle connections to the center. One hundred to 200 intersections per square mile is a good target range.

Transit Access: A transit stop with 12-hour service.

Community Fostering Activities: A school, church, community center, community garden or center, library, park, or similar publicly accessible attraction can be a substitute for a commercial service. In the absence of public outdoor space, small plazas, courtyards, and seating areas should be encouraged.

Surrounding Housing Types: A mix of single family, townhouses, 2-6 plexes, and cottage housing plus a few midrise multi-family structures generally produce sufficient densities (12 du/net acre) and pedestrian activity to support a center.

Design Quality: The center should:

- Not create annoyances or undesirable impacts to neighboring residences.
- Feature a welcoming entry facing the street with pedestrian cover.
- Feature transparent windows.
- Provide a direct access from the street to the main entry.
- Not be separated from the street by off-street parking.
- Adhere to Crime Prevention through Environmental Design principles.
- Comply with ADA and universal access requirements.

- Comply with City standards for landscaping, screening, and pedestrian access.
- New centers should be designed to architecturally fit with the local neighborhood as determined by a design review process and that incorporates design standards developed through a public process.

Center Designations

Below are recommendations for re-designating the Neighborhood Centers and the addition of new centers. The summary recommendations are based on Appendix B. Market Study Analysis and Findings Summary and Appendix C. Neighborhood Center Profiles. The rationale for each center is a summary only. Further information is in the profiles and analysis section and more specific recommendations are in the Implementation Section.

Kellerman's Corner. Remove the Neighborhood Center designation at the Kaiser Road/Harrison Avenue intersection from the Future Land Use Map. This area had been zoned Neighborhood Retail until 2016 when the Kaiser Harrison Opportunity Area Plan was adopted. This Plan envisions Harrison Avenue as a corridor with more intense residential and commercial development.

Yauger Way and Capital Mall Drive. Remove. There are currently no commercial or recreational activities here and no land available to develop any commercial or service-oriented uses. This area is being addressed through City of Olympia Capital Mall Triangle Subarea Plan.

Handy Pantry. Retain. Although limited in market area, Handy Pantry offers convenience goods to the neighborhood. GruB, located to the east of Handy Pantry, offers community wide programs, and has a farm stand during the summer. Pedestrian improvements proposed along Elliot Avenue will improve pedestrian safety.

Westside Food Co-op. Retain. A functioning center with three attractions and a combined local/regional market. Customers currently travel from other parts of the South Sound to shop here.

Cooper Point Road/Evergreen Park Drive. Remove. The Evergreen Park Planned Unit Development is built out and what little land is available is constrained by critical areas. Shopping and other commercial services are located nearby along Black Lake Boulevard and Cooper Point Road.

Frog Pond. Retain. A functional convenience store with professional services and a bakery near-by. The City should consider whether a zoning change to the office building would allow a more robust cluster of activities.

Wildwood. Retain. Highly successful with a local and auto-oriented clientele. There is limited future potential as a walkable neighborhood center because of the lack of redevelopable land and transportation challenges.

San Francisco Bakery. Retain. With a bakery, corner grocery and school, this center is successful. There are also growth opportunities described in Section 5.

Puget Pantry. Retain. Serves an older neighborhood and has opportunities for pop-up and live-work activities described in Citywide Program Recommendations.

Pit Stop. Retain. The Pit Stop is located at an intersection with poor pedestrian access, no expansion opportunity, and low market potential. Currently, only the Pit Stop parcel is zoned Neighborhood Retail. If there is future demand for commercial development on adjacent/nearby parcels, a rezone would be necessary.

Fones Road/18th Avenue. Evaluate further. With higher density zoning in this area, residential development could support a Neighborhood Center. Multiple parcels are available within 600 feet of the intersection and depending on which one is selected by a developer for commercial use, a rezone to Neighborhood Retail would be necessary. The area is not far from a much larger commercial center, but residents have indicated the desire for neighborhood-scale services. Developable area is limited to some degree by critical areas associated with Chambers Lake (wetlands, sensitive habitat). Studies would be needed to determine the location of these critical areas and associated buffers.

Victoria Square. Evaluate further. The Center has poor pedestrian access and little growth potential due to land unavailability. The area is primarily used for office and medical uses and does not cater to the neighborhood.

Potential New Centers/Nodes

Other locations for neighborhood centers were identified during public outreach and stakeholder interviews:

- **Eastside neighborhood** near the Swantown Inn
- **Friendly Grove**

While these neighborhoods may not meet the criteria for being designated a Neighborhood Center on the Future Land Use Map currently, they may be well-suited to serving as neighborhood nodes with more limited commercial uses. Proposed policy and regulatory approaches would provide greater flexibility to such locations without having to go through Comprehensive Plan and Zoning Map amendments.

5 | Zoning Recommendations

The City should consider modifications to its zoning code to increase flexibility in the establishment of neighborhood centers for the following reasons:

- **Surveys** conducted in 2014 and 2022 show strong support for “small-scale neighborhood commercial development in residential zones in and near neighborhood center locations provided they fit with the community vision.” In 2022, 65% of those polled strongly supported this and 22% somewhat supported this (87% total). Residents polled in 2022 also indicated strong support for mixed use buildings, greater variety of home types, investments in sidewalks and crosswalks, and other features in Neighborhood Centers.
- **Business interviews.** The small, locally based retailers, restaurateurs, and developers that were interviewed stated that there is a dearth of land and commercial space for small commercial businesses in Olympia. One business owner has been looking for a site to locate another restaurant for months, if not years. He cannot find an available site or building located within a walkable, well-connected neighborhood, with a reasonable land cost.
- **Popularity of existing centers with small commercial development.** In [2014](#) and 2022, residents repeatedly indicated that the most successful neighborhood centers are those with small, locally operated commercial establishments, particularly the Wildwood Center, San Francisco Ave/Bethel, and Rogers Street/Bowman (Westside Co-op) centers.
- **Prevalence of reused old buildings in successful centers.** Some of Olympia’s neighborhood centers—and numerous other small centers in other western US cities—have been built through adaptive reuse of older residential and commercial structures. Examples include the San Francisco Street Bakery, which is located in an older, residential building.
- **In many locations within 1 block (approximately 300 feet) of an established Neighborhood Center, the City’s current zoning does not allow the development of these small commercial uses.** For example, most of the properties at the Capitol Way (Frog Pond) Center are zoned R 6-12, which does not permit most commercial uses, including bakeries or cafes. The situation is similar at the Rogers/Bowman Center. Several properties, including the Food Co-op and BITS Café, are zoned Neighborhood Retail and are occupied by commercial businesses. However, few if any commercial conversions can take place since virtually all of the other area within 300’ of the

center is zoned Residential 4-8. This zoning prevents bakeries, cafes, restaurants, and food stores, though office or personal services would be allowed as home occupations.

- **Demand analysis.** The market analysis evaluated residents' unmet demand for goods and services within a half mile of the 12 subject centers. It found there is **significant unmet demand in most of the centers, but that other issues, such as land and building availability, zoning, and the cost of new construction, are constraints on the delivery of new, ground-up commercial construction.**
- It is important to recognize that a business like the San Francisco **Street Bakery could not be built today** via the method it was originally built—adaptive reuse of an older building—in most centers. Code changes are needed to ensure that neighborhood centers meet the expectations of the City and its residents.
- Note that some residential zones already allow a very limited range of small commercial establishments. For example, in the R-4-8 and R-6-12 zones, permitted commercial uses include:
 - Home Occupations: adult day care, elder care homes, family childcare homes, short-term rentals, homestays, and bed & breakfasts.
 - Existing veterinary clinics
 - In addition, there are some conditionally allowed uses, including:
 - Child day care centers
 - Retail and/or wholesale nurseries

Zoning Options

The three zoning options (1, 2, and 3), along with sub-options (1a, 1b, and 1c), outlined below would enable the types of small, neighborhood-focused commercial establishments that residents support in these centers. These options are not mutually exclusive.

LCG and MAKERS recommend a combination of options 1a and 3.

The optional zoning code updates are summarized immediately below; more extensive descriptions of each option are included on subsequent pages.

1. Permit Small Commercial Uses (SCUs) in Residential zones, either:

- Within a certain distance of existing designated neighborhood centers (e.g., 300' or approximately 1 block);
- On specific parcels (to be defined by a map that would be included as an exhibit to the Residential Districts code); or,
- Throughout certain residential zones, for example, R 4-8 and all zones listed to the right of R 4-8 on Table 4.01.
- This could be accomplished via the insertion of a new row (e.g., "Small Commercial Uses") in the Commercial section of [Chapter 18.04, Table 4.01](#) and associated text.
- An advantage of approach 1a is that Small Commercial Uses would be permitted within at least 10 of the 12 subject centers via an existing component of the zoning code. (There is no residential zoning within 300' of two centers: Yauger and Capital Mall, and Cooper Point and Evergreen Park Drive.)

2. Create a new Overlay District

- This could be accomplished via the creation of a new Overlay District (e.g., Neighborhood Center Overlay District) in [Article III: Overlay Districts](#).
- This would apply within certain geographical areas and/or to specific parcels. This approach is not recommended due to the greater complexity of writing new text for a new zone overlay. An advantage would be that it could be applied to many different underlying zones and perhaps provide the City with greater flexibility about where the overlay is applied.

3. Rezoning a small number of specific parcels within Neighborhood Centers to NR (Neighborhood Retail).

Option 1a can provide the expanded capacity for property owners to build Small Commercial Uses (SCUs) within most Neighborhood Centers, and **Option 3** will provide entirely new zoning on a small number of properties where that is appropriate.

A 300-foot radius (approximately one block) from a designated Neighborhood Center is an appropriate area within which SCUs could be allowed.

However, other geographic limitations are also possible, for example, within 600 feet (approximately two blocks) of a designated Neighborhood Center. Another option is within 300 feet, except where properties are located along a collector or arterial street. For properties located on a collector or arterial street, the distance could be extended to 600 feet.

While either a 300-foot or 600-foot radius could be appropriate, there could be some public concern if a too-wide radius results in an area that resembles a shopping center or commercial district rather than the existing neighborhood commercial districts. Therefore, the City should allow SCU's within a 300-foot (or one block) radius of Neighborhood Centers in order to retain the hyper-local scale of these centers. If there is a need or desire to expand these centers in the future, the City could consider expanding the radius to 600 feet.

1. Permit Small Commercial Uses in Residential Zones

As described above, this option to zoning modifications could be accomplished by adding a new row (e.g., "Small Commercial Uses" (SCUs) in the Commercial section of [Chapter 18.04, Table 4.01](#) in the City's code, along with associated text describing Small Commercial Uses, and potentially limiting where these uses can take place geographically (options 1a and 1b above).

The City should consider taking the actions listed below in order to implement this option. Some additional zoning code language may need to be prepared in order to fully describe the parameters within which Small Commercial Uses can occur. The City could also consider implementing a Form-Based Code for neighborhood centers, as many of the regulations described below focus on physical layout, form, and space.

- Create a new row in Chapter 18.04, Table 4.01 titled "Small Commercial Uses (SCUs), Small Commercial Establishments" or other similar title.
- Limit the floor area of Small Commercial Uses to 1,000 square feet or less of sales, dining, or other customer-serving area. Small Commercial Uses (SCUs) may be contained in buildings or other enclosed spaces (e.g., food trucks). Additional back-of-house area (e.g., shipping, receiving, food preparation) should be

permitted as long as it does not further increase the total floor area of the structure(s). For context, the San Francisco Street Bakery is roughly 2,950 square feet, but much of that space is dedicated to kitchen and storage areas. For reference, convenience stores like 7-11 are typically 3,000 square feet or more, and there is no indication that convenience stores are desired by Olympia residents.

- Allow small commercial uses only as extensions of and accessory to existing residential structures. (See article in Appendix E. Accessory Commercial Units). This will prevent demolitions of homes in order to accommodate standalone commercial structures.
- **Uses.** Because they have been repeatedly shown to be desired by Olympia residents, the code may specifically identify these uses as being included in the definition of Small Commercial Uses: coffee shops, bakeries, restaurants, and small food stores. New veterinary clinics (which are currently allowed in R1/5 zones but not in other residential zones) should also be allowed to take place in SCUs as long as they comply with nuisance laws governing noise and traffic concerns. In that vein, all small commercial uses that can be accommodated within 1,000 square feet or less, and which comply with existing City nuisance laws (e.g., regarding lighting, exhaust, noise) should be allowed. As demonstrated by the examples above from around the country, such uses can include tax preparation, yoga studios, tailoring, massage therapy, design, and the provision of many other goods and services. It is virtually impossible to imagine, define, and then regulate all of the types of commercial uses that could occur in such small spaces, and therefore that the criteria that limit and regulate the establishments should not be the type of business but other criteria such as size, parking.
- **Geographical Extent.** Permit Small Commercial Uses in Residential zones, either:
 - a. Within a certain distance of existing designated neighborhood centers (e.g., 300' or approximately 1 block). Specifically, SCUs should be allowed only on parcels for which at least 1,500 square feet of their site area falls within 300 feet of an established neighborhood center. There are precedents to limiting the geographical extent of certain uses within residential zones. One is Olympia's rules regarding group homes, which limits how close group homes may be to each other (e.g., no more than ¼ to 2 miles, depending on the type of group home).

- b. On specific parcels (to be defined by a map that would be included as an exhibit to the Residential Districts code); or,
 - c. Throughout certain residential zones, for example, R 4-8 and all zones listed to the right of R 4-8 on Table 4.01.
- Allow parking to be accommodated on-street, rather than on site. This is consistent with a provision in the parking standards that has a ratio of 2 spaces per 1,000 square feet for small restaurants (750 sf dining area). This parking ratio should be adopted for all SCUs. By definition, all SCUs are less than 1,000 square feet in size and therefore would require just 1 or 2 parking spaces. These parking spaces can be accommodated on-street (at the curb). If no curbside parking spaces are available on-street in front of the subject property, then parking must be accommodated on the site.
- Limit operating hours, for example, from 7:00 am to 9:00 pm on weekdays, and from 7:00 am to 10:00 pm on Fridays and Saturdays, or other hours TBD.
- Regulate other potential nuisances such as lighting, sign lighting, exhaust, noise, etc., if these are not already regulated within City code.
- **Setbacks.** Currently, front yard setbacks in the single family zone districts are typically a minimum of 20'. For SCUs, this should be changed to 0' to 5' so that commercial uses are close to the sidewalk (better for business and human comfort and walkability of neighborhood) and accessory commercial uses can be added if needed in front of existing structures. The rear and side setbacks could remain as is. There may also need to be a small adjustment for lot coverage if that becomes an impediment to the creation of new small commercial spaces.
- Design should be regulated per existing terms of the City's residential building and design code, for example, that accessory structures (and therefore SCUs) be designed so with "similar materials and colors as the primary use" and, "a roof type or pitch similar to the primary use."

2. Overlay Zone: Neighborhood Centers or Small Commercial Overlay

This option could be accomplished via the creation of a new Overlay District (e.g., Neighborhood Center Overlay District) in [Article III: Overlay Districts](#) in the City's code.

This would apply within certain geographical areas and/or to specific parcels.

This approach is not recommended due to the greater complexity of writing new text for a new Overlay District zone. The text of this a new zoning section would need to be more extensive because it could not build on the context and supporting regulation that already exists in the existing residential zones. Such an Overlay District might also need to acknowledge that it could be applied to non-residential zones, and address how it would apply to residential and non-residential zones.

An advantage would be that it could be applied to many different underlying zones and perhaps provide the City with greater flexibility about where the overlay is applied. For example, complex shapes that are not 300' radius circles could be drawn.

Otherwise, most or all the recommendations described for option 1 could be applied to option 2 and are therefore not repeated here.

3. Rezone Some Specific Parcels within Neighborhood Centers to NR (Neighborhood Retail)

Update zoning in the following ways:

- A. In addition to Option 1 above, rezone some specific parcels in Neighborhood Centers to the Neighborhood Retail (NR) zone. NR is a commercial zoning designation currently in use a handful of small areas in the City. Such rezones would allow certain properties that have the potential to accommodate more than 1,000 square feet of commercial space to fulfill their potential.

The identification of the specific properties to be rezoned is discussed in the Neighborhood-Specific Recommendations section of this report.

- B. Make limited modifications to the text of the NR zone. The minimum lot size in the NR zone is 7,200 square feet. Rear and side setbacks are a minimum of 15 feet. Building height is limited to 35 feet. The maximum building coverage is 45% and the maximum building size is 3,000 gross square feet for single-use structures and 6,000 gross square feet for mixed-use structures.

Remove the maximum building coverage limitation. One impact of limiting building coverage is to encourage developers to include large surface parking lots in their projects which in turn limits building size. The size and bulk of buildings should be determined by the setbacks and heights, not building coverage limits.

Increase the maximum NR zone size. Currently, Neighborhood Retail zones are limited to 1 acre in size or less. The Comprehensive Plan identifies that centers may be several acres in size.

Neighborhood Retail Zone

Existing Zoning Provisions

Provisions for neighborhood centers are located in two chapters of the Unified Development Code. Chapter 18.05, Village and Centers, establishes a Neighborhood Center District and Chapter 18.06, Commercial Districts establishes a Neighborhood Retail District. There are eight locations within the city and UGA with Neighborhood Retail zoning. These locations correspond with the neighborhood center designations on the Future Land Use Map of the Comprehensive Plan. There are no locations in the city with Neighborhood Center zoning.

Each district has a different purpose statement and set of permitted uses (see tables in Appendix D. Zoning Tables). Both encourage neighborhood-oriented commercial uses but differ in scale and required uses and elements.

- The Neighborhood Center district emphasizes the creation of neighborhood centers as focal points and activity centers, accommodate routine shopping needs, reduce reliance on vehicles, and provide a sense of neighborhood identity. Neighborhood centers must include a park and grocery store. Master plan approval is required. Outside of villages, applicants may request approval of a master planned neighborhood center in areas that are 1,000 feet from a neighborhood center located on the Future Land Use Map. As noted above, there are no Neighborhood Center districts in Olympia.
- The Neighborhood Retail district emphasizes small scale retail establishments offering a limited range of goods and services. Nine of the 17 neighborhood centers identified on the Future Land Use Map are located in areas with parcels with Neighborhood Retail zoning. Examples of uses within the Neighborhood Retail district include San Francisco Street Bakery, Handy Pantry, Pit Stop, and the Wildwood Center.

Other major distinctions between the two districts are outlined below.

Neighborhood Center District

- Purpose statement is in line with Comprehensive Plan goals and policies. Development in this district is intended for complete neighborhood centers.
- A variety of commercial uses are allowed. Apartments are allowed with a conditional use permit.

- Minimum density of 7 du/acre and maximum density of 12 du/acre.
- Developments shall be no less than 2 acres and no more than 10 acres in size.
- Each neighborhood center must contain a village center with a green or park and sheltered transit stop.
- NC provisions are very prescriptive regarding location of commercial uses and timing of construction.
- There are minimum and maximum square footage requirements for commercial, office, and service uses.
- Development standards such as setbacks, building height, and lot coverages are less restrictive than the NR district.
- Unless exempt, development would be subject to the design standards in OMC 18.05A, which emphasizes pedestrian-oriented shopping streets with defined street edges and building entries, enhanced pedestrian access and amenities, parking location and design, robust architectural design standards, landscaping, and signage. This chapter also establishes design standards for apartment buildings, and that they be appropriate in scale and design with adjoining neighborhoods.
- Neighborhood centers require approval of a master plan and once approved, are an amendment to the official zoning map. Applications for master plans are to be submitted concurrently to the Design Review Board and Hearing Examiner for review and recommendation to the City Council. Once this process is complete, a project application is then submitted, also requiring review and approval the Design Review Board, Hearing Examiner, and in some instances, the Community Planning and Development Director.

Neighborhood Retail District

- Purpose statement not addressed in Comprehensive Plan goals and policies. This is because the Neighborhood Retail district is intended to accommodate small scale commercial uses, not complete neighborhood centers.
- A variety of commercial uses are allowed, perhaps more than necessary given this district is for small scale commercial uses with a limited range of goods. Apartments above ground floor in mixed use development is allowed with no density limits.
- One-acre maximum size of district (some of the NR-zoned areas exceed this).

- Development standards such as setbacks, building height, and lot coverages are more restrictive than the NC district.
- Unless exempt, development would be subject to the design standards in OMC 18.100, OMC 18.110, Basic Commercial, OMC 18.135, Residential Scale, OMC 18.170, Multifamily Residential, and OMC 18.175, Residential Infill.
- Currently, establishing a new Neighborhood Retail district involves a comprehensive plan and zoning map amendment (if a neighborhood center designation is not shown on the Future Land Use Map), involving review and approval by the Olympia Planning Commission and City Council. Comprehensive plan amendments through the annual docketing process are on hold until June 2025 while the periodic update of the Comprehensive Plan is underway. If a neighborhood center designation is shown on the Future Land Use Map but Neighborhood Retail zoning is not present, a rezone request would be needed. This would require review and approval by the City Council, after a public hearing and recommendation from the Hearing Examiner.

Other Development Regulations

Development within both districts is subject to the same standards in Title 18 for parking, landscaping, and the City's Engineering Design and Development Standards (EDDS) for solid waste, storm drainage improvements, and transportation improvements.

Frontage/Street Improvements, EDDS Chapter 4

Depending on adjacent street classifications, additional right-of-way may need to be dedicated. This could impact buildable area on smaller sites.

- Street Classifications
 - Kellerman's Corner: Harrison – Arterial; Kaiser – Major Collector
 - Yauger/Capitol: Major Collectors
 - Rogers/Bowman: Neighborhood Collectors
 - Elliot/Division (Handy Pantry): Major Collectors
 - Cooper Point/Evergreen Park: Cooper Point – Arterial; Evergreen Park – Major Collector
 - Capitol Way (Frog Pond, Wildwood): Arterial; cross streets – Local Access
 - SF/Bethel: Major Collectors; SF east of Bethel – Local Access

- Pine/Puget (Puget Pantry): Major Collector; Pine west of Puget – Local Access
- Boulevard/18th (Pit Stop): Major Collectors
- Fones/18th: Major Collectors
- Boulevard/Yelm Hwy (Victoria Square): Boulevard – Major Collector; Yelm Hwy – Arterial

Waste Resources, EDDS Chapter 8

Garbage	Services	Containers	Pick-up Vehicles
Residential	Curbside collection	Carts ¹	Fully automated side-load truck
Small Commercial	Site collection	Dumpsters ²	Front-load truck, rear-load truck in select downtown area only
Large Commercial	Site collection	Drop boxes ³ , compactors ⁴	Tilt-frame drop box truck
Recycle Materials			
Residential	Curbside collection	Carts ¹	Fully automated side-load truck
Multi-family	Site collection	Carts	Fully automated side-load truck
Commingled	Site collection	Carts ¹	Fully automated side-load truck
Cardboard	Site collection	Dumpsters ²	Front-load Truck
Construction/demolition debris	Site collection	Drop boxes ³	Tilt-frame drop box truck
Organics			
Residential	Curbside collection	Carts ⁶	Fully automated side-load truck
Small Commercial	Site collection	Carts ⁶ , dumpsters ⁵	Rear-load truck
Small/Large Commercial	Site collection	Dumpsters ⁵ , drop boxes ³	Tilt-frame drop box truck, Rear load truck

Challenges

The City received feedback during stakeholder interviews that it is difficult to undertake new commercial construction, especially on smaller lots. There is no single reason, but a multitude that determine whether a project is financially feasible.

1. The neighborhood center designations on the Future Land Use Map may no longer be appropriate given market conditions, low residential densities, and other factors.

2. The master plan process outlined in OMC 18.05 is not a feasible option for implementation. It is likely too onerous, requiring multiple property owners to come together with a coordinated design for multiple small sites and participate in a long, expensive process. It is primarily intended to apply within Neighborhood Village and Urban Village zones as part of the master plans.
3. Regulations are confusing and complex. Standards often conflict with each other and are difficult to meet.
 - Regulations are too prescriptive or limiting, e.g., building and lot coverage standards, setbacks, building height.
 - There are multiple process layers before permits can be issued – land use review (sometimes with a public hearing), environmental review, design review, then permit review.
 - Unless properties are under a single ownership, multiple property owners have to apply together which can be challenging.
4. High Costs
 - Costs have risen significantly, both for new construction and retrofitting existing buildings
 - The cost of improvements and resulting lease rates may be a deterrent. Surrounding customer base/densities too small to support high rents.
5. Solid Waste
 - Not enough area to stage garbage, recycling, and food/yard waste. Amount of space required for truck access and screening occupies a lot of space.
 - Vegetative screening often required in addition to a screen wall or fence which takes up more space
 - There may be some flexibility to use carts/curbside pickup instead of dumpsters/ onsite pickup depending on the amount of waste generated. This would be addressed on a project-by-project basis.
6. Parking
 - High number of parking spaces required.
 - Standards based on model that assumes everyone drives everywhere.
 - Customers complain there's not enough on-site parking.
 - People are still auto oriented, driving is convenient.

- Neighborhoods are not walkable, lack of sidewalks, poor lighting at night.
- Few destinations, so people will need to drive to meet their daily needs.

Options for Code Changes

Below are two options for amending the code to facilitate neighborhood center development:

1. Update the Neighborhood Retail zone to include standards that support neighborhood commercial uses, as described in Zoning Options above.
 - Pros: This would be the most straightforward approach because it uses an existing zoning district.
 - Cons: This presumes one type of neighborhood center, not different types to respond to the desires of individual neighborhoods. The Neighborhood Retail zone supports small scale retail with limited availability of goods and services, not complete neighborhood centers as does the Neighborhood Centers district. Many neighborhoods prefer small scale uses that provide a place for residents to gather rather than larger scale mixed use projects.
2. A process would need to be put in place for approving an overlay or node, along with criteria or standards to avoid the proliferation of commercial uses in residential neighborhoods.

Land Use Policy 14.4 states that neighborhood centers emerge from a neighborhood public process. Ultimately, the plan must be approved by the city council, ideally based on a public process with the neighborhoods. Sharing this power with the neighborhood association will increase flexibility in how neighborhood centers are created.

- Pros: Writing a new chapter for neighborhood centers would consolidate standards in one place in Title 18. Having different types/scales of neighborhood centers would allow residents to decide, through the neighborhood planning process, what is appropriate for their neighborhood.
 - Cons: Writing a new chapter requires more staff time and resources.
3. Recommended NR and other code updates:
 - Modify Neighborhood Retail intent statement to encourage other means of access – walking, biking, transit.

- Consider removing uses in OMC 18.06 that are not consistent with the intent of the Neighborhood Retail zone such as gas stations. Consider adding small scale health care offices and uses where people can gather such as a pub or wine bar.
- Decrease the number of required vehicle parking spaces. Amend OMC 18.38.160—parking reductions—so that it applies to small restaurants in neighborhood centers.
- Add a neighborhood center design district to OMC 18.100 and write new design standards. Consider whether design review should be administrative or board level.
- Consider incentives for food-related businesses such as allowing wholesale food operation in conjunction with retail uses (small truck operations only) and food stands.
- Establish standards regarding noise, odors, hours of operation, and size of delivery vehicles to neighborhood center businesses.

6 | Citywide Program Recommendations

The City should consider the following citywide programs to support Neighborhood Centers. Some recommendations may require additional, specific policy development as the City considers specific programs, policies, and ordinances.

Building/Storefront Improvement Grants

Existing, underutilized commercial and residential buildings in neighborhood centers represent opportunities that new small commercial uses can expand into, thereby bringing centers into greater alignment with the City's vision. While they would not necessarily help in the creation of new neighborhood centers, these programs can enhance existing centers and support the creation of small commercial establishments within 300 feet of centers.

Underutilized properties can often be renovated at a cost that is lower than the cost of new construction, and therefore they can provide more affordable rents. Their scale and design are usually appropriate for neighborhood centers, whereas the scale and design of new buildings can be less compatible with nearby uses.

These programs also have the benefit of not being highly resource intensive. Programs can be implemented by a half or full time equivalent (FTE) staff role, or (once up and running) 1 FTE. Ideally, the staff person administering the program will have three to five years of experience managing a building improvement or other comparable community development program.

Building and façade improvement grant programs are employed by cities throughout the country in order to provide capital to property owner and businesses to evaluate, design, renovate, enhance, reuse, and adapt their properties. These grants are important because some property owners lack the design or engineering expertise, the vision, or the capital to upgrade their properties. Some model programs in Oregon and Washington are discussed below, along with potential sources of funding for such a program in Olympia.

Example Programs in Other Cities

Beaverton, Oregon offers [Storefront and Tenant Improvement Programs](#), which provide architectural design services and cash matching grants to improve business facades along street frontages in Downtown Beaverton, Old Town Beaverton, and along Allen Boulevard. Funds can also be used to improve restaurant interiors, and the program is being expanded to enable interior improvements for other types of businesses. One of the key reasons for the success of Beaverton's program is that it focuses both on the interior and exterior of buildings, and therefore enables transformative improvements that are both functional and aesthetic.

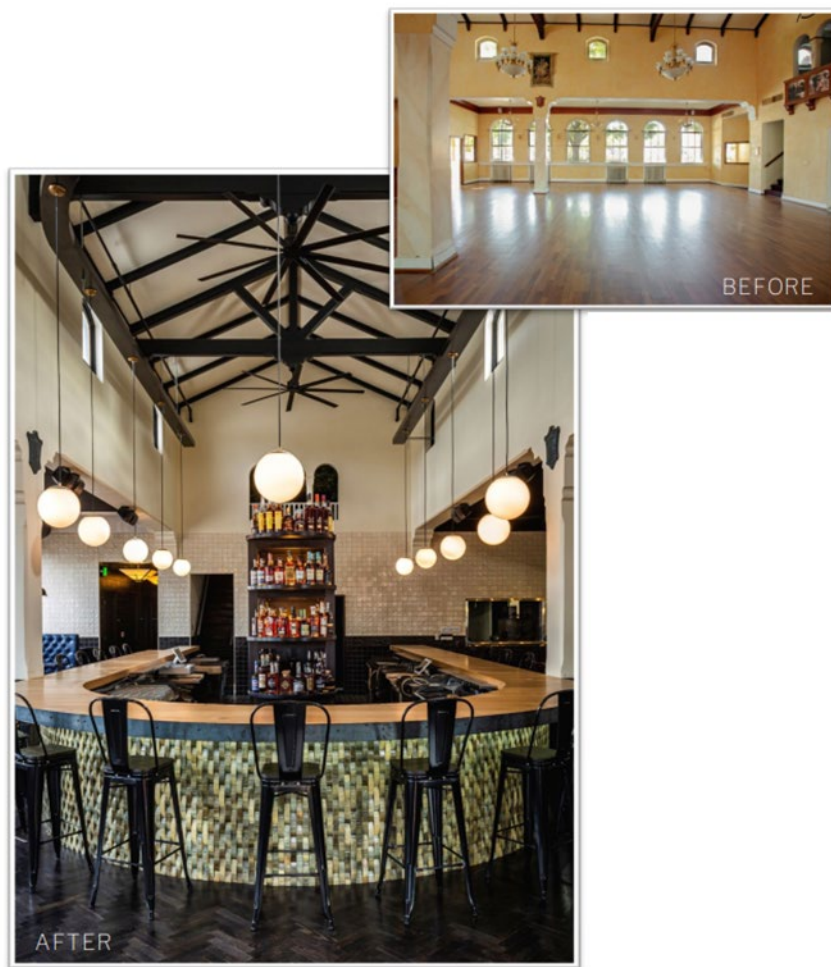
Figure 13. Ichabod's Bar & Grill, Beaverton, Oregon: Before (above) and after (below) improvements enabled by the City's Building Improvement Grant Program



Source: <https://www.ickabodsbarandgrill.com/>.

Currently, the City administers design grants for 100% of architect fees for the initial project phase of storefront improvements as well as improvement grants of up to \$50,000 of construction costs. The City offers a 50% match on project expenses for Level 1 improvements, which include exterior paint, new flooring, or new signage, and a 70% match for Level 2 improvements, including awnings, windows, doors, or full exterior redesigns. Grants are issued as reimbursements – funds can be distributed in up to 3 reimbursements during the construction process.

Figure 14. Loyal Legion Interior, Before (above) and After (below). The historic Bank of Beaverton building is now a tap house.



Source: City of Beaverton and Loyal Legion.

Having seen significant success in its original program, Beaverton plans to streamline the storefront and tenant improvements into one grant. They will offer a 50% match of up to \$50,000 for property owners and a 75% match up to \$75,000 for businesses or tenants. In these scenarios, applicants match the City's investment on a 1:1

basis, and therefore the maximum total cost of improvements would be \$100,000 and \$150,000, respectively. The City has found that the base costs of converting a general commercial building to a restaurant use is often in the \$150,000 to \$250,000 range. In recent years, the City has allocated about \$1 million per year to the building improvement grant program. The City plans to geographically expand the program in the future. Beaverton pays for its program through a combination of general fund and tax increment financing (TIF) funding.

The city of **Sandy, Oregon** adopted “Sandy-Style” [design standards](#) in 2008. These design standards apply to all commercial and non-residential buildings with the goal of creating a unified, recognizable appearance. In 2009 the city established a [façade improvement grant program](#) that provides funding to owners of existing businesses who want to improve the exterior of their buildings and incorporate “Sandy-Style” elements. The program is funded by the Sandy Urban Renewal Agency. The table in Figure 16 below shows the matching grants provided by the City for projects at different price levels.

Figure 15. “Sandy-Style” Facades on Commercial Buildings in Sandy, OR



Source: City of Sandy, OR.

Figure 16. Sandy Façade Improvement Grant Program Funding Scale

Project Cost	Façade grant program will pay
\$0 to \$5,000	80%
Next \$45,000 (to \$50,000)	50%
Next \$50,000 (to \$100,000)	30%

Source: City of Sandy, OR.

Similarly, the **City of Tacoma’s** Community and Economic Development Department administers a [Business Façade Improvement Loan Program \(BFILP\)](#) in order to beautify individual storefronts and improve the appearance of older business districts.

The loan program reimburses property owners for up to 50% of approved façade project costs. The 10-year loans have a low 3% interest rate and range from \$5,000 to \$50,000. Tacoma's program is structured so that it ensures façade projects are executed before funding takes place. The city recoups what it provides to owners with some interest, though less than a private financial institution would require. Loans are secured by a lien on the property and the loan to value ratio (LTV) cannot exceed 90%.

The **Historic Downtown Prosser Association (HDPa)** in the town of Prosser in Eastern Washington (population 6,000) used Main Street Tax Credit funding to offer interest free loans of \$5,000 to restore building facades. They changed the loan to a grant to increase interest in the program – between 2011 and 2015 the City distributed eight grants worth \$48,000, triggering \$1.8 million in revitalization efforts.

Figure 17. Junebug's Bakery in Prosser, WA Before, During, and After Façade Improvements



Source: Washington Trust for Historic Preservation.

The Olympia Downtown Alliance administers a [Placemaking Micro Grant Application](#) that funds physical space improvements as well as event space activation. Reimbursements are only up to \$500, far less than City-operated façade improvement programs like those in Tacoma and Sandy. It also only serves street-level businesses in the Downtown Core. If the City is concerned about funding a façade improvement program, it could partner with a nonprofit organization to provide grants or loans to businesses located in designated neighborhood centers, potentially starting with low dollar amount loans such as those provided by the Downtown Alliance. A building improvement grant or loan program would have the dual benefit of helping local businesses improve the appearance of their buildings and making neighborhood centers more attractive and cohesive in general.

Recommendations

Establish a building improvement program that provides businesses with matching grants to improve the exterior or interior

space, especially areas visible through storefront windows. The maximum amount of grants should be similar to those provided in Beaverton (\$50,000 to \$75,000 in public investment), since this maximum will enable the most transformative investments. In most cases, applicants should be required to match City funds on a 1:1 basis.

Where more funding has been dedicated to grant programs, cities have seen significant positive changes. Beaverton was able to attract numerous restaurants to its Downtown that had previously been unwilling to take the risk of opening in a suburban location. Now, Beaverton is home to a thriving dining district.

Implementation

Based on existing programs, the implementation of business improvement programs requires the following steps:

- Creating, identifying, or establishing a funding source.
- Hiring someone to administer the program.
- Talking to economic development leaders in other cities to determine best practices.
- Establishing criteria for accepting, reviewing and/or scoring applications.
- Setting an application timeline or schedule.
- Building an application system.
- Identifying pilot or demonstration projects to evaluate program benefits.

Potential Funding Sources

The City may be able to acquire funding for a façade or building improvement project from outside sources, including Community Development Block Grants (CDBG). CDBG funding requires that the funds be used to benefit low- and moderate-income residents or to eliminate blight. This may limit how and where CDBG funding can be used. But if the City can identify neighborhood centers that support low- or moderate-income communities and/or business owners, these funds can be used for the rehabilitation of residential and non-residential structures.

In addition, these building improvements may qualify for funding through the State of Washington's [Tourism Sustainability Grant Program](#). This program is intended to boost the state's tourism industry and provides funding for capital projects, festivals and events, outdoor recreation, and business districts and main street associations. If the neighborhood centers were to form a business district, they could use the funding for "clean-up/beautification,"

“historical interpretation, preservation, rehabilitation, restoration, and reconstruction,” or “projects that enhance art and culture.”

Olympia could also allocate some of its Business & Occupation (B&O) tax revenue towards a building improvement grant program; LCG’s understanding is that B&O taxes have funded such programs elsewhere in the state, particularly those managed by nonprofit Main Street organizations. The State offers a [B&O tax credit](#) to organizations that make donations to nonprofit Main Street organizations. Long-term, it is possible that this tax credit could be modified in order to apply to donations made to businesses making the types of building improvements that are described here. This may require the creation of a new or expanded nonprofit organization, and/or changes to the Department of Revenue’s applicable rules or RCWs.

The City of Beaverton uses a combination of tax increment financing (TIF) and general funds for its program, rolling unused funds over each year. According to Economic Development staff in Beaverton, the City Council is willing to authorize the use of general funds for the building improvement program because the program is widely viewed as a success, bringing new restaurants and other businesses to the City’s downtown and helping to rehabilitate existing businesses. Around 80% of the roughly \$1 million allocated to the program annually is funded by TIF. TIF was recently reauthorized by the State of Washington but is probably not a suitable source of funding for Neighborhood Centers since each city can create no more than two TIF areas.

Olympia could also consider working with Thurston County or neighboring cities to fund this type of program. Thurston County administers CDBG grants – the person in charge of that program could help implement would likely have the knowledge and resources needed to determine how a business improvement grant program could be funded.

Activating Public Rights of Way

As mentioned above, at the beginning of the COVID-19 pandemic, cities across the country loosened their rules for establishing parklets and closing streets to automobile traffic in order to support restaurants at a time when indoor dining was shut down. Example programs and applications are described above.

In [Olympia](#), the City instituted the Simplified Sidewalk program. This program waived the permitting fee associated with setting up sidewalk tables. In addition, the City closed streets on a rotating basis to allow restaurants to put out picnic tables set up 6 feet apart to increase COVID safety. The City also temporarily allowed a

“streateries” on Capital Way North to support the restaurants in the 222 Market.

Make short-term strategies such as the Simplified Sidewalks program into permanent policies, in order to streamline the establishment of parklets at neighborhood centers to enhance the pedestrian-friendly environment and create neighborhood-based outdoor civic spaces. Such policies could apply in neighborhood centers only, or more broadly. These parklets could act as civic spaces within neighborhoods, enhanced by public art that activates the space. The City should also weigh whether any existing or future centers could support temporary festival streets or streateries – sections of streets that are closed to automobile traffic. Public safety and transit needs would need to be factored into the review and approval process.

Pilot Projects and Other Programs

The zoning modifications, building improvement grants program, and public right-of-way activation described above are the most important citywide programs for the City to implement. In addition to those policies and programs, the City could consider other efforts described below.

- **Complete site-specific development evaluation and/or pilot projects** at two, three, or more specific opportunity sites. Focus on sites whose owners welcome the City’s involvement and/or well-located publicly-owned land. These pilot projects should include some level of site design, feasibility analysis, public outreach, and identification of barriers and next steps. The ideal outcome would be to develop multiple site plans that are financially and logistically feasible and are supported by property owners and the community. These can then be built, with ground-breaking potentially taking place sometime in the next 5 years.
- The city could also identify specific **“prototypical” centers projects**, such as a small commercial space connected to a residential duplex, that can be built in multiple centers around town, on say a typical 5,000 square foot lot. Prototypical projects could also be for the adaptive reuse of existing structures as well as new, ground up construction. By “pre-approving” prototypical projects, the City can reduce the cost and uncertainty of appropriate-scale development in Neighborhood Centers and encourage property owners and developers to add commercial and residential space in centers.
- Continue to support the City’s **Transportation Master Plan’s** vision of a more walkable, accessible, bikeable, and transit-

friendly streets, including near neighborhood centers. The City should consider prioritizing planned improvements – including roadway redesigns, roundabouts, crossings, and sidewalk and bikeway improvements – that would make neighborhood centers more friendly to multimodal users.

- The City could offer impact fee credits within neighborhood centers, though this could negatively impact the City’s ability to provide pedestrian and bicycle improvements as these are the primary uses for impact fees. However, infill development in areas with existing infrastructure is less costly for the City and better for the environment. Once bike and pedestrian networks are built out in proximity to neighborhood centers, reducing impact fees could be a way to incentivize development in these areas.
- **The City as deal facilitator.** The City, via its economic development department or other staff, could take a more assertive approach towards facilitating centers-type development projects. This is consistent with the recommendations of at least one interviewee, who recommended a “public development authority” (PDA). While a PDA specifically may or may not be the right entity to facilitate development deals, the recommendation is particularly valid in this context, since as discussed above, many development projects in centers will face funding gaps in the near term due to high construction costs.

The City can leverage deal facilitation by pairing it with other actions. These include providing modest grants and loans. Deal facilitation can also involve assembling and facilitating the delivery of gap financing from other, third-party sources. A growing range of impact investors (those who seek to achieve social and environmental goals as they generate financial returns) are focused on making investments with a “triple bottom line” (profit, people, and planet) or “ESG” approach (development projects that have positive environmental, social, and governance impacts). Such gap financing sources include Community Development Financial Institutions (CDFIs), traditional banks via the Community Reinvestment Act (CRA), impact capital, philanthropies, Small Business Administration (SBA), crowd funding (e.g., small change, go fund me), and various regional, state, federal, or other public grants or loans. “Patient equity” or gap financing can enable challenging projects to get built.

- **Education.** There are numerous opportunities for the City, aspiring small-scale developers, community members and others to get more educated about small-scale, centers-style development. Understanding small-scale development will

enable advocates to be more informed and effective.

Opportunities and resources include:

- Incremental Development Alliance
<https://www.incrementaldevelopment.org/>. “Inc Dev” could organize a small developer bootcamp in Olympia.
- [Building Small: A Toolkit for Real Estate Entrepreneurs, Civic Leaders, and Great Communities](#)
- Small scale development [Forum](#).
- Other organizations, including the [Washington Main Street](#) organization, Congress for the New Urbanism (CNU), the Urban Land Institute (ULI), and/or the Commercial Real Estate Development Association (NAIOP).
- **Identification of a staff point person or department** who will be the champion for implementation of the neighborhood center vision going forward. This could be an existing staff member or a new hire depending on capacity and needs.
- **Legacy business programs and shop local programs.** Various programs exist that provide support to “legacy” businesses and encourage residents to shop at small, locally owned businesses. The Olympia Downtown Alliance already works to promote local businesses in the downtown area through events like LoveOly Winterfest, a shop and dine promotion that runs for a month each year. Programs like the [Legacy Business Program in , San Francisco are able to expand services to local legacy businesses by partnering with the City.](#)
- Transfer of Development Rights (TDR) has been mentioned as another possible incentive for centers. However, the current [Thurston County](#) and [City of Olympia](#) rules allow only a small amount of additional residential capacity (one additional dwelling unit per acre) to be transferred to the Residential 4-8 zone; there is no provision to enable additional commercial space or higher density mixed use. Moreover, LCG has not seen TDR programs be highly effective as incentives for centers-type development. Ensuring that the City’s zoning code allows and encourages the desired development is a simpler and more direct tool.

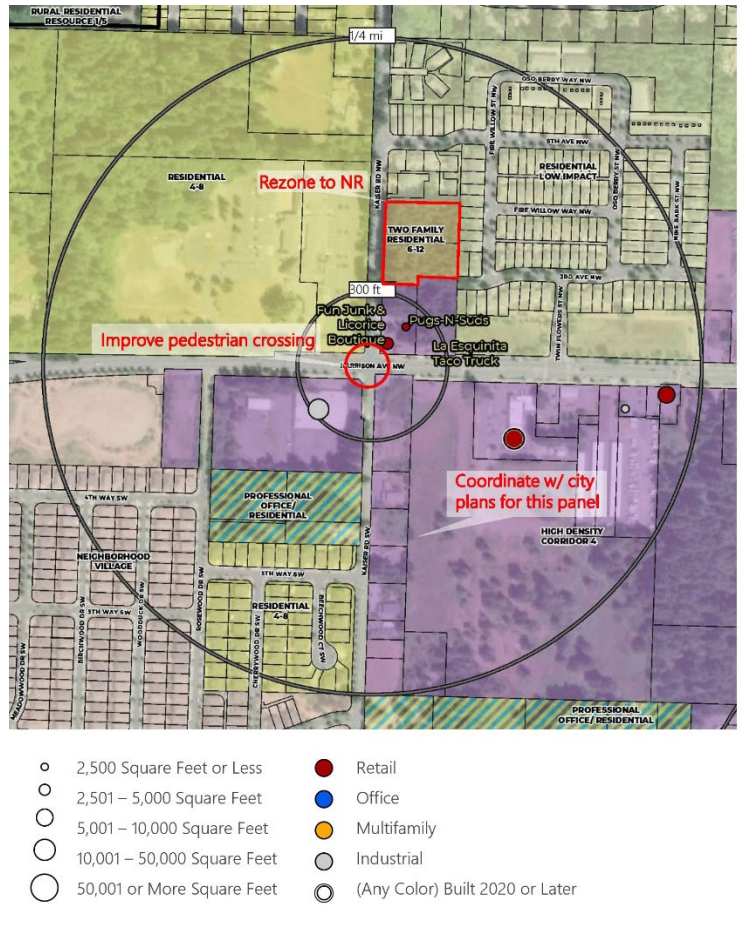
7 | Neighborhood-Specific Recommendations

Based on the analysis of current conditions and potential opportunities the team proposes the following center specific actions to enhance their viability and ability to serve their local communities. These activities can be taken along with the Sections 6 | Citywide Program Recommendations and 5 | Zoning Options.

Harrison Ave & Kaiser Rd (Kellerman's Corner)

This neighborhood center was rezoned from Neighborhood Retail to High Density Corridor-4 in 2016 as part of the Kaiser Harrison Opportunity Area Plan. This zoning change was made with the intent of allowing higher density housing and more intense commercial development along an arterial corridor. During public engagement, nearby neighborhoods expressed a desire for the vacant parcels north of Fun Junk and Licorice Boutique to retain its R 6-12 zoning to be more compatible with adjacent RLI and R 4-8 zoning.

This intersection effectively functions as a neighborhood center. While the likelihood of other centers emerging in the area is slim, this center could either be removed from the Future Land Use Map or assigned as a 'floating' center in case other properties in the area have commercial viability.



Action steps:

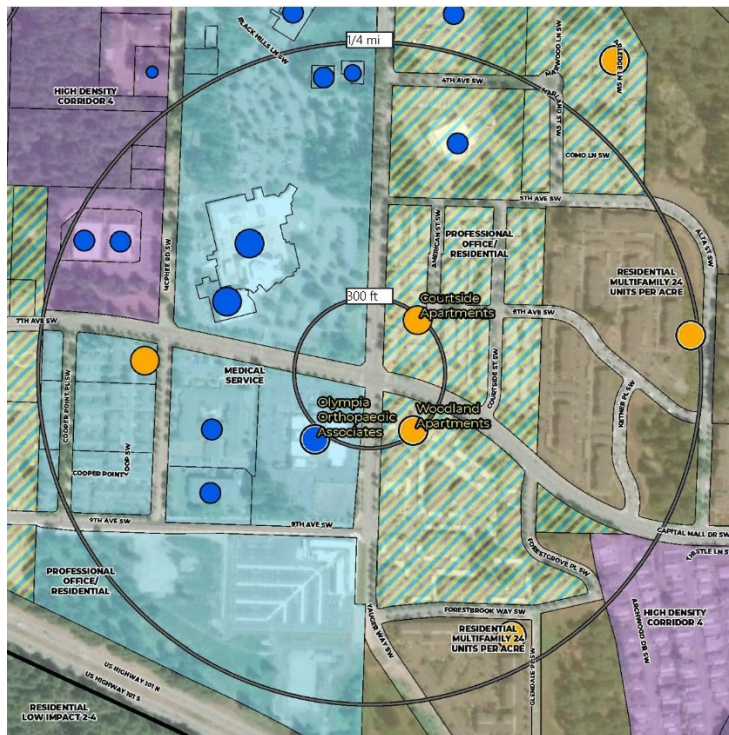
1. **Remove** from Future Land Use Map during next Comprehensive Plan update.
- 2.

Yauger Way SE & Capital Mall Drive

Because of the proximity of Capital Mall, poor connectivity and access, and lack of vacant land there seems to be no near-term opportunity for this to become a neighborhood center.

There may be a new slip ramp from Highway 101 in a decade or more. This might provide some opportunity along Yauger Way, but that would require competing with medical facilities. This center

should be placed on the “back burner” or removed from the list of centers.



- | | |
|-------------------------------|-----------------------------------|
| ○ 2,500 Square Feet or Less | ● Retail |
| ○ 2,501 – 5,000 Square Feet | ● Office |
| ○ 5,001 – 10,000 Square Feet | ● Multifamily |
| ○ 10,001 – 50,000 Square Feet | ● Industrial |
| ○ 50,001 or More Square Feet | ○ (Any Color) Built 2020 or Later |

Action steps:

1. **Remove** from current list of Neighborhood Centers because of lack of land area for commercial uses and proximity to Capital Mall Triangle.
2. Watch for WSDOT slip ramp project and redesignate if opportunities emerge.

Division St & 20th Ave (Handy Pantry)

There is limited opportunity for expansion unless the neighborhood would support a residential upzone to R 6-12. Environmental cleanup costs might be prohibitive to redevelopment of the convenience store site. The GruB farm is a unique facility and offers youth and community programs as well as a farm stand during the summer months. There is a roundabout planned for the intersection of Division Street and 20th Avenue, and a sidewalk planned for Elliot Avenue between Division and Crestline.

The larger lots and water and sewer availability may support missing middle and pedestrian friendly setting make missing middle infill housing a possibility. Pathway and stormwater management improvements in neighborhood might provide an incentive for infill residential development.



- | | |
|-------------------------------|-----------------------------------|
| ○ 2,500 Square Feet or Less | ● Retail |
| ○ 2,501 – 5,000 Square Feet | ● Office |
| ○ 5,001 – 10,000 Square Feet | ● Multifamily |
| ○ 10,001 – 50,000 Square Feet | ● Industrial |
| ○ 50,001 or More Square Feet | ○ (Any Color) Built 2020 or Later |

Action steps:

1. Assess feasibility of upzoning.
2. Contact neighborhood regarding interest in a developing a neighborhood plan.
3. Meet with applicable property owners to determine if potential action such as environmental clean-up is feasible or if there are any plans to expand.

Rogers St & Bowman Ave (Westside Co-op)

Because the housing stock is modest, there may be opportunities for infill “missing middle” housing if the neighborhood is amenable.

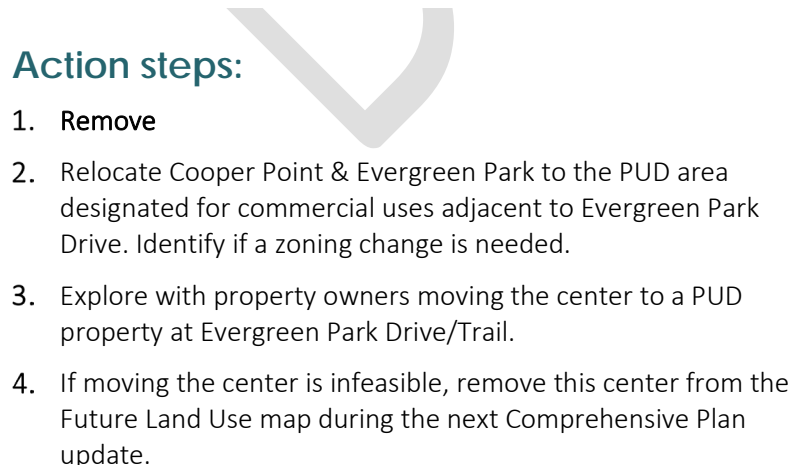


- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

Action steps:

1. Reconstruct sidewalk and add street lighting between the Bits Café and the market to ADA standards.

There appears to be no potential for redevelopment or enhancement of local services near the intersection unless the center moves into the PUD, which has a good mix of residential and commercial and restaurants proposed. Moving the center to a PUD property at Evergreen Park Trail is an option but still has challenges. If that proves infeasible, consider removing this center from the Future Land Use map during the next Comprehensive Plan update.



Frog Pond is one of several pre-WWII centers to review for City actions that could assist small businesses (facilitating waste management, removal of administrative constraints and permitting obstacles, etc.). It has a loyal clientele and an excellent location with good pedestrian/bike access. There is a professional office building kitty-corner from the grocery with several personal service that are useful to the local community. If there is interest, consider potential rezoning options with the local neighbors.

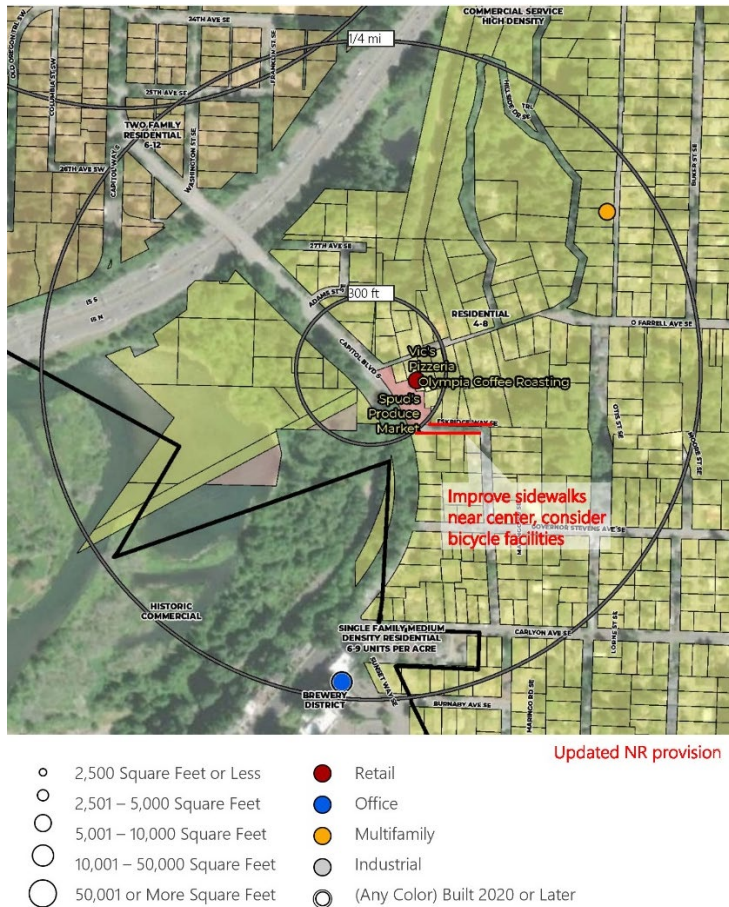


-  2,500 Square Feet or Less  Retail
 2,501 – 5,000 Square Feet  Office
 5,001 – 10,000 Square Feet  Multifamily
 10,001 – 50,000 Square Feet  Industrial
 50,001 or More Square Feet  (Any Color) Built 2020 or Later

1. Collaborate with community members to understand any rezoning interests.

O'Farrell Ave & Capitol Way (Wildwood Center)

There is little room for expansion, but Olympia and Tumwater might think about this section of the Capitol Blvd corridor and how to enhance both the corridor and surrounding neighborhoods in this transition between the two cities. The planned bike facility between Tumwater and Olympia will support the center. The mix of businesses and orientation might be a good model for some of the more suburban/arterial sites (e.g., Fones or Cooper Point PUD site).

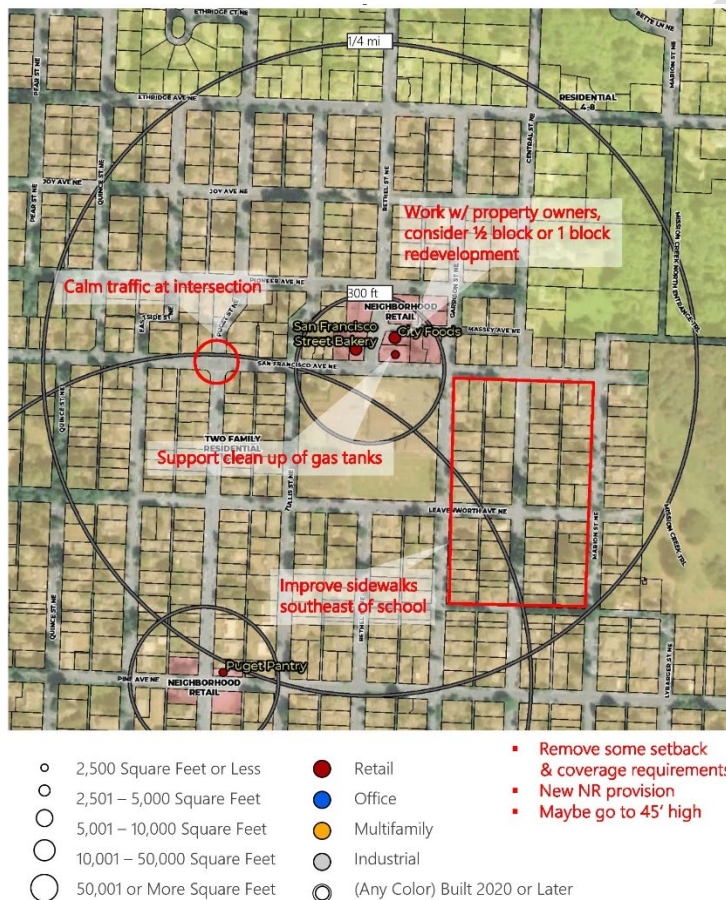


Action steps:

1. Continue supporting planned multimodal transportation improvements

San Francisco Ave & Bethel St (San Francisco Street Bakery)

There has been considerable interest in developing the east side of Bethel St NE (currently occupied by convenience store and a defunct gas station), but toxic clean-up challenges have hindered efforts. There is also the potential of a larger development on half or all of the block. This center warrants further study. One option is to explore whether or not the community might welcome mixed use development on half or all of the block. Brownfield clean-up funds might assist in the development of the former gas station site.

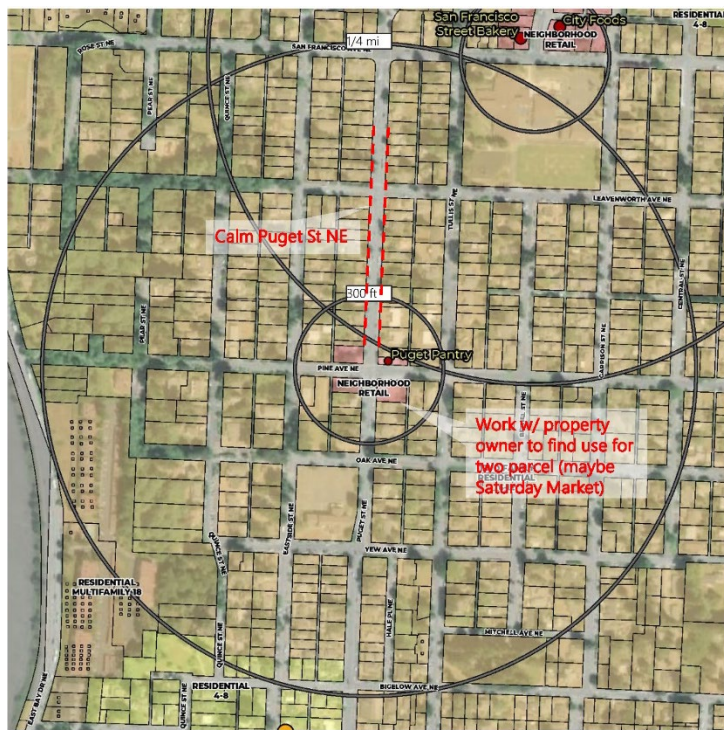


Action steps:

1. Explore grant opportunities for clean-up of former gas station.
2. Explore with property owner and the community the feasibility/desirability of mixed-use development on half or all of the block.
3. Improve sidewalks, especially south and east of the school.
4. Install traffic calming at Puget St NE and San Francisco Ave NE.

Puget St & Pine Ave (Puget Pantry)

All four corners of the center are currently zoned Neighborhood Retail. There is a development opportunity on the gravel parking lot directly south of the Puget Pantry. In the near term, if development is not feasible, pop-ups or vegetable stands could be encouraged. The owner has been interested in expanding the grocery, but encountered costly code requirements. This center might be a good case study to test measures identified in sections 5 Zoning Recommendations and 6 Citywide Program Recommendations for removing code and other barriers to small businesses.



Updated NR provision

Action steps:

1. Conduct case study to review unnecessary code barriers to small businesses.
2. Explore options with owner and neighborhood regarding the gravel lot south of the convenience store, such as pop-up Saturday produce market, small scale development, etc.
3. Consider allowing live/work businesses nearby.

Boulevard Rd & 18th Ave (Pit Stop)

Because expansion opportunities and access are limited, this location is not likely to grow. However, it is a viable, auto-focused stop on major traffic routes that is useful to the community.



Updated NR provision

- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

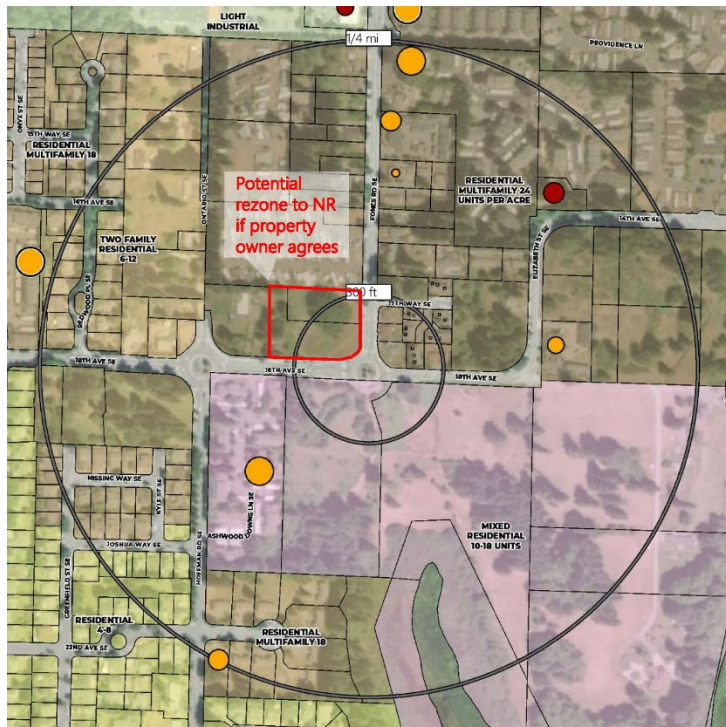
MAP

Action steps:

1. **Retain** current designation to provide the widest possible array of uses under NR zoning to meet future needs of neighborhood.
2. Conduct case study to review unnecessary code barriers to small businesses.

Fones Rd & 18th Ave

It is difficult to determine the potential at the Fones Road/18th Ave site because of several positive and negative factors. Constraints to a viable market include the commercial complex to the north and the lack of existing or potential residences to the south and east. However, several vacant lots are in the area with potential. The status of this center should be considered in the Comprehensive Plan update because of the proximity of a viable commercial center to the north and the proposed infrastructure improvements.



Action steps:

1. Update designation as a floating center that responds to development opportunities rather than being set at a singular location
2. Discuss with the property owner their desire to develop commercial uses. If interested, encourage them to apply for a rezone to Neighborhood Retail.
3. Explore options at other vacant lots in the area

Boulevard Road & Yelm Highway (Victoria Square)

There are few development or expansion opportunities. A few sites on the east side of Boulevard with gardens/produce market just north of the intersection of Yelm Highway and Boulevard Road might provide opportunities for small businesses.



- | | |
|-------------------------------|-----------------------------------|
| ○ 2,500 Square Feet or Less | ● Retail |
| ○ 2,501 – 5,000 Square Feet | ● Office |
| ○ 5,001 – 10,000 Square Feet | ● Multifamily |
| ○ 10,001 – 50,000 Square Feet | ● Industrial |
| ○ 50,001 or More Square Feet | ○ (Any Color) Built 2020 or Later |

Action steps:

1. **Retain** current designation to provide the widest possible array of uses under NR zoning to meet future needs of neighborhood.
2. Conduct case study to review unnecessary code barriers to small businesses.

New Centers

During public outreach and stakeholder interviews, community members suggested areas in Olympia for new neighborhood centers. These include the **Eastside** and **Friendly Grove** neighborhoods. This report does not make specific recommendations for these areas but outlines possible approaches the City can take to consider the addition of new centers. One of the recommendations (discussed in the “1. Permit Small Commercial Uses in Residential Zones” section) is to allow a limited range of small commercial uses (SCU) within residential neighborhoods. The process for being designated an SCU node would be less onerous than the Neighborhood Center designation but would still require meeting certain criteria and public review. The range of uses and allowed sizes would be more restrictive to ensure neighborhood compatibility.

Eastside neighborhood area



Action steps:

1. Establish a process whereby local landowners can propose small commercial use (SCU) nodes for the City to assess based on Comprehensive Plan policies, development code criteria, and any neighborhood subarea plans accepted by the City Council. These processes should ensure adequate public review.

2. Establish design and development standards to ensure that new Neighborhood Centers and Small Commercial Use nodes do not impact local neighbors or detract from neighborhood character.

DRAFT

Appendix A. Comprehensive Plan Policy Analysis

Comprehensive Plan Policy Support

Olympia's Comprehensive Plan (Plan) features a section on Neighborhoods that describes the City's vision for Olympia's residential neighborhoods. A subsection addresses neighborhood centers, describing them as "the focal points of neighborhoods and villages" ([GL 21](#)). The Plan indicates that each neighborhood should have:

- *Narrow, tree-lined streets that are easy and interesting to use for walking, bicycling, and travel by transit.*
- *A system of open space and trails with a neighborhood park.*
- *A readily accessible elementary school or other place of public assembly.*
- *Diverse housing types that accommodate varying income levels, household sizes, and lifestyles.*
- *Sufficient housing densities to support frequent transit service and sustain neighborhood businesses.*
- *A '**neighborhood center**' with businesses serving area residents.*

The Plan calls for a large portion of Olympia's residents to live within a quarter mile of a neighborhood center.

"These centers will be focal points of neighborhoods. Although they will vary by location, they generally should contain small-scale convenience and service businesses, a transit stop and a neighborhood park and be bounded by moderate or high-density housing. These neighborhood centers will serve as activity hubs or small-scale town squares that foster social interaction and a sense of community and accommodate nearby residents' routine shopping needs."

Where possible, a network of walking and biking routes that provide both recreational and commuting opportunities will connect these neighborhood centers to parks, schools, and downtown. To minimize traffic impacts and provide for transit service, these centers will be near major streets. Approximate locations for these centers are shown on the [Future Land Use Map](#)."

Goal GL 21 addressing neighborhood centers is supported by several policies:

- **PL21.1:** Establish a neighborhood center at each village site, encourage development of the neighborhood centers shown on the Future Land Use Map, and add additional centers when compatible with existing land uses and where they are more than one-half mile from other commercial areas.
- **PL21.2:** Locate neighborhood centers along collector or arterial streets and within about 600 feet of a transit stop.
- **PL21.3:** Support housing, a food store, a café or bakery, and a neighborhood park or civic green at all neighborhood centers. Allow churches, schools, and convenience businesses and

services that cater primarily to neighborhood residents. Prohibit auto-oriented uses. Vary the specific size and composition of such centers for balance with surrounding uses. Where practical, focus commercial uses on civic greens or parks. Limit the size of commercial uses. (Note: A larger urban center is permitted in the Briggs Urban Village.)

- **PL21.4:** Allow neighborhood center designs that are innovative and provide variety, but that ensure compatibility with adjoining uses. Consider appropriate phasing, scale, design and exterior materials, as well as glare, noise and traffic impacts when evaluating compatibility. Require that buildings include primary access directly from street sidewalks and be oriented toward the neighborhood and any adjacent park or green. Require that signage be consistent with neighborhood character.
- **PL21.5:** Locate streets and trails for non-arterial access to the neighborhood center.
- **PL14.3:** Preserve and enhance the character of existing established Low-density Neighborhoods. Disallow medium or high-density development in existing Low-density Neighborhood areas except for Neighborhood Centers.
- **PL14.4:** In low-density Neighborhoods, allow medium-density Neighborhood Centers that include civic and commercial uses that serve the neighborhood. Neighborhood centers emerge from a neighborhood public process.

The plan also includes the following Rezone Criteria applying to Neighborhood Centers - Located in [OMC 18.59.055](#):

B) Each Neighborhood Retail or Neighborhood Center district, if any, shall be no further than four blocks (approximately 1000 feet) from a Neighborhood Center location indicated on the Future Land Use Map or is at a location proposed pursuant to the Subarea Planning process described in the Comprehensive Plan.

Neighborhood Centers' Support for Olympia's Values and Vision

The Comprehensive Plan Values & Vision section includes the following statements relevant to neighborhood centers:

- *A walkable, accessible, vibrant city.*
 - We envision a capital city of pedestrian-oriented streetscapes, livable and affordable neighborhoods, safe and meaningful street life, and high-quality civic architecture.
 - Well-implemented neighborhood sub-area planning will help us determine unique neighborhood assets to protect and enhance; where and how to increase density and retain green space; and develop safe and convenient access to everything from grocery stores, to schools, neighborhood parks, community gardens and neighborhood gathering places.
- *Olympia's economy is healthy due to a diverse mix of new and existing employment sectors, in addition to being the center of state government.*
 - Entrepreneurs, attracted to an urban environment with an open and accepting culture, will create new start-ups in

Olympia that diversify our job market and economy, making it less vulnerable to downturns in state government.

Neighborhood Centers contribute to walkability and access in Olympia's neighborhoods by providing services that are both accessible and walkable. Recommendations in this report include access improvements that would increase walkability and local mobility.

Neighborhood centers directly contribute to access to local services, especially to convenience stores, and dining and drinking places where local residents can gather.

With regard to a healthy economy, neighborhood centers offer opportunities for small and start-up businesses which add to the city's overall economic resilience.

Center Designation Criteria and Considerations

This section examines current criteria for designating neighborhood centers (Centers) and recommends that the qualitative criteria from the Plan form the basis for designating neighborhood centers in the future. In other words, whether a center is designated will depend on whether it meets or has the potential to meet the qualitative description of a neighborhood Center in the Comprehensive Plan. This will provide a wholistic approach to designation rather than a quantitative evaluation of several parameters so that a center isn't ruled out because it doesn't meet all the measurable conditions used for this analysis.

In addition, this report's analysis identifies some specific, often quantifiable parameters, such as local population, pedestrian connectivity, current services offered, etc. which support a successful center as envisioned in the Comprehensive Plan. These are itemized in the following section so that the City can identify some of the limiting factors in the centers' performance and take action to improve the centers' functions. The Center Profiles located in the Appendix describes the performance of the individual centers' current performance relative to the quantifiable parameters.

One of the findings of the analysis of current Centers' status is that there are some Centers that can subsist on their local pedestrian markets and some that also benefit from more regional, auto-accessible markets. This difference can complicate the criteria for Center designation because the auto-accessible centers also serve a local population and benefit the surrounding neighborhood. Generally speaking, traditional, locally pedestrian focused centers are in dense, close-in neighborhoods and were established prior to World War II. Those centers that are partially dependent on auto access are located in post-war suburban settings with poorer pedestrian access.

As noted, however, the centers located outside of older neighborhoods, such as the Westside Food Co-Op, Wildwood Center, and the 18th Avenue Pit Stop, can still provide important services and neighborhood-building functions. The following chart translates the Comprehensive Plan vision into more quantifiable criteria that accounts for the different nature of the city's existing centers.

The Need for Flexibility in Designating and Locating Neighborhood Centers

While the City has undertaken planning studies to identify appropriate locations for existing or new Centers, conditions are changing rapidly enough that there is a need to periodically review their designations. Sometimes this means relocating a designated center to a more advantageous spot nearby.

This calls for the need for greater flexibility in the Comprehensive Plan Land Use Map. Instead of a hard line around these Centers, the map could draw wider boundaries and state “Consider Neighborhood Center Designation in these Vicinities” to indicate where such an option is acceptable.” This update is proposed in a new policy PL 21.08.

During stakeholder interviews and public engagement, other neighborhoods were suggested for designation as neighborhood centers including areas around the Swantown Inn and Friendly Grove Park. The process for being designated is time consuming and costly because it involves a Comprehensive Plan amendment and rezone. There should be accommodations in the Comprehensive Plan and development code to provide more flexibility and make the process easier.

This approach is proposed in a new policy PL 21.09.

Table XX. Comprehensive Plan Policies and Performance-Based Criteria

Criteria	Current Comprehensive Plan Policy	Performance-Based Criteria for Planning Purposes
Process	None	<p>OBJECTIVE: To ensure that the establishment of new Neighborhood Centers serve and are supported by their surrounding neighborhoods.</p> <p>GUIDELINES: These guidelines apply only to the establishment of new centers. Residents within xx distance where a Neighborhood Center is proposed may endorse the creation and location of the center via a request letter to the Olympia City Council or the Community Planning and Development Department.</p> <p>Staff would evaluate proposals based on criteria summarize below, then present findings and</p>

		recommendations to the City Council who may approve or reject the requests. The City would consider the number and proximity of existing neighborhood centers in its analysis. 7
Size	<p>PL21.3: Vary the specific size and composition of such centers for balance with surrounding uses. Where practical, focus commercial uses on civic greens or parks. Limit the size of commercial uses. (Note: A larger urban center is permitted in the Briggs Urban Village.)</p> <p>Rezone Criteria applying to Neighborhood Centers (OMC 18.59.055.B): Each Neighborhood Retail or Neighborhood Center district, if any, shall be no further than four blocks (approximately 1000 feet) from a Neighborhood Center location indicated on the Future Land Use Map or is at a location proposed pursuant to the Subarea</p>	<p>OBJECTIVE: Vary the specific size and composition of neighborhood centers to be compatible with their surroundings so that adverse impacts (such as, traffic, parking, and poor design quality) are avoided. Neighborhood centers should be smaller and more localized than community centers which serve a larger population.</p> <p>QUANTITATIVE GUIDELINES: Generally, the Neighborhood Retail zone in established residential neighborhoods should not occupy more than 2 acres, although there may be exceptions if conditions warrant. Generally, traditional neighborhood centers do not occupy more than a 300 ft radius but those in suburban or auto-oriented locations can be larger. Also, as a general rule, 400 to 600 linear feet of frontage provides enough space for multiple buildings and uses.</p>

	<p>Planning process described in the Comprehensive Plan.</p> <p>OMC 18.06.020.B.8 states an intention for the size of a Neighborhood Retail District to be limited to 1 acre.</p>	
Location	<p>PL21.1: Establish a neighborhood center at each village site, encourage development of the neighborhood centers shown on the Future Land Use Map, and add additional centers when compatible with existing land uses and where they are more than one-half mile from other commercial areas.</p> <p>PL21.2: Locate neighborhood centers along collector or arterial streets and within about 600 feet of a transit stop.</p>	<p>OBJECTIVE: Neighborhood centers should be near the geographic center of the neighborhood's population with access as noted below.</p> <p>QUANTITATIVE GUIDELINES: Ideally, neighborhood centers should be located so that residential development covers most of the land within a half mile and there is no competing commercial development/neighborhood center within a half mile.</p>

Service Area Population & Surrounding Housing Types	<p>A large portion of Olympia’s residents are to live within a quarter mile of a neighborhood center. These centers will be focal points of neighborhoods.</p> <p>PL14.4: In low-density neighborhoods, allow medium-density Neighborhood Centers that include civic and commercial uses that serve the neighborhood. Neighborhood centers emerge from a neighborhood-based public process.</p>	<p>OBJECTIVE: Neighborhood centers should be located and configured to support the shops and services noted below. Ideally, residents accessing the center by walking or rolling should be able to support at least half of the market necessary to keep businesses viable.</p> <p>Provide a mix of housing types that accommodate a variety of housing needs and income levels.</p> <p>Centers should include or be near moderate or high-density housing.</p> <p>QUANTITATIVE GUIDELINES: Ideally, the surrounding 15-minute walkshed should feature a minimum of 12 dwelling units per net acre. Traditional neighborhood centers with a mix of single family and multi-family residences serve on the order of 1,000 dwelling units within half mile neighborhoods. Given the small size of neighborhood centers and the differences in local contexts, the market area population should not be the sole criterion for center performance. Unmet market demand should be consulted as well. Note that Olympia already has supportive missing middle housing and ADU/DADU (Detached Accessory Housing Units) regulations in low density residential zones. The 12 dwelling units per acre is also a good goal to support transit.</p>
Activities and Land	<p>Centers generally should</p>	<p>OBJECTIVE: Provide a variety of commercial</p>

Uses in Centers	<p>contain small-scale convenience and service businesses.</p> <p>PL21.3: Support housing, a food store, a café or bakery, and a neighborhood park or civic green at all neighborhood centers. Allow churches, schools, and convenience businesses and services that cater primarily to neighborhood residents. Prohibit auto-oriented uses.</p>	<p>services and activities such as a food store, restaurant, pub or a café or bakery, salon, garden store, etc. Allow churches, schools, medical services, food trucks, temporary sales, and convenience businesses and services that cater primarily to neighborhood residents. Prohibit auto-oriented uses, gas stations and businesses that cater to auto access.</p> <p>QUANTITATIVE GUIDELINES: A combination of shops and services totaling 10,000 SF is a good target but many existing centers in established neighborhoods are much smaller. Some current centers are closer to 1-2,000 SF.</p>
Non-motorized Access	<p>Where possible, a network of walking and biking routes that serve both recreational and commuting purposes to parks, schools, and downtown.</p>	<p>OBJECTIVE: Centers and their surroundings should feature a network of walking and biking routes that serve recreational and commuter trips and connect to parks, schools, and downtown. Such a network should be universally accessible and safe for all ages. Ideally, ½ the current population necessary to support local businesses should have excellent pedestrian and bicycle connections to the center.</p> <p>QUANTITATIVE GUIDELINES: Intersections per square mile is one way the city measures walkability. 100 to 200 intersections per square mile makes a good target.</p>

Transit Access	Centers should include a transit stop.	<p>OBJECTIVE: The ability of people to reach the center during business hours. Equally important is the transit stop as an activity generator. For example, transit stops can support businesses by being a focus for people shopping on their way home from work.</p> <p>QUANTITATIVE GUIDELINES: A near-by transit stop with 12 hour service is an appropriate goal.</p>
Auto Access	<p>To minimize traffic impacts and provide for transit service, these centers will be near a major street.</p> <p>PL21.3: Prohibit auto-oriented uses.</p> <p>PL21.5: Locate streets and trails for non-arterial access to the neighborhood center.</p>	<p>OBJECTIVE: For centers in traditional settings with good pedestrian facilities, emphasize low traffic volumes and slow speeds. For centers in auto-oriented settings, traffic volumes may be higher but pedestrian safety is the primary concern. Pedestrian improvements such as intersection bulbs can be important on higher volume streets as well.</p> <p>QUANTITATIVE GUIDELINES: For traditional settings, ideally set speeds at 20 MPH max on local streets and provide traffic calming where needed.</p> <p>For auto oriented settings, 8,000 to 12,000 average weekday trips (ADT) combined between both primary roadways at the main neighborhood center intersection is a good benchmark. Ensure pedestrian safety and convenient crosswalks.</p>
Community fostering activities	Neighborhood centers will serve as activity hubs that foster social interaction	<p>OBJECTIVE: Provide public and commercial meeting spaces such as green spaces/parks, cafes, small</p>

	<p>and a sense of community. They will accommodate nearby residents' routine shopping and recreational needs.</p>	<p>plazas, and bakeries for people to meet.</p> <p>QUANTITATIVE GUIDELINES:</p> <p>Ideally, include a meeting space in the mix of uses. Meeting spaces can be public or private. Ideally, public facilities include a school, park, or community center within ¼ mile of the center. Private spaces include small plazas, courtyards and seating areas integrated into the design of the center or node. A good example is the San Francisco Bakery, but smaller spaces are also very positive.</p>
Design Quality	<p>PL21.4: Allow neighborhood center designs that are innovative and provide variety, but that ensure compatibility with adjoining uses. Consider appropriate phasing, scale, design, and exterior materials, as well as glare, noise and traffic impacts when evaluating compatibility. Require that buildings include primary access directly from street sidewalks and be oriented toward the neighborhood and any adjacent park or green. Require that signage be</p>	<p>OBJECTIVE: Ensure that neighborhood centers, particularly new and expanded neighborhood centers, are compatible with the surrounding neighborhoods in terms of scale and character, and mitigate any visual or sensory impacts.</p> <p>QUANTITATIVE GUIDELINES:</p> <p>New and expanded development in neighborhood centers should:</p> <ul style="list-style-type: none"> • Not create annoyances or undesirable impacts to neighboring residences. • Feature a welcoming entry facing the street with pedestrian cover. • Feature transparent windows. • Provide a direct access from the street to the main entry.

	<p>consistent with neighborhood character.</p> <p>PL14.3: Preserve and enhance the character of existing established Low-density Neighborhoods. Disallow medium or high-density development in existing Low-density Neighborhood areas except for Neighborhood Centers.</p>	<ul style="list-style-type: none"> • Not be separated from the street by off-street parking. • Adhere to Crime Prevention through Environmental Design principles. • Comply with ADA and universal access requirements. • Comply with City standards for landscaping, screening, and pedestrian access. • Be designed to architecturally fit with the local neighborhood as determined by a public engagement process. • Address deliveries and solid waste storage and removal.
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Recommended Neighborhood Center Criteria

This analysis can be translated into the following criteria which were used in evaluating the centers in the Profiles and Market Report:

Size: Generally, neighborhood centers in established residential neighborhoods should not contain more than 10,000 square feet or commercial space and occupy more than 2 acres, although there may be exceptions if conditions warrant. Generally, traditional neighborhood centers should not occupy more than a 300-foot radius from their center, although there may be exceptions, especially for community fostering activities.

Location: Neighborhood centers should be located at the center of a neighborhood or in a location that is accessible such as Wildwood and Kellerman's Corner. The residential development should cover most of the land within a quarter mile and there should be no competing commercial development within half a mile.

Service Area and Population: Ideally, the surrounding neighborhood should feature about 12 dwelling units per net acre, although this number will require a mix of multi-family and single-family residential types. Traditional neighborhood centers can serve 1,000 dwelling units within a quarter mile and 3,000 dwelling unit within

half a mile, but this goal may be difficult in established neighborhoods.

Services and Activities: A combination of shops and services totaling 10,000 SF is a good target but many existing centers in established neighborhoods are much smaller. Some current successful Centers are closer to 1-2,000 square feet. Three or more businesses or attractions seem to be a critical mass for higher activity levels.

Non-motorized Access: Centers and their surroundings should feature a network of walking and biking routes with connections to parks, schools, and downtown. Such a network should be accessible and safe for all ages. Ideally, half the current population necessary to support local businesses should have excellent pedestrian and bicycle connections to the center. One hundred to 200 intersections per square mile is a good target range.

Transit Access: A transit stop with 12-hour service.

Community Fostering Activities: A school, church, community center, community garden or center, library, park, or similar publicly accessible attraction can be a substitute for a commercial service. In the absence of public outdoor space, small plazas, courtyards, and seating areas should be encouraged.

Surrounding Housing Types: A mix of single family, townhouses, 2-6 plexes, and cottage housing plus a few midrise multi-family structures generally produce sufficient densities (12 du/net acre) and pedestrian activity to support a center.

Design Quality: The center should:

- Not create annoyances or undesirable impacts to neighboring residences.
- Feature a welcoming entry facing the street with pedestrian cover.
- Feature transparent windows.
- Provide a direct access from the street to the main entry.
- Not be separated from the street by off-street parking.
- Adhere to Crime Prevention through Environmental Design principles.
- Comply with ADA and universal access requirements.
- Comply with City standards for landscaping, screening, and pedestrian access.
- New centers should be designed to architecturally fit with the local neighborhood as determined by a design review process and that incorporates design standards developed through a public process.

Appendix B. Market Study Analysis and Findings Summary

Market Analysis Summary

This section summarizes findings from the Olympia Neighborhood Centers Market Analysis report; please consult the complete report in Appendix XX for additional detail and information.

The purpose of this market analysis is to compare the community's vision for its Neighborhood Centers (which was articulated during the last Comprehensive Plan periodic update) with market conditions. The report outlines the location of those centers; assesses the current success of the centers based on the vision; forecasts future opportunities and potential to enhance the centers; and identifies potential strategies that could improve the centers and bring them into greater alignment with the vision.

Context and Community Vision

Despite long-held goals to encourage neighborhood centers, they have not manifested as envisioned over the past 20 years. Following the last periodic update of the Comprehensive Plan (adopted in 2014), the Olympia Planning Commission (OPC) wanted to find out why this was the case and help create a successful path to achieving this important community goal.

The centers vision, shown in the sidebar, is critical to this analysis. It indicates what the community would like neighborhood centers to be, and therefore becomes the yardstick against which we measure "success." It also serves as a target towards which City policies, investments, and implementation actions should be directed. This is not the only possible vision—for example, some community members may consider a park or school a "center."

For the purposes of simplifying and testing the vision, LCG "boiled down" the community's vision for centers to the following key elements. Successful centers:

1. Serve day to day retail and service needs, via the most desired businesses shown below.
2. Are walk- and transit-friendly
3. Are small-scale
4. Are located within neighborhoods

Current Neighborhood Centers Vision:

Neighborhood Centers are small walk- and transit-friendly activity clusters within neighborhoods that serve the day-to-day retail and service needs of local residents and foster community interaction.

5. Foster community interaction

Whereas the first four elements or criteria can be quantified, it is difficult to quantify and test the fifth criteria—fosters community interaction—as this criterion is more subjective. We assume that centers that successfully meet the first four criteria also meet the fifth criteria.

Most Desired Businesses

During the 2014 neighborhood centers process, the City asked residents what type of businesses they would most like to see in centers. The most desired business types are shown below. LCG separated the “food store” concept into two categories—a small corner store or convenience store, and a larger grocery store. The most desired amenities are:

- Bakery
- Coffee shop
- Restaurant
- Food store (e.g., corner store or convenience store)
- Grocery store

The 15-Minute City

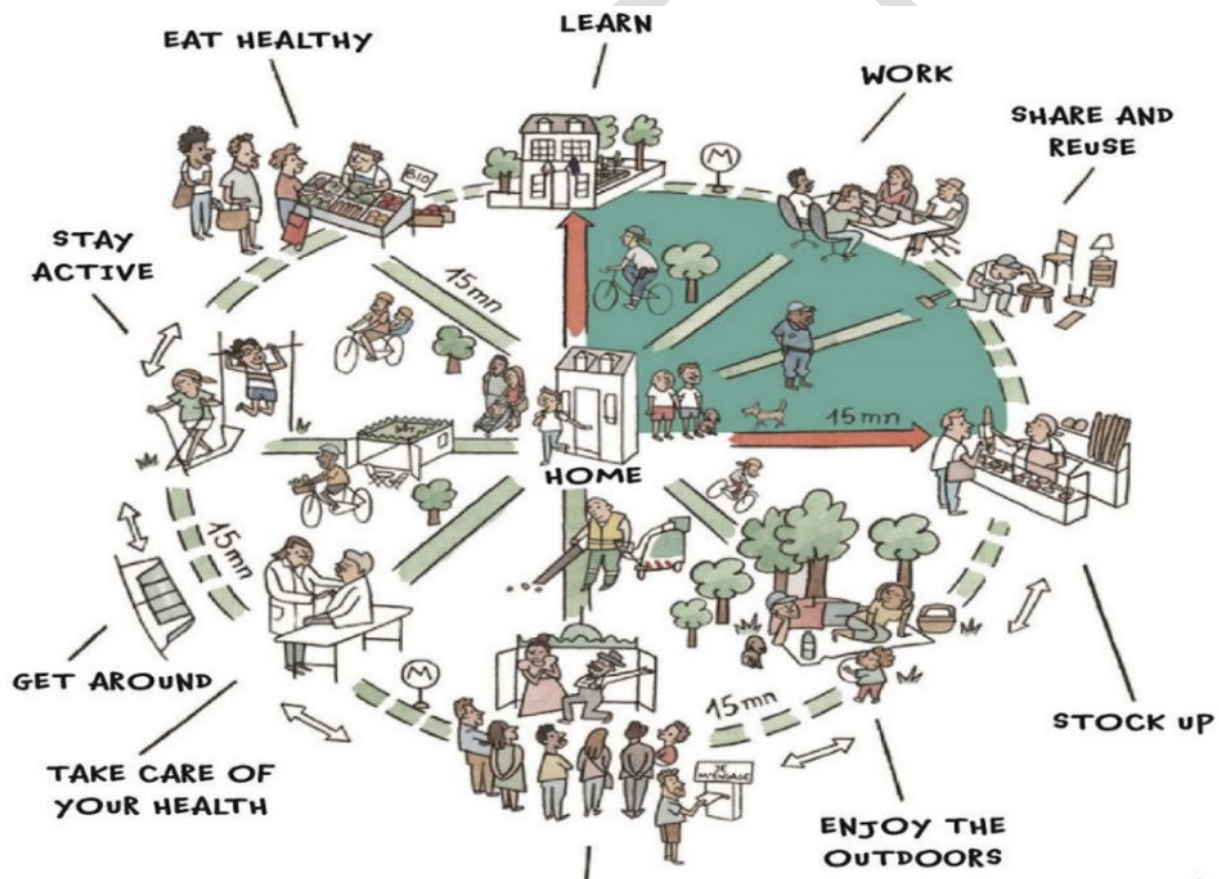
The 15-Minute City is an urban planning concept that has been popularized by civic leaders both within and beyond the United States. It has attracted significant attention during the past two years, when the geography of many people’s daily movements shrank and refocused on their immediate surrounding neighborhood. According to the National Association of Realtors, “Whether the goal is focused on increasing a mix of uses and amenities citywide or in key neighborhoods, the 15-minute concept emphasizes meeting all needs on foot, via bicycle or by using public transit.” The 15-Minute City concept tends to be more focused on the neighborhood as a function of time rather than distance, however, it is reasonable to assume that residents who live within a ¾ mile “walk shed” of a mile of proposed center could walk there in 15 minutes; the “bike shed” is larger.

Sustainable Thurston. Adopted in 2013, this plan guides sustainability policy for the entire Thurston Region. One goal of this plan is to create vibrant centers, corridors and neighborhoods while accommodating growth. One target is that, by 2035, 72% of all households should be within a half-mile (comparable to a 10-minute walk) of an urban center, corridor, or neighborhood center with access to goods and services to meet some of their daily needs.

Urban Land Institute (ULI). According to the ULI's report *Emerging Trends in Real Estate 2022*, "People want that 15-minute lifestyle if they can get it. They want walkable, amenitized, real places that allow them to live fuller lives without having to get into a car and transition from one segment of their life to another." *Emerging Trends* is a key annual report that is read widely by real estate developers and based on both quantitative research and interviews.

Desirable mixed-use neighborhoods can also be seen as an economic development tool. As people and their jobs become more mobile, workers have more flexibility to move to the places they want to spend time, even if their jobs are elsewhere.

Figure 18. *The Fifteen-Minute City*



Source: Concept by Carlos Moreno; Drawing by Micael.

Assessing Current Success

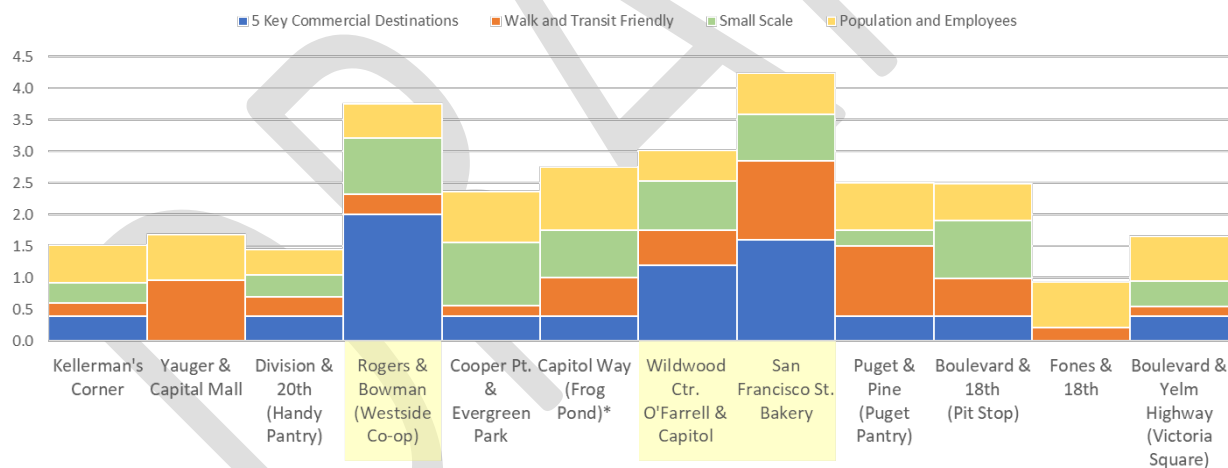
Figure 19 summarizes LCG's analysis of the 12 centers being reviewed for this project, based on the degree to which the centers fulfill the following four goals:

1. Five Key Commercial Destinations: The degree to which each neighborhood center serves customers by providing the most desired businesses: bakery, coffee shop, restaurant, food store, and grocery store.
2. Are walk- and transit-friendly
3. Are small-scale; and,
4. Are located within neighborhoods.

Centers are arranged from west (left) to east (right). The three centers that were mentioned during interviews as the most successful are highlighted: Rogers and Bowman (Westside Co-op), Wildwood Center, and San Francisco St. Bakery. This anecdotal feedback aligns with LCG's analysis.

Community members currently rate Rogers and Bowman (Westside Co-op), Wildwood Center, and San Francisco St Bakery as the most successful neighborhood centers.

Figure 19. LCG's Combined Summary Metric for Neighborhood Centers



Source: LCG.

Key Commercial Destinations

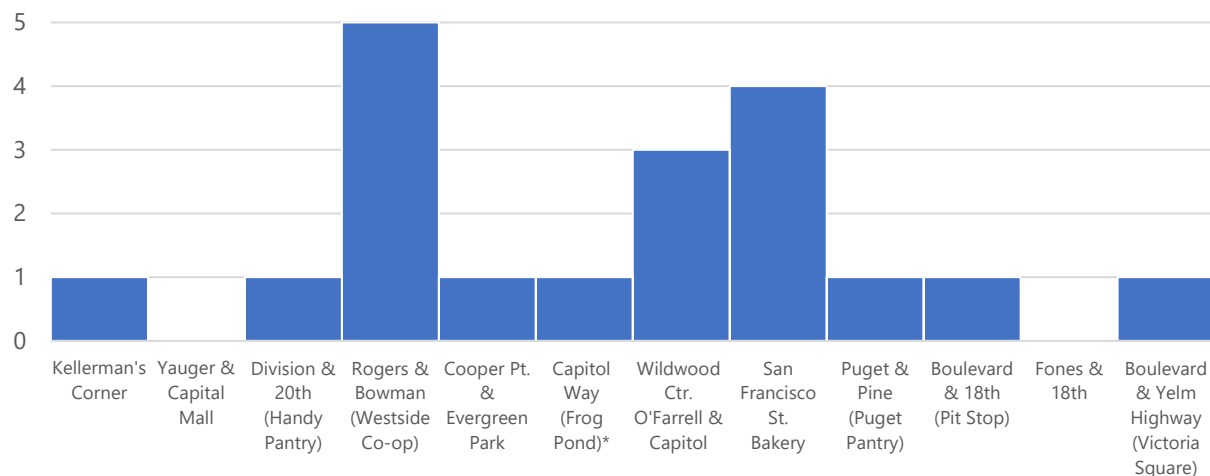
The presence (or absence) of the five key commercial destinations and the walk- and transit-friendliness of the neighborhoods appears to have the most variability and greatest impact on people's perception of center success. Part of the purpose of this analysis is to see how perceptions align with the quantifiable qualities so that the city can focus on supporting the changes that improve people's experience the most. Note that this combined metric (from 0 to 5) naturally involves assigning different weights to different inputs.

The chart below in

The presence of the five key commercial destinations and walk- and transit-friendliness appears to have the greatest impact on people's perception of center success.

Figure 20 shows how many of the five most-desirable businesses are in the center core (i.e., within 300' of the center intersection).

Figure 20. Number of 5 Stores that Meet Daily Needs, within 300'



Source: LCG.

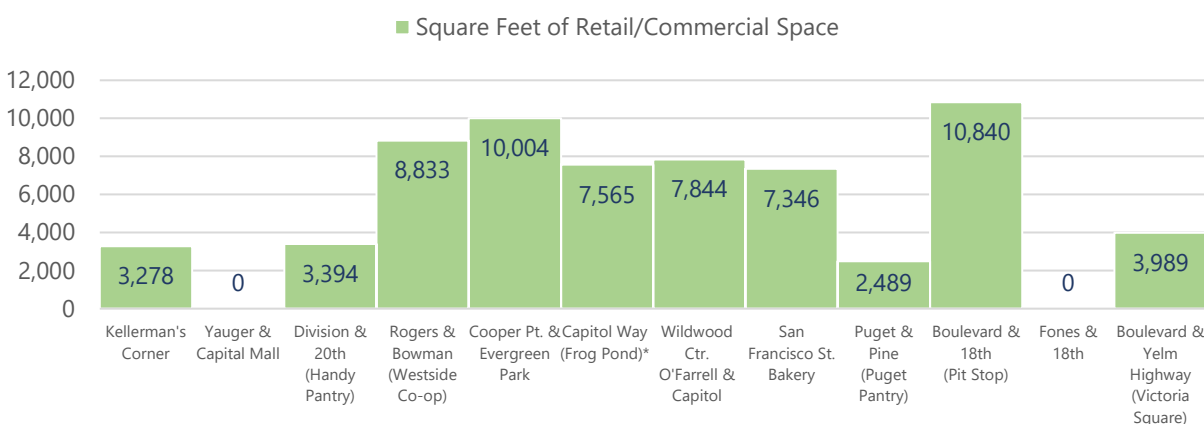
Several of the most popular businesses count simultaneously as multiple business types. For example, we counted the San Francisco St. Bakery as a coffee shop, bakery, and restaurant; the Olympia Food Co-Op as a food store, grocery, and bakery (it provides baked goods), and the neighboring BITS Café as a restaurant and coffee shop. The Wildwood Center includes a restaurant, coffee shop, sandwich shop, and food store.

LCG's assessment is that the presence of these dynamic types of businesses—which are often small and locally owned—have a significant impact on people's perception of the quality of a center.

Small Scale

Figure 21 shows the size (square feet of gross building area or floor area) of commercial buildings that have at least 25% of their floor area within 300 feet of each center. It is striking that there is a relatively small amount of commercial space in close proximity to each center—in no case more than 11,000 square feet. This shows that creating a sense of place and community does not require more than 10,000 square feet of commercial space—even this small amount of space does not meet all of people’s daily needs.

Figure 21. Existing Square Feet of Commercial Space



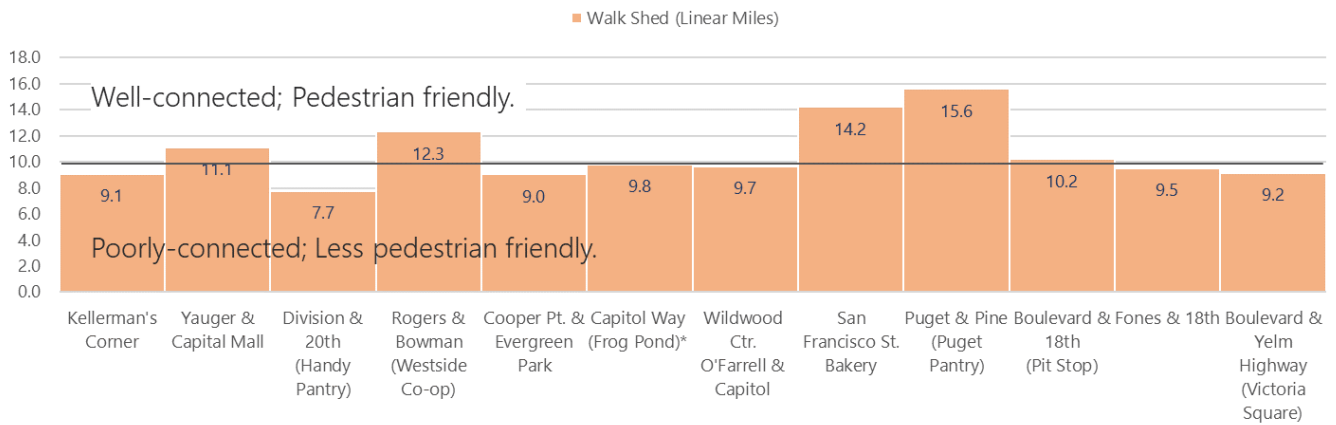
Source: CoStar, LCG.

Walk Shed and Pedestrian Connectivity

Figure 22 shows the “walk shed” of each center: the miles of roads that are within a 15-minute walk. This is one of the key ways that LCG measures the city’s goal for centers to be “walk and transit friendly.” It is an imperfect measure as it does not capture the extent of sidewalks on these roads. A map showing the walk- and bike-shed for all centers is on the following page. The chart shows that some of the most popular centers—such as Rogers and Bowman and the San Francisco St. Bakery—have the largest walk sheds and can be considered the “best connected.”

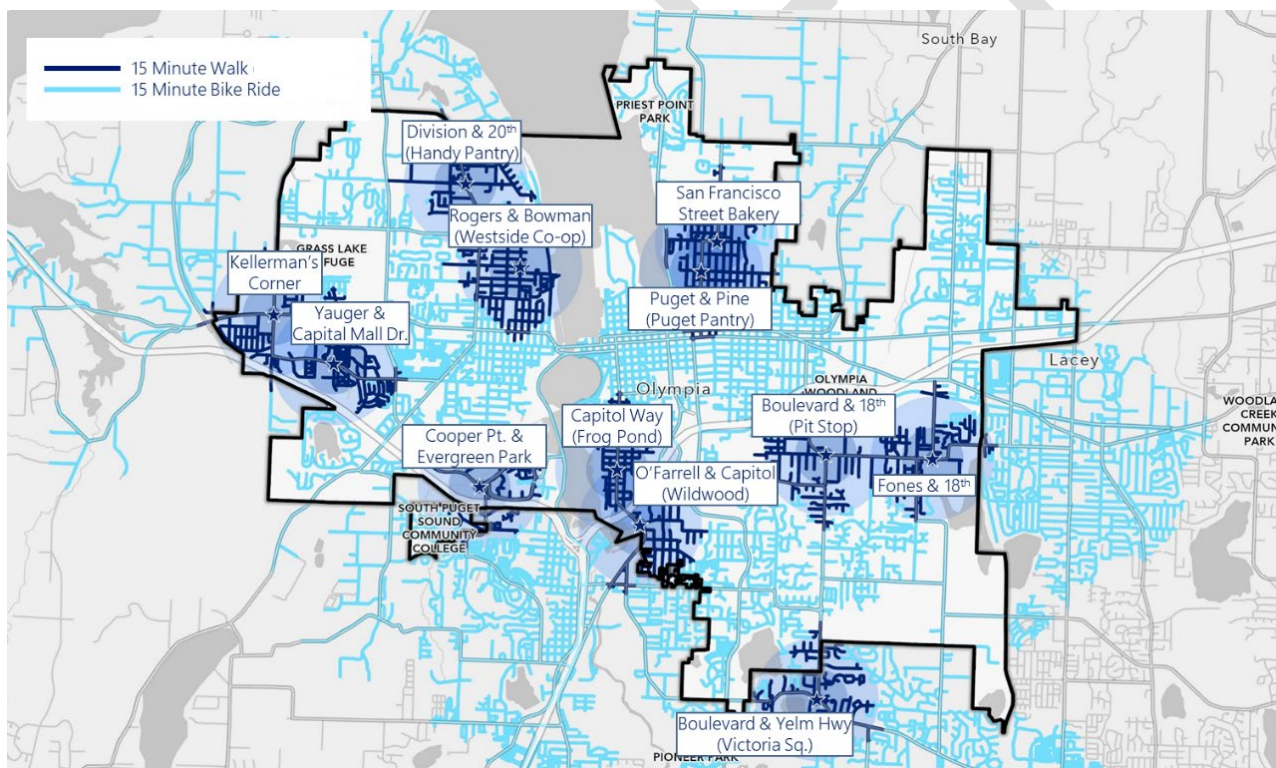
Most of the centers located on the western- and eastern sides of the city, within neighborhoods that developed primarily during the second half of the 20th century, are not as well connected. They have fewer than 10 miles of streets within a 15-minute walk.

Figure 22. Linear Miles of Walk Shed at Neighborhood Centers



Source: Thurston County GIS, LCG.

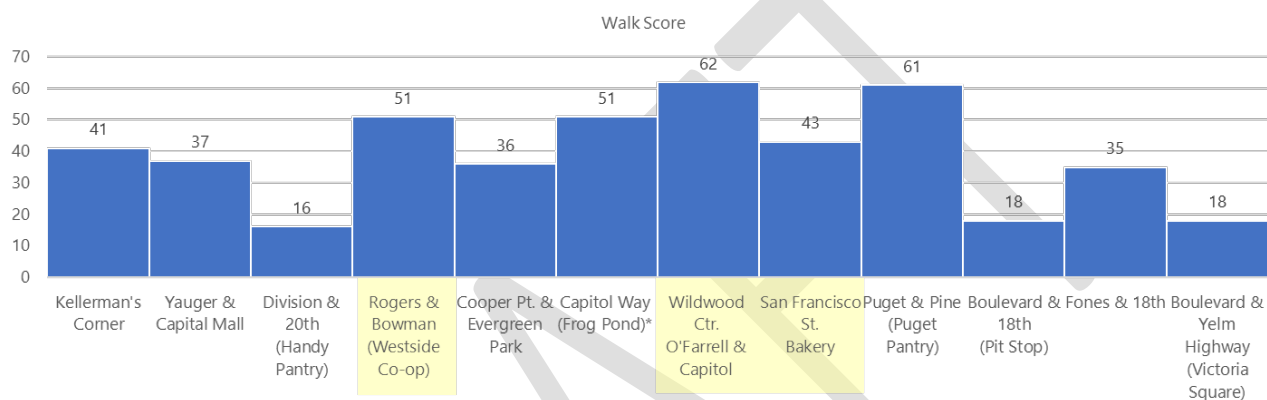
Figure 23. Walk and Bike Shed Areas



Source: LCG, MAKERS.

Figure 24 below shows the “Walk Score” for each of the 12 subject centers. Walk Score combines information about pedestrian connectivity and the number of destinations (commercial goods and services, schools, parks, other) into a single number from 0 (“Car Dependent”) to 100 (“Walker’s Paradise”). This metric could be a way for Olympia to monitor the success and shortcomings of its various centers going forward, particularly because it is free and easy to use.

Figure 24. Walk Score of Neighborhood Centers



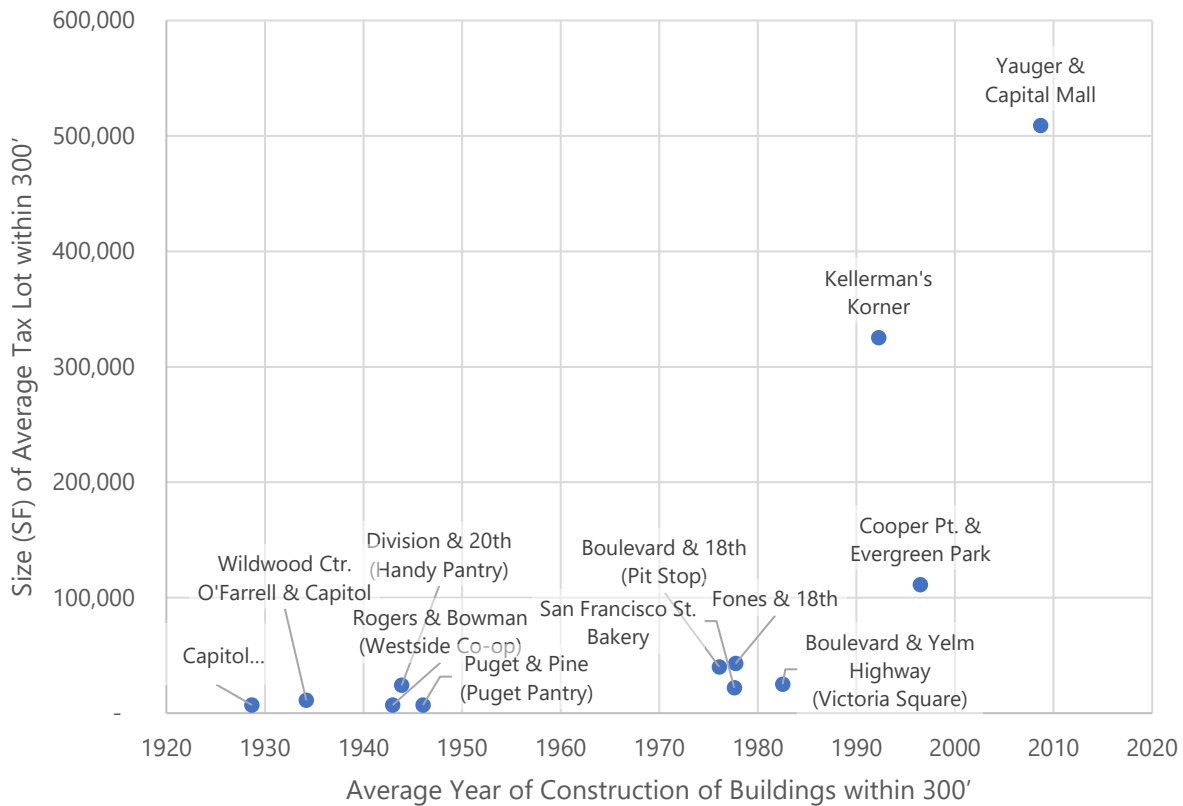
Source: Walk Score, LCG.

Construction Era and Parcel Size

Figure 21 compares the average year of building construction in centers to the size (square feet) of the average parcel; both metrics are for buildings and parcels that are at least partially within 300 feet of each center.

This chart shows that centers with older buildings (which also tend to have older street networks) also have smaller lot sizes. Frog Pond, the center with the oldest buildings (1929) has some of the smallest properties (7,000 square feet on average). By contrast, the Yauger and Capital center averages buildings built in 2009 and 509,000 square foot lot sizes (about 11.7 acres). Newer, larger properties tend to feature fewer local streets and other connections for pedestrians and bicyclists; they tend to be less well connected.

Figure 25. Construction Era and Parcel Size at Neighborhood Centers



Source: LCG.

Traffic and Transit

Figure 26 shows the number of auto trips or average daily traffic (ADT) along the two primary roadways at the center's key intersection. These traffic volumes, along with other attributes in the public right of way—such as traffic speed, width of sidewalks, number of auto lanes, and presence of street trees—have significant impacts on how walk and transit friendly centers are.

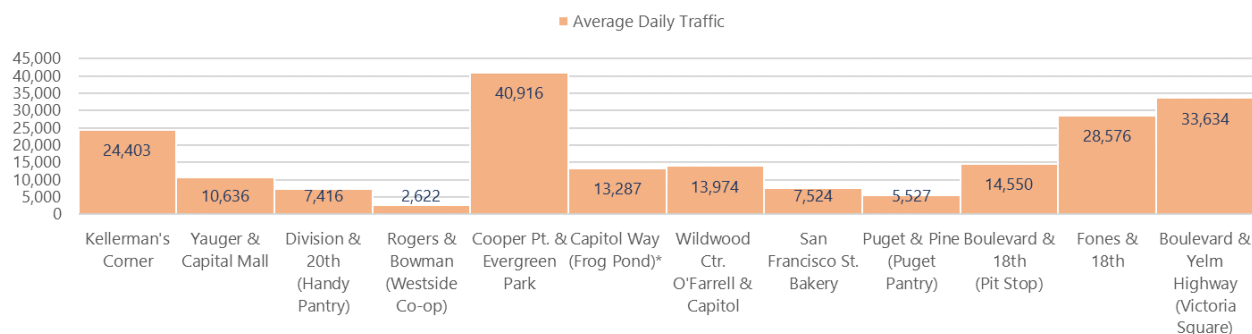
Traffic volumes have both positive and negative impacts on the viability of commercial space. Regional and national commercial tenants and developers prize accessibility and visibility, which are closely correlated with traffic volumes. People shop the stores that they can see and pass on a daily or weekly basis. Therefore, LCG's assessment is that traffic volumes of 7,000 to 10,000 are probably ideal for neighborhood centers, even though many regional or national tenants would prefer ADT of 20,000 or higher.

Traffic volumes have both positive and negative impacts on the viability of commercial space. This study uses 10,000 average daily trips (ADT) as the ideal amount of traffic.

However, high traffic volumes, especially high-speed traffic, is not conducive to small-scale, pedestrian-friendly commercial space that fosters community interaction. Most intersections that carry more than 20,000 trips per day are not places where pedestrians can comfortably linger on or near sidewalks; they are noisy places where commercial space is set back from the street rather than located on the sidewalk. For example, the 40,000 cars at Cooper Point Road and Evergreen Park Drive might be desirable for large-scale chain stores set behind an acre or more of parking but it will be a difficult setting for a collection of small local stores located near the street.

For these reasons, LCG’s current center success analysis uses 10,000 as the ideal ADT for a center; centers with significantly higher or lower traffic volumes receive lower scores.

Figure 26. Average Daily Traffic Volumes along Two Primary Roadways at the Centers’ Key Intersections



Source: City of Olympia, LCG.

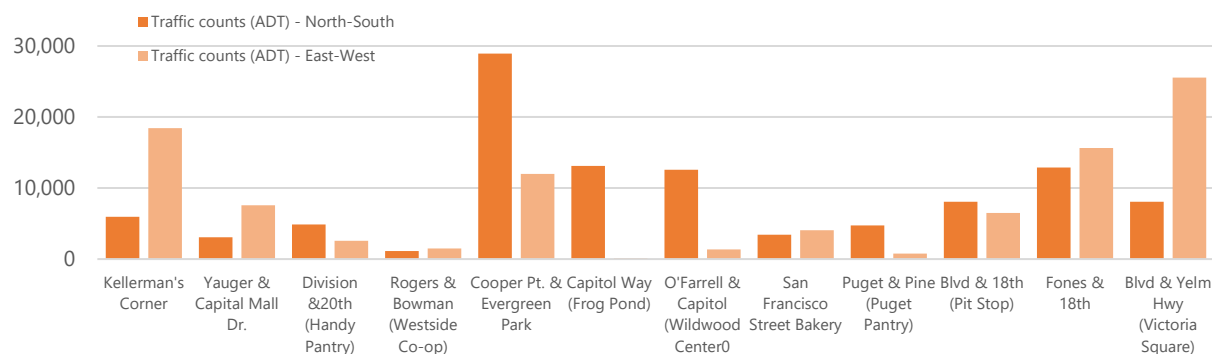
In the chart in Figure 27 below, traffic volumes on the primary north-south street are shown separately from the primary east-west street.

In LCG’s experience, one promising formula for a successful center or main street—particularly in areas that developed in the second half of the 20th century and suburban areas—is to locate “main street commercial” at the intersection of a volume arterial street and a lower-volume local street. The high-volume arterial guarantees high levels of accessibility and visibility; many shoppers pass by and will be familiar with the center. The lower-volume local street is a slower and quieter place where pedestrians feel more comfortable, where storefronts can open directly onto wider sidewalks, where there is often on-street parking, and where streets sometimes feature commercial stores on both sides of the street.

One example of this shown in Figure 27 is the Wildwood Center. Capitol Boulevard is a reasonably high-volume roadway, carrying about 12,600 trips per day. By contrast, O’Farrell Avenue is a much lower volume street, with about 1,300 trips per day.

Kellerman's Corner and Boulevard and Yelm also feature this dynamic, to some degree. This approach suggests that Kaiser Road at Kellerman's Corner could be a good main street. However, on-site investigations must be conducted to test whether this approach is possible. Low-volume roadways where traffic moves at high speeds, there is no on-street parking, and sidewalks are narrow or missing are unlikely to serve as a high-quality main street.

Figure 27. Traffic Counts on the Two Cross Streets Nearest to Centers

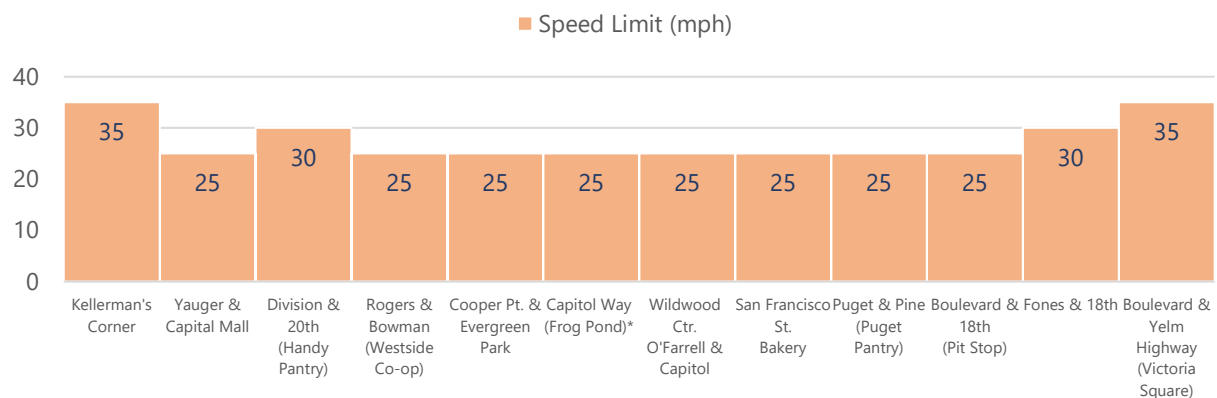


Source: City of Olympia, MAKERS, LCG.

Figure 28 shows the posted speed limit at each of the centers. There is relatively little variability in terms of speed limits at the centers—posted speeds vary from 25 to 35 miles per hour. LCG views low speed limits as a component of walk and transit friendly centers.

Centers with slower speed limits (e.g., below 25 or 20 mph) will tend to be more pedestrian friendly, safe, and comfortable places for people to shop and interact with community members. Traffic accidents (or collisions) that take place in low-speed environments result in fewer severe injuries and deaths. (See *Impact Speed and a Pedestrian's Risk of Severe Injury or Death*, 2011, American Automobile Association.)

Figure 28. Speed Limits at Neighborhood Centers



Source: City of Olympia, LCG.

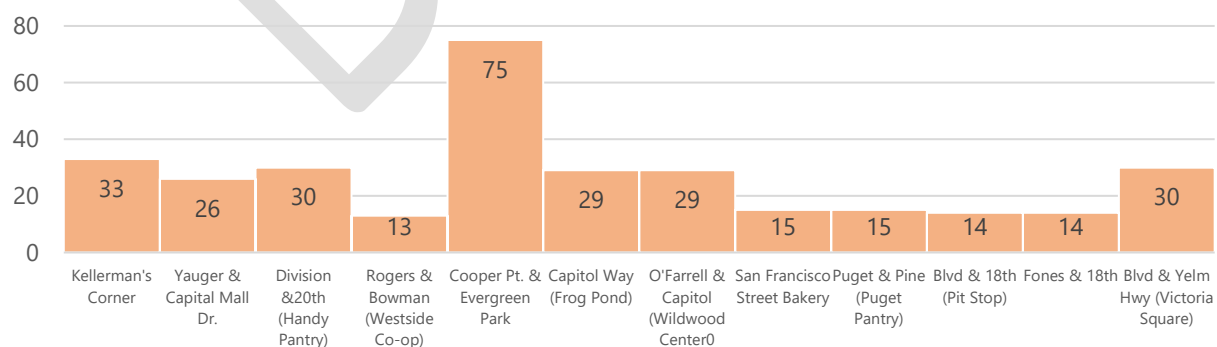
Figure 29 shows the number of buses that stop each weekday within $\frac{1}{4}$ mile of each center. This measure of transit service does not seem to be correlated with centers quality—in fact, it seems negatively correlated. Some of the centers that are not recognized as successful and have few or no key commercial services (e.g., Cooper Point, Kellerman's Corner, Yauger & Capital Mall) have more bus stops, and some of the most successful centers (e.g., Rogers & Bowman, San Francisco Street Bakery) have few bus stops.

We are not suggesting that transit service has a negative impact on the development of centers, but rather that other factors are probably at play. For example, more bus lines seem to run on arterials, and some of the less successful centers are also located on arterials.

LCG believes that, in general, transit service is positive for centers, and particularly for encouraging compact, pedestrian-friendly environments. However, transit's positive impact will be modest in most cases, and can be offset by high-volume, high-speed roads.

Transit service is positive for centers, but arterial traffic can negatively impact centers.

Figure 29. Number of Buses that Stop Each Weekday within $\frac{1}{4}$ Mile of Each Center



Source: MAKERS, LCG, Google Maps, Intercity Transit.

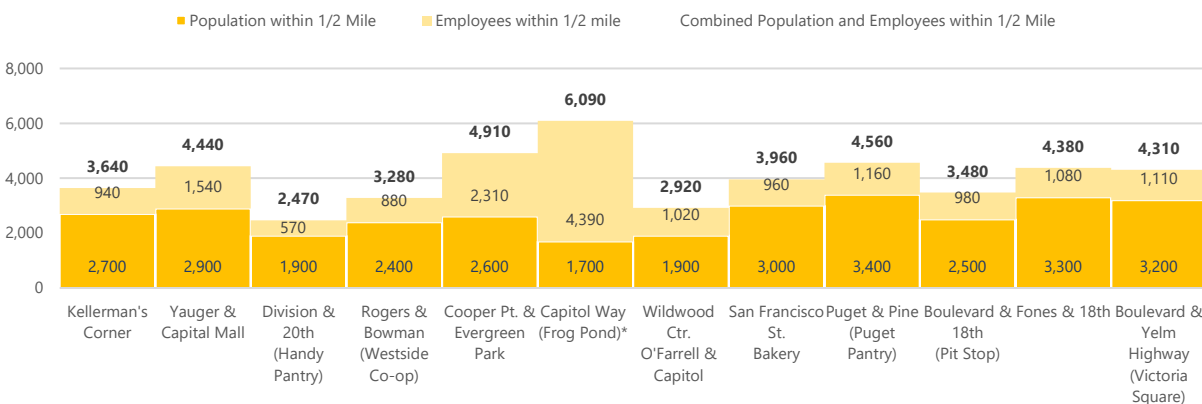
Population and Households

The city's vision for centers implies that they should be accessible to a relatively large number of residents. Employees, while not mentioned in the city's vision, are also part of neighborhoods and can be another significant source of support for establishments based in centers.

Figure 30 shows the number of residents and employees of businesses located within a half mile (primary market area) of each center. Somewhat surprisingly, it is not obvious that a higher number of either residents or employees within a half mile leads to a more successful center. For example, Frog Pond has the most people in its market area but only one commercial establishment. Cooper Point/Evergreen Park has the second highest number of people within its market area and no commercial establishments, although The Wildwood Center has among the smallest number of people in its market-area, but is one of the more successful centers.

The reasons for this lack of correlation between market-area residents and employees, and center success is likely that other factors such as era of neighborhood development, pedestrian connectivity, and traffic volumes are more important determinants of success. Also, as shown on subsequent pages, many patrons of centers come from beyond the half mile area.

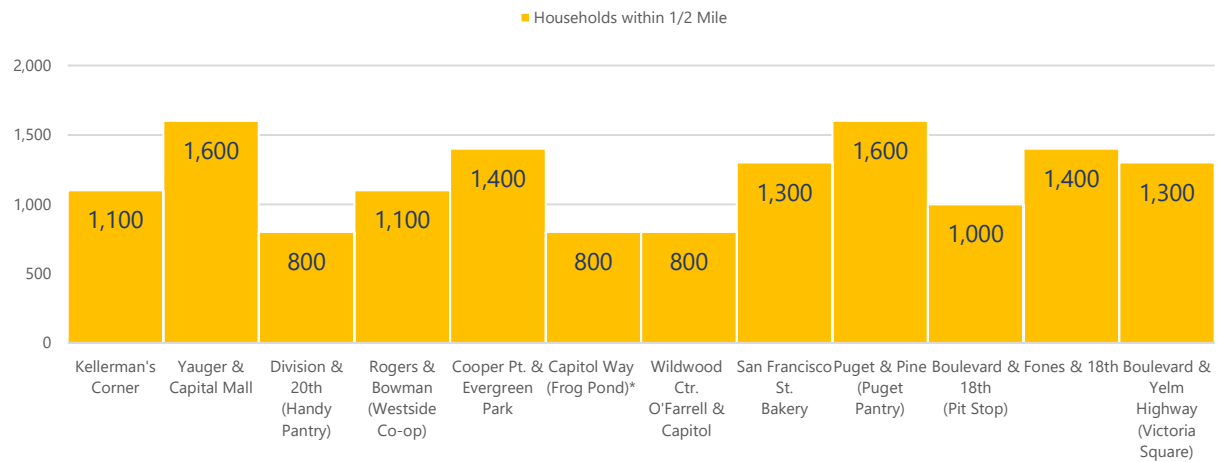
Figure 30. Population and Employees within ½ Mile of Centers



Source: TRPC, LCG.

Figure 31 shows the number of households within a half mile of each center. The number of households varies less than one might expect between centers, from a low of about 800 to a high of 1,600. Surprisingly, some of the centers located in older and more central parts of the city, such as Frog Pond and Wildwood, have smaller market-area populations than those at the city's far west and east.

Figure 31. Households within ½ Mile of Centers



Source: TRPC, LCG.

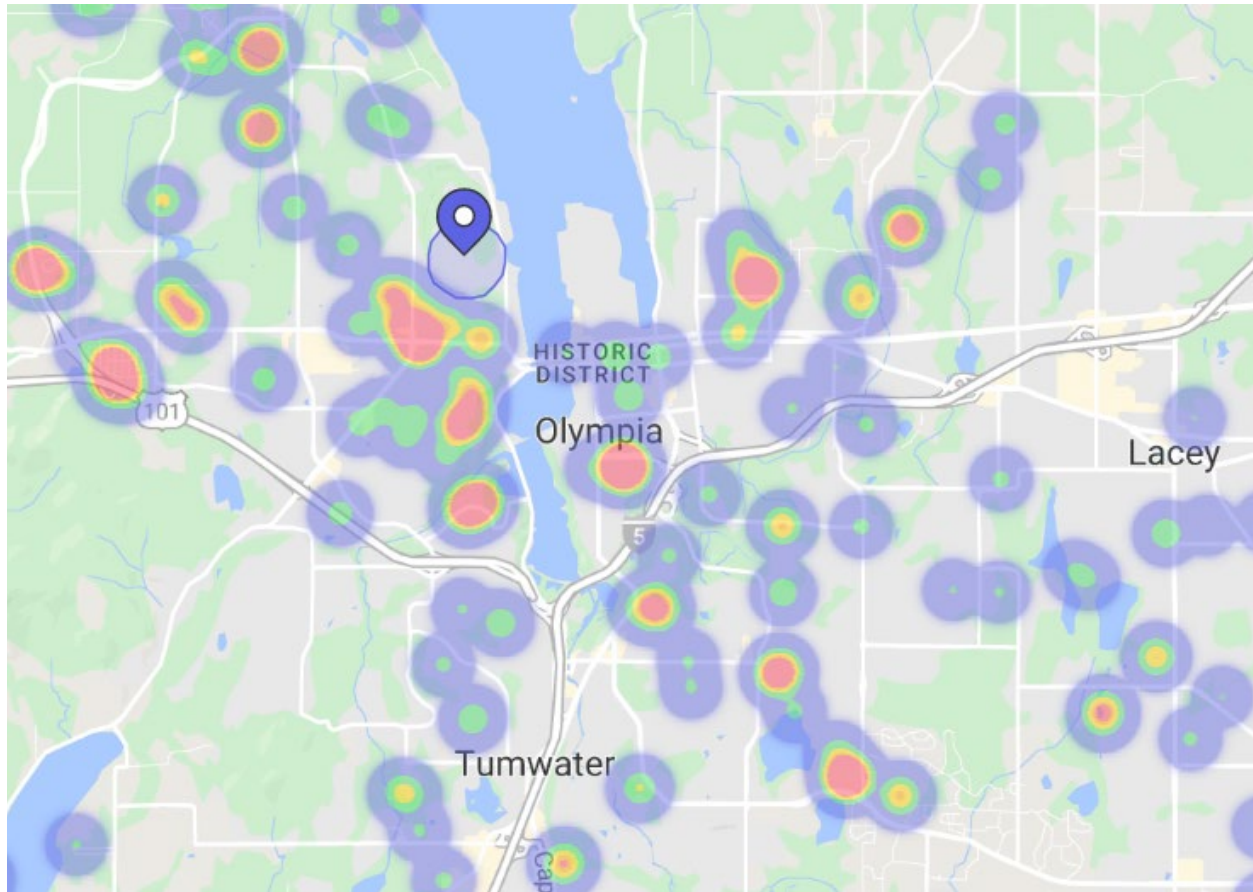
As mentioned above, although some analyses of neighborhood centers focus on the relationship between households or population and the amount or quality of commercial services, the relationship between these metrics is not clear in Olympia. It is not clear that fostering the addition of new housing would generate new commercial space in centers. Additional housing is certainly unlikely to negatively impact the expansion of centers, but its positive impact is probably weaker than one would expect.

Using mobile-phone location provided by Placer.ai, LCG evaluated the residential locations of shoppers going to the Rogers and Bowman (Westside Co-op) center, shown below in Figure 15. This indicates a very significant discrepancy between the concept that most patronage for businesses such as the food co-op comes from residents or employees who live or work close by. The reality, shown below, is that shoppers come from throughout Olympia, and even far beyond Olympia. Red areas indicate a high concentration of shoppers; yellow, green, and blue indicate lower concentrations; and uncolored areas have no shoppers.

In Olympia, people predominately drive to popular neighborhood centers, weakening the rationale for additional close-in homes to provide a greater local consumer base.

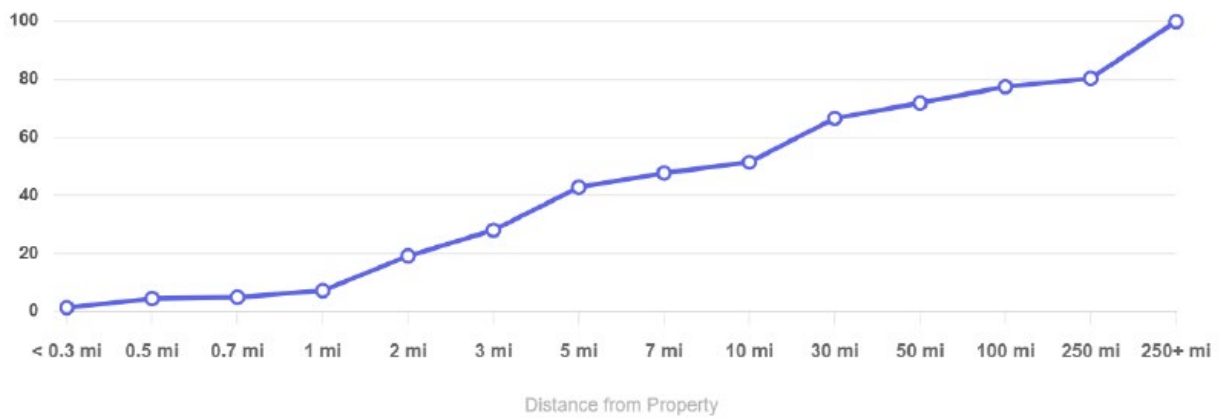
Figure 33 indicates that more than 50 percent of shoppers of the food co-op come from more than 5 miles away. This seems to underscore the importance of metrics such as traffic volumes as indicators of commercial viability, since more shoppers coming long distances will tend to come via car.

Figure 32. Home Locations of Visitors to the Rogers and Bowman (Westside Co-op) Center



Source: Placer AI.

Figure 33. Percent of Visits by Origin Miles from Center



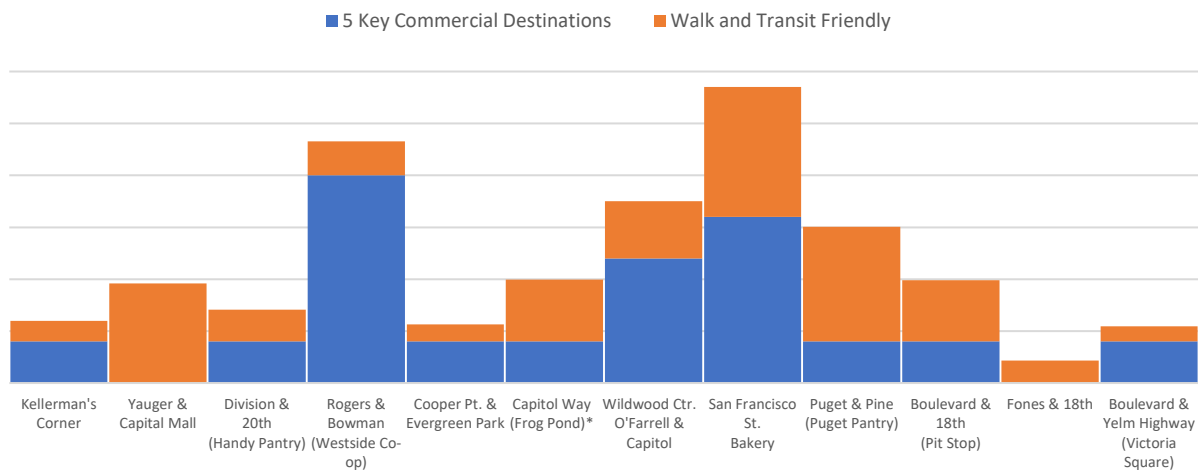
Source: Placer AI.

Neighborhood Centers: Current Success

Figure 34 below shows two of the four criteria that make up LCG’s combined centers metric, shown at the beginning of this section. This is because LCG believes that these two sets of criteria—the presence of key commercial destinations and the pedestrian and transit friendliness of surrounding neighborhoods—have the biggest impact on people’s perception of whether these centers are currently successful. Looking just at these sets of criteria highlights the three most popular centers. Puget Pantry scores just below the top three and is highly walk and transit friendly but has only one of the most desirable commercial destinations.

The walk- and transit-friendly metric is comprised of three different inputs, described above: Walk Shed (Linear Miles), Average Daily Traffic, and Speed Limit (mph).

Figure 34. Combined Centers Metric, Commercial Destinations and Mobility

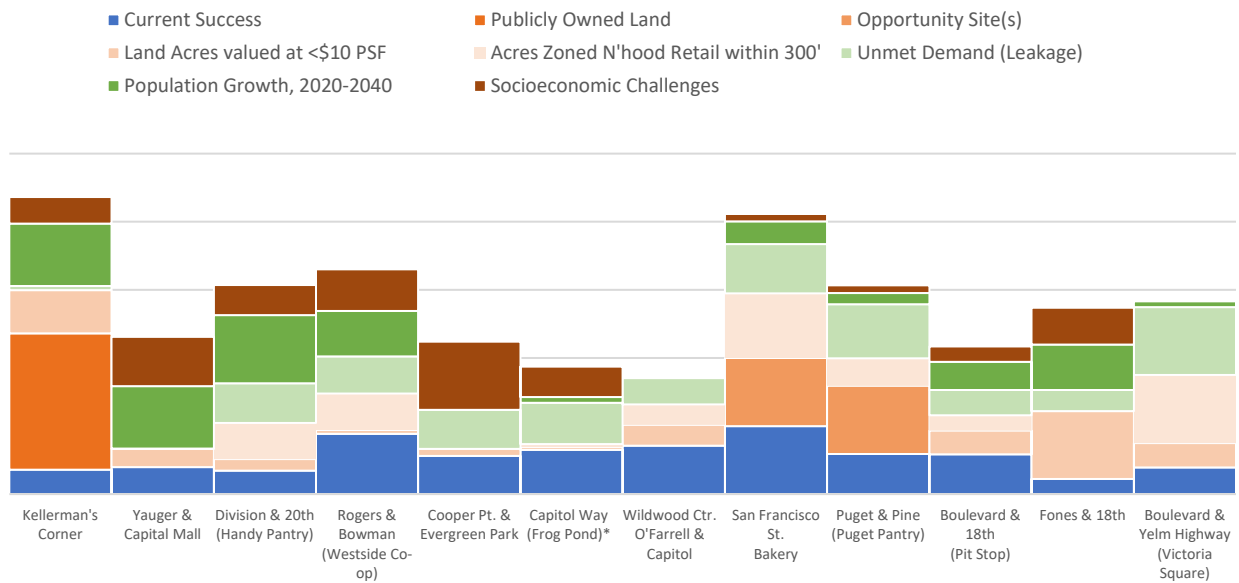


Source: LCG.

Forecasting Future Potential and Need

This section evaluates the future potential for the 12 subject centers to make significant progress towards the community’s vision. The chart in Figure 35 below shows the results of LCG’s analysis of future potential and shows that some centers appear to have the potential to be more successful centers in the future than they are today. The “future potential summary metric” shown below is a combination of a number of inputs, including the center’s current success (blue); a range of land availability factors (various orange colors); future demand drivers (green); and the presence of high levels of poverty or other socioeconomic challenges (brown). Each of these indicators of potential future success are discussed in the following pages.

Figure 35. Future Potential of Neighborhood Centers



Source: LCG.

Commercial and Residential Rents

Before addressing each of the factors that informs our view of the centers' future potential, LCG believes it is important to discuss several issues that pertain to all of the centers. The first is financial feasibility—in particular, the relationship between construction costs and Olympia's current commercial and residential rents.

This is an issue that was raised by numerous tenants, developers, and aspiring developers during LCG's stakeholder interviews. Interviewees included small business owners with experience completing renovations plus interest in completing small ground-up development, as well as brokers, experienced developers, and architects. We believe that the interviewees are relatively representative of the type of people who might build the next generation of neighborhood centers.

Rents are one of the first metrics that developers consider when evaluating a new project, along with construction costs. In part because of escalating land and construction costs, interviewees stated that developers must achieve rents of at least \$25 to \$30 per square foot (PSF) on an annual triple net (NNN) basis for a project to be feasible triple net or NNN leases mean that tenants pay the primary operating expenses for their space such as real estate taxes, building insurance, maintenance, and utilities.) Rent at this level allows developers to cover their costs (land, construction, mortgage

debt, “soft costs” including taxes, City fees, and professional fees, and other) and generate an adequate return on investment.

This is more than most small, local Olympia-based companies can pay. Many leases are executed in older buildings at \$13 to \$20 per square foot, with a citywide average of about \$18.50 for “general commercial.” For context, a 1,500 square foot commercial business paying \$30 PSF would pay rent of \$45,000 per year, plus operating expenses.

This means that for most projects, there is a financial gap between what developers believe they must charge, and what tenants are willing to pay, for small, neighborhood-center style projects. There is often little incentive for tenants to pay “above market” rents for newly built space in centers when they can find other space that is significantly less expensive elsewhere.

There is a financial gap between the rent developers believe they must charge and the rent tenants are willing to pay.

Apartment rents also come into play for mixed-use projects. In some mixed-use projects, such as those being completed in downtown Olympia, high demand for apartments on upper floors can “pull in” ground floor commercial spaces because high apartment rents—for example, \$1,400 to \$1,600 or more for a studio or 1 bedroom apartment—cover the feasibility gap. However, such residential rents have not been proven outside of downtown, and in most neighborhood centers allowed development densities are lower, parking requirements are higher, and other regulations are equally or more stringent (e.g., site coverage, setbacks, frontage improvement requirements, etc.).

All of this makes it more difficult for the residential component of mixed-use projects to pull in ground floor commercial space in neighborhood centers.

LCG did not attempt to forecast different commercial or apartment rents at each of the 12 centers, in part because so few leases are signed in these centers. However, we would expect higher lease rates in the centers that are currently successful and/or have higher traffic counts. Therefore, at this stage, we would expect there to be a similar financial gap for new construction projects in all of the centers. This gap can change over time, however, as rents, construction costs, land costs, and mortgage interest rates change and influence developer’s financial analysis.

The Permitting Process

The second set of issues that was consistently raised by interviewees was regulatory challenges associated with the City’s zoning/land use and building permits. Interviewees identified the **following specific challenges**:

- **High parking ratios/requirements** require that a large portion of a given site must be used for surface parking. This reduces the

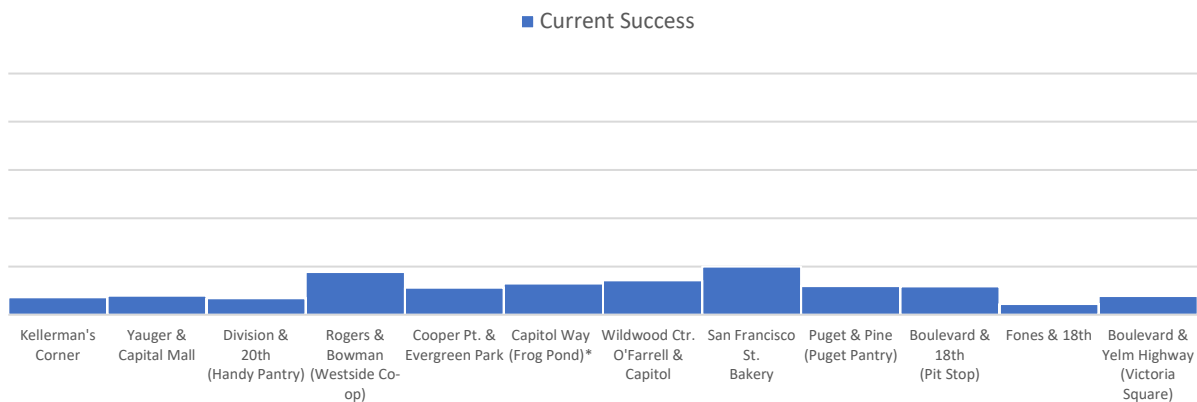
amount of small-scale commercial space and housing units that can be built on a given site and encourages parking in front of buildings.

- **Building coverage.** Maximum building coverage can be up to 45%, which encourages large parking lots and discourages or prohibits the types of building that were built in commercial districts in the early 20th century. San Francisco Bakery, and similar adaptive reuse projects, would probably not be allowed under current building coverage rules.
- **Ground floor use requirements.** According to interviewees, commercial space is in some cases required on most or all of the ground floors of mixed-use buildings. This is unrealistic, since often mixed-use buildings feature commercial spaces that are 20 to 40 feet deep at the sidewalk, behind which are hallways, stairways, entry lobbies, storage spaces, bathrooms, and other building core areas.
- **Building heights and density.** Buildings cannot be more than three stories in many locations. While this is understandable from the point of view of new buildings being compatible with surrounding buildings, it makes the economics of redevelopment more difficult, since fixed land costs can be spread over a smaller amount of new commercial area and/or residential units. Allowing taller buildings would probably result in more development in centers.
- **Solid waste/garbage.** Interviewees stated that, based on preapplication conferences, they would likely be required to have two different dumpsters for commercial and residential solid waste haulers. These dumpsters would each need ingress/egress points for haulers, and haulers might come at different days and times. These requirements eat into the amount of site area that can be used for small-scale commercial and residential development.
- **Frontage improvements.** New development must build expensive frontage improvements including but not limited to new curbs and sidewalks. These can be expensive and can make centers projects infeasible.
- **Multiple agencies review applications,** sometimes causing confusion for applicants.
- **Time required to revise the zoning code and comprehensive plan.** It may take three or more years to revise elements of the each to address the above issues and other issues. This is a significant amount of time for tenants looking for space in 2022. Realistically, they will not wait for the code/comprehensive plan issues to be addressed before occupying a new space.

Current Success

Our assessment of the centers' potential for future success begins with their current success, summarized in Figure 36. Current Success of Neighborhood Centers. Centers that already have popular businesses at their core, are pedestrian and transit-friendly, well-connected, and have other strengths, will tend to attract more interest in the future from shoppers, visitors, potential businesses, and developers—all other factors equal. It is sometimes surprising that stores want to be near other stores—even competitors—but experience indicates that in many cases, commercial businesses cluster together. For example, restaurateurs often seek to be near other restaurants in areas known for daytime or nighttime activity. The same is often true for stores that sell clothing or home goods. Thus, centers such as the San Francisco St. Bakery, Wildwood, and Westside Co-op are the centers well positioned to succeed in the future.

Figure 36. Current Success of Neighborhood Centers



Source: LCG.

Future Potential Summary

Figure 37 shows the presence of publicly owned land and privately-owned opportunity sites at select centers. MAKERS and LCG identified two promising opportunity sites within existing centers. The first is at the San Francisco St. Bakery center and is just east of the bakery, on the northeast corner of San Francisco Ave. and Bethel St. This property, and potentially adjacent properties, is seen as an opportunity site because of its good location within one of the city's most popular neighborhood centers. However, the site is privately owned and has some environmental issues due to the site's previous use for auto maintenance. Demolition and environmental cleanup will be necessary in order to enable the site to achieve its potential.

Figure 37. Future Potential of Neighborhood Centers

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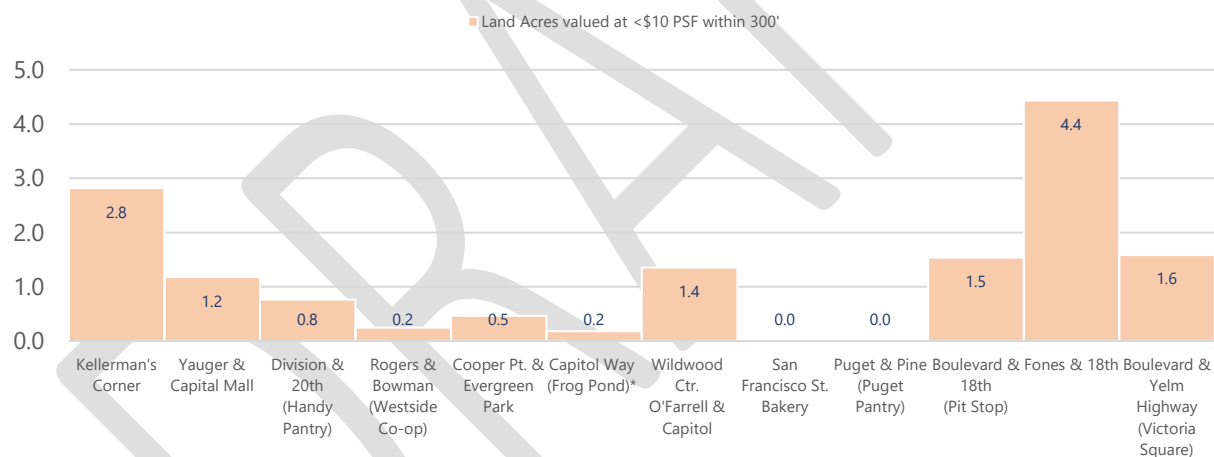
Olympia Neighborhood Centers Strategy

Low-Cost Land

Figure 39 below shows the acres of land with a value of less than \$10 per square foot located within 300 feet of each center. LCG considers this to be “low-cost land,” and much of this land is either vacant or effectively vacant (i.e., with a very low value structure such as a shack or old home with significant deferred maintenance.) All other things equal, this represents the land that would be easiest to buy and develop with small-scale commercial uses. This analysis shows that there is very little low-cost land that is available, except for in centers at the city’s western and eastern edges. Many of the centers have less than a half-acre of low-cost land.

This finding is consistent with stakeholder input, which indicated that it is very difficult to find low-cost, available sites for new development within neighborhood centers (or elsewhere, for that matter).

Figure 39. Low-Cost Land in Neighborhood Centers



Source: Thurston County GIS, LCG.

Land Zoned Neighborhood Retail

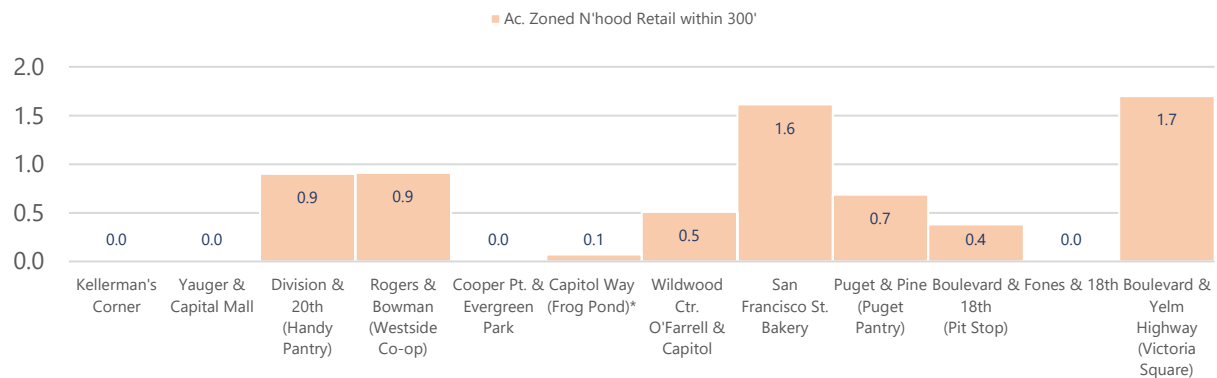
Figure 40 shows the acres of land that are zoned Neighborhood Retail within 300' of each of the centers. The City's zoning designations regulate the land uses (e.g., commercial, housing), use mix, lot coverage, height, parking ratios, and other aspects of what is permitted to be built as-of-right.

LCG evaluated the presence of Neighborhood Retail land because this appeared to be the best-suited zone for neighborhood center development. However, land within centers falls within 13 different zoning designations, not all of which contribute to neighborhood centers development.

Even though the market may not support centers-type development in some center locations today, market inputs such as development costs and revenues, tenant (business demand), population density, and more change over years and decades. Typically, because population and jobs continue to flow into Washington, the development feasibility of centers improves over time, as demand and rents go up. The right zoning must be in place in order to enable the private sector to build centers when the time is right.

Even though the market may not support centers-type development today, development feasibility is improving over time. The right zoning must be in place to enable private sector investment when the time is right.

Figure 40. Acres of Land within 300 Feet of Centers Zoned Neighborhood Retail



Source: Thurston County GIS, LCG.

Figure 41. Division Street and 20th Avenue (Handy Pantry)



Source: LCG.

Unmet Demand for Goods and Services

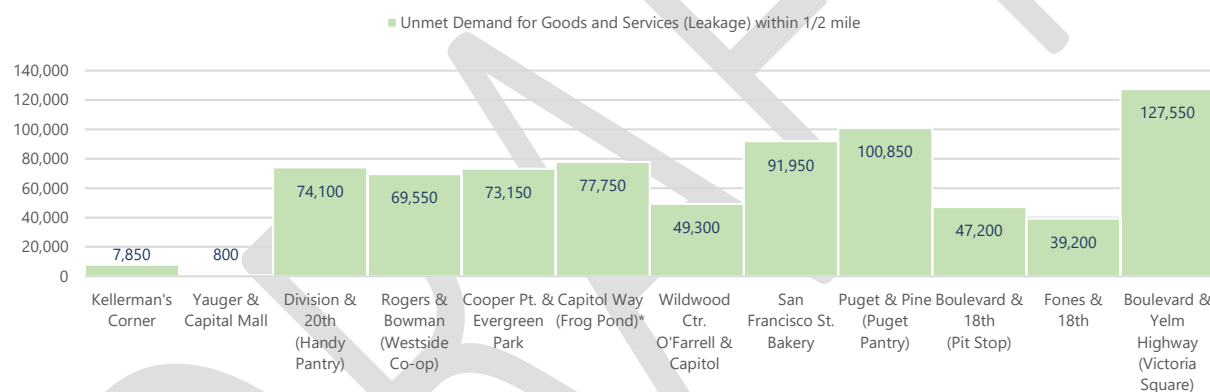
Figure 42 below shows the estimated square footage of unmet demand for goods and services within a ½-mile market area for each center in 2021. This is also called “leakage” within the commercial real estate industry because if sales are being made outside the defined market area, they are “leaking” out. This analysis is based primarily on a comparison of residents living in the area versus commercial establishments in the area. If there are many residents but few commercial businesses, spending is leaking out to other locations and there is unmet demand. If there are abundant commercial businesses and few households, there will be a spending surplus.

Surprisingly, all 12 centers show a net surplus for at least some goods and services, but the surplus varies widely. Yauger and Capital Mall has almost no surplus because the center is within ½ mile of commercial space near the Capital Mall. This indicates there is little demand for additional new commercial development.

On the other hand, this analysis indicates that most of the other centers could support 40,000 or more square feet of new commercial development. While this probably overstates the demand for new commercial development in the centers (because there are other competitive commercial locations beyond the ½ mile areas), there does appear to be considerable demand for goods and services in centers. Therefore, the main obstacles to new development in centers are likely financial feasibility and land availability rather than demand.

Most of Olympia's centers could support 40,000 square feet or more of new commercial space. This means that financial feasibility and land availability are the main obstacles to new development.

Figure 42. Unmet Demand for Goods and Services within ½ Mile of Neighborhood Centers (Square Feet)



Source: ESRI Business Analyst, LCG.

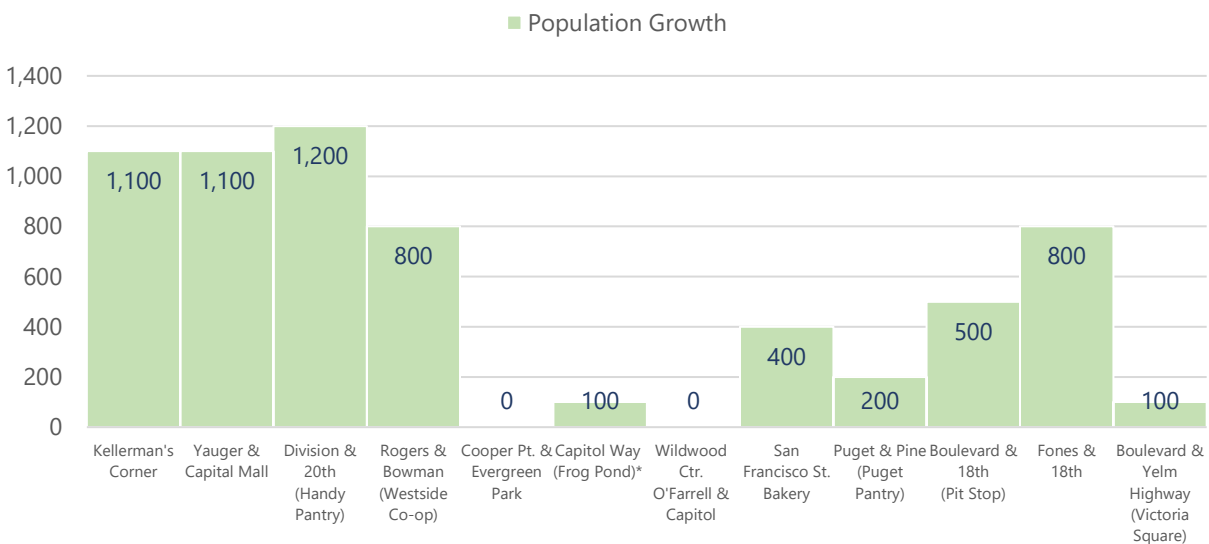
Expected Population Growth, 2020-2040

Population growth creates additional demand for goods and services. The areas within Olympia that experience population growth in coming decades will either drive more sales to existing commercial businesses or generate demand for new commercial establishments. The change in population projected by Thurston Regional Planning Council (TPRC) to take place within each half mile center market area is shown in Figure 43 below.

This forecast indicates consistent and significant population growth near Olympia's west side centers, minimal population growth near the central centers, and moderate growth near the east side centers. This suggests that the west side centers are well positioned to capture significant new growth and corresponding demand for new commercial services and businesses.

The west side centers are well positioned to capture significant new growth and corresponding demand for commercial services and businesses.

Figure 43. Expected Population Growth in Neighborhood Centers. 2020-2040



Source: TRPC, LCG.

Environmental and Socioeconomic Challenges

Figure 44 shows which center areas face the most significant environmental and socioeconomic challenges according to the Washington State Department of Health. While these factors do not necessarily correlate with high levels of future potential, they do indicate where populations face greater challenges in securing healthy and prosperous lives for their families. Along with areas with high potential, need may be a rationale for public investments—of a range a types from multimodal projects to fostering community-based organization space—in centers.

The equitable development considerations shown below are environmental health disparities, environmental exposure, socioeconomic factors, people living in poverty, and people of color. Higher numbers reflect higher levels of risk and vulnerability.

Socioeconomic risk factors include inputs such as high unemployment, low levels of education, and limited English proficiency. A number of west side centers—from Yauger and Capital Mall to Frog Pond—shows higher levels of need than those on the east side, with the exception of Fones and 18th.

Yauger and Capital Mall and Cooper Point and Evergreen Park have particularly high levels of people living in poverty and people of color compared to other centers.

Figure 44. Environmental and Socioeconomic Challenges in Neighborhood Centers



Source: Washington State Department of Health, LCG.

Future Potential Summary

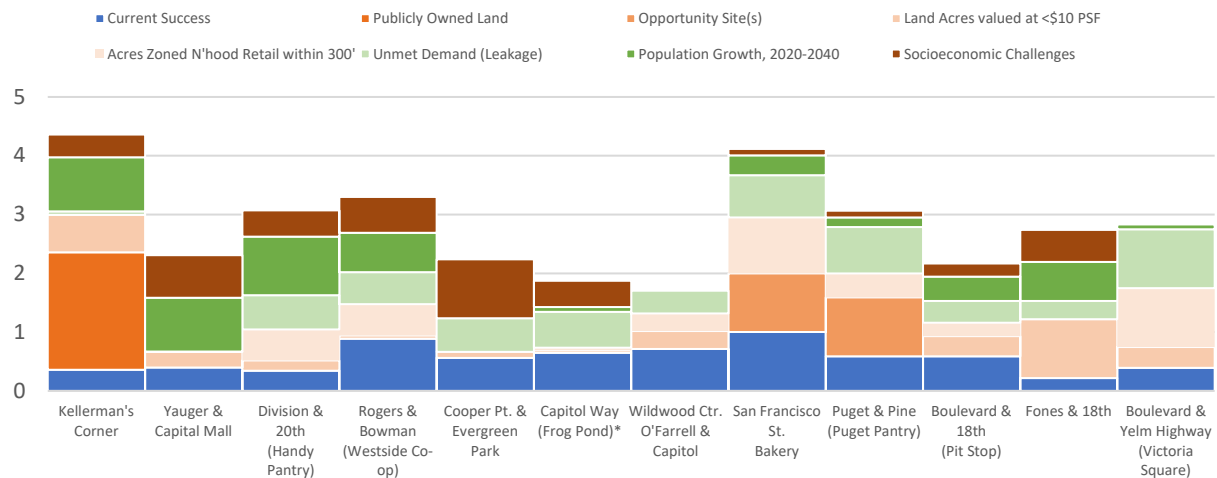
LCG's future potential summary metric for the 12 subject centers is shown in

Figure 45 below.

The **Kellerman's Corner, San Francisco St Bakery, and Puget Pantry** centers score highest in part because there is either publicly owned land or opportunity sites at these centers. There is potential land at these centers where additional small-scale commercial, residential, mixed-use, or other development (e.g., civic) could be built in order to extend and improve the existing centers.

The **Division and 20th, Rogers and Bowman, and Victoria Square** centers also show some potential. The first two of these centers should see strong population growth in their market areas over the next 20 years and already have a significant amount of leakage/unmet demand today. Both factors create opportunity. However, a significant challenge is a dearth of low-cost land—some creative, adaptive reuse projects and rezoning may be necessary. Victoria Square has the most current leakage, but less population growth; there is also some low cost, NR-zoned land at this center.

Figure 45. Future Potential Summary of Neighborhood Centers



Source: LCG.

Examples of Small Commercial Uses

As described above, Olympia's Neighborhood Centers are small by design. The most popular centers include about 8,000 square feet of commercial space—far less than a typical grocery store or pharmacy. Many of the small commercial uses in Olympia's Neighborhood Centers are businesses whose spaces have been created through the adaptive reuse of existing, older structures, including structures that were formerly residential.

This section includes images of small commercial spaces, including spaces that are in Olympia and other cities. The purpose is to illustrate a sense of the scale of Neighborhood Centers, their component small commercial uses, and therefore the scale of development that could occur at other centers in the future. When considering new commercial uses, it is tempting to envision large sites, buildings, and parking lots; however, this is not consistent with the Neighborhood Centers "template."

According to non-profit urban planning organization [Strong Towns](#), "There's a dearth of small-scale retail space available in most North American cities. It's blocking budding entrepreneurs, and it's compromising local resilience."

San Francisco Street Bakery, Olympia



The San Francisco Street Bakery is roughly 2,950 square feet in size. Much of that space is dedicated to kitchen and storage areas. The bakery—one of the most popular commercial establishments in any Neighborhood Center in Olympia—appears to have been built as a commercial extension of an existing, older, residential building.

West Central Park, Olympia



West Central Park is a popular site redevelopment on Olympia's west side that includes a park, community space, and small commercial businesses on just under three acres of land. It is not located in a designated Neighborhood Center but LCG believes that the scale and massing of its buildings is appropriate for Neighborhood Centers.

Westside Co-Op



Pictured above left is a series of residential structures prior to their adaptive reuse. They are now the Westside Co-Op's Garden Center

(2011; [Google maps](#)). This illustrates the process of adaptively reusing buildings in order to accommodate additional small, commercial uses.

233 N^E 28th Ave, Portland, Oregon



The small, street-fronting commercial space has been home to a realty office and home goods store; the attached rear space is residential. [Google maps link.](#)

Devitt House, Waterloo, Ontario.



Devitt House is a small home décor store that is located in an adapted residential structure. <https://www.devithouse.com/>

The “Yonder Bar”



The “Yonder Bar” opened in a garage in the Phinney Ridge neighborhood of Seattle in August 2020. In 2021, the cider company moved to a larger tasting room in the Ballard neighborhood.

<https://www.yondercider.com/yonderbar>

840 Opelousas Ave, New Orleans



The corner space was formerly occupied by a grocery store and is now a yoga studio. (840 Opelousas Ave, New Orleans, LA 70114.)

Activating Public Rights of Way: Parklets, “Streateries,” Street Seats, and Public Art

At the beginning of the COVID-19 pandemic, cities across the country loosened certain rules applying to public rights of ways (roads, sidewalks, etc.) in order to enable restaurants and other businesses to increase their operations outside. In many places, this has had the effect—intended or not—of creating more visible activity on sidewalks and streets. Specific rule changes included allowing more flexibility in the establishment parklets (public seating in curbside parking spaces) and closing streets to automobile traffic in order to support restaurants at a time when indoor dining was shut down.

The City of [Olympia](#) instituted the temporary Simplified Sidewalk program in 2020. This program waived the permitting fee associated with setting up sidewalk tables. In addition, the City closed streets on a rotating basis to allow restaurants to put out picnic tables set up 6 feet apart to increase COVID safety. The City also established a temporary “streateries” on Capital Way North to support the restaurants in the 222 Market.

The [Municipal Research and Services Center of Washington](#) finds that the benefits of streateries and parklets outweigh the impacts of reduced parking. Writer Steve Butler argues, “Even in a post-

pandemic world, these types of outdoor dining and retail display areas can play a positive role in making your pedestrian-oriented commercial areas and neighborhood districts inviting and attractive for people.”

The City of Portland offers a [Healthy Blocks](#) program and a [Healthy Businesses](#) program aimed at reclaiming street space for non-automobile users. Healthy Blocks allows neighborhoods to temporarily close a street to car traffic for up to 8 hours per week, allowing socially distanced recreation for pedestrians, cyclists, and others. Healthy Businesses is a permit program through PBOT that allows businesses to make temporary changes to the street for safety reasons, particularly the creation of outdoor food and beverage service. The Healthy Businesses program allows multiple businesses to apply together, enabling groups of businesses to establish a coordinated street plaza. Although it began as a response to the COVID-19 pandemic, it is now a long-term program.

Street seats and parklets can also be combined with public art and beautification projects. In Portland, the nonprofit City Repair has a [mission](#) “to cultivate and facilitate community-led artistic, equitable, and ecologically-oriented placemaking.” In 2021 the organization received a grant from Travel Oregon and partnered with Prosper Portland (the City’s economic development bureau), Vida en Color, and PBOT to install 132,000 square feet of street murals throughout the city. In all, they painted 19 side street plazas and 45 parking plazas. Combining public art with parklets can contribute to a sense of place and reflect community identity while inviting public participation.

The [National Association of City Transport Officials \(NACTO\)](#) recommends that cities utilize interim design strategies to quickly transform pedestrian space and the public realm without the time and expense of complex regulatory processes and lengthy construction timelines. NACTO’s strategies include reclaiming curb space typically reserved for parking with street furniture that can buffer pedestrians from automobiles, as well as creating parklets and interim public plazas. For these parklets and plazas, NACTO recommends that cities partner with neighborhood groups or business associations that can maintain the space. Temporarily reclaiming public space through plazas, parklets, and even festival streets can help local residents reimagine how public space can be allocated, paving the way for more permanent changes. If these parklets or plazas are successful, the City can move to make them permanent.

Figure 46. Outdoor Restaurant Seating in a Parklet in Vancouver, WA



Figure 47. A “Streatery” in Bellingham, WA



Source: MRSC.

Figure 48. A Block Closed to Automobile Traffic for Outdoor Dining in Portland, OR



Source: The Oregonian.

Figure 49. A Sreatery in Portland that Uses Public Art to Allocate Space for Bicycles



Source: The Oregonian, BikePortland.

Figure 50. Team Afro Village PDX with a Mural Installed in front of a Black-Owned Food Business



Source: City Repair Annual Report 2021.

Appendix C. Neighborhood Center Profiles

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Appendix D. Zoning Tables

OMC 18–05 - Neighborhood Center District Purpose Statement	OMC 18–06 - Neighborhood Retail District Purpose Statement
1. Enable development of neighborhood centers (e.g., containing neighborhood -oriented businesses and a small park) in established neighborhoods to create neighborhood focal points and activity centers, accommodate routing shopping need, and provide a sense of neighborhood identity.	1. Permit small retail establishments offering a limited range of goods within a residential neighborhood.
2. Enable a land use pattern which will reduce dependence on auto use, especially drive-alone vehicle use during morning and evening commute hours.	2. Protect existing retail districts and permit new establishments where local economic demand and appropriate design can assure compatibility with the neighborhood.
3. To enable many of the community’s residents to live within one-fourth (¼) mile of a grocery store and transit stop.	3. Be located not less than ½ mile from another neighborhood retail district or any other commercial district providing similar services or facilities.
4. Enable the design of new development in a manner which will ensure the safe and efficient movement of goods and people.	4. Have a maximum size for a NR district of not more than 1 acre.
5. Provide for convenient pedestrian and vehicular access between the center and the surrounding neighborhood.	5. Limit the size, scale, and expansion of such establishments to minimum traffic volumes and congestion, and other adverse impacts on the neighborhoods in which said establishments are located.
6. Ensure that neighborhood centers are compatible with adjoining uses and do not undermine the economic viability of existing or designated neighborhood centers, village centers, or other neighborhood businesses.	6. Ensure that development is characterized by small buildings, low traffic generation, considerable walk-in trade, quiet operations and little or no night activity.
7. Ensure that buildings and other site features are arranged, designed, and oriented to facilitate pedestrian access and access for transit.	

Appendix E. Accessory Commercial Units

[Center for New Urbanism \(CNU\) – Accessory Commercial Units: Reintroducing Retail to Neighborhoods](#)

Accessory Commercial Units: Reintroducing retail to neighborhoods

Accessory Commercial Units (ACUs), an affordable alternative to prime commercial space, could equitably establish retail destinations that people need in close proximity to where they live.

[GARLYNN WOODSONG](#) APR. 28, 2021

Note: This is the first of a two-part series exploring Accessory Commercial Units, business spaces that attach to residential units, often in largely residential neighborhoods, and how they fit into the toolkit of Incremental Urbanism.

For years in the City of Portland, Oregon, the bicycle network has been built out largely through the use of neighborhood greenways, rather than through the provision of bicycle infrastructure on the main retail streets. Bicyclists wishing to visit those streets to go shopping have to mix with automobile traffic, freight, and buses in order to get to and from their destinations. This has led to a certain amount of frustration within the bicycling community; perhaps born out of exasperation, this has led to calls to allow retail on the neighborhood greenway system, so that bicyclists don't need to leave the safety of bicycle infrastructure in order to visit a bicycle shop, go to a grocery store, or visit a restaurant, cafe, or pub.

Unfortunately for bicyclists seeking to not get hit by cars while going shopping, Portland's neighborhood greenway system largely exists within a single-family zoning context, and these zones explicitly ban

any sort of retail activities. Given that single-family zoning was born out of a desire to practice racial exclusion through economic segregation, it's certainly worth re-examining every aspect of this zoning, including its ban on commercial activities beyond home-based businesses that do not receive a significant volume of customers.

There are many existing examples, within the current distribution of single-family zones, of buildings, built prior to the imposition of the current zoning paradigm, that originally included a retail component, whether in the form of ground floor retail with apartments above, or street-facing retail with a residence adjacent. We used to build mixed-use neighborhoods in our cities that freely mixed the retail destinations people need with the residences where they live, in very close proximity. In the racist fever of the 1940s and 1950s to separate white from black populations within cities, however, retail was also deemed to be a blight upon the purity of white-occupied, single-family homes, and segregated to retail-focused zones on the periphery of neighborhoods.



A corner ACU. Source: Garlynn Woodsong

In the same way that accessory dwelling units have been used as the first baby step towards re-introducing multi-family dwelling to single-family neighborhoods, accessory commercial units (ACUs) could be used to re-introduce retail to residential neighborhoods. Whereas accessory dwelling units, at least in Portland, are confined to back yards, attics, basements, and interior areas of houses where it can be more difficult to see the ADU from the street, ACUs depend on being visible from the street for their commercial success. They therefore belong naturally within the front setback, taking over area currently allocated to driveways and front lawns to repurpose it for

use as a neighborhood-serving destination that caters to a clientele that arrives primarily by foot or bicycle.

The form of accessory commercial units could be similar to that of accessory dwelling units: a maximum of 800 square feet; either detached from the main home and separated by sufficient fire separation to satisfy the building code, or attached.

Given that a traditional building form found within the front setback is a carriage house, with a residence above a garage on the ground floor, a twist on an accessory commercial unit could see one placed on the ground floor facing the sidewalk, with an accessory dwelling unit on the second floor. This sort of gentle infill could help to build neighborhood intensity without significantly changing neighborhood character, building the local demand for services, such as retail and transit, that do better when there are more customers within a short walking distance.





This single-car garage could have a small ACU. Source: Garlynn Woodsong

There are three different potential regulatory paradigms for ACUs worth considering:

1. ACUs along bicycle boulevards/greenways everywhere.
2. ACUs only at new village center nodes, strategically located to create more 15- to 20-minute neighborhoods by colonizing SFR areas not yet well-served by walkable destinations within walking distance and accessible by separated / family-safe bicycle facilities.

3. ACUs everywhere, on any property, for any reason, as long as they face a sidewalk or internal courtyard accessible by ADA-compliant pathway from the sidewalk.

Regulatory paradigm concept 1 would be very true to the intent of the original suggestion, which was if the main streets weren't going to be made family-bicycle-friendly, then why not allow commercial Main Street activities, in miniature form, on the safe, family-friendly bicycle greenways so that bicyclists at least have the option to choose local retail by bicycle? However, by allowing ACUs on greenways everywhere, there would be little control over where they wound up, and thus potentially greater conflicts with neighbors interested in a strictly residential character for the street they bought into, that sort of thing.

Regulatory paradigm concept 2 could be thought of as the smart growth alternative, as it is focused on helping to achieve a quantitative and qualitative goal of establishing as many 15- to 20-minute neighborhoods within the city as possible, to ensure that the most people have the opportunity to live or work in one. By concentrating ACUs within smaller, more defined areas, this paradigm would minimize the potential of conflict with neighbors. From an equity perspective, however, it would be the least equitable, as the least number of property owners would be able to provide an ACU and therefore benefit from it as a new revenue source to them.

Regulatory paradigm concept 3 could be thought of as the equity alternative, as it is focused on spreading the opportunity to bring additional revenue to a household / property owner from a commercial establishment, without the need to pay to lease or purchase additional, commercially-zoned property to do so. This

lowers the barrier to entry to opening a new business, increasing access to the lowest rungs on the economic ladder to those who need it most, especially including populations historically victimized by racism, sexism, and other forms of oppression. This is a very powerful argument in favor of this paradigm. However, it would also by definition allow ACUs on any property, or perhaps it could be limited to any property served by an ADA-compliant sidewalk. Regardless, this would allow the wide distribution of ACUs throughout the city, including in areas where residents will definitely have purchased their properties with a goal of obtaining life in a peaceful, quiet neighborhood that certainly would be free of commercial activities. It is possible that these concerns could be addressed through regulations that use ambient standards to deal with noise, smell, traffic, and other potentially-noxious impacts by addressing impacts rather than by establishing use regulations.

It's up to each community to engage in dialogue over these three paradigms, and choose the one that resonates most with community members participating in the public process.



Garlynn Woodsong is managing director of Woodsong Associates, a planning, real estate, and urban analytics firm based in Portland, Oregon.

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Development Standard	Neighborhood Center	Neighborhood Retail
Minimum lot size	5,000 s.f.	7,200 s.f.
Front yard setback	10' maximum	As close as possible to front property line (based on commercial design standards)
Minimum rear yard setback	None, except: 1) 15' minimum + 5' for each building floor above 2 stories next to single family districts or a single-family dwelling, duplex, manufactured home, or townhouse. 2) 10' minimum + 5' for each building floor above 2 stories next to other residential or multifamily district.	15'
Minimum side yard setback	None, EXCEPT: 1. 10' maximum on flanking street. 2. 15' minimum + 5' for each building above 2 stories next to single family districts or a single family, duplex, manufactured home, or townhouse. 3. 10' minimum + 5' for each building floor above 2 stories next to other residential district or a multifamily.	15'
Maximum building height/above grade stories	30' for commercial structures 45' for residential or mixed-use structures	35'
Maximum business occupancy size (gross floor area)	5,000 s.f.	3,000 s.f. maximum building size for single use, 6,000 for mixed use
Minimum or maximum total commercial floor space	30,000 s.f.	
Minimum or maximum retail floor space	5,000 s.f. or up to 20,000 s.f. @ 25 s.f. per existing or authorized residential dwelling or lot w/in ¼ mile	
Minimum or combined office & services floor space	5,000 s.f. or up to 20,000 s.f. @ 25 s.f. per existing or authorized residential dwelling or lot w/in ¼ mile	
Maximum building coverage	70%	45%
Maximum impervious surface coverage/hard surface	85%	50%/70%
Minimum lot size	5,000 s.f.	7,200 s.f.

Appendix F. Interview Summary Notes

Schedule

1. Joe Andreotti, Owner, Vic's Pizzeria
2. Mike Reid, City of Olympia Economic Development Director
3. Mike Dixel
4. Paul Knox
5. Danielle Rants, Commercial broker, Rants Group
6. Tora Saeger, BITS café, 903 Rogers
7. Nathan Allen, B&B
8. Roger Horn, Eastside neighborhood
9. Ron Thomas, Architect

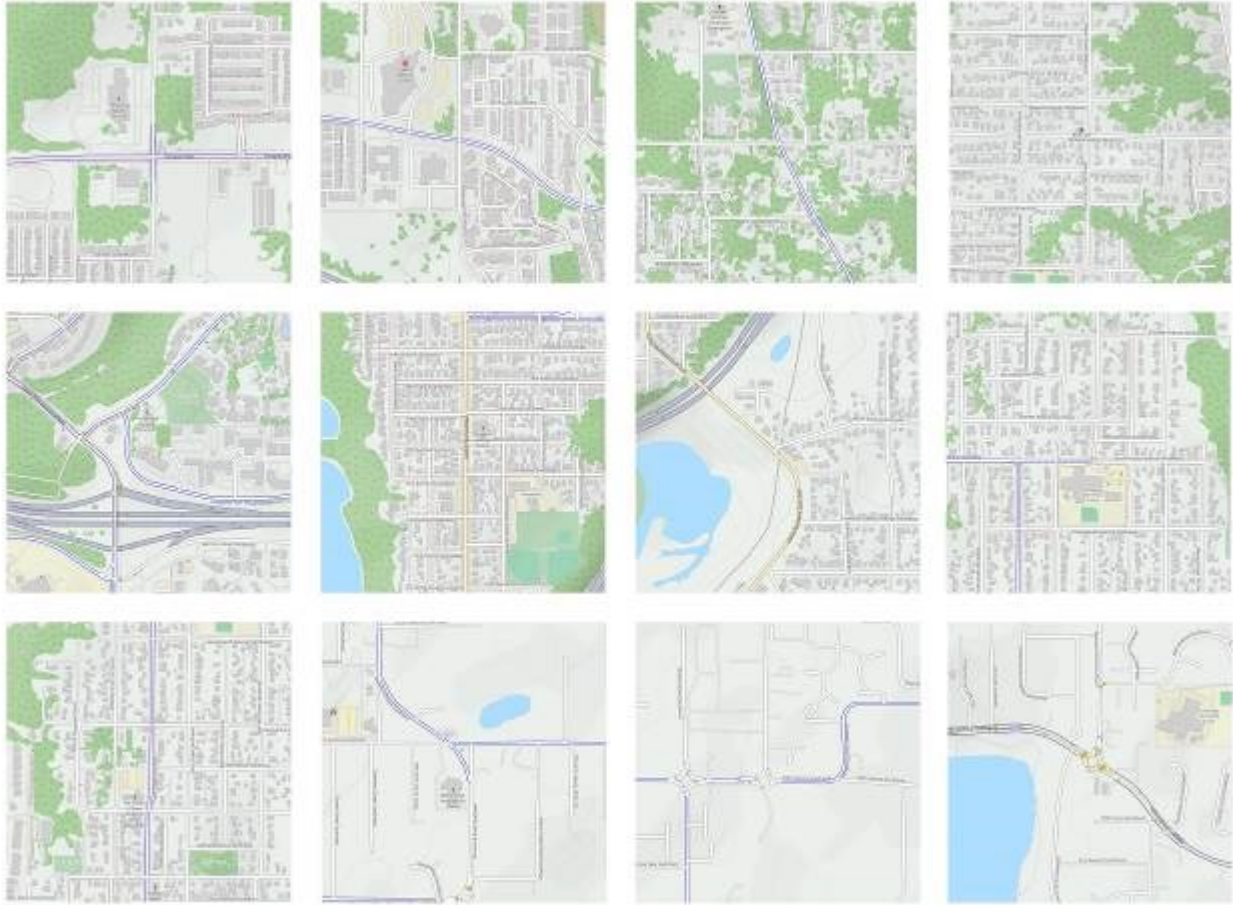
Key Takeaways – What We Heard

- **Neighborhood Centers**
 - Mostly, enthusiasm, interest and passion – ONNA and ENA
 - We want to keep the old Olympia neighborhood character. We want change and centers, but not too much.
 - Restaurants, coffee, beer, grocery (Spud's), gathering space
 - 2014 Vision
 - Support
 - But what about housing, employment, schools, parks, trails ...
 - "Successful"
 - Wildwood
 - Rogers and Bowman
 - San Francisco/Bethel
 - Briggs – 30 years in the making – "coming soon" in 1990s – now building out
 - Other Centers
 - Why here, not there? E.g. Kellerman's Corner; why not at Jay's
 - Some skepticism that some other centers will work
 - "Household incomes will not support \$7 beers and Spuds"
 - "New residents want to go to Costco, not the Coop"
 - Other concerns
 - Competition with downtowns
 - Compared with Downtown and ... are NCs a priority?
- **DEI – limited diversity in interviewees**
- **Obstacles and Challenges**

- **Regulatory**
 - Solid Waste/garbage
 - Two dumpsters required for separate commercial and residential haulers;
 - Large ingress and egress points, turning radius
 - Neighborhood Retail
 - Retail – Ground floor must be 100% retail!?
 - Apartments – Stand-alone apartments are not allowed
 - Live Work – permitted or not?
 - Parking
 - High parking ratios limits the footprint of buildings and the amount of commercial and residential space
 - Drive Throughs
 - A “must have” for some coffee shops and other tenants, but not allowed
 - Frontage improvements
 - Costly but did not discuss extensively
 - Height
 - 3 story limit
 - Signage – cannot be facing the street
 - Lack of regulatory clarity (within residential zones)
 - B&B
 - Timing for regulatory changes
 - Comp Plan Updates will not be completed until 2025 (?)
 - Annual Comp Plan updates discontinued
- **Land and Buildings**
 - Land
 - **Very few available properties or buildings**
 - Difficult to get control of sites
 - “My challenge has been finding a property in the right place.”
 - Environmental Issues
 - Expensive and involved clean-up can be a scary unknown
 - EPA grant funds (\$500,000 grant already used) and Ecology’s brownfields program have been helpful for sites like former gas stations
 - Success when City leads clean-up (e.g., Old 99 Flats at Griswold’s Building site)
- **Market**
 - Positives
 - Covid has been positive for neighborhood centers
 - Olympia is growing – we are planning for growth – new businesses and residents
 - Olympia is changing – “out of towners” “new money”
 - Challenges

- **New construction.** The cost of new construction requires rents of \$25, \$30 NNN or higher, i.e. for a 2,000 SF space: \$25 PSF rent + \$8 PSF + tenant operating expenses x 2,000 SF x 12 months = \$66,000 per year
- **Historic buildings.** This has been one of the key ingredients for the successful centers, but there are few if any historic buildings.

DRAFT



Neighborhood Center Profiles

DRAFT 7/8/2022

OLYMPIA NEIGHBORHOOD CENTERS STRATEGY

MAKERS + LELAND

PROFILES INTRODUCTION AND EVALUATION SUMMARY

Evaluation purpose. The Olympia Neighborhood Center Strategy background analysis and evaluation focused on two questions:

1. Which designated centers are doing well and meeting the City’s vision for small neighborhood clusters of commercial and active uses as noted in the Olympia Comprehensive Plan?
2. Which centers would benefit, in terms of economic viability and service to the local community, from City actions to expand or stabilize the services the centers provide?

Analysis. The planning team (Team) explored these questions in two ways. The team first conducted a broad, city-wide, quantitative, economic and demographic analysis based on criteria important to the success of a neighborhood center such as local market demand and opportunities for growth in the neighborhood. The second approach was an evaluation of the physical settings of each individual center that examined characteristics such as geographic conditions, non-motorized vehicle access, and other amenities in the vicinity. Together, these two lines of inquiry produced a picture of Olympia’s spectrum of neighborhood centers that is quantitative, comparative, and sensitive to local conditions.

Current success. The profiles starting on page 10 summarize the characteristics of each center relative to the functional and market-based criteria necessary to achieve the neighborhood center vision. Based on this analysis, the centers fell into three categories relative to their level of performance in meeting the City’s objectives:

- Centers that largely meet the City’s objectives (Rogers and Bowman (Westside CO-OP), Wildwood, Frog Pond, and San Francisco)
- Centers that do not currently meet most of the criteria but do provide a valuable service to their local communities – or that have the potential to do so (Kellerman’s Korner, Handy Pantry, Pit Stop)
- Centers that perform poorly in terms of the criteria and have little opportunity to become more successful over time (Cooper Point, Yauger & Capitol Mall, Pit Stop (Boulevard and 18th), Fones & 18th St, and Victoria Square (Boulevard and Yelm Highway))

These findings are summarized in the chart on page 5. Further details regarding the comparative economic and demographic characteristics of the range of centers are in the Appendix.

Current success drivers. The two most important factors in determining a center’s success are 1) the number of businesses or attractions at the center and 2) excellent pedestrian/bicycle access. Generally, it appears that 3 or more commercial services or public facilities create a “critical mass” of activity. For example, all the successful centers have at least three businesses or public facilities. Sometimes, as is the case of San Francisco and Frog Pond, the other activities include a public facility such as a school, park, library, or playground.

The map on page 7 illustrates the centers’ “walksheds” and identifies areas in the city without pedestrian access to a neighborhood center. While San Francisco and Rogers/Bowman and Frog

Pond are in walkable neighborhoods, Wildwood does not feature a nearby walkable community. However, it is well located for bus and auto access. The chart on page 27 in the Appendix illustrates how these two factors are present in the successful centers.

Future potential analysis. To explore the second question and identify those centers that have both the market potential and available redevelopable land that would allow the center to expand, the Team analyzed the potential demographic and economic growth in roughly a ½ mile radius and visited the centers to identify underutilized properties and other opportunities for redevelopment and access improvements. Team members also conducted phone interviews with local business and property owners and residents to identify their ideas, concerns, and views on business expansion opportunities.

Future potential findings. Again, as a result of this analysis, the centers fell into three categories:

- Centers with specific opportunities to explore (Kellerman’s Corner, Rogers & Bowman, Puget Pantry, Handy Pantry (if GruB is interested) and San Francisco)
- Centers with little expansion opportunity but which would benefit from City action to strengthen their long-term viability (Wildwood, Frog Pond, Pit Stop)
- Centers with little opportunity for achieving the City’s objectives (Yauger, Cooper Point, Fones, Victoria Square)

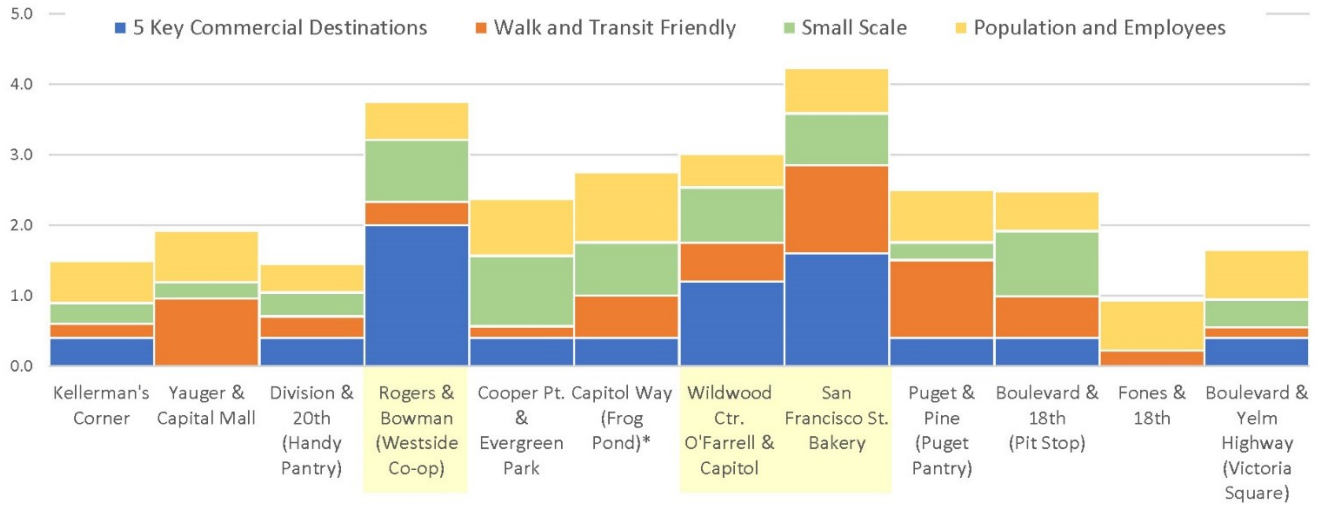
These findings are summarized in the chart on page 6 and the market study in the Appendix provides further evaluation of potential improvement efforts.

NEXT STEPS

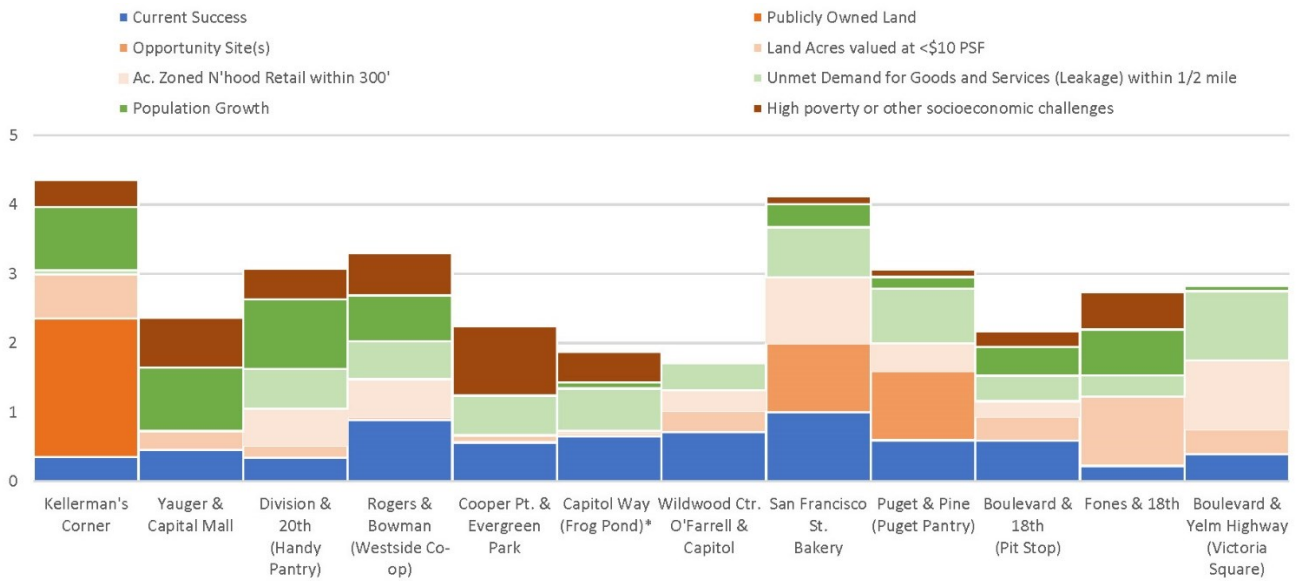
The Team will continue to review this analysis with City staff as new information and public input emerges. **Upcoming public engagement efforts** include 1) an on-line survey, 2) a remote public workshop on July 13, and 3) a set of “pop up” booths/intercept survey locations on July 16. These engagement efforts will help guide the Team in the following activities:

- **Comprehensive Plan policies.** The Team will prepare a document useful to the City in reviewing neighborhood center policies during the Comprehensive Plan process.
- **Individual centers opportunities.** The team will work with City staff and, to the extent feasible, property and business owners to explore redevelopment/business expansion, including potential rezoning and capital improvement projects at Kellerman’s corner, Rogers & Bowman, Puget Pantry, Handy Pantry (if GruB is interested), and San Francisco.
- **Citywide recommendations.** The Team will make recommendations that can be implemented in any of the centers to assist with business viability. Recommendations may include topics such as local regulations, solid waste removal, and administrative hurdles.


Neighborhood Centers: Current Success Summary Chart




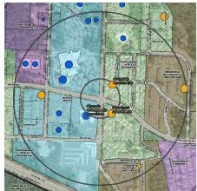










Neighborhood Centers: Future Potential Summary Chart



Neighborhood Centers Comparison – Current Success

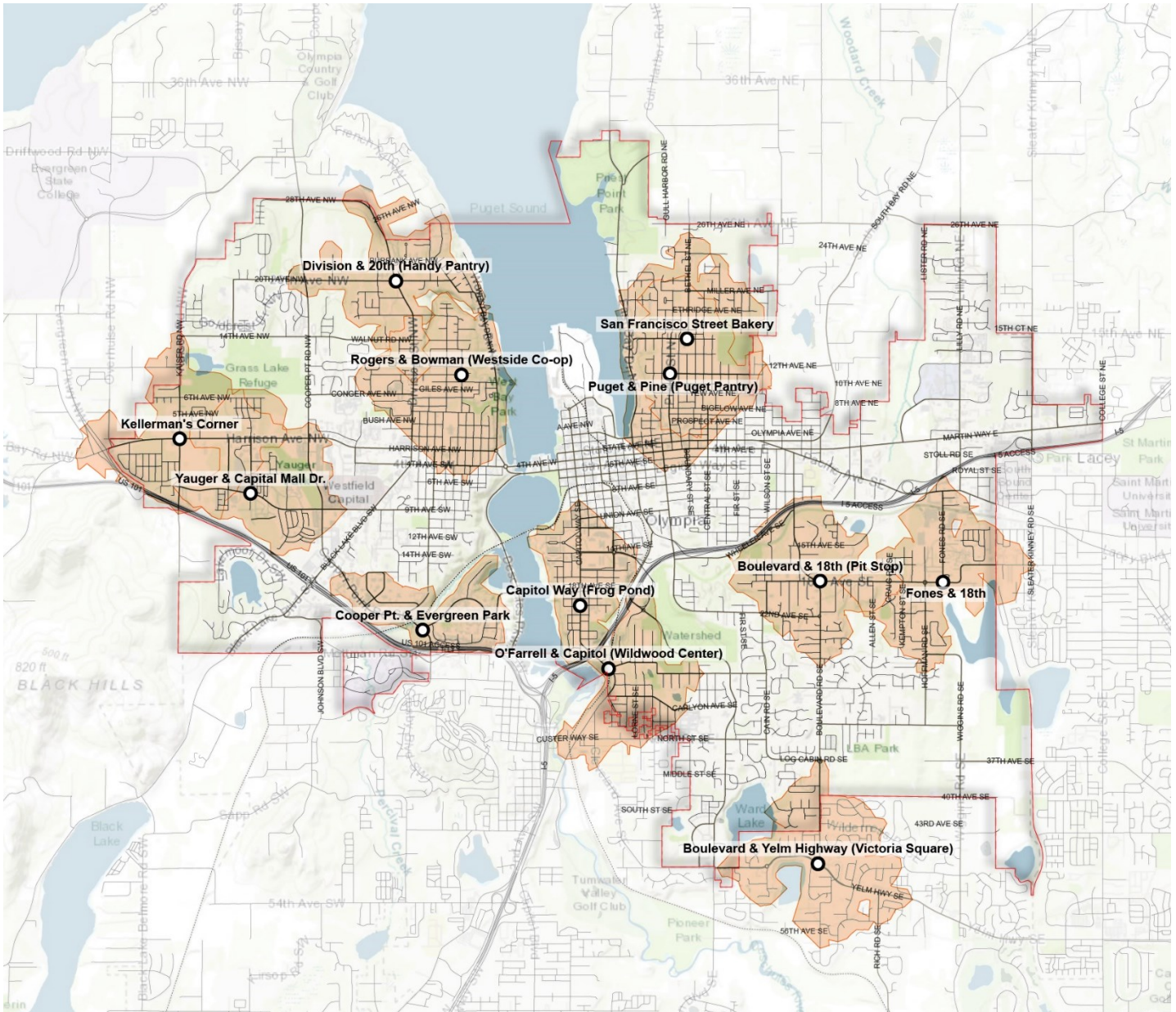
Center		Kellerman's Corner	Yauger & Capitol Mall	Handy Pantry	Westside Co-op	Cooper Point	Frog Pond	Wildwood	SF Bakery	Puget Pantry	Pit Stop	Fones	Victoria Square
Map													
Type		Auto	Auto	Local Neighborhood	Auto/N'hood hybrid	Auto/Suburban	Local Neighborhood	Auto	Local N'hood	Local N'hood	Auto	Auto/Suburban	Auto/Suburban
Criteria	Population	✓	✓	✓	✓	✗	✓	?	✓	✓	✗	?	✗
	Walkable	✗	?	✓	✓	✗	✓	?	✓	✓	✗	?	✗
	5 Key commercial destinations	✗	✗	✓	✓	✗	✓	✓	✓	✓	?	✗	✗
	Foster community interaction	School ?	✗	?	✓	✗	✓	✓	✓	?	✗	✗	✗
Overall current evaluation(1) also add brief narrative		?	✗	?	✓	✗	✓	?	✓	✓	?	✗	✗
		Few services and arterial setting but market and potential for action is promising.	No neighborhood-oriented commercial or public uses	Corner grocery in a residential neighborhood.	A functioning neighborhood center with multiple draws including The Olympia Food Co-op grocery and nursery and the Bits Café.	Very poor location and connectivity. Area completely fragmented by creek, arterials and freeway	A beloved "pony keg" in an excellent ped environment w/ a waxing studio, attorney, dental office & a school with playing fields nearby.	A high quality automobile-oriented stop for convenience grocery and food.	The bakery is a big draw and the elementary school increases activity. The corner convenience store provides services.	Corner grocery and a few small live/work businesses in a modest, traditional, single-family neighborhood.	Poor location and pedestrian connectivity. Area completely. Excellent traffic volumes.	Approximately 1/4+ mile to full-service shopping complex. Development south of 18 th constrained by Chambers Lake & wetlands.	Current uses include an AM/PM minimart-gas station and a small professional office cluster.

Neighborhood Centers Comparison – Future Potential

Center		Kellerman's Corner	Yauger & Capitol Mall	Handy Pantry	Westside Co-op	Cooper Point	Frog Pond	Wildwood	SF Bakery	Puget Pantry	Pit Stop	Fones	Victoria Square
Map													
Type		Auto	Auto	Local Neighborhood	Auto/N'hood hybrid	Auto/Suburban	Local Neighborhood	Auto	Local N'hood	Local N'hood	Auto	Auto/Suburban	Auto/Suburban
Criteria	Publicly Owned Land & Opportunity Site(s)	✓	✗	✗	✗	✗	✗	✗	✓	✓	✗	✗	✗
	Land Valued at <\$10 PSF	✓	✓	?	?	?	?	✓	✗	✗	✓	✓	✓
	Unmet Demand (Leakage)	✗	✗	✓	✓	✓	✓	?	✓	✓	?	?	✓
	Population Growth, 2020-2040	✓	✓	✓	✓	✗	✗	✗	?	?	?	✓	✗
Opportunities for City actions brief narrative		<p>✓</p> <p>The 20-acre site southwest of the intersection and the wooded area to the north are possible development sites. Pedestrian improvements needed.</p>	<p>✗</p> <p>No land</p>	<p>✓</p> <p>Very limited opportunity unless the neighborhood would like to consider substantial upzone. Cleanup costs could be prohibitive. Perhaps coordinate with GruB.</p>	<p>✓</p> <p>Parking lot pop-ups & pedestrian improvements (a sidewalk) between the different uses would add to the center.</p>	<p>✗</p> <p>No potential except maybe move to the PUD center</p>	<p>?</p> <p>No opportunity for expansion</p>	<p>?</p> <p>There is no real expansion opportunity.</p>	<p>✓</p> <p>Interest in developing the convenience store and gas station, but toxic clean-up has hindered efforts. Potential of a larger development on ½ or all of the block.</p>	<p>✓</p> <p>Vacant parcel south of the convenience store is zoned NR. There are some local entrepreneurial activities. Live/work or residential businesses might be an opportunity.</p>	<p>✗</p> <p>No potential</p>	<p>?</p> <p>Opportunities depend on market. Considerations include the commercial complex to the north and the lack of existing or potential residences to the south and east.</p>	<p>✗</p> <p>Few development opportunities</p>
Recommended next steps (brief narrative) (2)		Merits further study	Drop from consideration	Contact GruB	Consider discussions with owner(s)	Drop or move to PUD	Apply city-wide business support activities	Apply city-wide business support activities	This center warrants further study.	This center warrants further study.	Apply city-wide business support activities	Keep under observation	Drop from consideration

Walkshed Map and 15-minute Neighborhoods

This map illustrates the centers' "15-minute walksheds," areas where someone can live or work and within 15 minutes, walk or roll to the neighborhood center. Places without the beige highlight are areas lacking active transportation access to a designated neighborhood center. Note, this map does not show the PUD neighborhoods nor larger centers like Downtown, the Capital Mall Triangle, and Martin Way commercial centers. Notably, some areas of the city include walkable street grids, but no designated neighborhood center.



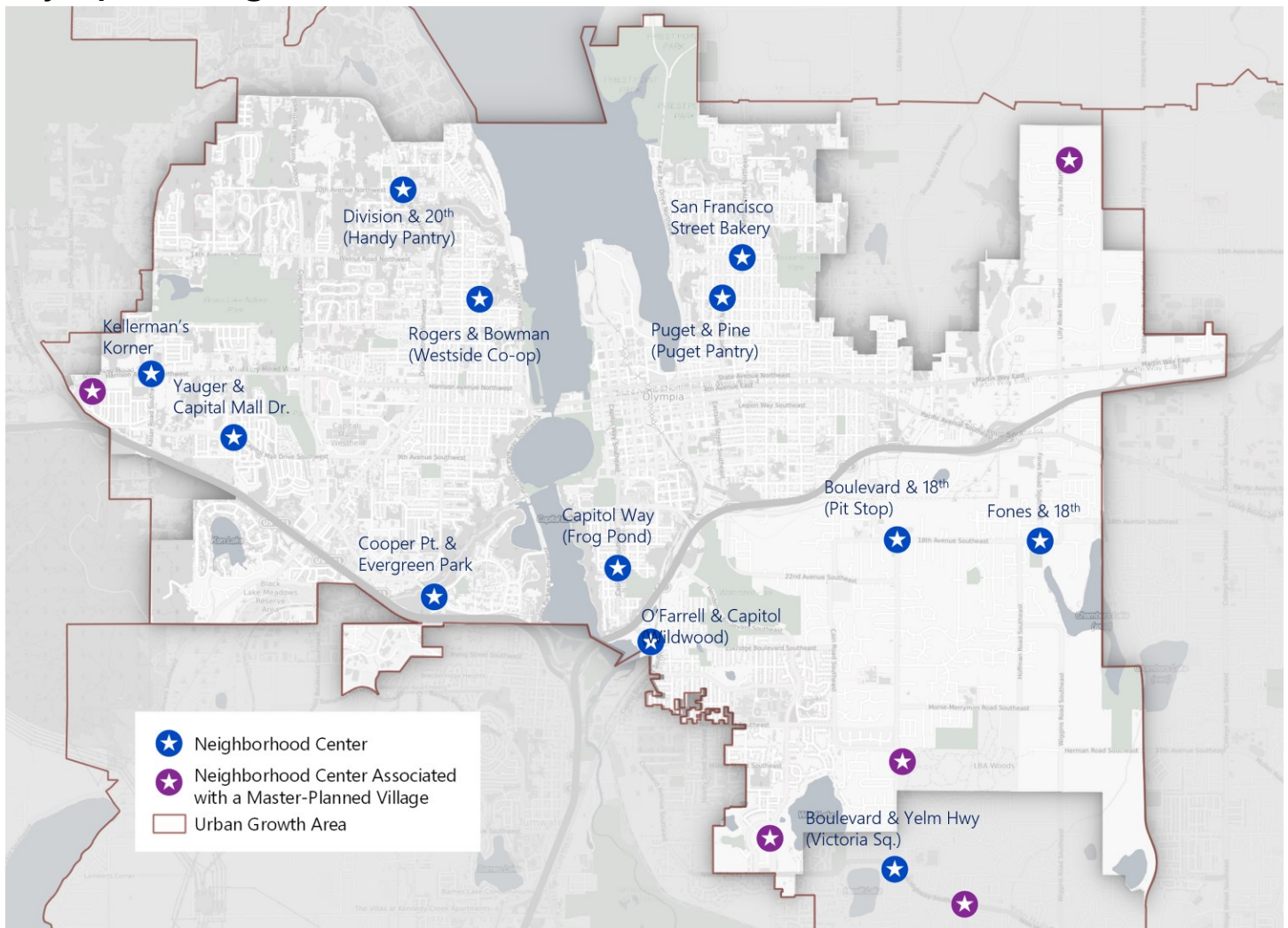
Centers Evaluation Criteria

The team collected data as described in the “How Evaluated” column and summarized each with a qualitative rating: ○ not functioning, ● partially functioning, and ● functioning well/strong opportunities.

PARAMETER	CHARACTERISTICS	HOW EVALUATED	
PEOPLE	Population	# of residents within the ½ mile area	●
	Employees	# of jobs within the ½ mile area	○
PLACES	Commercial Uses	List of businesses and number of desired uses (community preferences from earlier efforts, including coffee shop, bakery, restaurant, food store, and grocery store) within 300 feet of the neighborhood epicenter (and others in larger area when notable)	●
	Public Attractions	List of major civic or public institutions and open spaces, such as park, school, library, hospital, etc. (Google Maps)	○
PHYSICAL FORM	Age and Size of Building Stock	Average year built of buildings within 300 feet of the neighborhood epicenter Area (square feet (sq ft)) of commercial space (A <i>small</i> center should be ~10,000 sq ft).	●
	Public Realm Quality	Qualitative observations on urban design and social interaction opportunities, including: <ul style="list-style-type: none"> • Places to interact, including commercial and residential setbacks and lot, configuration to support social interactions, • Presence of street trees, and • Comfortable setting, including pedestrian lighting, lack of blank walls on “main street,” adequate transparency, weather protection, buffered sidewalks from traffic, etc. 	○
ACCESS	Intersection Density	Density of intersections per square mile in the ½ mile areas.	●
	Pedestrian Connectivity	% of street sides with sidewalks (GIS sidewalk data) % of intersections on major arterials with ADA ramps on all corners (aerial and street view images)	
	Traffic Speeds & Volumes (2014)	For neighborhood center cross-streets: <ul style="list-style-type: none"> • Posted speed limit or actual speed (whichever is in GIS data) • Traffic counts (ADT) taken from points closest to the epicenter intersection. When more than one count was available, the highest value is shown. 	
	Transit	For the neighborhood center cross streets: <ul style="list-style-type: none"> • List of routes serving the center (Intercity Transit Data) • # of weekday transit trips per day (Intercity Transit Data) 	
POTENTIAL	Zoning	List of zones within the ½ mile area plus qualitative observations.	●
	Parcel Size & Configuration	Average lot size within 300 ft. Qualitative observations.	
	Land Availability	Number of acres within 300 ft with total property value (land plus building/site area) of \$20 per square foot or below.	
	Market Strength	Unmet demand for goods and services (leakage) within the ½ mile. Median household income. (Note, commercial rents across the board are around \$18.50 per sq ft.).	

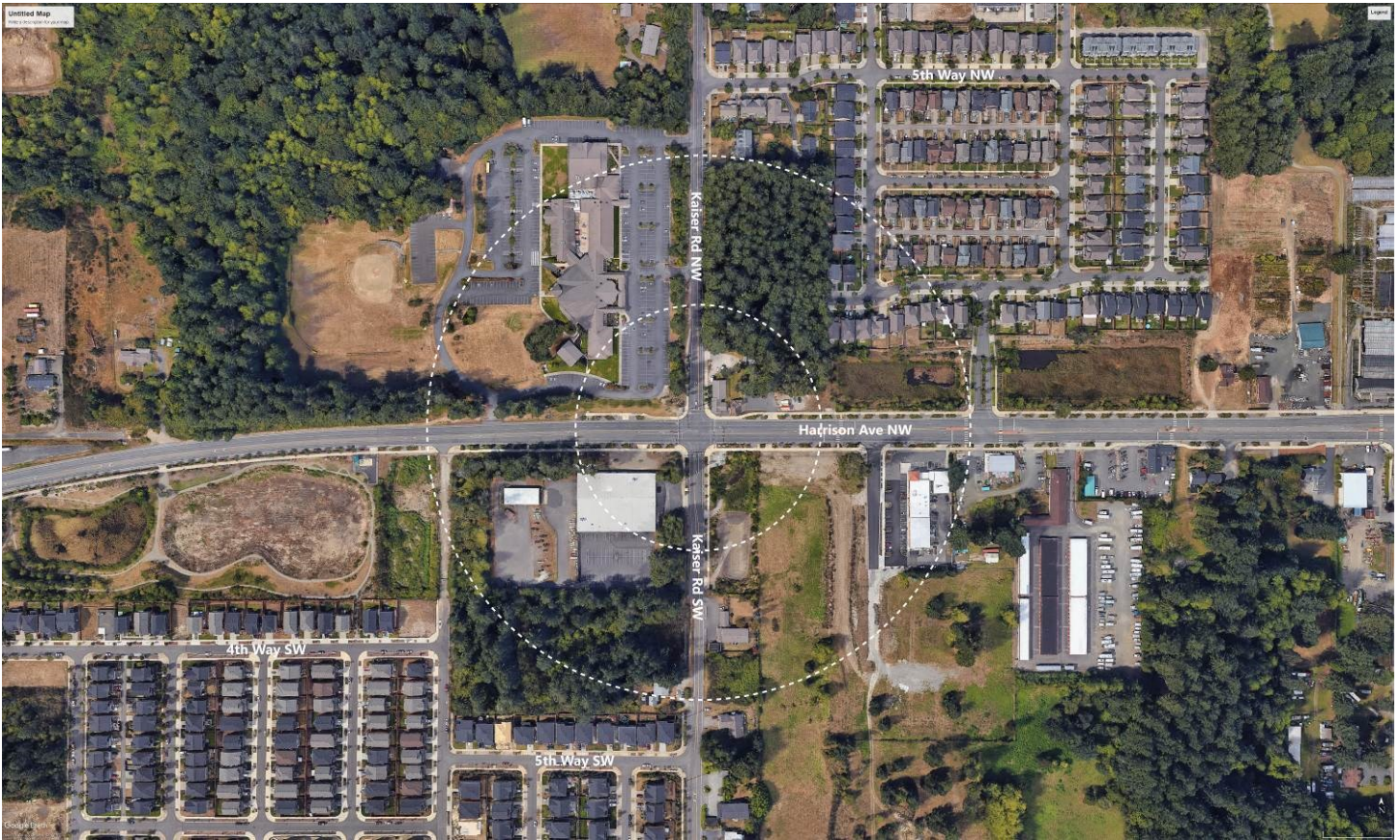
EQUITY	<p>Washington Environmental Health Disparities Map Rankings (1-10)</p> <ul style="list-style-type: none"> Socioeconomic Factors (combined score for language, education, race/ethnicity, poverty, transportation expense, unaffordable housing, and employment) People of Color People Living in Poverty Environmental Exposures (air quality and toxins) <p>The higher the ranking, the more vulnerable the community is and the more priority should be placed on meeting community needs.</p> <p>When a neighborhood center includes multiple census tracts with different rankings, the team calculated a proportionate average (by land area for each unique ranking).</p>
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Olympia's Neighborhood Centers



This report examines the 12 neighborhood centers marked with blue icons. Four additional centers, associated with Master Planned Villages, are not addressed due to the nature of Master Planned Villages zoning and permitting.

Harrison Ave & Kaiser Rd (Kellerman's Corner)



Summary

Harrison Ave NW is a 5-lane arterial with painted bike lanes and buffered sidewalk. Westwood Baptist Church is on the northwest corner of Harrison Ave and Kaiser Road; Fun Junk & Licorice Boutique, and La Esquinita Taco Truck is on northeast corner; Century Link warehouse is located on the southwest corner; with Blue Heron Bakery, Jay's Farm Stand, and 2 Mile House Pub & Eatery to the east of the southeast corner. There are several acres of vacant land and High-Density zoning. Other commercial development on Harrison Ave NW is within 1/2 mile from the intersection. The uses in this vicinity are transitioning and could be connected to a development at the Kaiser Rd intersection if the parcel at the southeast corner of the intersection is developed. Kellerman's Corner was rezoned from NR to HDC-4 in 2016. Both auto and pedestrian market potential, especially with dense new residential development such as at Yauger. As the furthest-west center, Kellerman's Corner could also have a regional draw and act as gateway to Olympia.

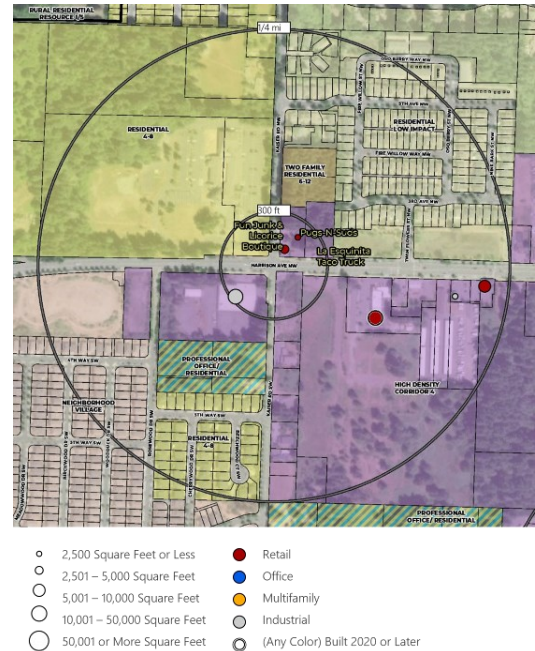
Opportunities and Next Steps

With connectivity improvements, development could support a pedestrian and auto-oriented neighborhood center and western gateway into Olympia. The City is receiving 27 acres as part of a land exchange with the Olympia School District later this year or in 2023. Specific park uses have not yet been identified but would complement future residential and commercial development in this neighborhood center.

Given that there is available land, adequate pedestrian and vehicle access and sufficient market potential, this center merits high priority for further exploration of development opportunities and potential City actions. A first step might be to contact applicable property owners (including the City) to determine interest, explore potential development scenario(s), assess feasibility, and identify potential City actions to facilitate positive development. Based on this input, there may be opportunities for upzoning to increase residential density.

Kellerman's Corner

PEOPLE		
Population	2,700 (within ½ mile radius)	●
Employees	940 (within ½ mile radius)	
PLACES		
Commercial Uses within 300 feet	Antique shop/clothing store, taco truck, pet groomer, Warehouse/utility structure. pub/ eatery, and (bakery within ¼ mile of intersection. ½ mi: Bakery, farm stand, pub	●
Public Attractions	Grass Lake Nature Reserve; churches; MultiCare Capital Medical Center.	
PHYSICAL FORM		
Age and Size of Building Stock	Average year built: 1992 Commercial space: 3,278 sq ft	●
Public Realm Quality	Arterial context. Open space with a food truck. Low quality now.	
ACCESS		
Intersection Density	¼ mi: 112 intersections per square mile ½ mi: 87 intersections per square mile	●
Pedestrian Connectivity	71.4% sidewalk coverage. Small lot single family to NE and SW. Connectivity could be improved.	
Traffic Speeds & Volumes (2014)	35 mph speed limit 5,965 north-south; 18,438 east-west	
Transit	Routes: 40, 45, 47 -33 weekday daily trips	
POTENTIAL		
Zoning	High Density Corridor 4, Residential 4-8, Residential 6-12, Professional Office -Multifamily	●
Parcel Size & Configuration	Average lot size: 325,000 sq ft	
Land Availability	2.8 acres + 20-acre City-owned parcel. Redevelopment potential. Vacant land to north.	
Market Strength	12,050 sq ft unmet demand in ½ mile Median income: \$73,500.	
EQUITY		
Environmental Health Disparities	4	
Environmental Exposure	4.25	
Socioeconomic Factor	5.75	
People Living in Poverty	5.25	
People of Color	4.75	



Yauger Way SE & Capital Mall Drive



Summary

Presence of higher density housing, local medical service employment, and Yaeger Park provides activity but there is little land area for commercial development. Capital Mall Dr is a 5-lane arterial corridor with little streetscape amenity. (There is a painted bike lane, but the sidewalks are not buffered). Yauger Way SW is a 3-lane road with painted bike lanes and buffered sidewalks south of Capital Mall Dr. A portion of Capital Mall, which has a broad spectrum of retail and services, and Safeway are just within ½ mile. Primary limitation is the lack of a suitable site for commercial development.

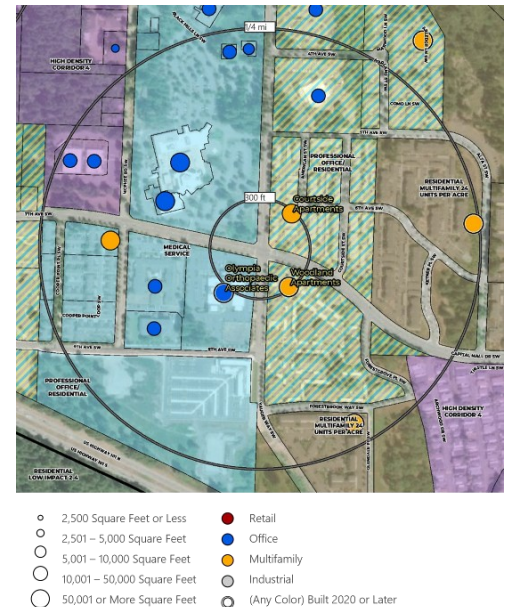
Opportunities and Next Steps

Because of the proximity of Capital Mall, poor connectivity and access, and lack of vacant land there seems to be no near-term opportunity for this to become a neighborhood center.

There may be a new slip ramp from Highway 101 in a decade or more. This might provide some opportunity along Yauger Way, but that would require competing with medical facilities. This center should be placed on the “back burner” or removed from the list of centers.

Yauger Way & Capital Mall Dr

PEOPLE		
Population	2,900 (within ½ mile radius)	●
Employees	1,540 (within ½ mile radius)	
PLACES		
Commercial Uses	300 ft: Olympia Orthopedic Associates	●
Public Attraction	Yauger Park, MultiCare Capital Medical Center	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 2009 Commercial space: 0	●
Public Realm Quality	The arterials are attractive but not pedestrian friendly with no amenities.	
ACCESS		
Intersection Density	¼ mi: 204 intersections per square mile ½ mi: 90 intersections per square mile	●
Pedestrian Connectivity	50.9% sidewalk coverage	
Traffic Speeds & Volumes (2014)	25 mph speed limit 3,076 north-south, 7,560 east-west	
Transit	Routes: 45,47. 26 weekday daily trips.	
POTENTIAL		
Zoning	Medical Service, Professional Office / Residential Multifamily, Residential Multifamily - 24	○
Parcel Size & Configuration	Average lot size: 509,000 sq ft Current road configuration and parcel size accommodates MF residential.	
Land Availability	None	
Market Strength	10,400 sq ft unmet demand in ½ mile Median income: \$36,400	
EQUITY		
Environmental Health Disparities	7	
Environmental Exposure	5	
Socioeconomic Factor	6	
People Living in Poverty	9	
People of Color	3	



Division St & 20th Ave (Handy Pantry)



Summary

There is substantial undeveloped or underdeveloped land, although zoning is predominantly Residential 4-8 with Residential Multifamily 18 west of Division Street and north of Elliott Avenue. The current building is a convenience store. Gas was once sold at this location. According to the Department of Ecology, two underground tanks were removed, but two others await removal. The center is near the GRuB garden, a local non-profit with connections to the Evergreen State College. Centered on food justice, community agriculture, and site of Intercultural Learning Communities. Among other things, volunteers build backyard gardens, help veterans transition to civilian life, and grow food for those in need.

Opportunities and Next Steps

There is limited opportunity for expansion unless the neighborhood would consider a residential upzone or a partnership with the adjacent GRuB facility could be formed. Environmental cleanup costs might be prohibitive to redevelopment of the convenience store site. The GRuB farm is a unique facility and might provide an opportunity. There is a roundabout and sidewalk planned on Elliott from Division east. The larger lots and pedestrian friendly setting make missing middle infill housing a possibility. Pathway and stormwater management improvements in neighborhood might provide an incentive for infill residential development. A next step might be to contact GRuB to see if there are some opportunities for collaboration.

Division St & 20th Ave (Handy Pantry)

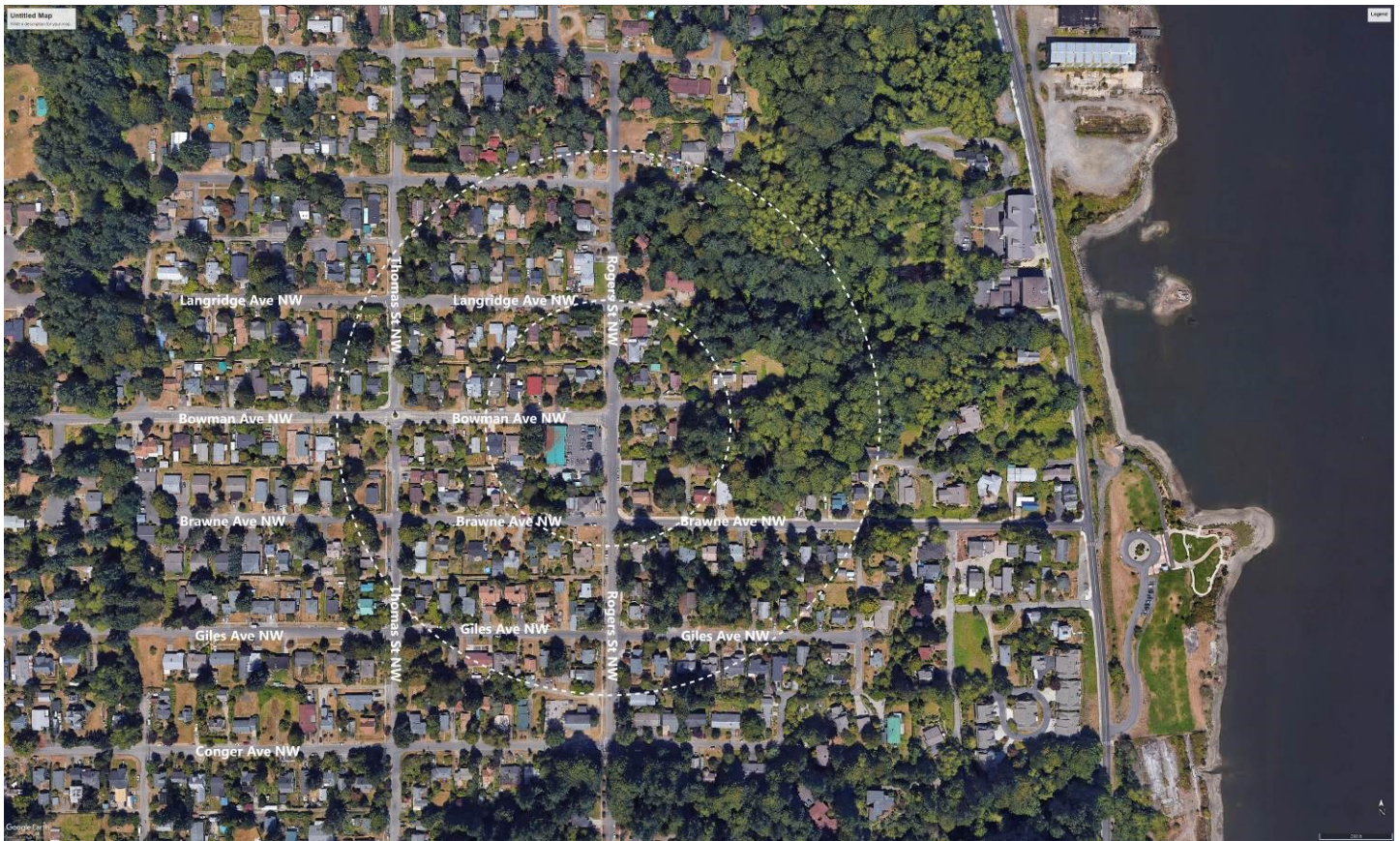
PEOPLE		
Population	1,900 (within ½ mile radius)	●
Employees	570 (within ½ mile radius)	
PLACES		
Commercial Uses	300 ft: Handy Pantry (1 food store)	●
Public Attractions	Burri Park, GRuB	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1944 Commercial space: 3,394 sq ft	○
Public Realm Quality	Rural. Attractive but no sidewalks or connectivity.	
ACCESS		
Intersection Density	¼ mi: 87 intersections per square mile ½ mi: 59 intersections per square mile	●
Pedestrian Connectivity	19.3% sidewalk coverage	
Traffic Speeds & Volumes (2014)	30 mph speed limit 4,854 north-south, 2,562 east-west	
Transit	Route: 41 30 weekday daily trips	
POTENTIAL		
Zoning	Residential 4-8, Residential Multifamily -18, Neighborhood Retail	○
Parcel Size & Configuration	Average lot size is 24,000 sq ft. with a mix of parcel sizes.	
Land Availability	0.8 acres	
Market Strength	10,500 sq ft unmet demand in ½ mile Median income: \$91,200	
EQUITY		
Environmental Health Disparities	3.5	
Environmental Exposure	2	
Socioeconomic Factor	7	
People Living in Poverty	6.5	
People of Color	6	



- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later



Rogers St & Bowman Ave (Westside Co-op)



Summary

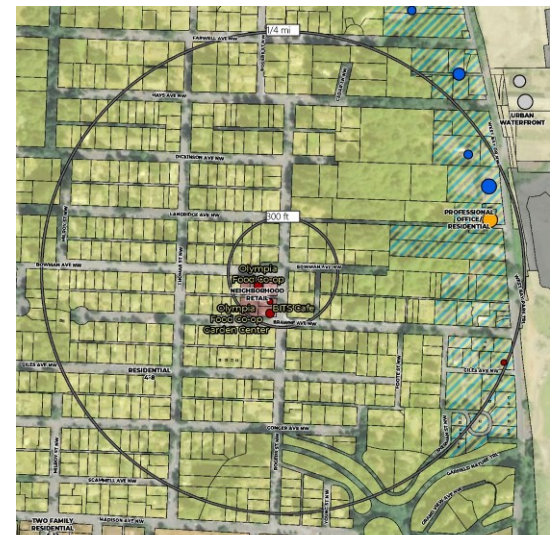
The Olympia Food Co-op grocery and garden center, and the Bits Café form a functioning neighborhood center with multiple attractions. The parking lot for the grocery might provide space for additional uses. Due to low traffic volumes on local streets, pedestrian connectivity is fair despite lack of sidewalks on many streets. The local housing stock is a mix of older homes. The Bits Café is in a historic mixed-use building and the center has an attractive setting. The local housing stock consists primarily of modest mid-20th century residences. The co-op enjoys a healthy, city-wide market.

Opportunities and Next Steps

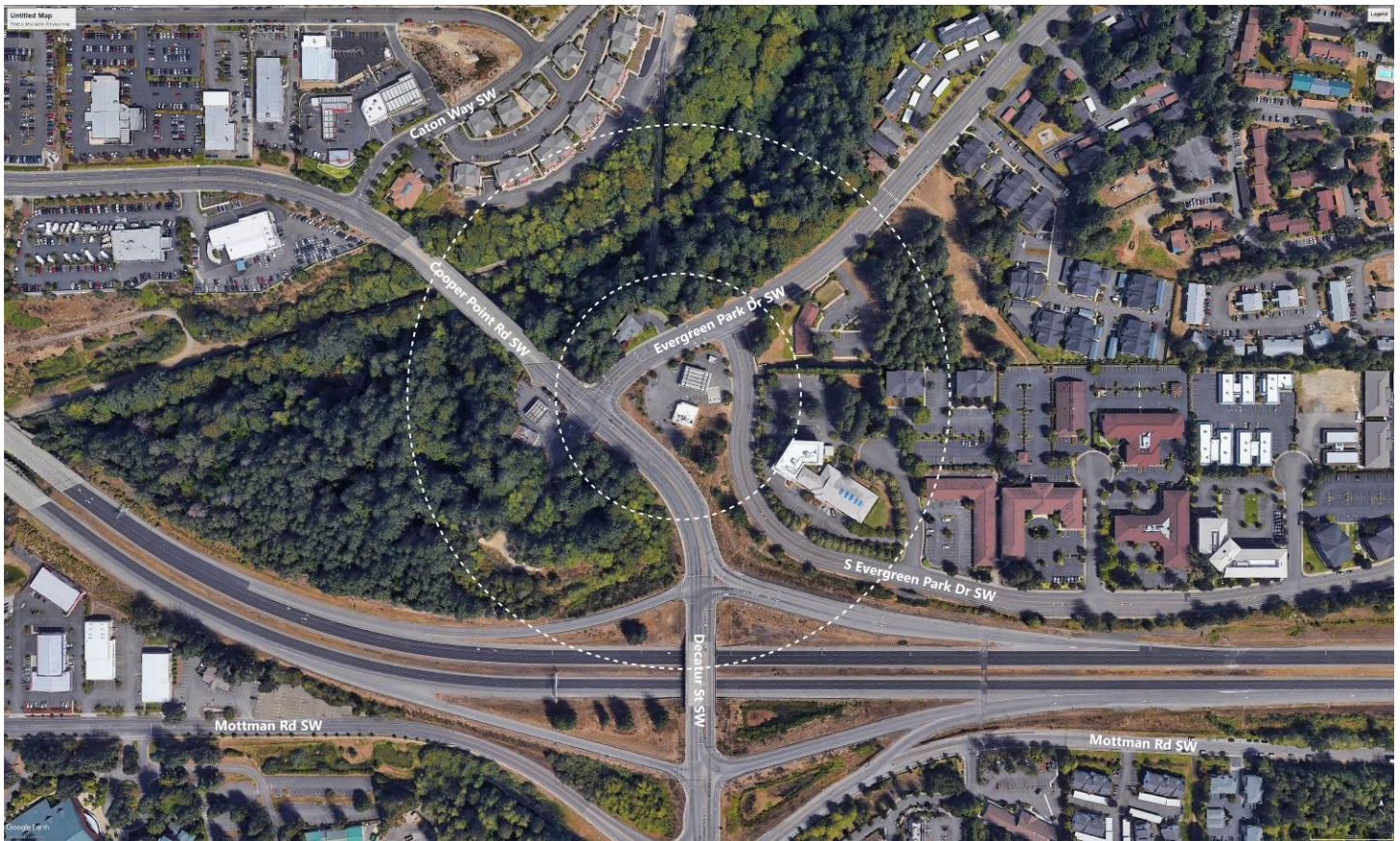
The Co-op's parking lot could be site for pop-ups or flea markets, especially if bike racks under shelter could be removable on some days. A sidewalk between the co-op and the cafe would better connect the center. Because the housing stock is modest, there may be opportunities for infill "missing middle" housing if the neighborhood is amenable.

Rogers St & Bowman Ave (Westside Co-op)

PEOPLE		
Population	2,400 (within ½ mile radius)	●
Employees	880 (within ½ mile radius)	
PLACES		
Commercial Uses	300 ft: Olympia Food Co-op, BITS Café, Olympia Food Co-op Garden Center (includes all 5 counts of desired businesses)	●
Public Attraction	West Bay Woods, West Bay Park, Garfield Nature Trail Park, Northwest Volunteer Park.	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1943 Commercial space: 8,833 sq ft	●
Public Realm Quality	Few sidewalks but adequate connectivity. Low traffic volumes support ped mobility. Traffic calming might be a possibility at key locations.	
ACCESS		
Intersection Density	¼ mi: 122 intersections per square mile ½ mi: 113 intersections per square mile	●
Pedestrian Connectivity	Modest sidewalk coverage	
Traffic Speeds & Volumes (2014)	25 mph speed limit 1,141 north-south, 1,481 east-west	
Transit	Route: 45 13 weekday daily trips	
POTENTIAL		
Zoning	Residential 4-8, Neighborhood Retail.	●
Parcel Size & Configuration	Average lot size: 7,000 sq ft (Single family ¼ - 1/8 acre)	
Land Availability	0.2 acres	
Market Strength	11,150 sq ft unmet demand in ½ mile Median income: \$79,400	
EQUITY		
Environmental Health Disparities	4	
Environmental Exposure	2	
Socioeconomic Factor	7	
People Living in Poverty	9	
People of Color	6	



Cooper Point Rd & Evergreen Park Dr



Summary

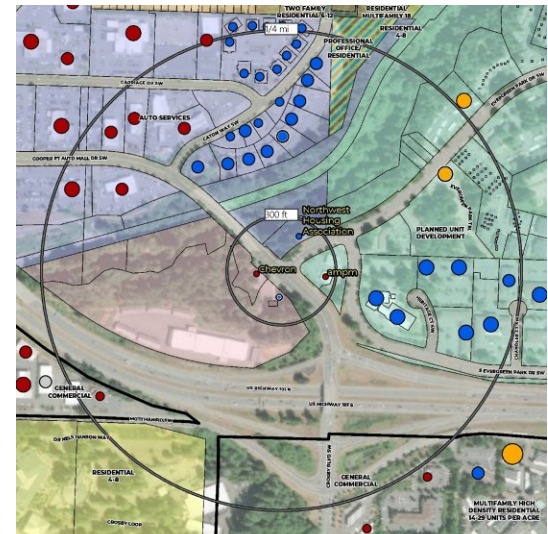
The area features very poor connectivity and focus. The area is completely fragmented by Percival Creek, arterials and the freeway. Transit access is relatively good. There are few residences in the vicinity, but a higher proportion of people live in poverty and are exposed to socioeconomic risks.

Opportunities and Next Steps

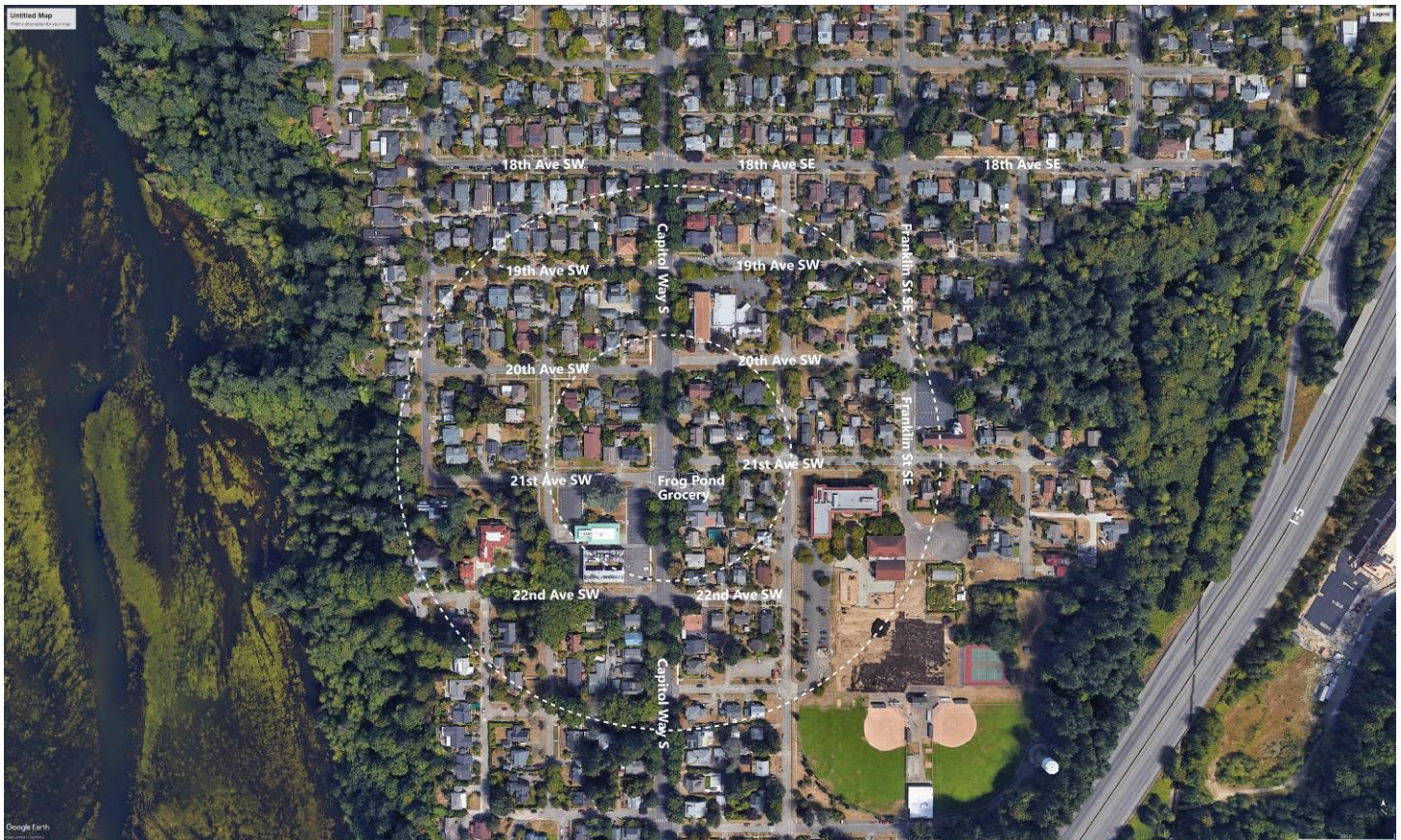
There appears to be no potential for redevelopment or enhancement of local services unless the center moves into the PUD, which has a good mix of residential and commercial and restaurants proposed. Moving the center is an option that should be explored, or consider removing from the Future Land Use map during the next Comprehensive Plan update.

Cooper Pt & Evergreen Park

PEOPLE		
Population	2,600 (within ½ mile radius)	●
Employees	2,310 (within ½ mile radius)	
PLACES		
Commercial Uses	Northwest Housing Association (home business), Chevron, Arco am-pm, self-storage facility.	●
Public Attraction	Percival Creek Falls	
PHYSICAL FORM		
Age of Building Stock	Average year built: 1996 Commercial space: 10,004 sq ft	○
Public Realm Quality	Very poor. There is no connectivity or relationship to surroundings.	
ACCESS		
Intersection Density	¼ mi: 71 intersections per square mile ½ mi: 62 intersections per square mile	●
Pedestrian Connectivity	74% sidewalk coverage	
Traffic Speeds & Volumes (2014)	25 mph speed limit 28,943 north-south, 11,973 east-west	
Transit	Routes: 12, 42, 68. 75 weekday daily trips	
POTENTIAL		
Zoning	General Commercial, Auto Services, Evergreen Park Planned Unit Development.	○
Parcel Size & Configuration	Average lot size: 111,000 sq ft Highly variable and irregular	
Land Availability	0.5 acres	
Market Strength	13,350 sq ft unmet demand in ½ mile Median income: \$46,600	
EQUITY		
Environmental Health Disparities	6	
Environmental Exposure	6	
Socioeconomic Factor	8	
People Living in Poverty	9	
People of Color	6	



Capitol Way (Frog Pond)








Summary

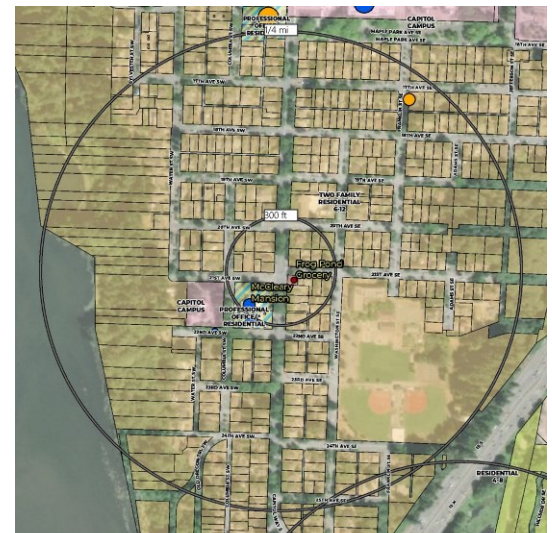
The Frog Pond is a beloved convenience store in an affluent and close-in neighborhood with an excellent pedestrian environment. There is a waxing studio, attorney, bakery, dental office and other services across Capitol Way S. Additionally, a school with playing fields provides recreational opportunities a block to the west.

Opportunities and Next Steps

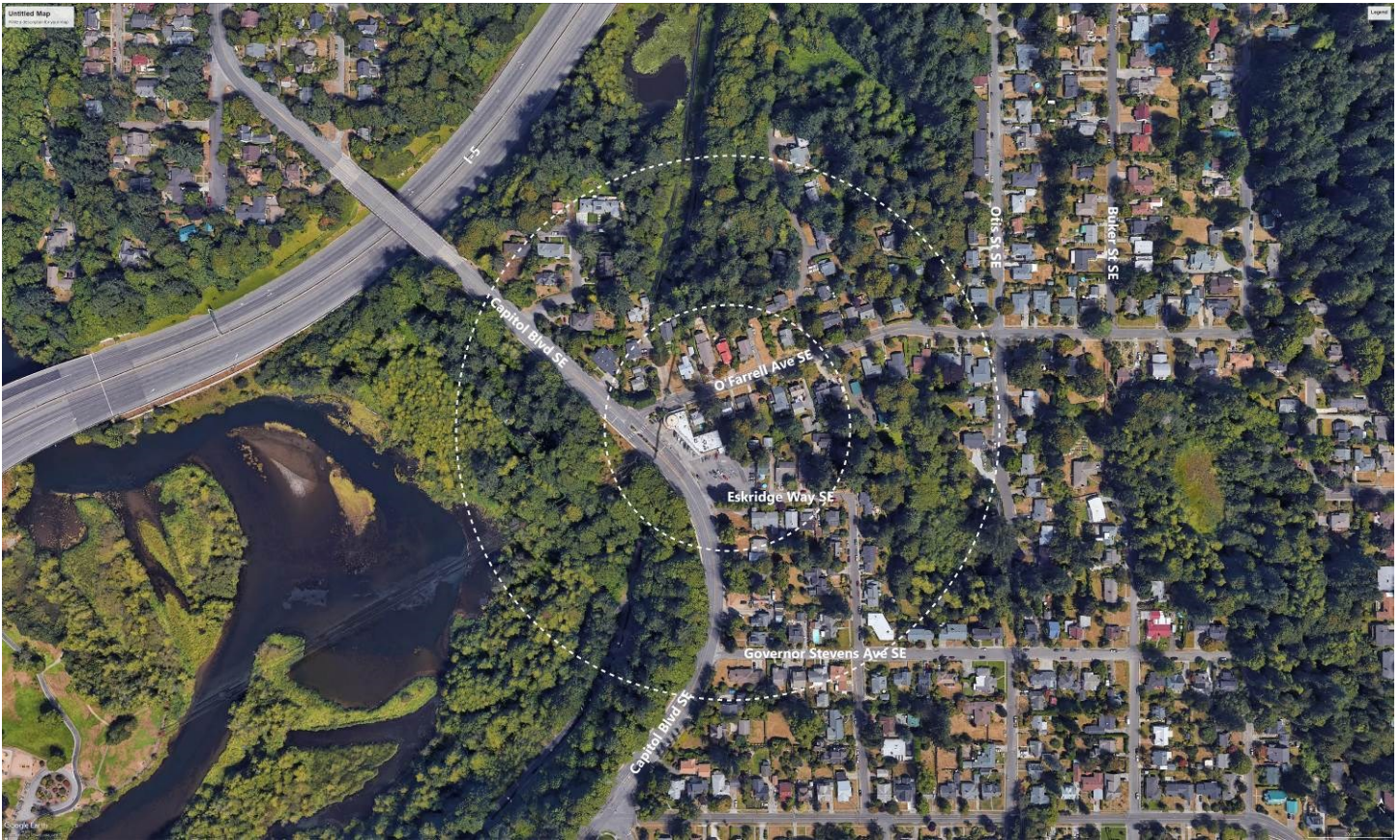
Frog Pond is one of several pre-WWII centers to review for City actions that could assist small businesses (facilitating waste management, removal of administrative constraints and permitting obstacles, etc.).

Capitol Way (Frog Pond)

PEOPLE		
Population	1,700 (within ½ mile radius)	
Employees	4,390 (within ½ mile radius)	
PLACES		
Commercial Uses	Frog Pond Grocery Store, McCleary Mansion (offices, salon and bakery). (1 grocery store)	
Public Attraction	Lincoln Elementary, Stevens Field, Capitol Campus, St. John's Episcopal Church.	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1929 Commercial space: 7,565 sq ft	
Public Realm Quality	Traditional SF neighborhood. Mostly complete sidewalk grid with trees and front yards.	
ACCESS		
Intersection Density	¼ mi: 199 intersections per square mile ½ mi: 84 intersections per square mile	
Pedestrian Connectivity	99.8% sidewalk coverage	
Traffic Speeds & Volumes (2014)	25 mph speed limit 13,136 north-south, 151 east-west	
Transit	Route: 13 29 weekday daily trips	
POTENTIAL		
Zoning	Two Family Residential 6-12, Professional Office / Residential Multifamily, Neighborhood Retail.	
Parcel Size & Configuration	Average lot size: 7,000 sq ft (approx. 1/8 ac parcels)	
Land Availability	0.2 acres None	
Market Strength	90,700 sq ft unmet demand in ½ mile Median income: \$90,700	
EQUITY		
Environmental Health Disparities	4	
Environmental Exposure	5	
Socioeconomic Factor	5	
People Living in Poverty	8	
People of Color	3	



O'Farrell Ave & Capitol Way (Wildwood Center)



Summary

This is a “high quality” automobile-oriented stop on Capitol Blvd for convenience grocery and food. There is no real expansion opportunity, however. A forested hillside and wetland system associated with the Deschutes River is to the west of Capital Boulevard. There is a more substantial commercial node south on Capitol Blvd. Access into a residential neighborhood is limited, although the demographic figures show nearly 2,000 residents within ½ mile.

Opportunities and Next Steps

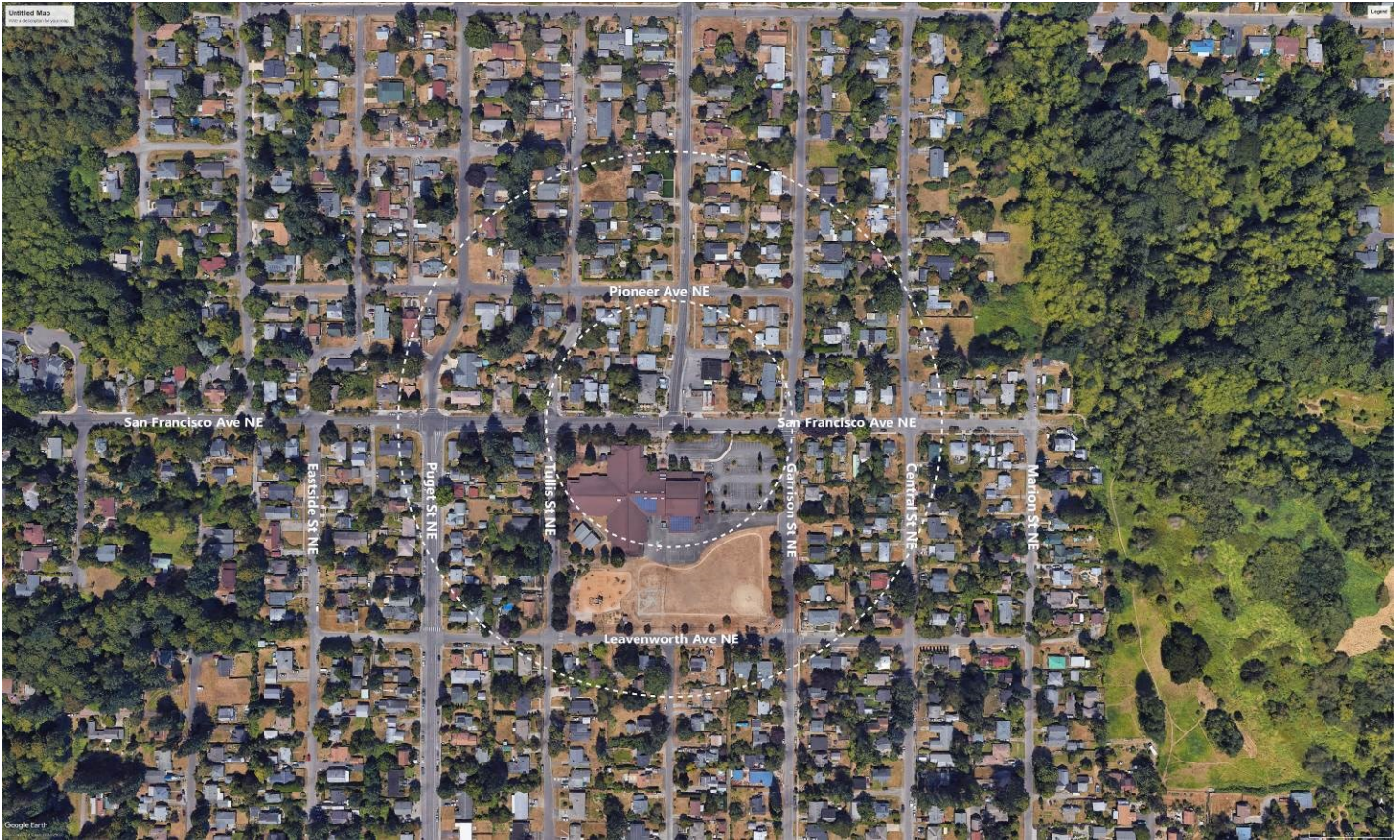
There is little room for expansion, but the City and City of Tumwater might think about this section of the Capitol Blvd corridor and how to enhance both the corridor and surrounding neighborhoods in this transition between the two cities. A bike facility between Tumwater and Olympia would be desirable. The mix of businesses and orientation might be a good model for some of the more suburban/arterial sites (e.g., Kellerman’s Korner and Fones).

O'Farrell & Capitol (Wildwood Center)

PEOPLE		
Population	1,900 (within ½ mile radius)	●
Employees	1,020 (within ½ mile radius)	
PLACES		
Commercial Uses	Vic's Pizzeria, Olympia Coffee Roasting, Spud's Produce Market (3 counts of desired businesses). Most business is by auto.	●
Public Attraction	Trillium Park, Tumwater Historical Park, Tumwater Historical Park.	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1934 Commercial space: 7,844 sq ft	●
Public Realm Quality	Capitol Blvd is attractive with median and woodlands. Side streets lack sidewalks.	
ACCESS		
Intersection Density	¼ mi: 71 intersections per square mile ½ mi: 73 intersections per square mile	●
Pedestrian Connectivity	89.9% sidewalk coverage, Few adjacent connections to residential area.	
Traffic Speeds & Volumes (2014)	25 mph speed limit. 12,592 north-south, 1,382 east-west.	
Transit	Route: 13 29 weekday daily trips	
POTENTIAL		
Zoning	Residential 4-8, Neighborhood Retail.	○
Parcel Size & Configuration	Average lot size: 11,000 sq ft (Mixed 1/8 – ¼ acre residential lots)	
Land Availability	1.4 acres	
Market Strength	12,250 sq ft unmet demand in ½ mile Median income: \$84,700	
EQUITY		
Environmental Health Disparities	4	
Environmental Exposure	6	
Socioeconomic Factor	1	
People Living in Poverty	3	
People of Color	3	



San Francisco Ave & Bethel St (San Francisco Street Bakery)



Summary

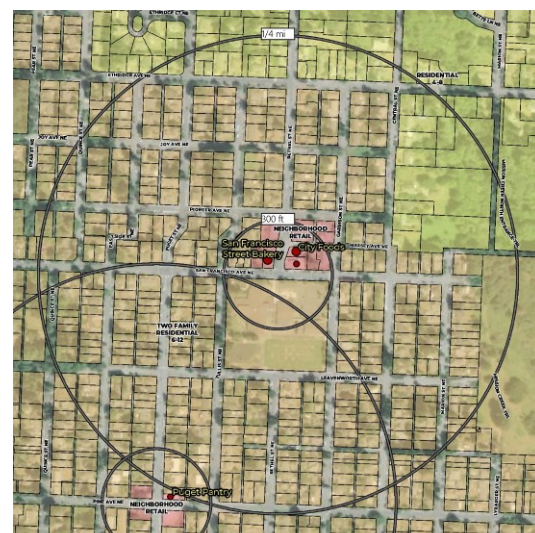
The bakery is a big draw and the elementary school increases activity. The corner convenience store is older and in need of maintenance, and the abandoned gas station will require environmental cleanup. Surrounding neighborhood can provide some commercial market potential because of the neighborhood's isolation. There is an excellent street grid and pedestrian network.

Opportunities and Next Steps

There has been considerable interest in developing the east side of Bethel St NE (convenience store and gas station), but the challenges of toxic clean-up and unwilling seller of the convenience store has hindered efforts. There is also the potential of a larger development on ½ or all of the block. This center warrants further study. One option is to explore whether or not the community might welcome mixed use development on ½ or all of the block. Brownfield clean-up funds might be able to assist in the development of the former gas station site. The City might also identify pedestrian and bicycle connectivity improvements.

San Francisco Street Bakery

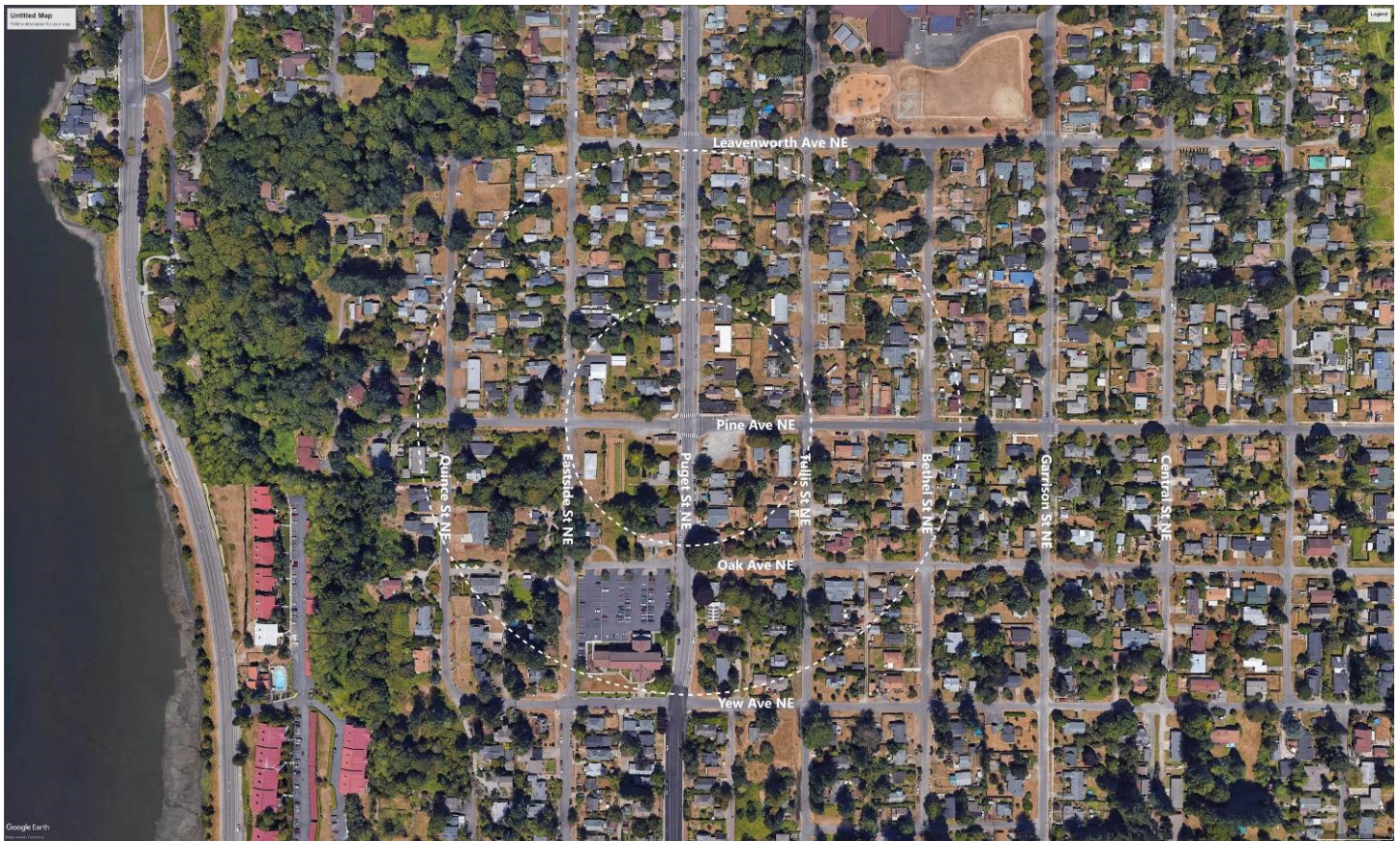
PEOPLE		
Population	3,000 (within ½ mile radius)	●
Employees	960 (within ½ mile radius)	
PLACES		
Commercial Uses	San Francisco Street Bakery, City Foods (convenience store). (4 counts of desired business)	●
Public Attraction	Mission Creek Nature Park, Elementary School, and the bakery courtyard.	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1978 Commercial space: 7,346 sq ft	●
Public Realm Quality	High quality streetscapes in some areas but sidewalk grid is incomplete.	
ACCESS		
Intersection Density	¼ mi: 189 intersections per square mile ½ mi: 138 intersections per square mile	●
Pedestrian Connectivity	83.5% sidewalk coverage	
Traffic Speeds & Volumes (2014)	25 mph speed limit 3,448 north-south, 4,076 east-west	
Transit	Route: 21 15 weekday daily trips	
POTENTIAL		
Zoning	Single Family Residential 4 – 8, Two Family Residential 6-12, Neighborhood Retail.	●
Parcel Size & Configuration	Average lot size: 22,000 sq ft (1/8 – ¼ ac parcels in traditional grid pattern)	
Land Availability	None	
Market Strength	13,550 sq ft unmet demand in ½ mile Median income: \$76,500	
EQUITY		
Environmental Health Disparities	2	
Environmental Exposure	5	
Socioeconomic Factor	3	
People Living in Poverty	5	
People of Color	4	



- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later



Puget St & Pine Ave (Puget Pantry)



Summary

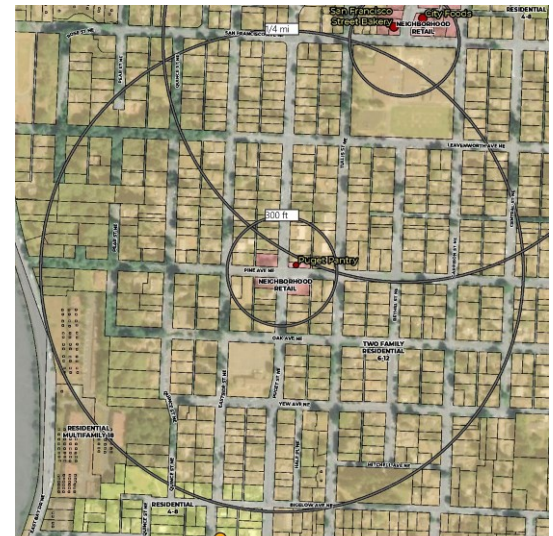
This center is a small corner grocery and a few small live/work businesses in a modest, traditional, single-family neighborhood. There are some larger residential parcels in the neighborhood. A small “community center” run by a local church is located across Puget Street.

Opportunities and Next Steps

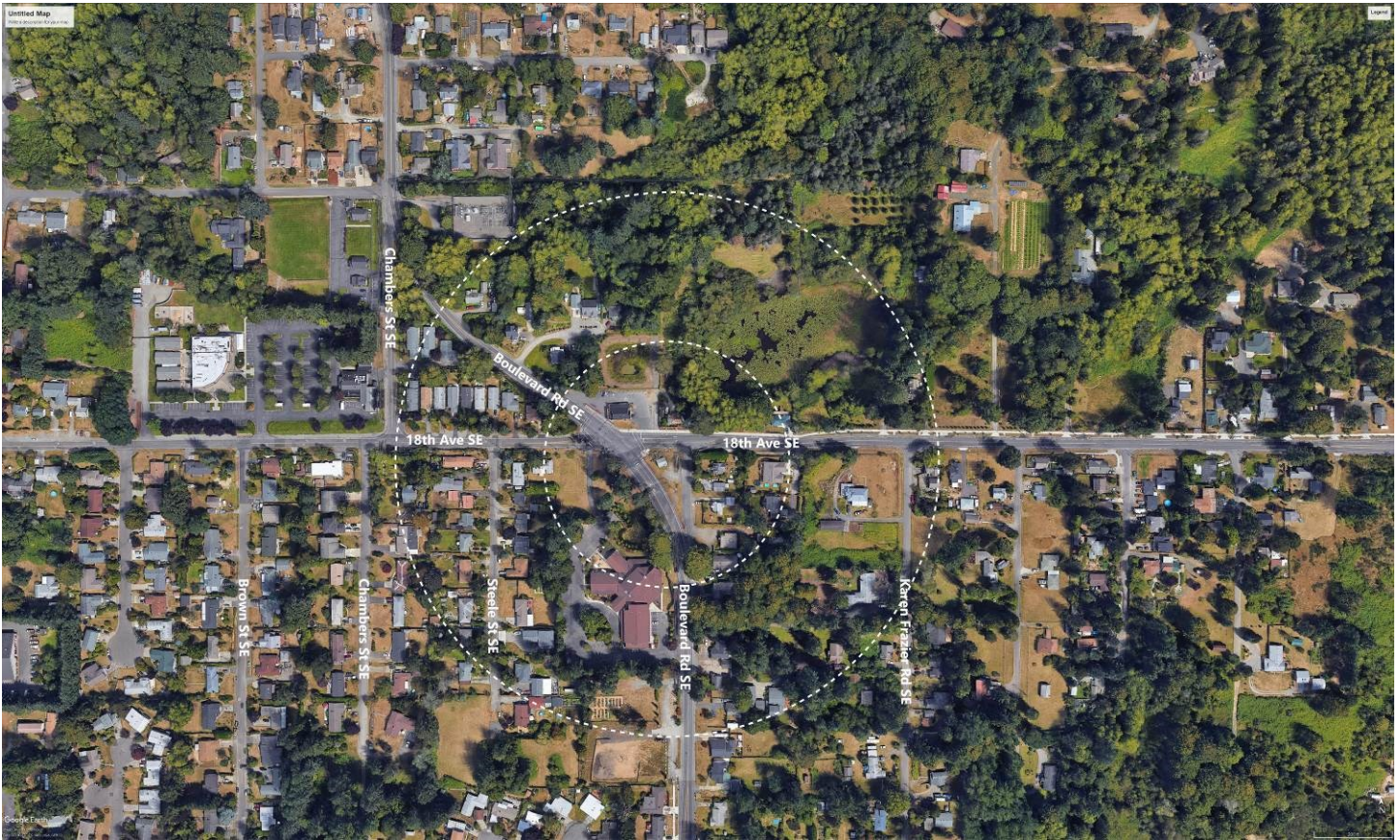
There is a development opportunity on the Neighborhood Residential-zoned parking lot directly south of the Pantry on Pine Ave NE. If development is not an option on the lot, maybe there are ways to encourage pop-ups or vegetable stands there. The owner has been interested in expansion of the grocery, but there were too many code hurdles. It also seems like there are some entrepreneurial activities in the neighborhood. This might be a good case study to identify what can be done to remove code and other barriers to small businesses. A next step might be to check again with the business owner if there are ways to foster business activities enough to add uses and new development. The team could explore what measures are needed to allow live/work or residential businesses. The larger neighborhood seems ripe for enhancement (or gentrification/displacement).

Puget & Pine (Puget Pantry)

PEOPLE		
Population	3,400 (within ½ mile radius)	●
Employees	1,160 (within ½ mile radius)	
PLACES		
Commercial Uses	Puget Pantry (convenience store) (1 count of desired business). There appears to be other informal commercial uses nearby, bicycle shop, and clothing store.	●
Public Attraction	Bigelow Park, Bigelow House Museum, 7 th Day Adventist Church.	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1946 Commercial space: 2,489 sq ft	●
Public Realm Quality	Incomplete sidewalk grid. This is an older neighborhood of modest houses with few streetscape amenities.	
ACCESS		
Intersection Density	¼ mi: 189 intersections per square mile ½ mi: 154 intersections per square mile	●
Pedestrian Connectivity	87.5% sidewalk coverage	
Traffic Speeds & Volumes (2014)	25 mph speed limit 4,747 north-south, 780 east-west	
Transit	Route: 21 15 weekday daily trips	
POTENTIAL		
Zoning	Two Family Residential 6-12, Neighborhood Retail.	●
Parcel Size & Configuration	Average lot size: 7,200 sq ft (1/4 -1/8 acre lots in a traditional grid block pattern)	
Land Availability	None except the vacant parking lot	
Market Strength	15,000 sq ft unmet demand in ½ mile Median income: \$67,100	
EQUITY		
Environmental Health Disparities	2	
Environmental Exposure	5	
Socioeconomic Factor	3	
People Living in Poverty	5	
People of Color	4	



Boulevard Rd & 18th Ave (Pit Stop)



Summary

This center consists of a convenience store at an irregular arterial intersection. Pedestrian and vehicle movement at this intersection are difficult. Heavy traffic provides market potential but limits access. The church appears to own property across the intersection from the Pit Stop but access to it will be challenging unless the intersection or the church development is reconfigured. An oblong round-about is planned but pedestrian connections will still be difficult.

Opportunities and Next Steps

Because expansion opportunities and access are limited, this location as a future neighborhood center should be removed from the Future Land Use Map during the next Comprehensive Plan update.

Boulevard & 18th (Pit Stop)

PEOPLE		
Population	2,500 (within ½ mile radius)	●
Employees	980 (within ½ mile radius)	
PLACES		
Commercial Uses	Pit Stop Market, Realm Salon, Olympia Dental Lab, Build a Bike (temporarily closed) (1 convenience store remaining)	●
Public Attraction	None	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1976 Commercial space: 10,840 sq ft	●
Public Realm Quality	Attractive semi-rural arterial streetscapes. Poor pedestrian connections.	
ACCESS		
Intersection Density	¼ mi: 87 intersections per square mile ½ mi: 88 intersections per square mile	○
Pedestrian Connectivity	9.9% sidewalk coverage Very poor	
Traffic Speeds & Volumes (2014)	25 mph speed limit 8,068 north-south, 6,482 east-west	
Transit	Route: 64 14 weekday daily trips	
POTENTIAL		
Zoning	Two Family Residential 6-12, Residential 4-8, Neighborhood Retail	○
Parcel Size & Configuration	Average lot size: 40,000 sq ft (w/in 300' - broken and irregular. Neighboring residential areas – ¼ ac lots.)	
Land Availability	1.5 acres	
Market Strength	13,700 sq ft unmet demand in ½ mile Median income: \$86,400	
EQUITY		
Environmental Health Disparities	2	
Environmental Exposure	6	
Socioeconomic Factor	5	
People Living in Poverty	3	
People of Color	5	



Fones Rd & 18th Ave



Summary

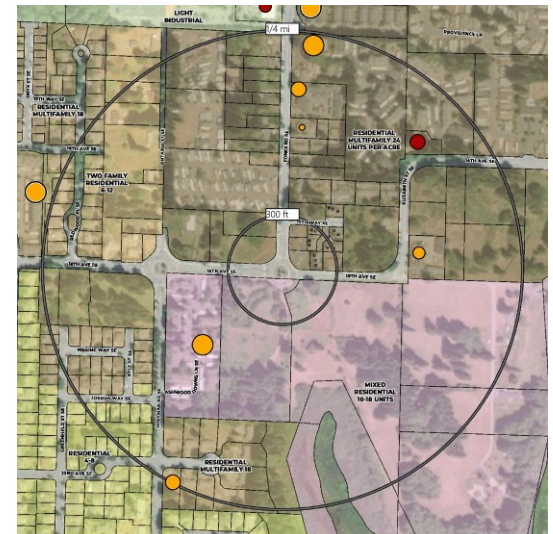
The Fones Rd center is approximately ½+ mile from a large, full-service shopping complex along Pacific Ave SW. Development south of 18th Ave SE is constrained by Chambers Lake and associated wetlands. One potential redevelopment site is at the corner of 18th Ave SE and Fones Rd SE, and another vacant parcel is one block to the east. There is a mix of single family, multi family, and mobile home park residences within ¼ mile. Sidewalks are often missing. Some streets (e.g., Ontario St SE) are lined with large trees. None of the potential sites for a commercial center are currently zoned commercial. There is the potential for a park in the wet area near Chambers Lake. There is a \$17 million project to improve Fones Rd to north where there are sites for commercial redevelopment. Property to the south is a storm water facility.

Opportunities and Next Steps

It is difficult to determine the potential at the Fones Rd and 18th Ave site because of several positive and negative factors. The current 15,000 Average Weekly Daily Traffic (AWDT) volume is sufficient to support a neighborhood center if other conditions are favorable. There appears to be sufficient market demand, and a potential site is available. Storm water is a concern in the area. The local population should have better multi-modal transportation options. Constraints to a viable market include the commercial complex to the north and the lack of existing or potential residences to the south and east. The status of this center should be considered in the Comprehensive Plan update because of the proximity of a viable commercial center to the north and the proposed infrastructure improvements.

Fones & 18th

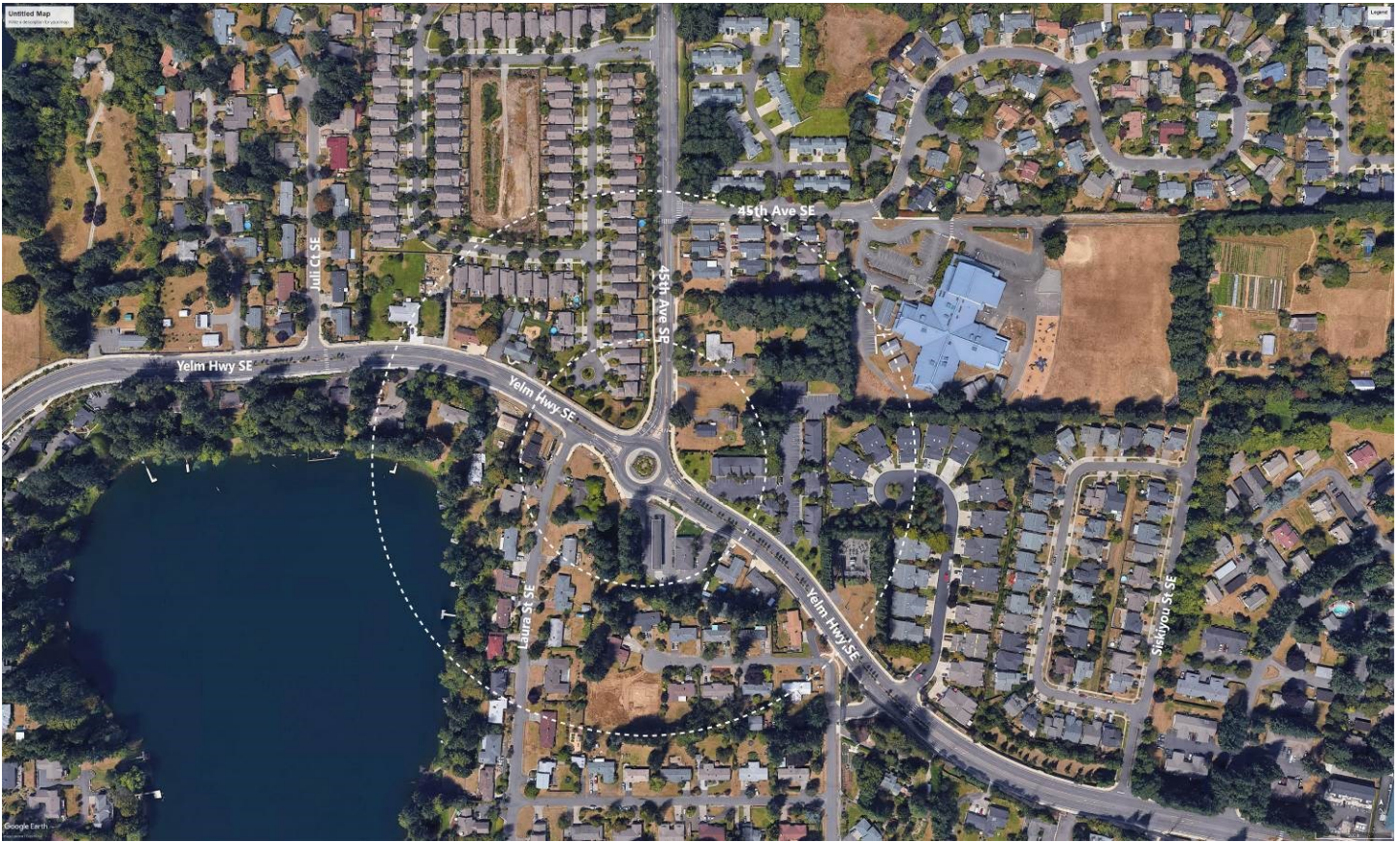
PEOPLE		
Population	3,300 (within ½ mile radius)	●
Employees	1,080 (within ½ mile radius)	
PLACES		
Commercial Uses	(0 count of desired business) ½ mile: Tri City Meats, Home Depot, Sherwin Williams, and light industrial.	●
Public Attraction	City Kids Child Daycare, Chambers Lake Trailhead Park, boat launch, Chehalis Western Trail, Margaret McKenny Park.	
PHYSICAL FORM		
Age of Building Stock	Average year built: 1978 Commercial space: 0	●
Public Realm Quality	Pleasant suburban qualities but poor pedestrian connectivity.	
ACCESS		
Intersection Density	¼ mi: 71 intersections per square mile ½ mi: 65 intersections per square mile	●
Pedestrian Connectivity	72.5% sidewalk coverage	
Traffic Speeds & Volumes (2014)	30 mph speed limit 12,913 north-south, 15,663 east-west	
Transit	Route: 64 14 weekday daily trips	
POTENTIAL		
Zoning	Mixed Residential 10-18 Units, Residential Multifamily 24 Units Per Acre.	●
Parcel Size & Configuration	Average lot size: 43,000 sq ft (Mixed – 1/8 – ¼ acres residential lot. Two vacant lots @ 1.5 ac ad 1.0 ac)	
Land Availability	4.4 acres	
Market Strength	12,950 sq ft unmet demand in ½ mile Median income: \$63,100	
EQUITY		
Environmental Health Disparities	3.5	
Environmental Exposure	5.5	
Socioeconomic Factor	6.5	
People Living in Poverty	5.5	
People of Color	5.75	



- 2,500 Square Feet or Less
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- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
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- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later



Boulevard Rd & Yelm Highway (Victoria Square)



Summary

This center is located within Olympia's Urban Growth Area, and may someday be annexed. Current commercial activities consist of an AM/PM minimart-gas station and a small professional office cluster. There is an elementary school to the northeast, but it is physically separated from the center. There is very little opportunity for development except for some larger residential parcels with large gardens (approximately $\frac{3}{4}$ to 1 ac) on the east side of Boulevard. These parcels and other areas surrounding the center are R 4-8 or R 6-12. The physical context is attractive, but pedestrian infrastructure is lacking in the surrounding area. There is a large commercial cluster about 2 miles to the east and Briggs Village is less than a mile to the west.

Opportunities and Next steps

There are few development or expansion opportunities. A few sites on the east side of Boulevard with gardens/veggie markets just north of the intersection of Yelm Highway and Boulevard Road might provide opportunities for small businesses. The professional office court at the northeast corner of the round-about seems stable. Given the lack of available land area and poor connectivity, consider removing from the Future Land Use map during the next Comprehensive Plan update.

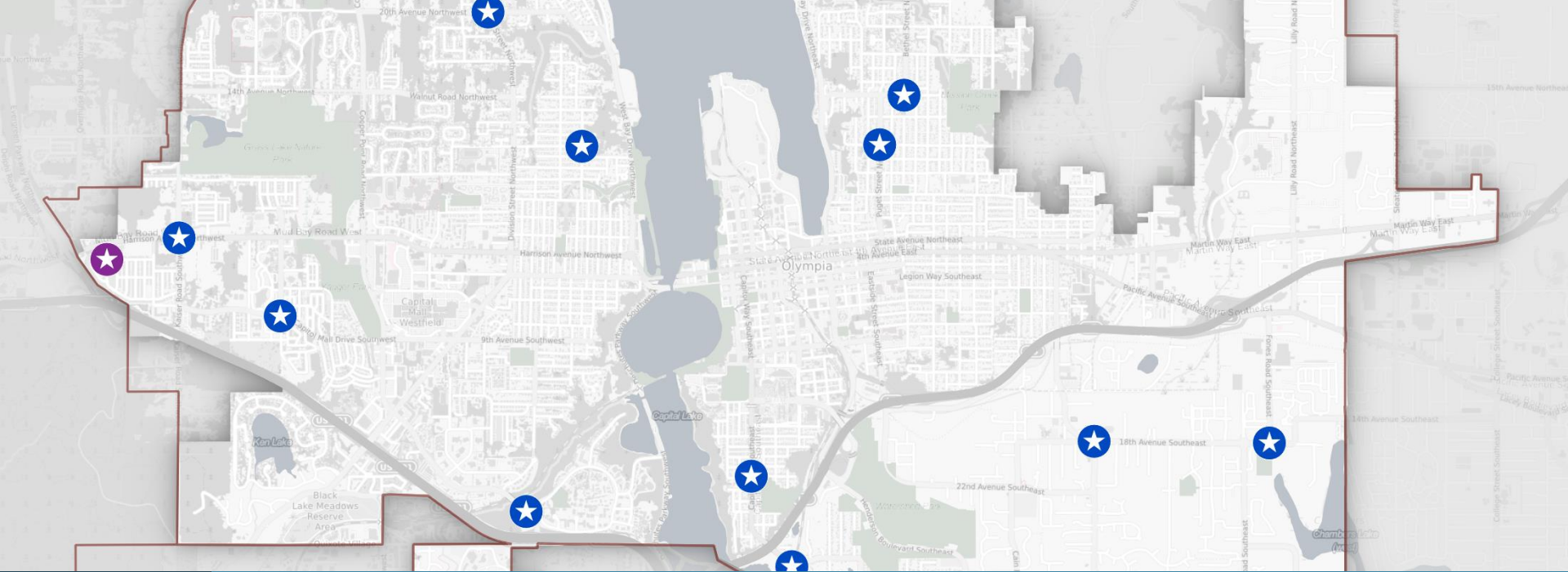
Boulevard & Yelm Highway (Victoria Square)

PEOPLE		
Population	3,200 (within ½ mile radius)	●
Employees	1,110 (within ½ mile radius)	
PLACES		
Commercial Uses	Olympia Smiles Family Dentistry, Arco am-pm (1 food store)	●
Public Attraction	Olympia Dog Park, LBA Bike Trails	
PHYSICAL FORM		
Age of Building Stock and Size	Average year built: 1983 Commercial space: 3,989 sq ft	○
Public Realm Quality	Pleasant suburban arterials but poor-quality pedestrian connections.	
ACCESS		
Intersection Density	¼ mi: 92 intersections per square mile ½ mi: 78 intersections per square mile	●
Pedestrian Connectivity	2.1% sidewalk coverage	
Traffic Speeds & Volumes (2014)	35 mph speed limit 8,075 north-south, 25,559 east-west	
Transit	Route: 68 30 weekday daily trips	
POTENTIAL		
Zoning	Neighborhood Retail, Residential 4-8, Two Family Residential 6-12.	○
Parcel Size & Configuration	Average lot size: 25,000 sq ft (1/8 – 1/4- acre lots within a curvilinear and disconnected street system)	
Land Availability	21.6 acres	
Market Strength	18,800 sq ft unmet demand in ½ mile Median income: \$90,600	
EQUITY		
Environmental Health Disparities	1	
Environmental Exposure	3	
Socioeconomic Factor	4	
People Living in Poverty	4	
People of Color	5	



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OLYMPIA NEIGHBORHOOD CENTERS STRATEGY

Market Analysis

PREPARED
FOR



PREPARED BY

 LELAND CONSULTING GROUP

JULY 2022

Introduction

This Market Analysis report has been completed as a part of the City of Olympia's Neighborhood Centers Strategy.

Based on input from the community, the City's Community Planning and Development Department is guiding the strategy. MAKERS Architecture and Urban Design is the lead consultant for the project. Leland Consulting Group ("LCG" or "Leland") are supporting the City and MAKERS and are the authors of this report. LCG is an urban planning and real estate development consulting firm based founded in 1989 and based in Portland, Oregon. Since the firm's founding, we have been focused on planning for places that respond to communities' visions and public policy goals, and are based on a realistic assessment of market demand, regulation, development finance, and other aspects of development feasibility.

Purpose. The purpose of this market analysis is to summarize the community's vision for its Neighborhood Centers (which was articulated during the last Comprehensive Plan periodic update along with the location of those centers; assess the current success of the centers based on the vision; forecast future opportunities and potential to enhance the centers; and recommend strategies that can improve the centers and bring them into greater alignment with the vision.

This market analysis complements the Neighborhood Center Profiles prepared by MAKERS, which provides a more detailed physical analysis of each center. The MAKERS/Leland team will be developing more thorough centers implementation recommendations at a later stage in this process, following more engagement with the community during 2022.

The report is organized into the sections shown at right.

Contents

- Neighborhood Centers: Context and Community Vision
- Assessing Current Success
- Forecasting Future Potential and Need

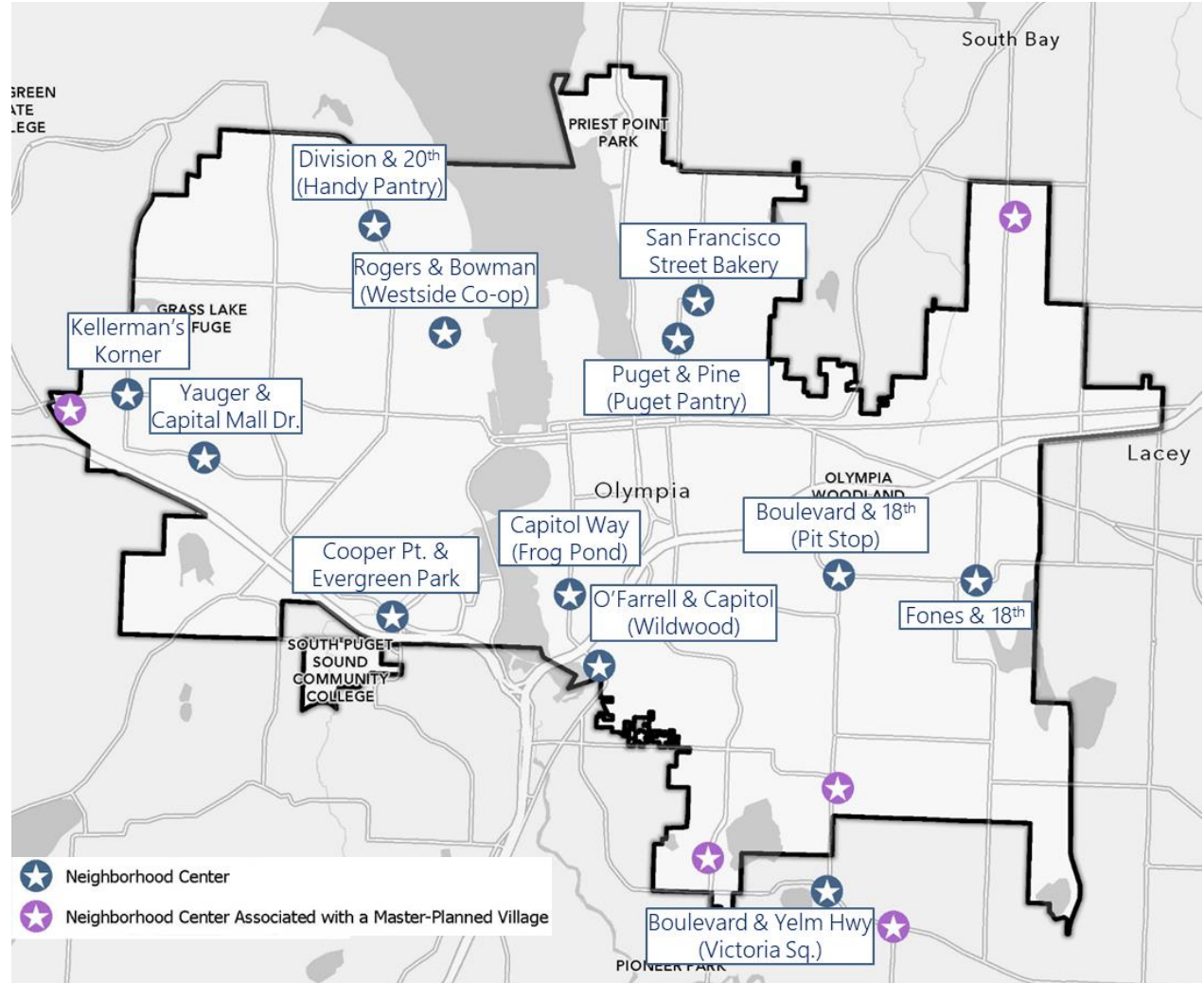
Neighborhood Centers: Context and Community Vision

Location of the Centers

The map at right shows the 17 general center locations identified in Olympia's Comprehensive Plan.

The focus of this analysis is on the 12 centers shown in blue.

We do not evaluate the centers associated with a master-planned village (shown in purple at right), as these villages all have approved master plans.



The Centers Vision

Despite long-held goals to encourage neighborhood centers, they have not manifested as envisioned over the past 20 years. Following the last periodic update of the Comprehensive plan (adopted in 2014), The Olympia Planning Commission (OPC) wanted to find out why this was the case and help create a successful path to achieving this important community goal. (See [City web site](#) for more information.)

During 2014, the City worked to gather input about the public's desires as well as barriers to neighborhood center development. The City launched an online questionnaire and received 668 responses. Staff also interviewed 13 business owners and 8 property owners who have operated a business or designed or developed a neighborhood center in Olympia. The results of this early work can be found in the appendices.

The centers vision, shown below, is critical to this analysis. It indicates what the community would like neighborhood centers to be, and therefore becomes the yardstick against which we measure “success,” and towards which City policies, investments, and implementation actions should be directed. This is not the only possible vision—for example, a “center” could also be construed as a park or school.

Current Neighborhood Centers Vision:

Neighborhood Centers are small walk- and transit-friendly activity clusters within neighborhoods that serve the day-to-day retail and service needs of local residents and foster community interaction.

Based on community stakeholder interviews and analysis conducted for this report, it seems that the 2014 vision resonates with current Olympia residents and business owners. However, LCG recommends that the City consider potential modifications to the vision, shown below. These modifications represent only a few among many ways that the vision could be adjusted. In LCG's view, these modifications help to address that the current vision is focused on commercial providers of goods and services, whereas a number of other activities or destinations (e.g., parks, schools, libraries, etc.) could be key parts of centers and complete neighborhoods; that diverse housing options are an important use in centers and surrounding neighborhoods; and that it is unlikely that **all** of residents' retail and service needs will be met in neighborhood centers. I.e., residents may need to travel elsewhere for some services. A complete neighborhoods approach is likely to succeed to different degrees in different neighborhoods.

Considerations for a Future Vision:

Neighborhood Centers are small
walk- and transit-friendly activity clusters
within **complete** neighborhoods that

serve **some of** the day-to-day retail and service needs of local residents and foster community interaction.

Complete or “15-minute” neighborhoods may also offer neighborhood-scale parks, schools, libraries, diverse housing options, employment, healthcare, farmers markets, food trucks, community gardens, and other amenities.

Elements of the Centers Vision

For the purposes of simplifying and testing the vision, LCG “boiled down” the community’s vision for centers to the following key elements. Successful centers:

1. Serve day to day retail and service needs, via the most desired businesses shown below.
2. Are walk- and transit-friendly
3. Are small-scale
4. Are located within complete neighborhoods, and,
5. Foster community interaction

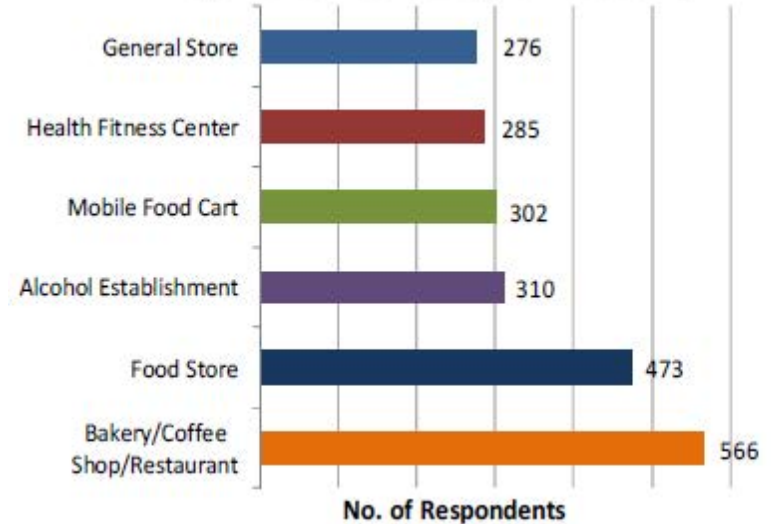
Whereas the first four elements or criteria can be quantified, it is difficult to quantify and test the fifth criteria—fosters community interaction. This criteria is more subjective. We assume that centers that successfully meet the first four criteria also meet the fifth criteria.

Most Desired Businesses

During 2014, the City asked residents what type of businesses they would most like to see in centers. The most desired business are shown below. LCG separated the “food store” concept into two categories—a small corner store or convenience store, and a larger grocery store. The most desired amenities are also shown at right.

- Bakery
- Coffee Shop
- Restaurant
- Food Store (e.g., corner store or convenience store)
- Grocery Store

Top Desired Businesses (from selection)



Top Desired Amenities (from selection)



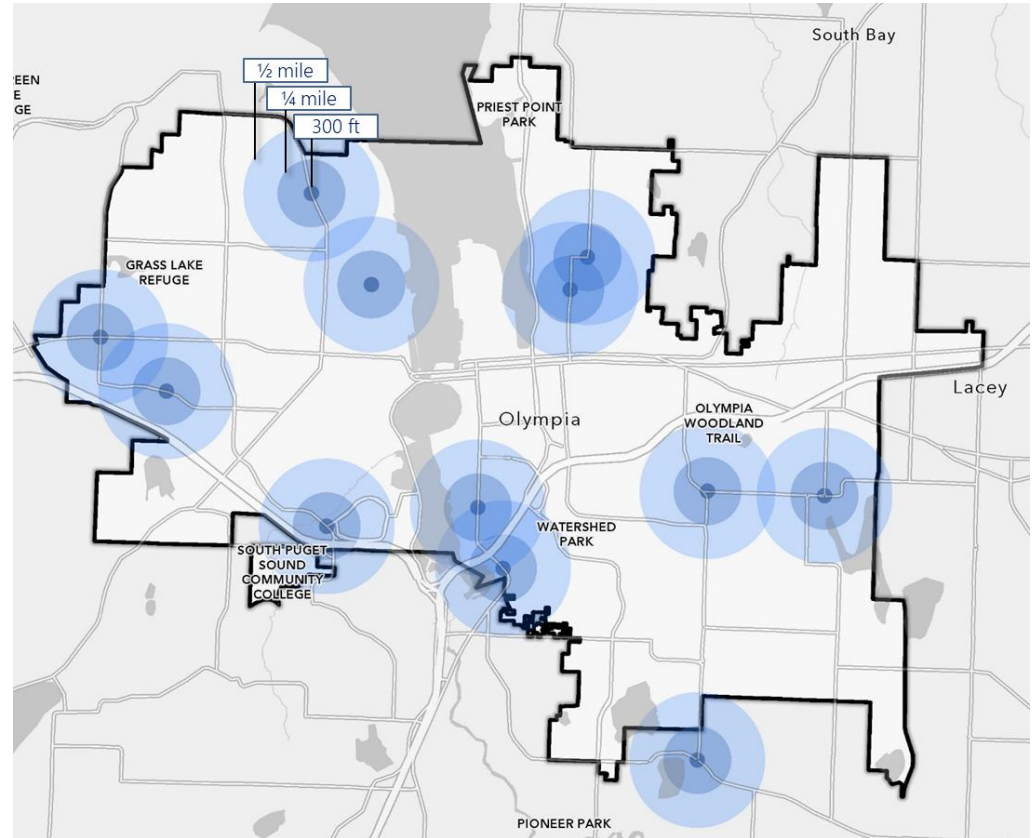
The Scale of Centers

The 12 neighborhood centers are shown at right, along with three key geographical areas that are referred to elsewhere in this report.

Neighborhood Center Core: 300-Foot Radius.

Neighborhood Center Core: 300-Foot Radius. The smallest area we evaluate in this report is the core or heart of the neighborhood center—a 300-foot radius circle (or 600-foot diameter) with its center point located at the intersection identified by the Comprehensive Plan. This area is about two Olympia blocks in length and is the part of the center where most commercial services and other activities and destinations (e.g., library, farmers market) should be concentrated.

In LCG's experience, 400 to 600 linear feet provides enough space to accommodate multiple commercial buildings and tenants, most public events (e.g., festivals), and to create a "place." It is an area around which visitors can easily do a "circuit" in 5 to 20 minutes, even if they walk slowly or have a stroller. Centers that are longer than this run the risk of feeling too long, or having "missing teeth"—properties that are vacant or non-commercial, and therefore can discourage visitors from continuing their circuit.



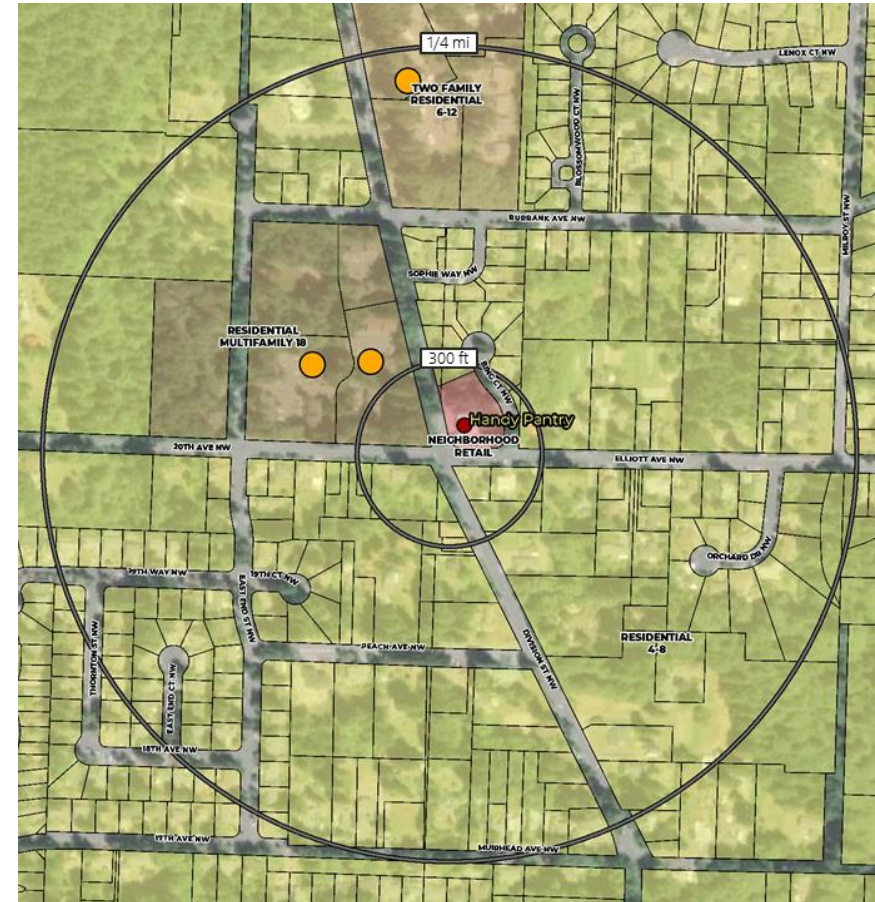
While most of Olympia's Centers are smaller than 600 feet in length, this distance can potentially accommodate tens of thousands of square feet of commercial space, and two blocks or four "block-faces" of commercial space. For example, the most vibrant part of Portland's Belmont neighborhood (between SE 33rd and 35th Avenues) is just one block (330 feet) long, though additional commercial businesses do extend beyond this core. <https://www.belmontdistrict.org/district-map>

The Scale of Centers

A Five-Minute Walk: 1/4 Mile. The next largest area, shown at right and on the preceding page, is a 1/4 mile (or 1,320 feet) radius. The Division & 20th (Handy Pantry) center is shown at right. This is about that distance that people can walk in five minutes. Thus, it can be considered a small, five-minute walkable “market area.” A market area is an area that residents, employees, and others come from in order to shop or patronize establishments in the neighborhood center core.

Primary Pedestrian Market Area: 1/2 Mile. The third geographical area referred to most commonly in this report is the 1/2 mile radius (2,640 feet) from the center intersection. This represents about a 10-minute walk from edge to center—a distance that many people are willing to walk for goods and services. A premise when initiating this report is that this area represents the “primary pedestrian market area” or simply “primary market area” where residents and employees are located who generate the primary support for businesses in the core of the center. This can also be thought of as one definition of the “neighborhood” that supports each center. Commercial businesses often evaluate the demographics (e.g., number of residents and employees, population growth rate, size of households, age, education, disposable income) within market areas to assess whether there is demand for current and additional commercial establishments.

Some businesses are also assumed to draw from larger market areas. For example, grocery stores are thought to rely on support from shoppers from one to three miles away. Downtowns and regional malls draw shoppers from many miles. However, these larger commercial clusters are not the focus of this analysis.



Centers in Context

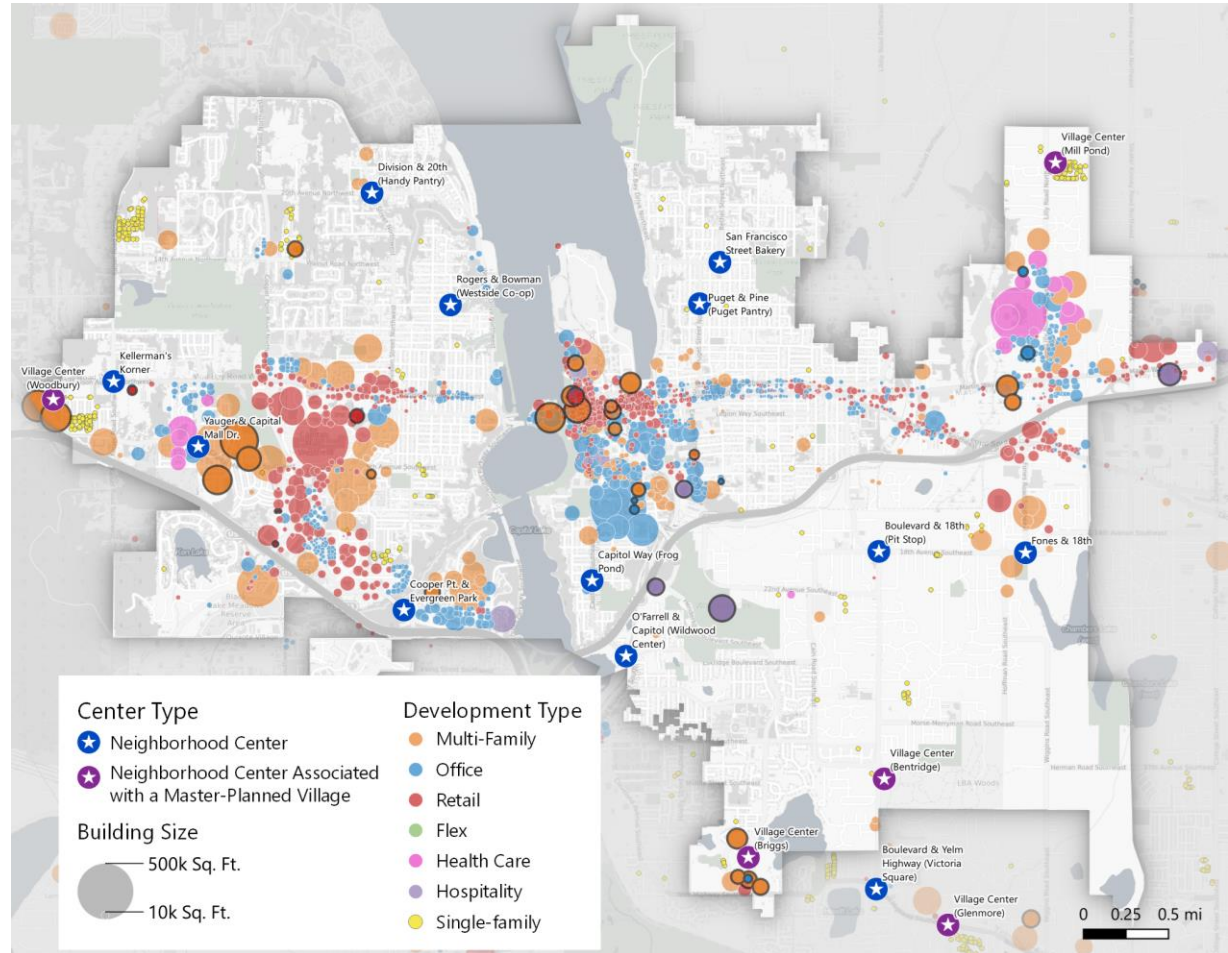
The map at right shows all 17 centers within the context of multifamily (rental apartment), office, retail/commercial, healthcare, hospitality (hotel/lodging), and recent single family housing development.

Individual projects are shown as circles—the larger the circle, the bigger the build size. Recent projects (built within the last decade) are shown with black outlines.

This map can help community stakeholders to understand the differences in land uses that surround one center versus another.

For example, the City's largest cluster of office employment is located just north of the Capitol Way/Frog Pond center—representing a significant base of employees that could shop there.

The Yaeger & Capital Mall Drive center is located near a cluster of health care and recent multifamily development, but is also very close to the city's largest cluster of retail/commercial development in the Capital Mall Triangle area—a major source of competition.



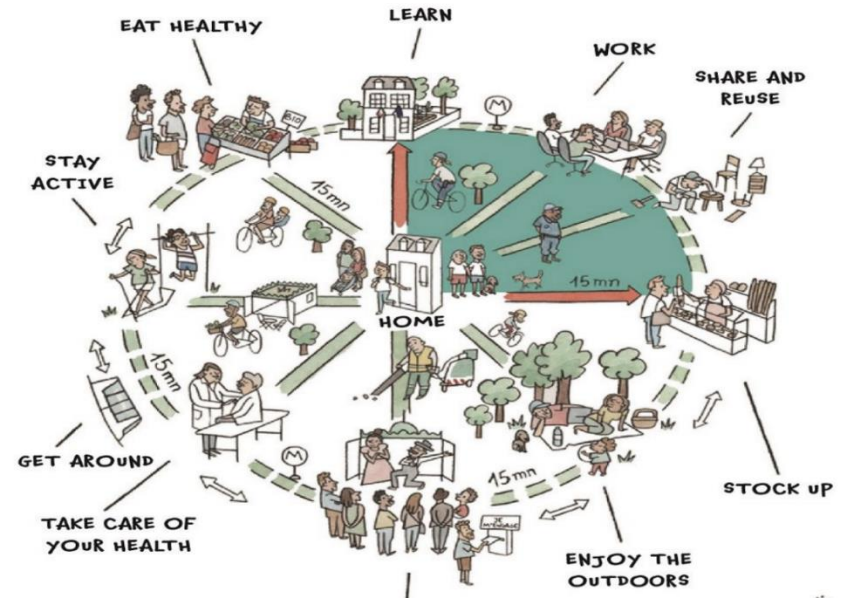
The 15-Minute City

The Covid-19 pandemic has impacted the nation's health, lifestyles, and real estate development patterns in a variety of ways. It has changed how our expectations for residential, retail, office, and other real estate. And its ultimate impacts are still unknown.

While Covid has negatively impacted some types of real estate—for example, corporate office buildings—it seems to be strengthening people's interest in neighborhood centers and neighborhood-scale commercial space in general. Equally importantly, the popularity of complete communities has been embraced by real estate industry groups who are interested in building these concepts. Therefore, there may be development tailwinds supporting Olympia's centers in the coming decade.

The 15-Minute City. The 15-Minute City is an urban planning concept that has been popularized by civic leaders both within and beyond the United States and has attracted significant attention during the past two years, when the geography of many people's daily movements shrank and refocused on their immediate surrounding neighborhood. According to the National Association of Realtors, "Whether the goal is focused on increasing a mix of uses and amenities citywide or in key neighborhoods, the 15-minute concept emphasizes meeting all needs on foot, via bicycle or by using public transit." The 15-Minute City concept tends to be more focused on the neighborhood as a function of time rather than distance, however, it is reasonable to assume that residents who live within a $\frac{3}{4}$ mile "walk shed" of a mile of proposed center could walk there in 15 minutes; the "bike shed" is larger.

Sustainable Thurston. One goal of this plan is to create vibrant centers, corridors and neighborhoods while accommodating growth. One target is that, by 2035, 72% of all households should be within a half-mile (comparable to a 20-minute walk)



of an urban center, corridor, or neighborhood center with access to goods and services to meet some of their daily needs.

Urban Land Institute (ULI). According to the ULI's report *Emerging Trends in Real Estate 2022*, "People want that 15-minute lifestyle if they can get it. They want walkable, amenitized, real places that allow them to live fuller lives without having to get into a car and transition from one segment of their life to another." *Emerging Trends* is a key annual report that is read widely by real estate developers and based on both quantitative research and interviews.

Desirable mixed-use neighborhoods can also be seen as an economic development tool. As people and their jobs become more mobile, workers have more flexibility to move to the places they want to spend time, even if their jobs are elsewhere.

Image credit: Concept by Carlos Moreno; Drawing by Micael.

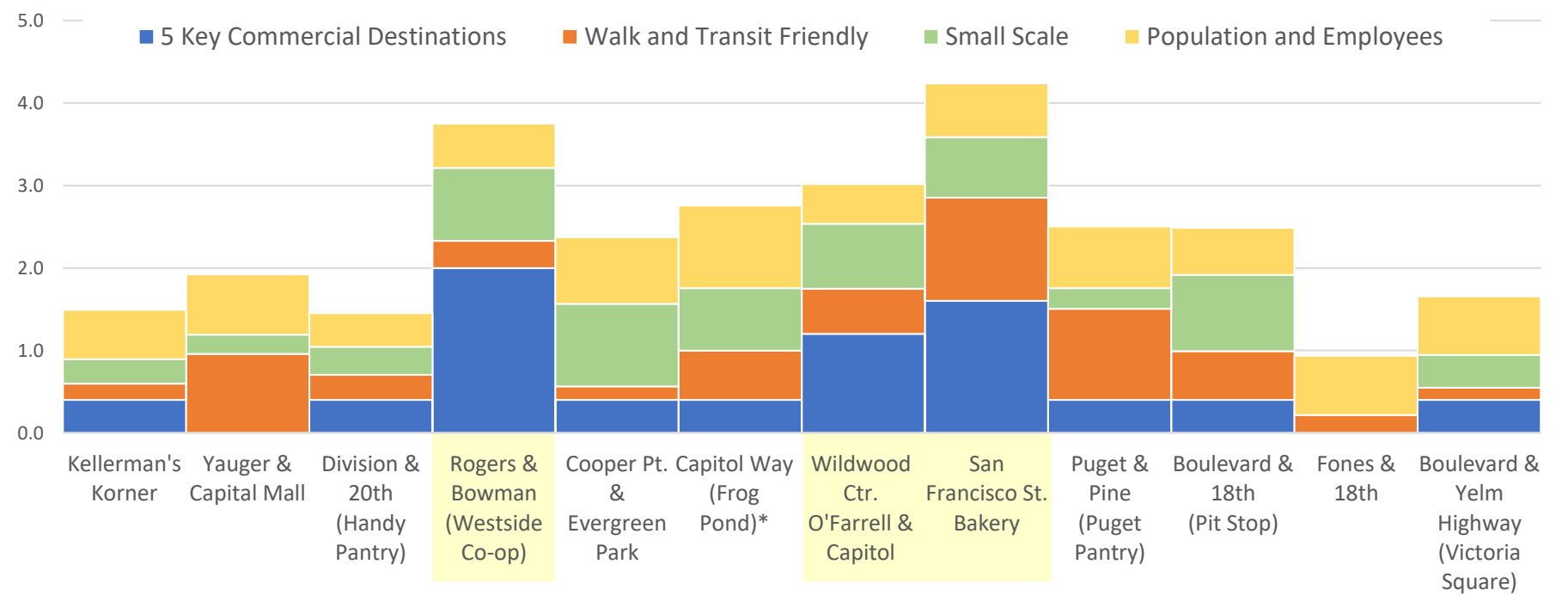
Neighborhood Centers: Assessing Current Success

Neighborhood Centers: Current Success

The chart below summarizes LCG’s analysis of the 12 centers via the four key elements or criteria described above (key commercial destinations, walk and transit friendly, small scale, and population and employees (“located in complete neighborhoods”). This represents LCG’s combined or summary metric reflecting our assessment of the success of each center.

Each of the criteria is analyzed in more detail in the following pages. Centers are arranged from west (left) to east (right). The three centers that were mentioned during interviews as the most successful are highlighted: Rogers and Bowman (Westside Co-op), Wildwood Center, and San Francisco St. Bakery. This anecdotal feedback aligns with LCG’s analysis.

The presence (or absence) of the five key commercial destinations and the walk- and transit-friendliness of the neighborhoods appear to have the most variability and greatest impact on people’s perception of center success. Part of the purpose of this analysis is to see how perceptions align with the quantifiable qualities so that the city can focus on supporting the changes that improve people’s experience the most. Note that this combined metric (from 0 to 5) naturally involves assigning different weights to different inputs. For example, the number of commercial destinations cannot be directly compared to the pedestrian friendliness of the surrounding neighborhoods without making adjustments to the raw data. Therefore, raw data is covered in the following pages and shown in the appendices.



Presence of Five Key Commercial Destinations

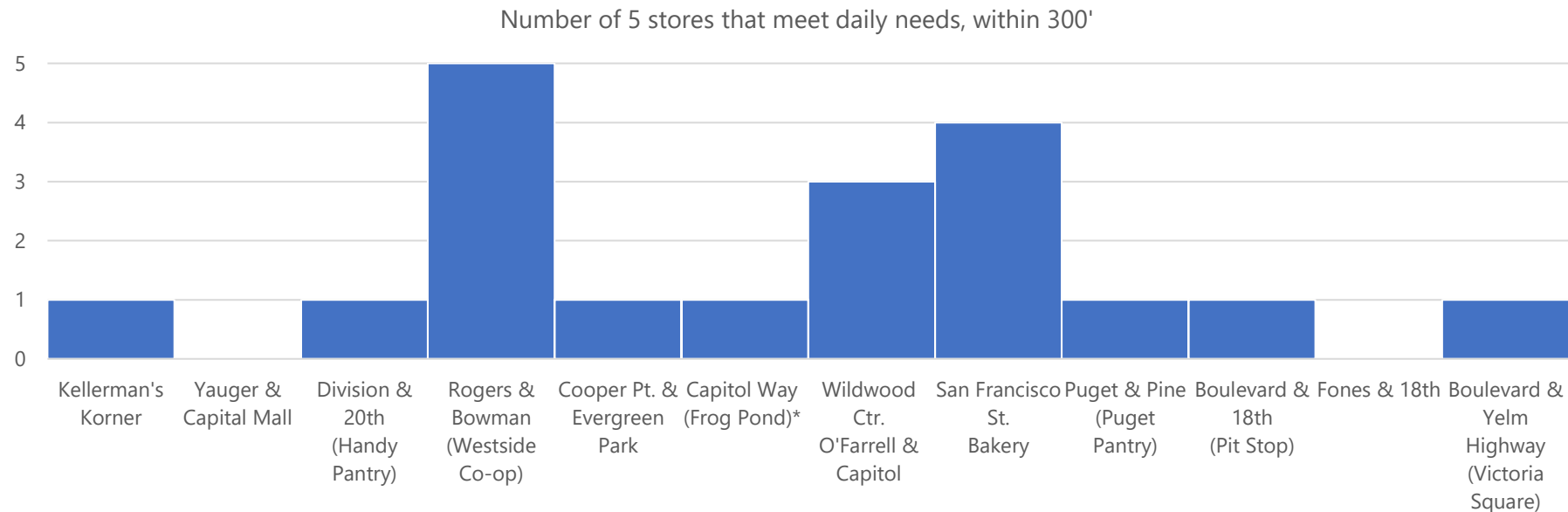
The chart below shows how many of the five most-desirable businesses are in the center core (i.e., within 300' of the center intersection).

The five most desirable businesses, based on the City's 2014 surveys are Bakery, Coffee Shop, Restaurant, Food Store (e.g., corner store or convenience store), and Grocery Store.

Centers vary significantly in this regard: some centers have four or five of these businesses, while others have one or none.

Several of the most popular businesses count simultaneously as multiple business types. For example, we counted the San Francisco St. Bakery as a coffee shop, bakery, and restaurant; the Olympia Food Co-Op - food store, grocery, and bakery (it provides baked goods), and the neighboring BITS Café as a restaurant and coffee shop. The Wildwood Center includes a restaurant, coffee shop, and food store.

LCG's assessment is that the presence of these businesses—which are often small and locally owned—have a significant impact on people's perception of the quality of a center.



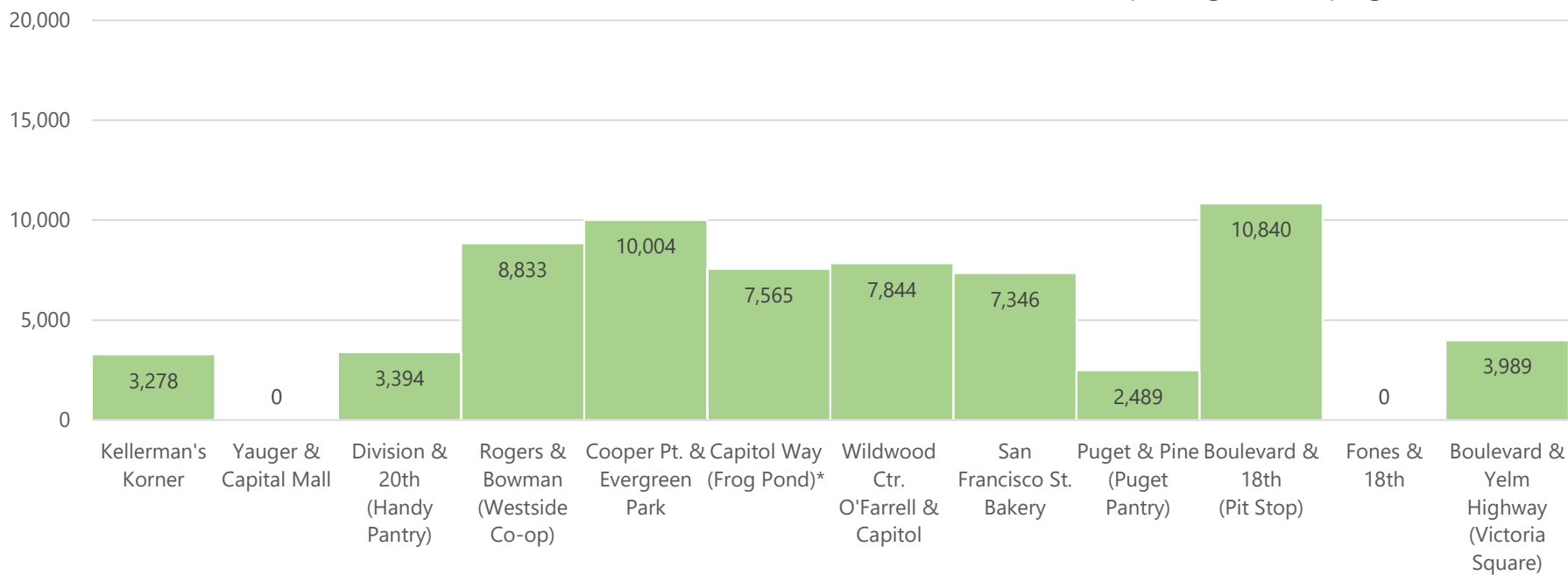
Existing Square Feet of Commercial Space

The chart below shows the size (square feet of gross building area or floor area) of commercial buildings that have at least 25% of their floor area within 300 feet of each center. (Commercial buildings are defined here as having primarily a retail or general commercial nature; i.e., offices, healthcare, etc., are not shown below.)

It is striking that there is a relatively small amount of commercial space in close proximity to each center—in no case more than 11,000 square feet. From the point of view of the traditional commercial development industry, this is a very small amount of commercial space—most grocery- and/or

pharmacy-anchored retail centers have 70,000 to 100,000 square feet of space.

This shows that creating a sense of place and community does not require more than 10,000 square feet of commercial space—even this small amount of space does not meet all of people’s daily needs. For example, the San Francisco St. Bakery cannot provide people with the same types of goods and services that could be found at a grocery or pharmacy—but it apparently does meet peoples’ expectations for what a neighborhood center should be. 10,000 square feet of commercial floor area requires less than 1 acre of site area to accommodate the store, parking, landscaping, etc.



The Wildwood Center

An example of success on a small scale is shown below. The Wildwood Center includes about 8,000 square feet of building area, and five tenants. Four of the five are among the most-desirable business types. The center includes two restaurants (Vic's Pizzeria and The Lucky Lunchbox), coffee shop (Olympia Coffee Roasting), and a small food store (Spud's Produce Market). The fifth tenant is Andy's Cleaning & Repair, which is temporarily closed. The center does not include a bakery or larger grocery store.



Walk Shed / Pedestrian Connectivity

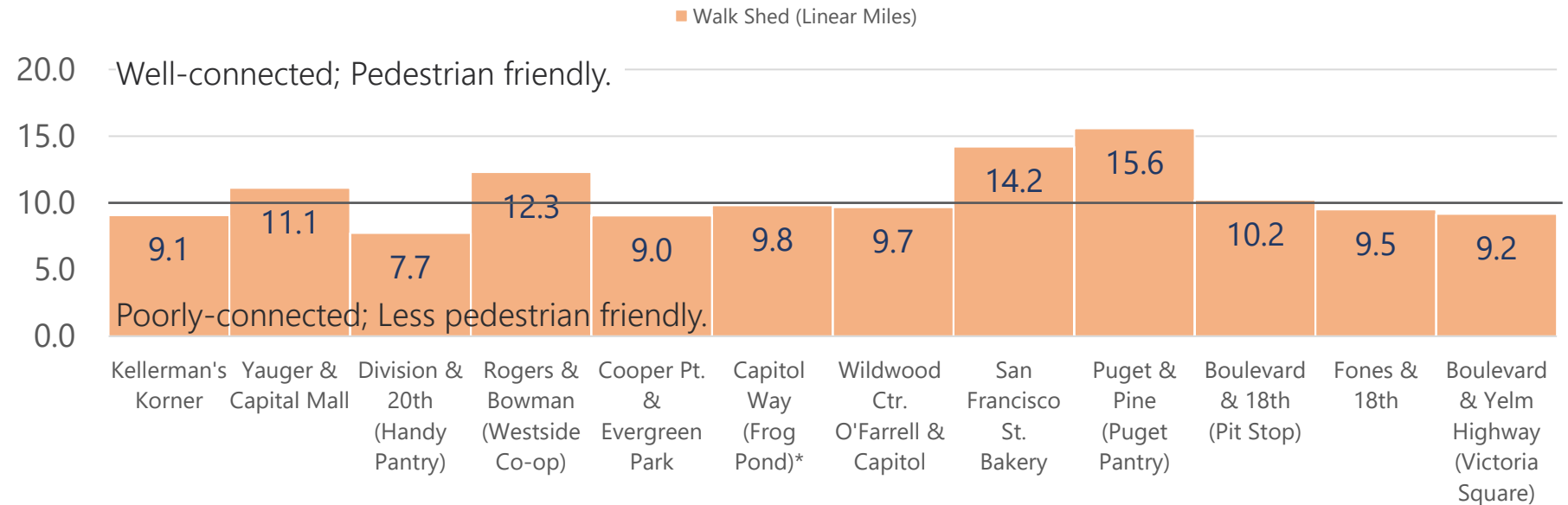
The chart below shows the “walk shed” of each center: the miles of roads that are within a 15-minute walk, assuming a walking speed of 2.5 miles per hour. This is one of the key ways that LCG measures the city’s goal for centers to be “walk and transit friendly.” It is an imperfect measure, since it does not capture the extent of sidewalks on these roads. A map showing the walk- and bike-shed for all centers is on the following page. The chart shows that some of the most popular centers—such as Rogers and Bowman and the San Francisco St. Bakery—have the largest walk sheds and can be considered to be the “best connected.”

However, the Puget and Pine center, which only has one commercial establishment, is the best connected.

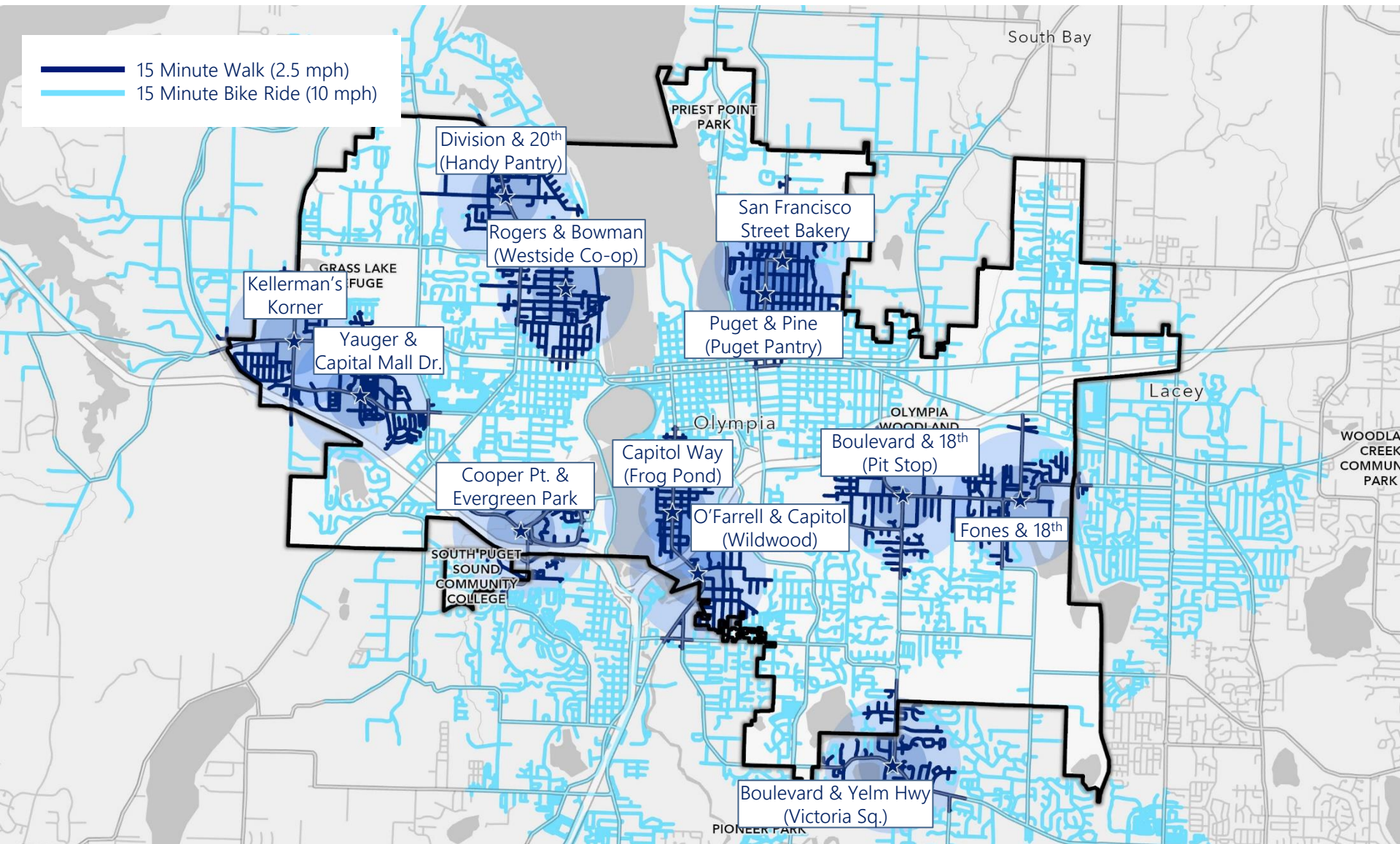
This center, like the two mentioned above, are older, historic neighborhoods, which tend to have a high density of local streets, sidewalks, and intersections. These are good locations for pedestrian-friendly commercial space and other destinations to be located.

Wildwood Center is not well connected, which is one of many indicators that pedestrian connectivity is not a precondition for commercial success.

Most of the centers located on the western- and eastern sides of the city, within neighborhoods that developed primarily during the second half of the 20th century, are not as well connected, with less than 10 miles of streets within a 15-minute walk.



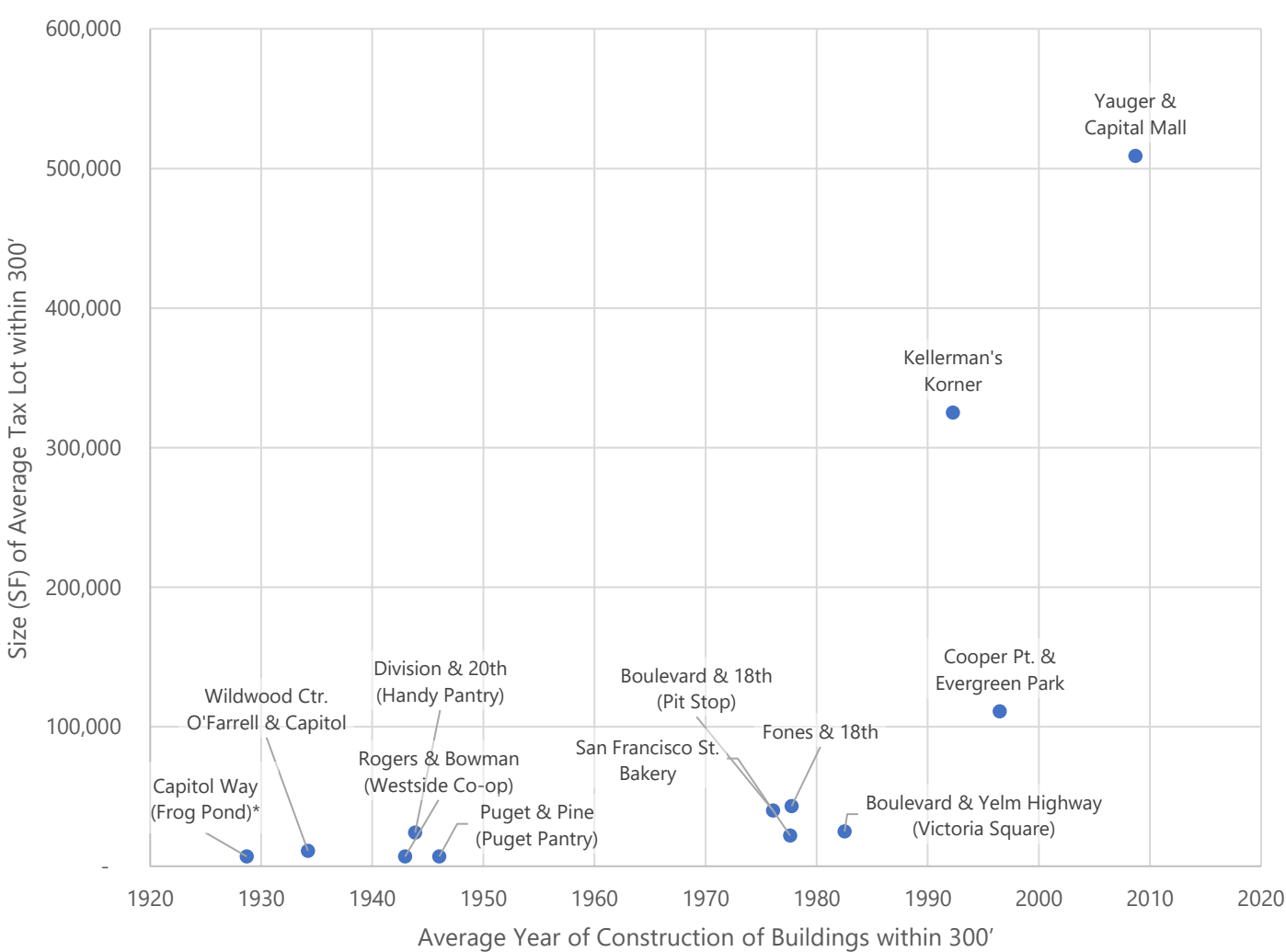
Walk and Bike Shed Areas



Construction Era and Parcel Size

The chart at right compares the average year of building construction in centers to the size (square feet) of the average parcel; both metrics are for buildings and parcels that are at least partially within 300 feet of each center.

This chart shows that centers with older buildings (which also tend to have older street networks) also have smaller lot sizes. Frog Pond, the center with the oldest buildings (1929) has some of the smallest properties (7,000 square feet on average). By contrast, the Yauger and Capital center averages buildings built in 2009 and 509,000 square foot lot sizes (about 11.7 acres). Newer, larger properties tend to feature fewer local streets and other connections for pedestrians and bicyclists; they tend to be less well connected.



Traffic Volumes

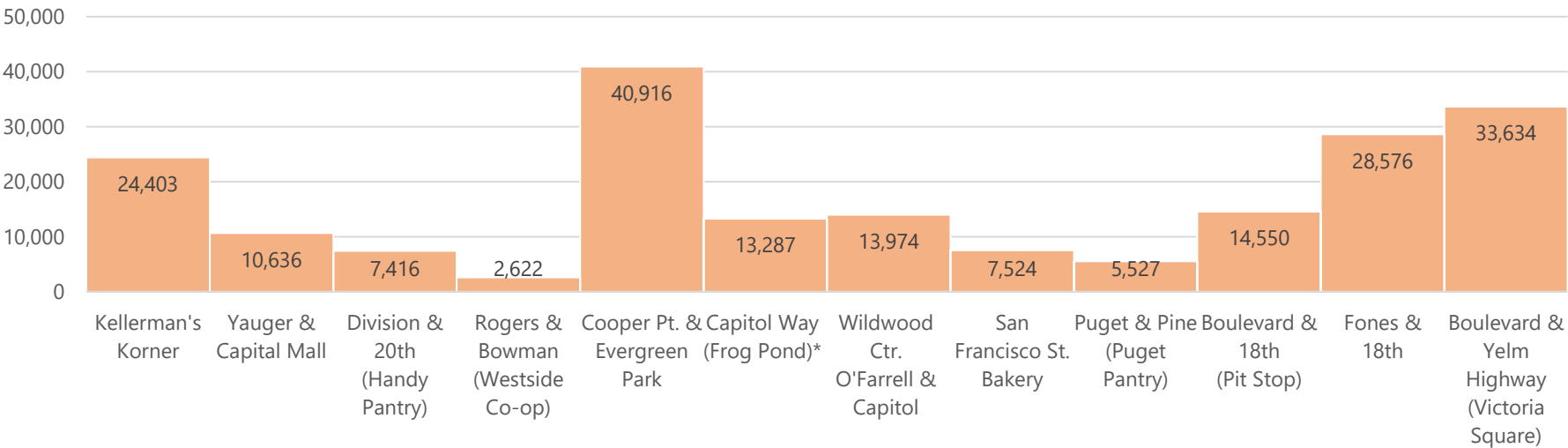
The chart below shows the number of auto trips or average daily traffic (ADT) along the two primary roadways at the center’s key intersection. These traffic volumes, along with other attributes in the public right of way—such as traffic speed, width of sidewalks, number of auto lanes, and presence of street trees—have significant impacts on how walk and transit friendly centers are.

Traffic volumes have both positive and negative impacts on the viability of commercial space. Regional and national commercial tenants and developers prize accessibility and visibility, which are closely correlated with traffic volumes. People shop the stores that they can see and pass on a daily or weekly basis. Therefore, LCG’s assessment is that traffic volumes of 7,000 to 10,000 are probably ideal for neighborhood centers, even though many regional or national

tenants would prefer ADT of 20,000 or higher.

However, high traffic volumes, especially high-speed traffic, is not conducive to small-scale, pedestrian-friendly commercial space that fosters community interaction. Most intersections that carry more than 20,000 trips per day are not places where pedestrians can comfortably linger on or near sidewalks; they are noisy places where commercial space is set back from the street rather than located on the sidewalk, and. For example, the 40,000 cars at Cooper Pt. and Evergreen Park Drive might be desirable for large-scale chain stores set behind an acre of more of parking but will be a difficult setting for a collection of small local stores located near the street.

For these reasons, LCG’s current center success analysis uses 10,000 as the ideal ADT for a center; centers with significantly higher or lower traffic volumes receive lower scores.



Traffic Volumes

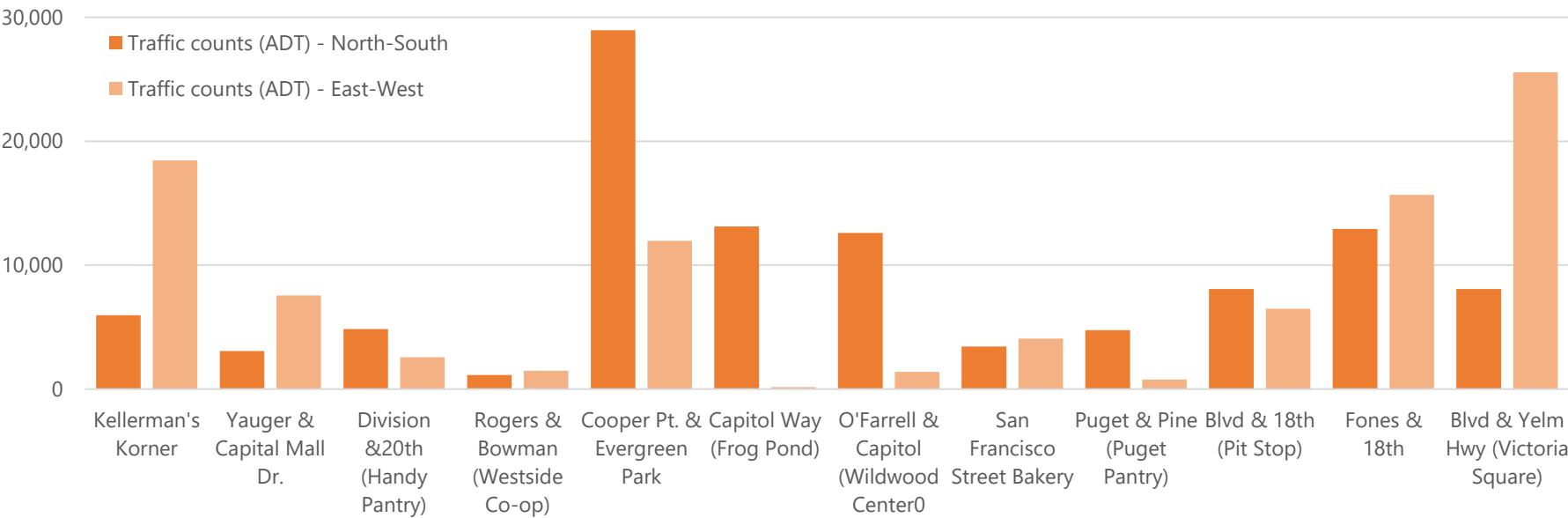
In the chart below, traffic volumes on the primary north-south street are shown separately from the primary east-west street.

In LCG’s experience, one promising formula for a successful center or main street—particularly in areas that developed in the second half of the 20th century and suburban areas—is to locate “main street commercial” at the intersection of a volume arterial street and a lower-volume local street. The high-volume arterial guarantees high levels of accessibility and visibility; many shoppers pass by and will be familiar with the center. The lower-volume local street is a slower and quieter place where pedestrians feel more comfortable, where storefronts can open directly onto wider sidewalks, where there is often on-street parking, and where streets sometimes

feature commercial stores on both sides of the street.

One example of this shown below is the Wildwood Center. Capitol Boulevard is a reasonably high-volume roadway, carrying about 12,600 trips per day. By contrast, O’Farrell Avenue is a much lower volume street, with about 1,300 trips per day.

Kellerman’s Korner and Boulevard and Yelm also feature this dynamic, to some degree. This approach suggests that Kaiser Road at Kellerman’s Korner could be a good main street. However, on-site investigations must be conducted to test whether this approach is possible. Low-volume roadways where traffic moves at high speeds, there is no on-street parking, and sidewalks are narrow are not necessary



Speed Limit

The chart below shows the posted speed limit at each of the centers. There is relatively little variability in terms of speed limits at the centers—posted speeds vary from 25 to 35 miles per hour. LCG views speed limits as a component of walk and transit friendly centers.

Centers with slower speed limits (e.g., below 25 or 20 mph) will tend to be more pedestrian friendly, safe, and comfortable places for people to shop and interact with community members. Traffic accidents that take place in low-speed environments tend to result in fewer severe injuries and deaths. (See *Impact Speed and a Pedestrian's Risk of Severe Injury or Death*, 2011, American Automobile Association.)

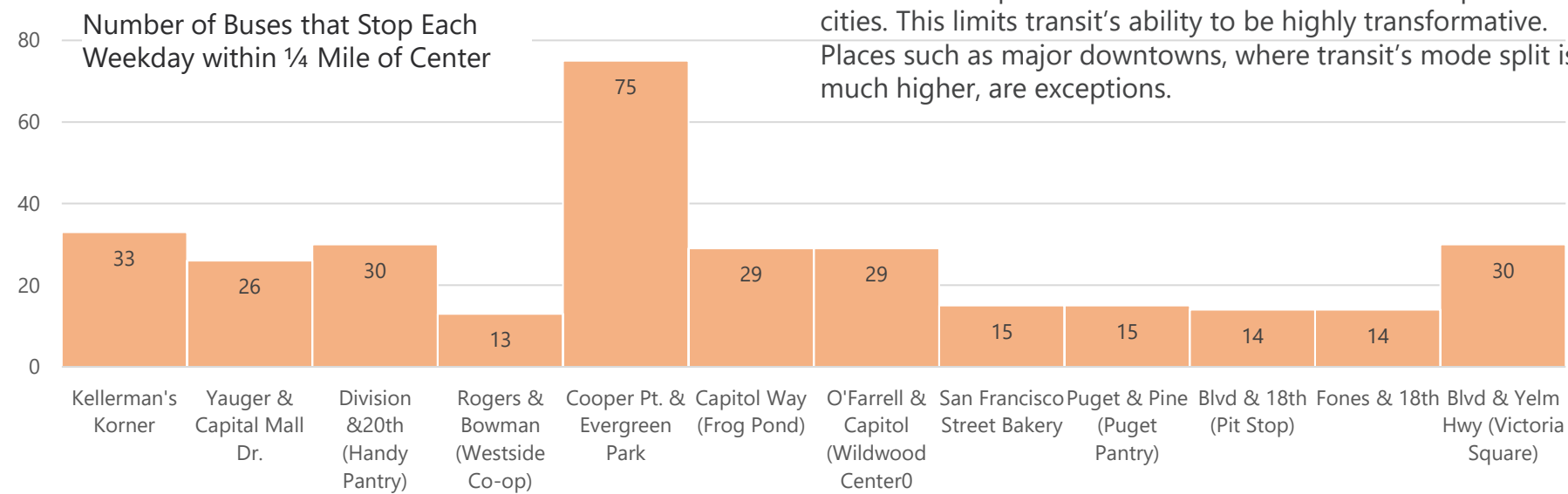
The centers with higher-speed roadways are on the far west and far eastern sides of the city, often where traffic volumes are also high. Developers will struggle to build pedestrian friendly commercial (or residential) projects in these locations. On the one hand, standard development formats in such locations usually place commercial space back from the main roads by 100 feet or more, behind parking lots. However, this is not allowed in Olympia, where design and pedestrian street standards require that buildings be placed toward the street with parking in back. Some developers will build under these standards, but may create unpleasant spaces along fast-moving, high traffic roadways. Other, more traditional developers may avoid building under these standards.



Transit Service

The chart below shows the number of buses that stop each weekday within ¼ mile of each center. This measure of transit service does not seem to be correlated with centers quality—in fact, it seems negatively correlated. Some of the centers that are not recognized as successful and have few or no key commercial services (e.g., Cooper Point, Kellerman’s Korner, Yauger & Capital Mall) have more bus stops, and some of the most successful centers (e.g., Rogers & Bowman, San Francisco Street Bakery) have few bus stops.

We are not suggesting that transit service has a negative impact on the development of centers, but rather that other factors are probably at play. For example, more bus lines seem to run on major arterials, and some of the less successful centers are also located on arterials.



For example, Cooper Point Road and Evergreen Park Drive are both large roadways with high traffic volumes and bus service. The number of buses in each center is not the only way to measure transit quality. Other metrics include the amount of jobs or services accessible within a 30-minute transit ride, or the length of time to reach Downtown via transit (a major destination for riders).

LCG believes that, in general, transit service is positive for centers, and particularly for encouraging compact, pedestrian-friendly environments, but that transit’s positive impact will be modest in most cases, and can be offset by high-volume, high-speed roads. In 2018, Intercity Transit estimated that [6.8% of trips take place via transit](#) in Urban Centers and Corridors—significantly lower than the number of trips completed on foot or via car. The pandemic has reduced transit ridership in most cities. This limits transit’s ability to be highly transformative. Places such as major downtowns, where transit’s mode split is much higher, are exceptions.

Population and Employees

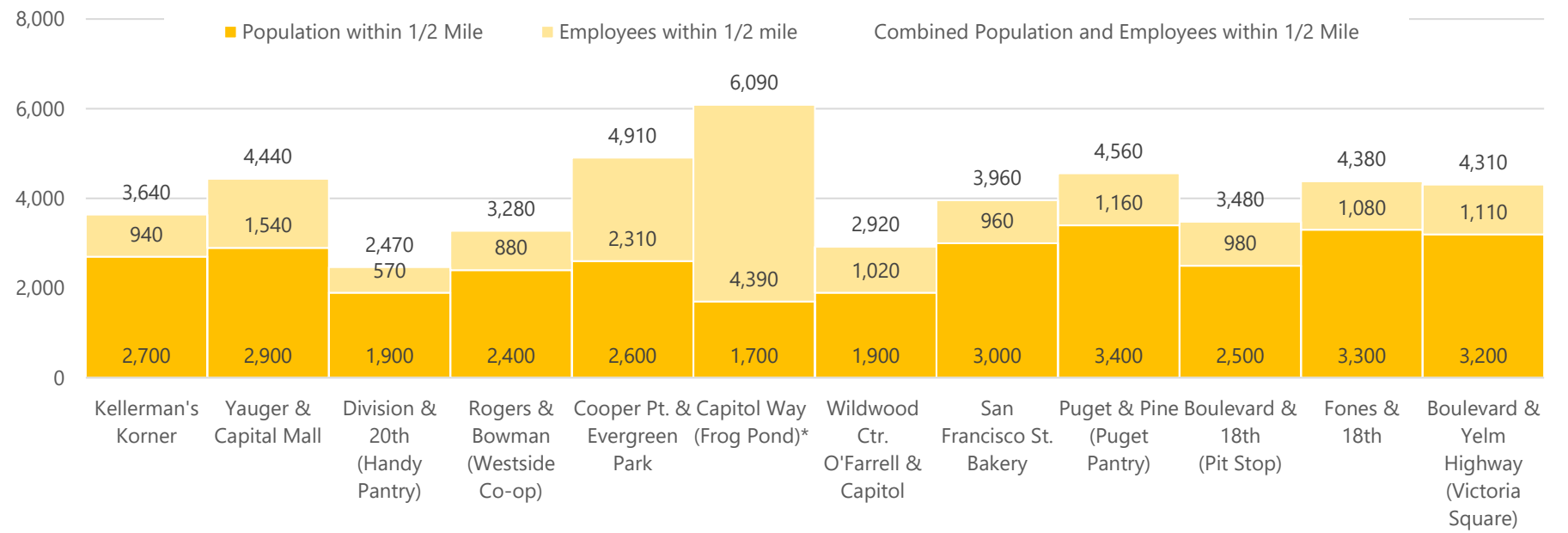
The city’s vision for centers infers that they should be accessible to a relatively large number of residents. Employees, while not mentioned in the city’s vision, are also part of neighborhoods and can be another significant source of support for establishments based in centers.

The chart below shows the number of residents and employees located within a ½ mile (primary market area) of each center.

Somewhat surprisingly, it is not obvious that a higher number of either residents or employees within ½ mile leads to a more successful center. For example, Cooper Point and Evergreen Park is the center with the second-most people within its

market area (4,910). However, LCG’s interviews do not indicate Olympia residents see this as a successful center. Frog Pond has the most people in its market area but only has one commercial establishment. The Wildwood Center has among the smallest number of people in its market-area, but is one of the more successful centers.

The reasons for this lack of correlation between market-area residents and employees, and center success is likely that other factors such as era of neighborhood development, pedestrian connectivity, and traffic volumes are more important determinants of success. Also, as shown on subsequent pages, many patrons of centers come from beyond the ½ area.



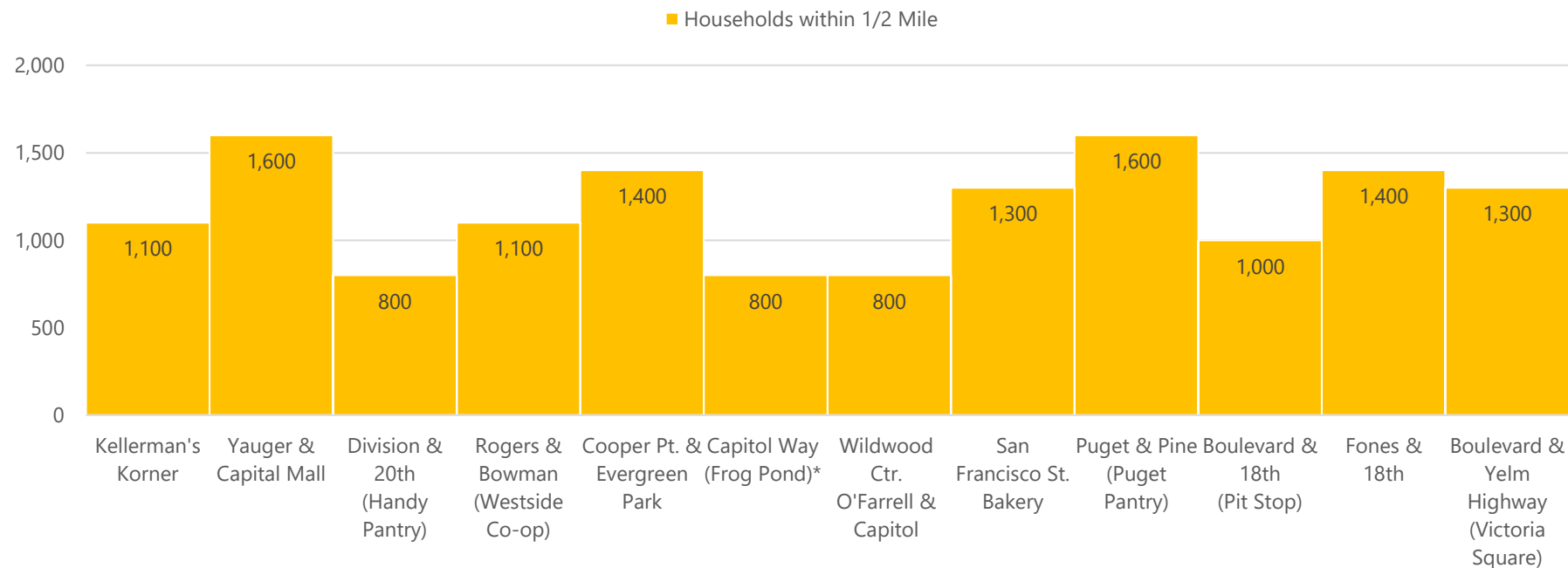
Households

The chart below shows the number of households within a 1/2 mile of each center.

The number of households varies less than one might expect between centers, from a low of about 800 to a high of 1,600. Also surprisingly, some of the centers located in older and more central parts of the city, such as Frog Pond and Wildwood, have smaller market-area populations than those at the city's far west and east.

As mentioned above, although some analyses of neighborhood centers focus on the relationship between households or population and the amount or quality of commercial services, the relationship between these metrics is not clear, at least in Olympia.

It is not clear that implementation approaches that emphasize the addition of new housing in order to generate new commercial space in centers will be successful. Additional housing certainly cannot be negative for the expansion of centers, but its positive impact is probably weaker than one would expect.

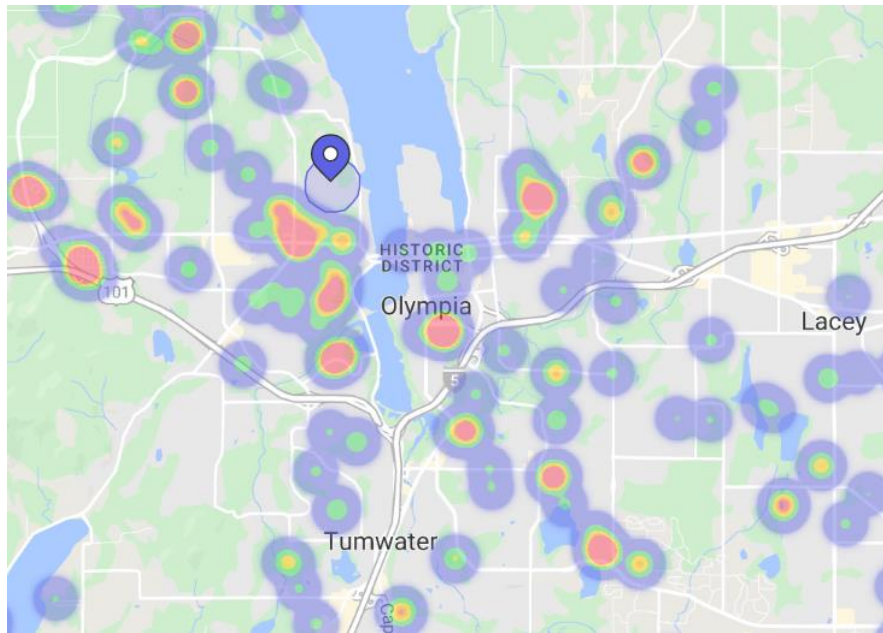


Where Centers Shoppers Live

Using mobile-phone location provided by Placer.ai, LCG evaluated the residential locations of shoppers going to the Rogers and Bowman (Westside Co-op) center, shown below.

This indicates a very significant discrepancy between the concept that most patronage for businesses such as the co-op will come from residents or employees who work close by, and the reality, shown below, that shoppers come from throughout

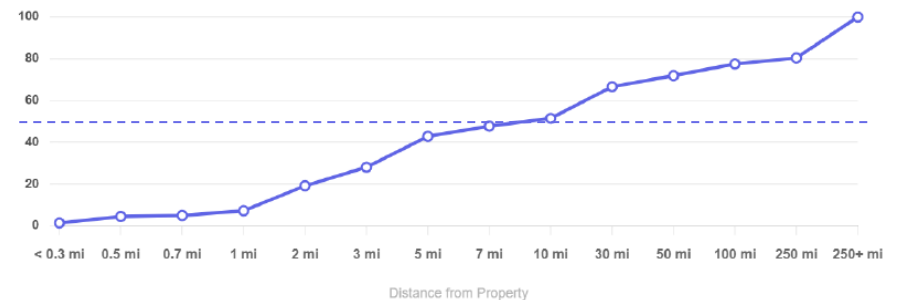
Home Locations of Visitors to the Rogers and Bowman (Westside Co-op) Center



Olympia, and even far beyond Olympia. Red areas indicate a high concentration of shoppers; yellow, green, and blue indicate lower concentrations; and uncolored areas have no shoppers.

The chart below indicates that more than 50 percent of shoppers come from more than 5 miles away. This seems to underscore the importance of metrics such as traffic volumes as indicators of commercial viability, since more shoppers coming long distances will tend to come via car.

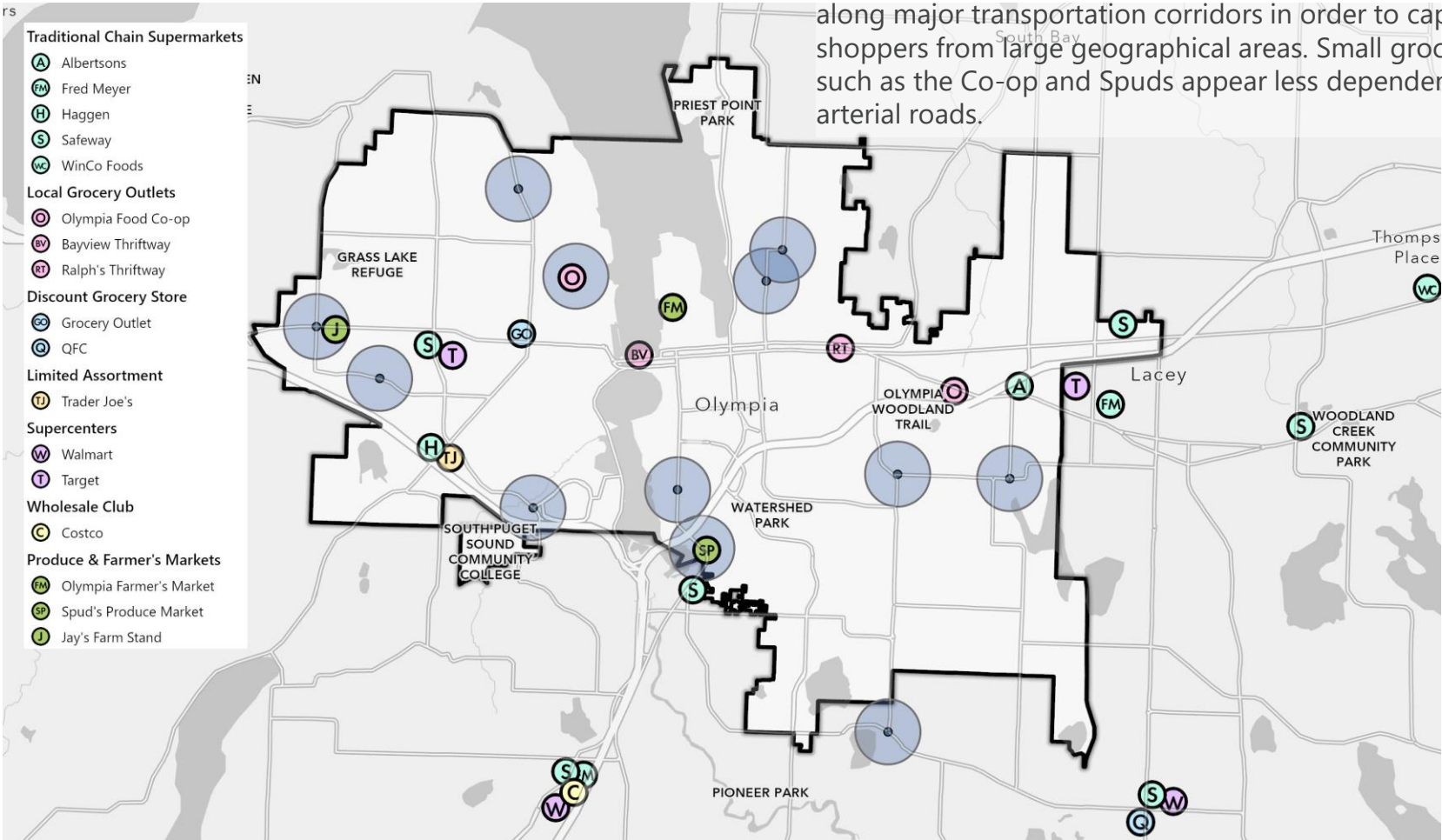
Percent of Visits By Origin Miles from Center



Grocery Store Locations

The map below shows the location of large and small grocery stores located in and near Olympia, along with centers locations (in blue-grey). It is notable that there is no grocery store in Downtown Olympia, despite the considerable amount

of housing development that has taken place downtown in recent decades. This further calls into question the concept that housing development will directly cause the development of grocery stores, and potentially other commercial space. Major grocery chains in particular appear to seek out locations along major transportation corridors in order to capture shoppers from large geographical areas. Small grocery stores such as the Co-op and Spuds appear less dependent on arterial roads.



Walk Score

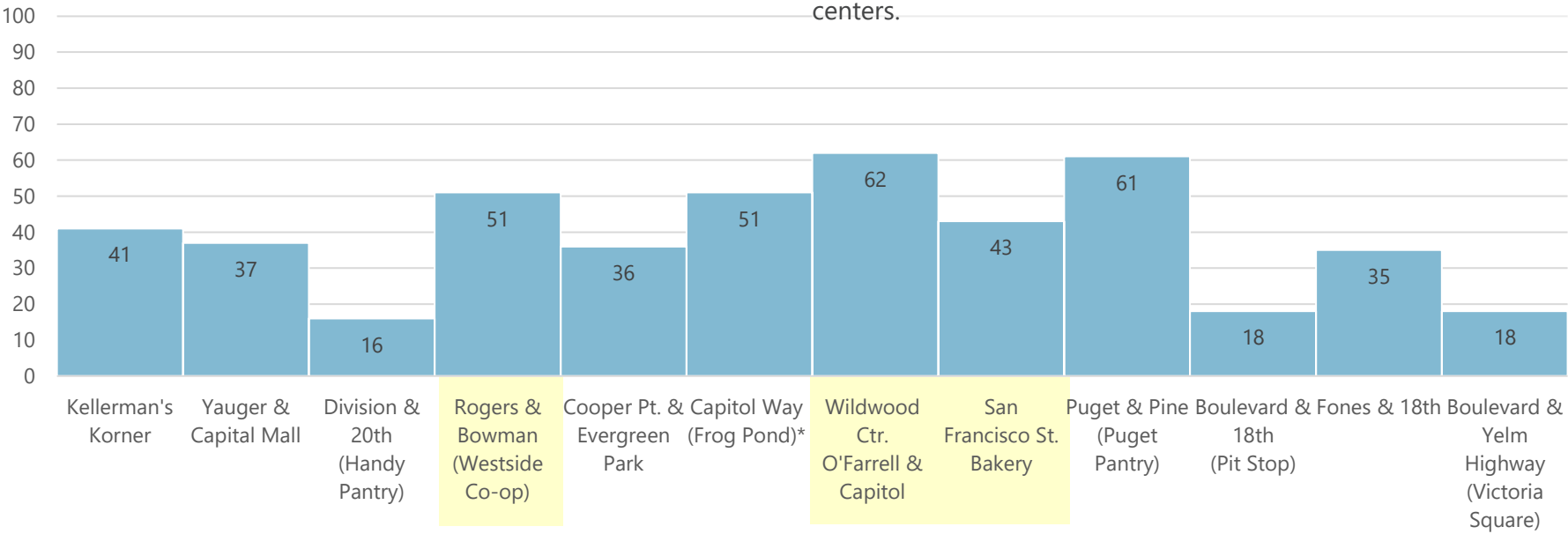
The chart below shows the “Walk Score” for each of the 12 subject centers. Walk Score was founded as an independent organization intended to highlight the pedestrian friendliness of neighborhoods across the country, and to inform home buyers, renters, and others interested in seeking out walkable places. Walk Score combines information about pedestrian connectivity and the number of destinations (commercial goods and services, schools, parks, other) into a single number from 0 (“Car Dependent”) to 100 (“Walker’s Paradise”). Since its founding, Walk Score was acquired by Redfin, a residential real estate web site and service provider.

Walk Score could be a way for Olympia to monitor the success and shortcomings of its various centers going forward, particularly because it is free and easy to use.

There certainly does seem to be some correlation between Walk Score and successful centers.

However, some of the Walk Score data is confusing. For example, scores for the San Francisco St. Bakery and Kellerman’s Korner centers are very similar; and Puget Pantry has a relatively high score. Further, Walk Score is somewhat of a “black box”—it is difficult to see exactly which inputs are leading to high or low scores. Therefore, LCG did not include Walk Score in the centers success combined metric shown at the beginning of this section.

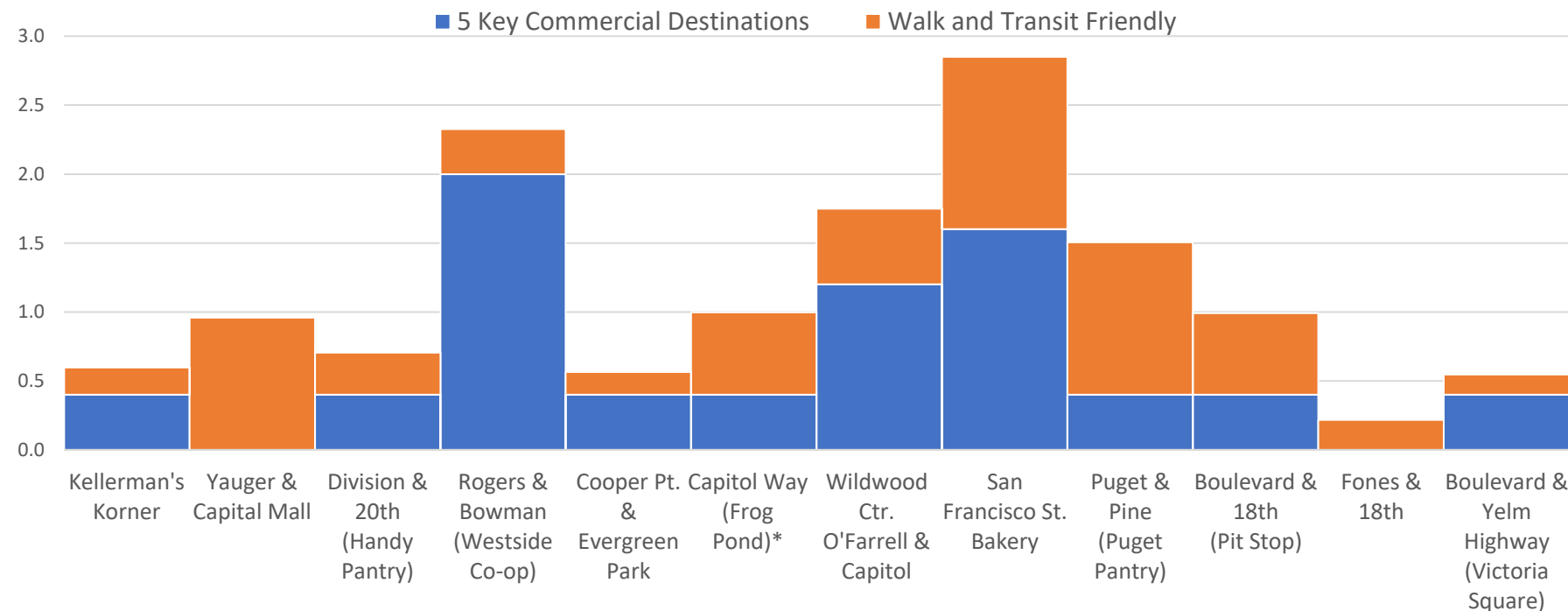
LCG also evaluated other “off the shelf” providers of geographical quality-of-place data, particularly the AARP Livability Index and EPA Smart Location. These may be useful and are certainly extraordinary data resources but seem to draw on data that is not granular enough to accurately reflect the quality of Olympia’s small-scale centers.



Neighborhood Centers: Current Success

The chart below shows two of the four criteria that make up LCG’s combined centers metric, shown at the beginning of this section. This is because LCG believes that these two sets of criteria—the presence of key commercial destinations and the pedestrian and transit friendliness of surrounding neighborhoods—have the biggest impact on people’s perception of whether these centers are currently successful. Looking just at these sets of criteria, highlights the three most popular centers. Puget Pantry scores just below the top three and is highly walk and transit friendly but has only one of the most desirable commercial destinations.

The walk and transit friendly metric is made up of three different inputs, described above: Walk Shed (Linear Miles), Average Daily Traffic, and Speed Limit (mph). It is possible to include other inputs for these or other criteria. For example, we considered including the number of buses arriving/departing from the centers each day and other metrics but focused on these for the sake of simplicity, and potentially replicability in the future.

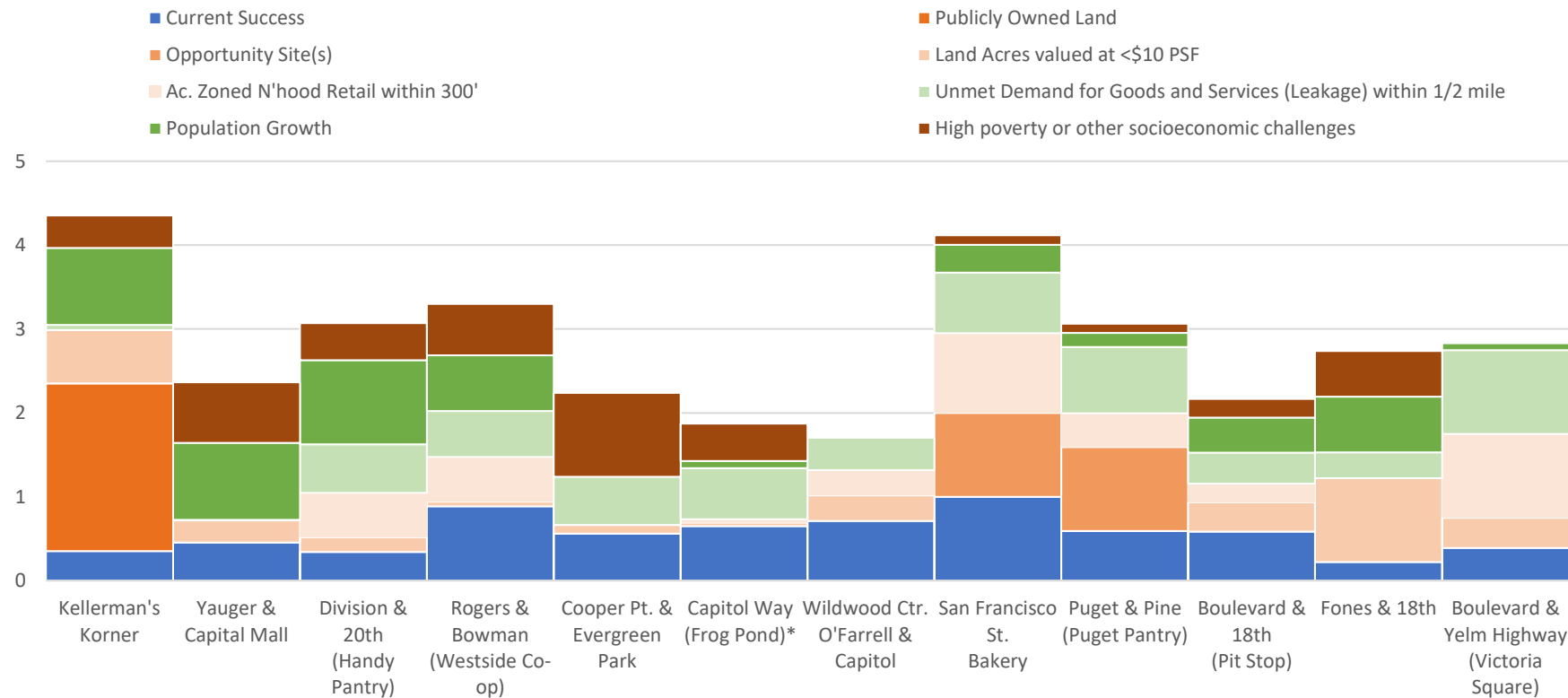


Neighborhood Centers: Forecasting Future Potential and Need

Future Potential Summary

This section evaluates the future potential for the 12 subject centers to make significant progress towards the community’s vision. The chart below shows the results of LCG’s analysis of future potential and shows that some centers appear to have the potential to be more successful centers in the future than they are today. The “future potential summary metric” shown below is a combination of a number of inputs, including the center’s current success (blue); a range of land availability factors (various orange colors); future demand drivers (green);

and the presence of high levels of poverty or other socioeconomic challenges (brown). Each of these indicators of potential future success are discussed in the following pages.



Commercial and Residential Rents

Before addressing each of the factors that informs our view of the centers' future potential, LCG believes it is important to discuss several issues that pertain to all of the centers. The first is financial feasibility—in particular, the relationship between construction costs and Olympia's current commercial and residential rents.

This is an issue that was raised by numerous tenants, developers, and aspiring developers during LCG's stakeholder interviews. Interviewees included small business owners with experience completing renovations and interest in completing small ground-up development, brokers, and experienced developers and architects. We believe that the interviewees are relatively representative of the type of people who might conceivably build the next generation of neighborhood centers.

Rents are one of the first metrics that developers consider when evaluating a new project, along with construction costs. In part because construction costs are escalating very rapidly along with other measures of inflation, and land costs are also escalating, interviewees stated that developers must charge rents of \$25 per square foot (PSF), \$30 PSF, or more on an annual triple net (NNN) basis in order to cover their costs (land, construction, mortgage debt, "soft costs" including taxes, City fees, and professional fees, and other) and generate an adequate return on investment. (Triple net or NNN leases mean that tenants pay the primary operating expenses for their space such as real estate taxes, building insurance, maintenance, and utilities.)

This is more than most small, local Olympia-based companies can pay. Many leases are executed in older buildings at \$13 to \$20 per square foot, with a citywide average of about \$18.50 for "general commercial."

For context, a 1,500 square foot commercial business paying \$30 PSF would pay rent of \$45,000 per year, plus operating expenses.

This means that for most projects, there is a financial gap between what developers believe they must charge, and what tenants are willing to pay, for small, neighborhood-center style projects. There is often little incentive for tenants to pay "above market" rents for newly built space in centers when they can find other space that is significantly less expensive elsewhere.

Apartment rents also come into play for mixed-use projects. In some mixed-use projects, such as those being completed in downtown Olympia, high demand for apartments on upper floors can "pull in" ground floor commercial spaces because apartment rents are high—for example, \$1,800 or more for a 600 SF studio apartment. However, such residential rents have not been proven outside of downtown, allowed development densities are lower, parking requirements are higher, and other regulations are equally or more stringent (e.g., site coverage, setbacks, frontage improvement requirements, etc.).

All of this makes it more difficult for the residential component of mixed-use projects to pull in ground floor commercial space in neighborhood centers.

LCG did not attempt to forecast different commercial or apartment rents at each of the 12 centers, in part because so few leases are signed in these centers; however, we would expect higher lease rates in the centers that are currently successful and/or have higher traffic counts. Therefore, at this stage, we would expect there to be a similar financial gap for new construction projects in all of the centers. This gap can change over time, however, as rents, construction costs, land costs, and mortgage interest rates change and influence developer's financial analysis.

The Zoning and Permitting Process

The second set of issues that was consistently raised by interviewees was regulatory challenges associated with the City's zoning/land use and building permits. Interviewees identified the following specific challenges:

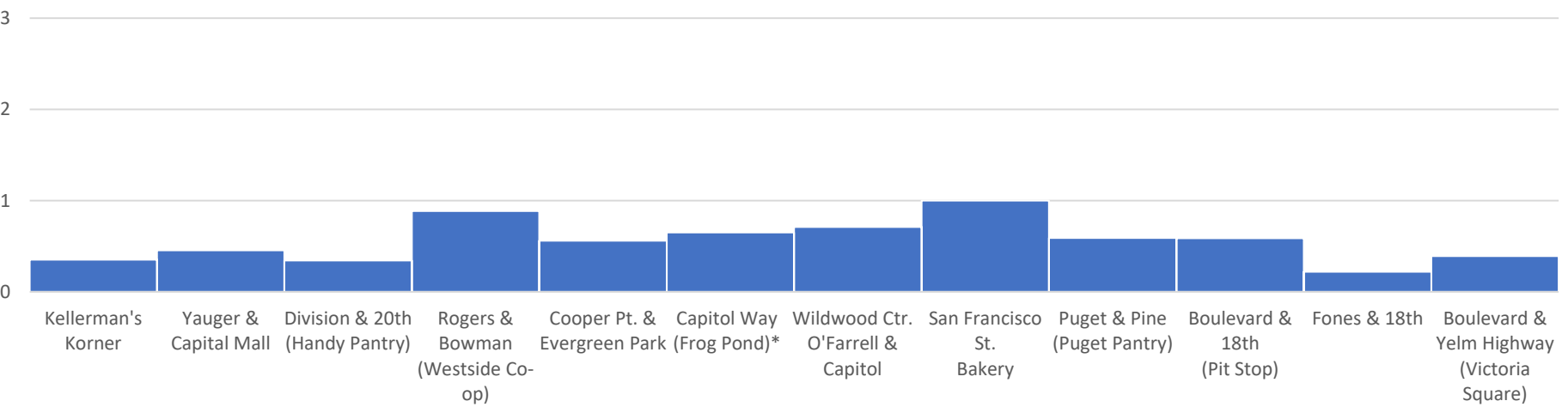
- High parking ratios/requirements require that a large portion of a given site must be used for surface parking. This reduces the amount of small-scale commercial space and housing units that can be built on a given site and encourages parking in front of buildings.
- Building coverage: Maximum building coverage can be 45%, which encourages large parking lots in front of buildings and discourages or prohibits the types of building that were built in commercial districts in the early 20th century. San Francisco Bakery, and similar adaptive reuse projects, would probably not be allowed under current building coverage rules.
- Ground floor use requirements. According to interviewees, commercial space is in some cases required on most or all of the ground floors of mixed-use buildings. This is unrealistic, since often mixed-use buildings feature commercial spaces that are 20 to 40 feet deep at the sidewalk, behind which are hallways, stairways, entry lobbies, storage spaces, bathrooms, and other building core areas.
- Building heights and density. Buildings cannot be more than three stories in many locations. While this is understandable from the point of view of new buildings being compatible with surrounding buildings, it makes the economics of redevelopment more difficult, since fixed land costs can be spread over a smaller amount of new commercial area and/or residential units. Allowing taller buildings would probably result in more development in centers.
- Solid waste/garbage. Interviewees stated that, based on pre application conferences, they would likely be required to have two different dumpsters for commercial and residential solid waste haulers. These dumpsters would each need ingress/egress points for haulers, and haulers might come at different days and times. These requirements eat into the amount of site area that can be used for small-scale commercial and residential development.
- Frontage improvements. New development must build expensive frontage improvements including but not limited to new curbs and sidewalks. These can be expensive and can make centers projects infeasible.
- Multiple agencies review applications, sometimes causing confusion for applicants.
- Time required to revise the zoning code and comprehensive plan. It may take three or more years to revise elements of the each to address the above issues and other issues. This is a significant amount of time for tenants looking for space in 2022. Realistically, they will not wait for the code/comprehensive plan issues to be addressed before occupying a new space.

Current Success

Our assessment of the centers’ potential for future success begins with their current success.

Centers that already have popular businesses at their core, are pedestrian and transit-friendly, well-connected, and have other strengths, will tend to attract more interest in the future from shoppers, visitors, potential businesses, and developers—all other factors equal. It is sometimes surprising that stores want to be near other stores—even competitors—but experience indicates that in many cases, commercial businesses cluster together. For example, restaurateurs often seek to be near other restaurants in area known for daytime or nighttime activity. The same is often true for stores that sell clothing or home goods.

Thus, centers such as the San Francisco St. Bakery, Wildwood, and Westside Co-op are the centers well positioned to succeed in the future.



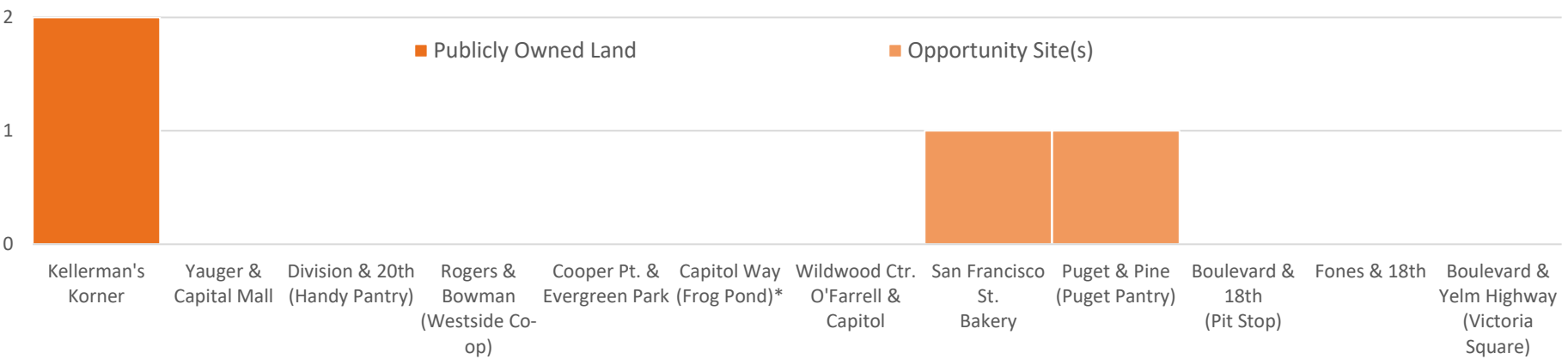
Future Potential Summary

The chart below shows the presence of publicly owned land and privately-owned opportunity sites at select centers.

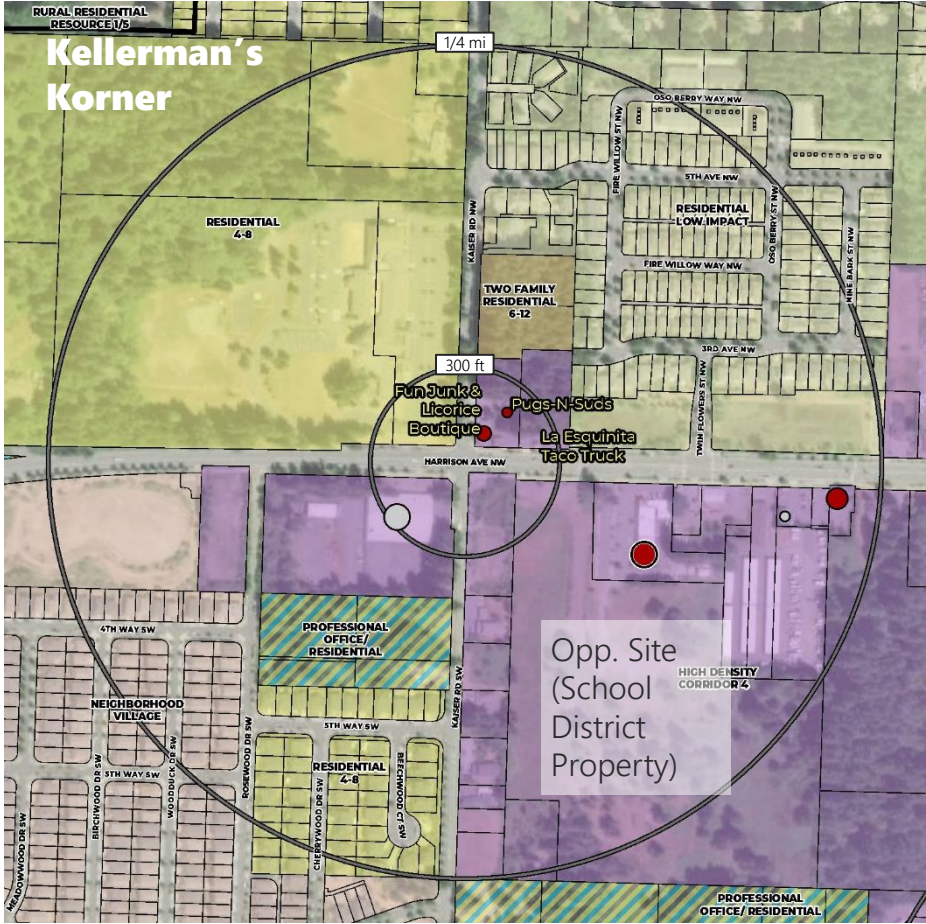
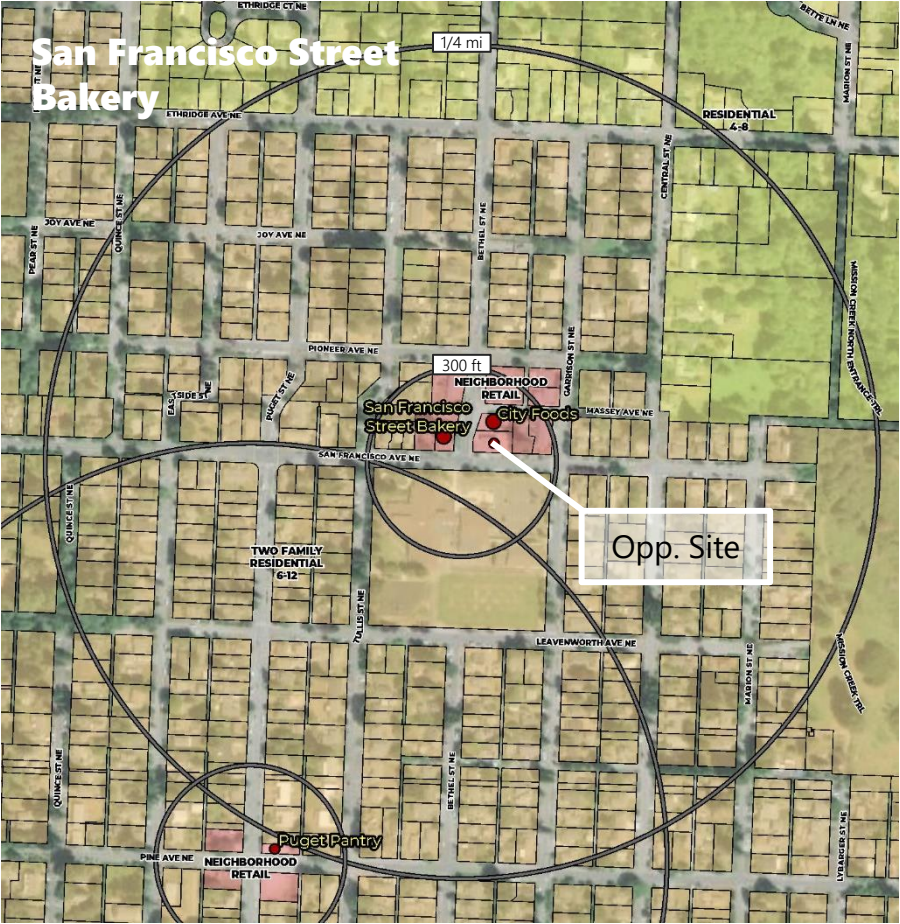
During 2022, it was announced that the Olympia School District had purchased a large site just southeast of the Kellerman’s Korner center. LCG’s understanding is that this property is 20 acres or more in size. While the property’s primary purpose will be to accommodate a new school, there is potential for the City and School District to work together to enable neighborhood-serving, centers-type commercial or mixed-use development near the Mud Bay-Kaiser Road intersection. This represents a significant opportunity. LCG weighted publicly-owned land as being twice as important as the presence of opportunity sites to the future potential of centers.

MAKERS and LCG identified two promising opportunity sites within existing centers. The first is at the San Francisco St. Bakery center and is just east of the bakery, on the northeast corner of San Francisco Ave. and Bethel St. This property, and potentially adjacent properties, is seen as an opportunity site because of its good location within one of the city’s most popular neighborhood centers. However, the site is privately owned and has some environmental issues due to the site’s previous use for auto maintenance. Demolition and environmental clean up will be necessary in order to enable the site to achieve its potential.

The second opportunity site is also about a quarter-acre in size and is located immediately south of the Puget Pantry. Like the first site, its good location within a center make it an opportunity site. The site has no known environmental issues; however, the city’s parking, ingress/egress, solid waste, and other requirements may make development of this small site challenging.



Opportunity Sites



- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

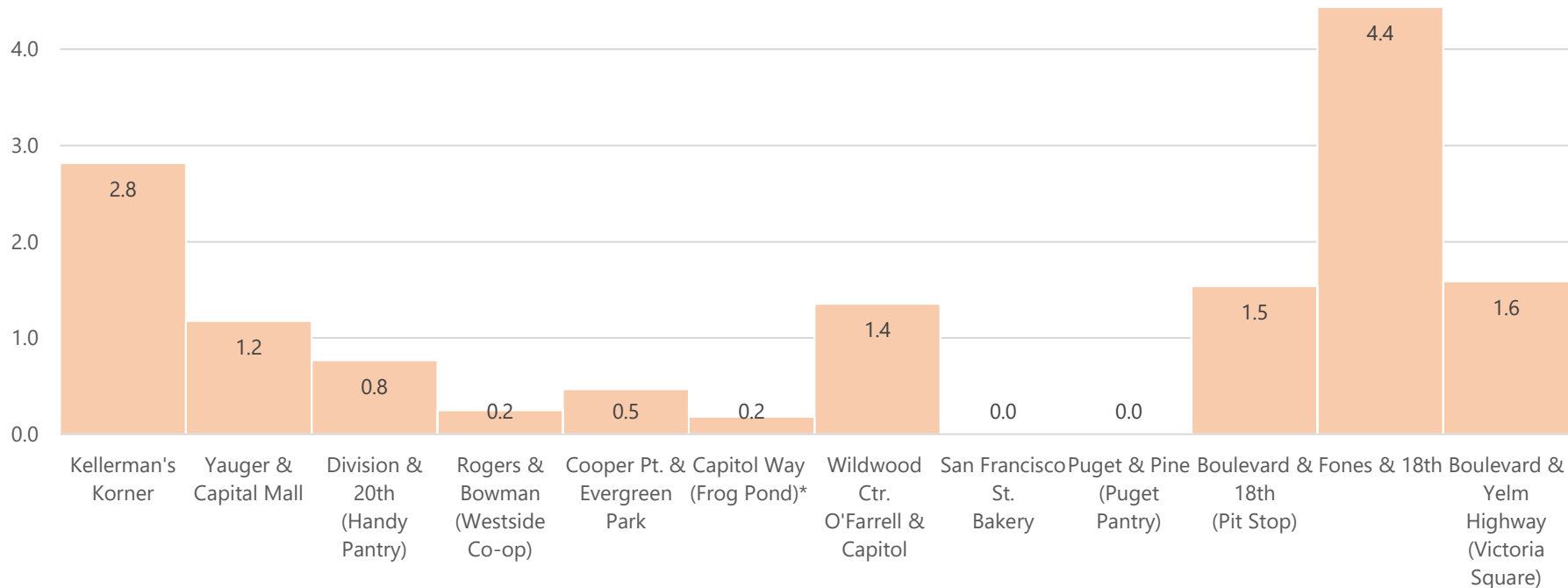
- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

Low-Cost Land

The chart below shows the acres of land with a value of less than \$10 per square foot located within 300 feet of each center. LCG considers this to be “low-cost land,” and much of this land is either vacant or effectively vacant (i.e., with a very low value structure such as a shack or old home with significant deferred maintenance.) All other things equal, this represents the land that would be easiest to buy and develop with small-scale commercial uses. This analysis shows that there is very little low-cost land that is available, except for in centers at the city’s western and eastern edges. Many of the centers have less than a half-acre of low-cost land.

This finding is consistent with stakeholder input, which indicated that it is very difficult to find low-cost, available sites for new development within neighborhood centers (or elsewhere, for that matter). The Kellerman’s Korner and Fones and 18th centers have significant stores of lower-cost land.

1 acre of land in one of these center locations would typically enable the development of about 12,000 square feet of commercial space, along with parking and landscaping. This is enough to build a project similar to the Wildwood Center. However, the actual capacity of any given site will vary depending on shape, topography, wetlands, zoning, etc.



Land Zoned *Neighborhood Retail*

The chart below shows the acres of land that are zoned Neighborhood Retail within 300' of each of the centers. The City's zoning designations regulate the land uses (e.g., commercial, housing), use mix, lot coverage, height, parking ratios, and other aspects of what is permitted to be built as-of-right.

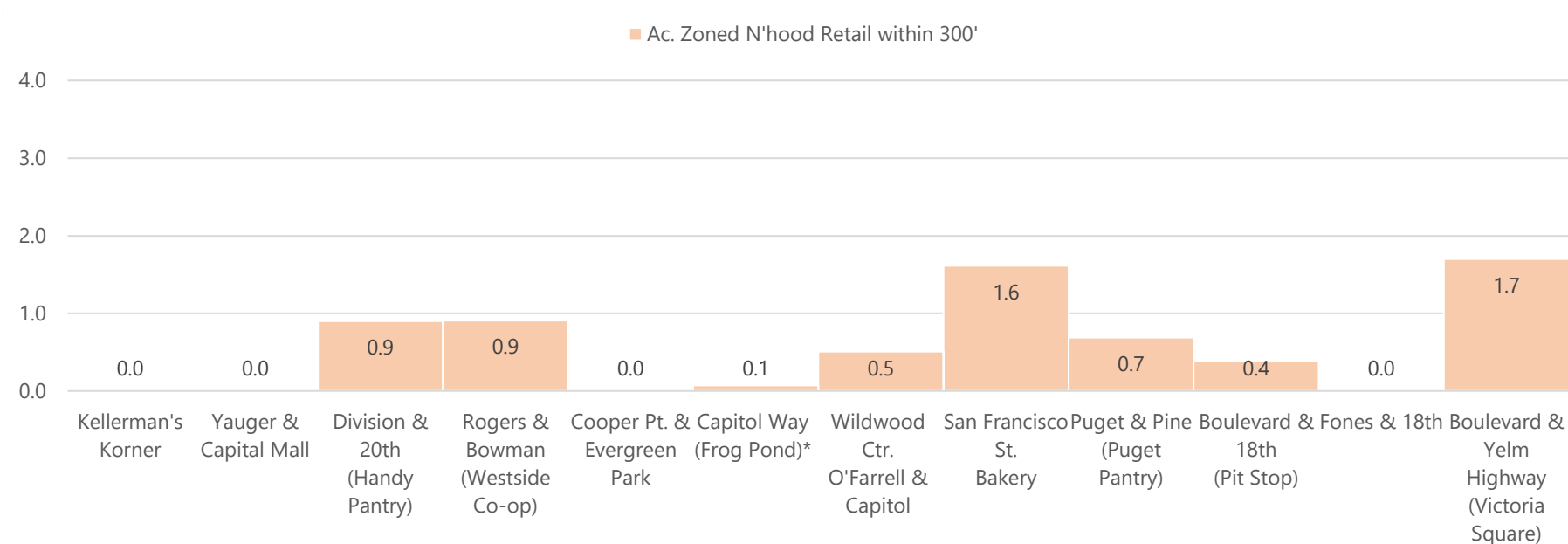
LCG evaluated the presence of Neighborhood Retail land because this appeared to be the best-suited zone for neighborhood center development. However, LCG also found that land within centers falls within 13 different zoning designations, not all of which contribute to neighborhood centers development.

We have not yet reviewed the regulations associated with each of these zones. However, this analysis raises a concern that there is not enough land zoned for the type of development envisioned for

The City should probably increase the amount of land where centers-type development is permitted and/or encouraged.

Even though the market may not support centers-type development in some center locations today, market inputs such as development costs and revenues, tenant (business demand), population density, and more change over years and decades. Typically, because population and jobs continue to flow into Washington, the development feasibility of centers improves over time, as demand and rents go up.

The right zoning must be in place in order to enable the private sector to build centers when the time is right.



Division St. and 20th Ave. (Handy Pantry)

The Handy Pantry center provides an example of how little land is zoned Neighborhood Retail.

Only one property within 300' of the center—and for that matter within 1/4 mile of the center—is zoned NR. The other zones are either multifamily or residential.

Thus, it appears that centers-type development can only take place on one property within the center. And the owners of this property may or may not wish to keep their property as-is. This center has little if any capacity for expansion.

Therefore, one implementation action that the City should consider is to expand the number of properties where centers-type development can take place.

This could mean rezoning properties within the center. It could also mean creating some sort of overlay zone that does not change the underlying zone but allows different things to occur in the center than would be permitted in other areas with the same zoning.



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| ○ 2,500 Square Feet or Less | ● Retail |
| ○ 2,501 – 5,000 Square Feet | ● Office |
| ○ 5,001 – 10,000 Square Feet | ● Multifamily |
| ○ 10,001 – 50,000 Square Feet | ● Industrial |
| ○ 50,001 or More Square Feet | ● (Any Color) Built 2020 or Later |

Number of Acres by Zone within 300'

There are 13 different zoning categories that apply to land in the neighborhood centers, and thus what can be built at one center is not necessarily the same as at other centers. It is difficult to say what is allowed across all centers.

Some of the most prevalent zones are largely residential in nature, such as Two Family Residential 6 -12 and Residential 4 – 8.

	Kellerman's Korner	Yauger & Capital Mall	Division & 20th (Handy Pantry)	Rogers & Bowman (Westside Co- op)	Cooper Pt. & Evergreen Park	Capitol Way (Frog Pond)*	Wildwood Ctr. O'Farrell & Capitol	San Francisco St. Bakery	Puget & Pine (Puget Pantry)	Boulevard & 18th (Pit Stop)	Fones & 18th	Boulevard & Yelm Highway (Victoria Square)
Number of Acres within 300' by Zone												
Not Parcelized (ROW)	1.95	1.97	1.94	2.15	2.38	2.22	2.05	1.44	1.86	1.86	1.49	2.53
Auto Services	-	-	-	-	1.22	-	-	-	-	-	-	-
General Commercial	-	-	-	-	2.14	-	-	-	-	-	-	-
High Density Corridor 4	3.43	-	-	-	-	-	-	-	-	-	-	-
Historic Commercial	-	-	-	-	-	-	0.24	-	-	-	-	-
Medical Service	-	2.45	-	-	-	-	-	-	-	-	-	-
Mixed Residential 10-18 Units	-	-	-	-	-	-	-	-	-	-	2.59	-
Neighborhood Retail	-	-	0.90	0.91	-	0.07	0.51	1.61	0.69	0.38	-	1.70
Planned Unit Development	-	-	-	-	0.75	-	-	-	-	-	-	-
Professional Office/Residential	-	2.07	-	-	-	0.90	-	-	-	-	-	-
Residential 4-8	1.11	-	2.78	3.43	-	-	3.69	-	-	1.89	-	1.67
Residential Multifamily 18	-	-	0.88	-	-	-	-	-	-	-	-	-
Residential Multifamily 24 Units Per Acre	-	-	-	-	-	-	-	-	-	-	2.42	-
Two Family Residential 6-12	-	-	-	-	-	3.30	-	3.43	3.95	2.35	-	0.59
Total Area	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5

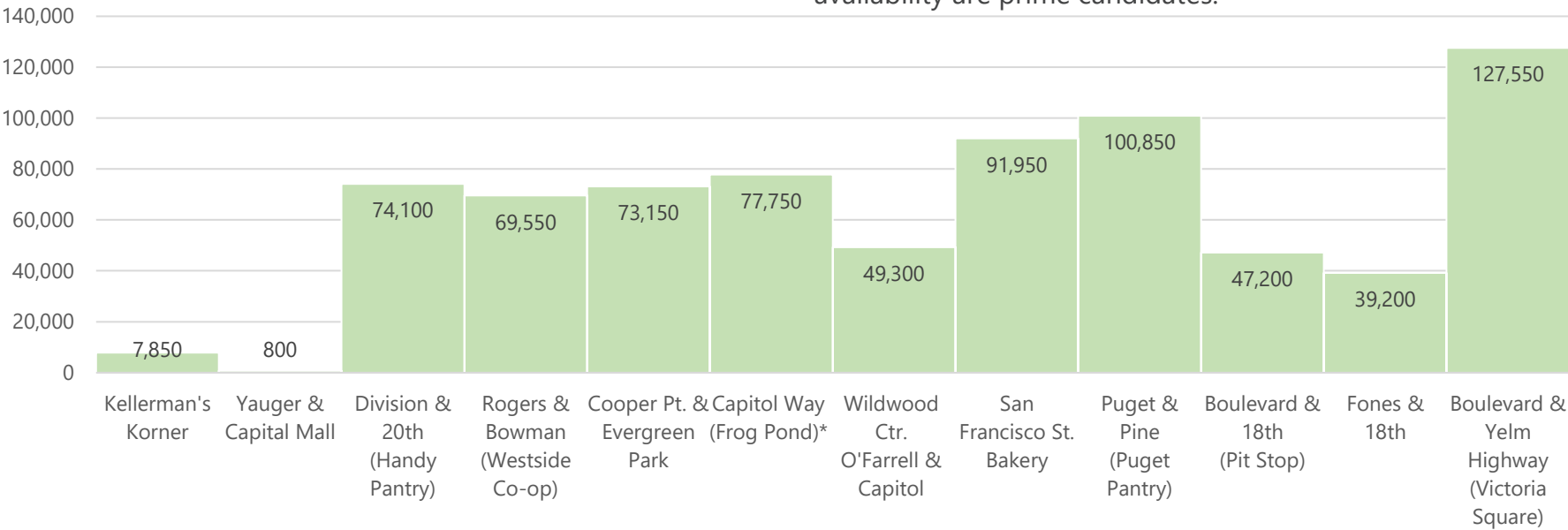
Unmet Demand for Goods and Services

The chart below shows the estimated square footage of unmet demand for goods and services within a ½-mile market area for each center in 2021. This is also called “leakage” within the commercial real estate industry because if sales are being made outside the defined market area, they are “leaking” out. This analysis is based primarily on a comparison of residents living in the area versus commercial establishments in the area. If there are many residents but few commercial businesses, spending is leaking out to other locations and there is unmet demand. If there are abundant commercial businesses and few households, there will be a spending surplus.

Surprisingly, all 12 centers show a net surplus for at least some good and services, but the surplus varies widely.

Yauger and Capital Mall has almost no surplus because the center is within ½ mile of commercial space near the Capital Mall. This indicates there is little demand for additional new commercial development.

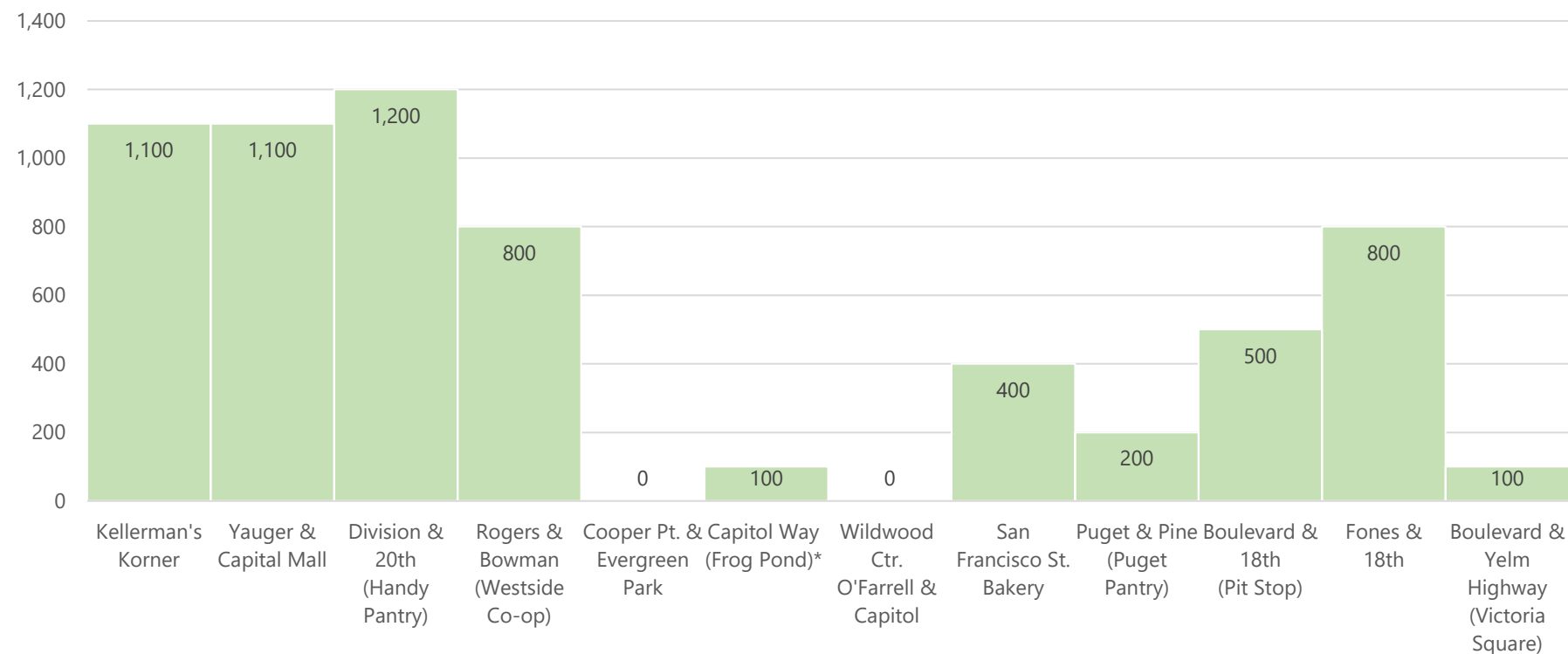
On the other hand, this analysis indicates that most of the other centers could support 40,000 or more square feet of new commercial development. While this probably overstates the demand for new commercial development in the centers (because there are other competitive commercial locations beyond the ½ mile areas) there does appear to be considerable demand for goods and services in centers. The obstacles to new development in centers seems to be some factors other than demand—financial feasibility and land availability are prime candidates.



Population Growth, 2020 to 2040

Population growth creates additional demand for goods and services. The areas within Olympia that experience population growth in coming decades will either drive more sales to existing commercial businesses or generate demand for new commercial establishments. The change in population projected by Thurston Regional Planning Council (TPRC) to take place within each ½ mile center market area is shown below.

This forecast indicates consistent and significant population growth near Olympia’s west side centers, minimal population growth near the central centers, and moderate growth near the east side centers. This suggests that the west side centers are well positioned to capture significant new growth and corresponding demand for new commercial services and businesses.



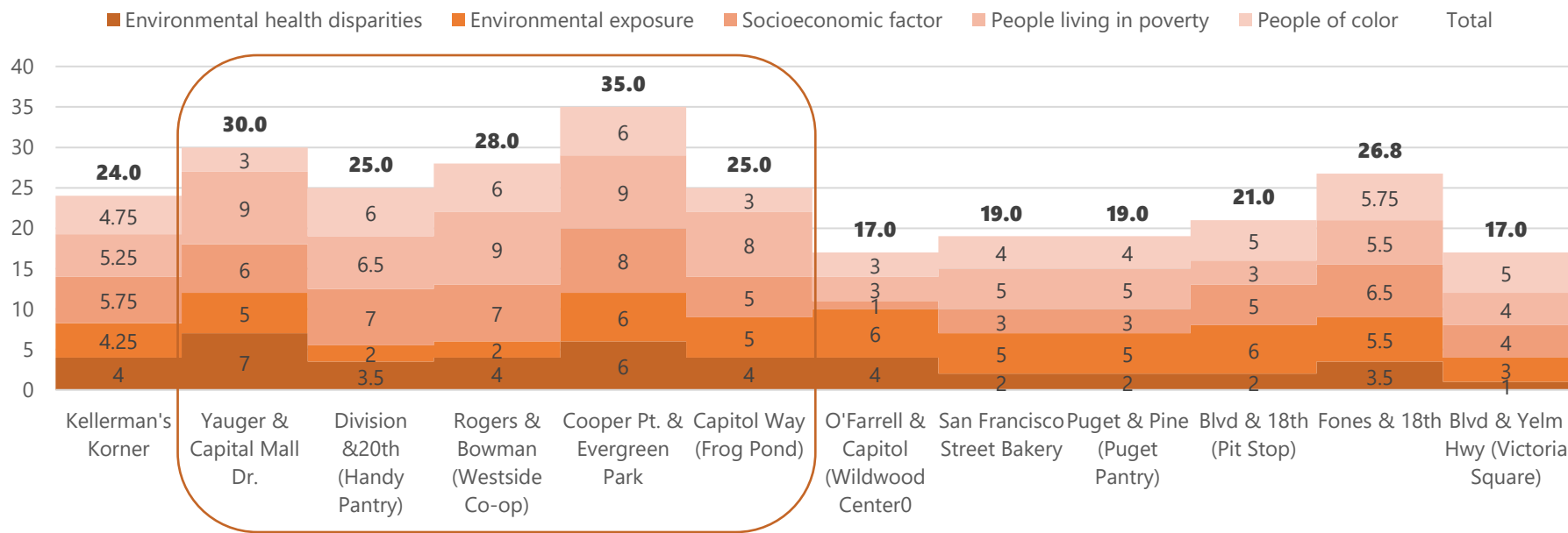
Equitable Development Considerations

The chart below shows which center areas face the most significant environmental and socioeconomic challenges according to the Washington State Department of Health. While these factors do not necessarily correlate with high levels of future potential, they do indicate where populations face greater challenges in securing healthy and prosperous lives for their families. Along with areas with high potential, need may be a rationale for public investments in centers.

The equitable development considerations shown below are environmental health disparities, environmental exposure, socioeconomic factors, people living in poverty, and people of color. Higher numbers reflect higher levels of risk and vulnerability.

Socioeconomic risk factors includes inputs such as high unemployment, low levels of education, and limited English ability. A number of west side centers—from Yauger and Capital Mall to Frog Pond—shows higher levels of need than those on the east side, with the exception of Fones and 18th.

Yauger and Capital Mall and Cooper Point and Evergreen Park have particularly high levels of people living in poverty and people of color compared to other centers.

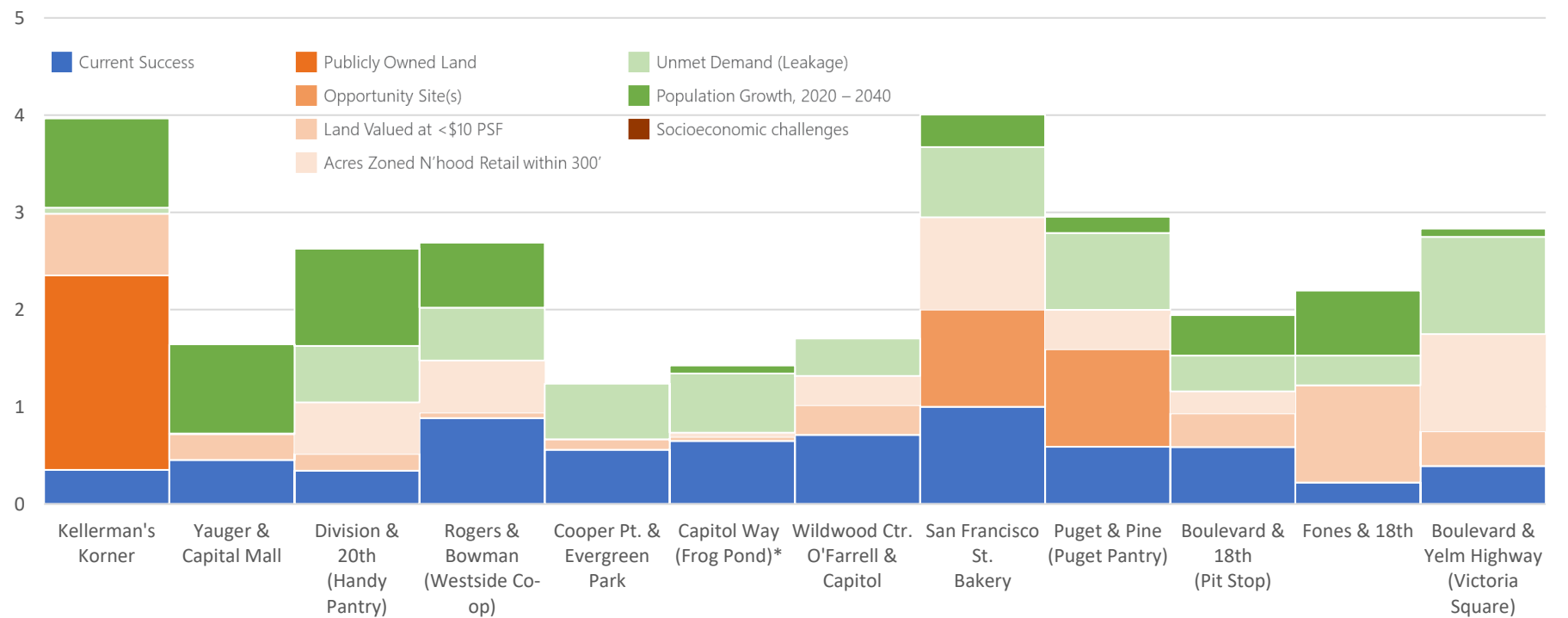


Future Potential Summary

LCG’s future potential summary metric for the 12 subject centers is shown below.

The **Kellerman’s Korner, San Francisco St. Bakery, and Puget Pantry** centers score highest in part because there is either publicly owned land or opportunity sites at these centers. There is potential land at these centers where additional small-scale commercial, residential, mixed-use, or other development (e.g. civic) could be built in order to extend and improve the existing centers.

The **Division and 20th, Rogers and Bowman, and Victoria Square** centers also show some potential. The first two of these centers should see strong population growth in their market areas over the next 20 years and also have a significant amount of leakage/unmet demand today. Both factors create opportunity. However, a significant challenge is a dearth of low-cost land—some creative, adaptive reuse projects and rezoning may be necessary. Victoria Square has the most current leakage, but less population growth; there is also some low cost, NR-zoned land at this center.



Future Potential Summary – Continued

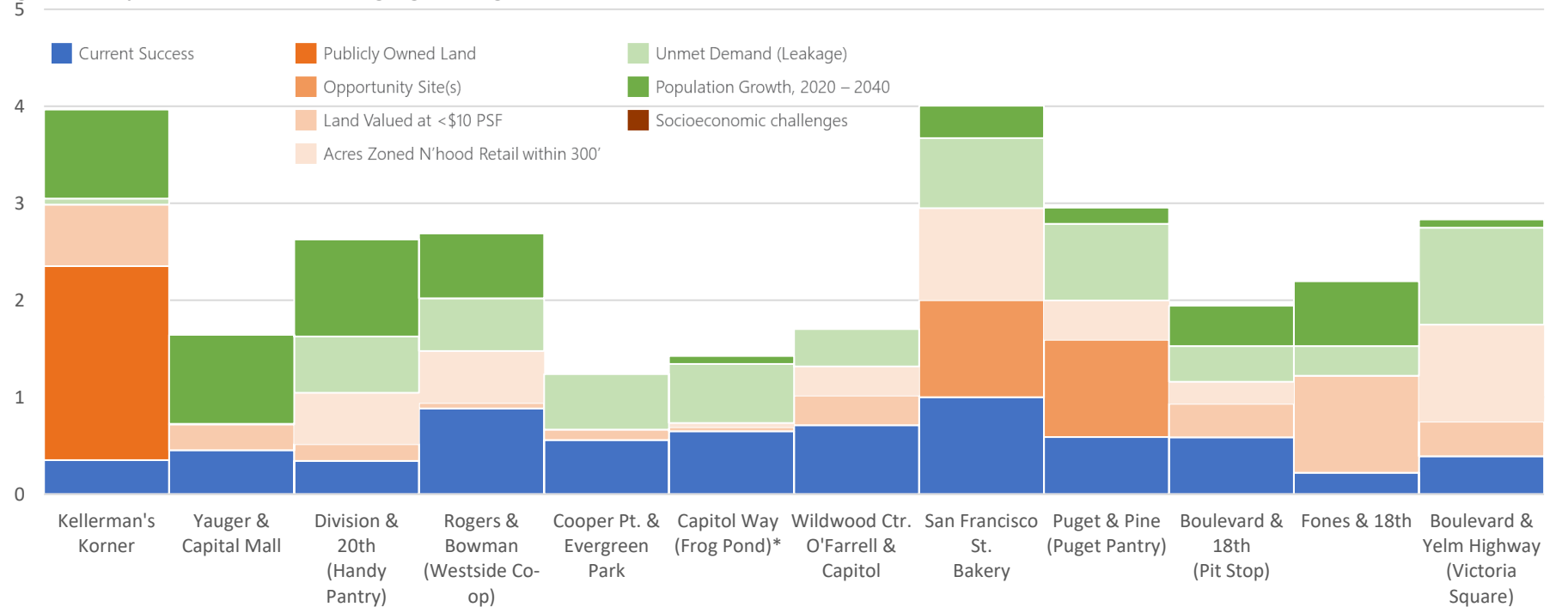
The city should take the most assertive, *proactive* approach to enable desirable development in the centers discussed above, particular the three with the most potential. In other words, city leadership and staff should actively look for ways to make an impact. The three with the most potential all have opportunity sites where vertical development can occur.

For centers with less near-term potential, the city can take a more measured approach. However, the city should remember that there are many tactics to encourage development in centers, including conducting analysis, utilizing publicly owned land, providing development incentives, building sidewalks, crossings, and other right-of-way improvements, changing zoning, and others.

These are covered in more depth in subsequent pages.

The Fones and 18th and Pit Stop centers may have some potential, due to a mix of population growth, leakage/unmet demand, low-cost land, and current success. However, these should be approached with reasonable expectations—neither has a particularly strong sense of place at the moment.

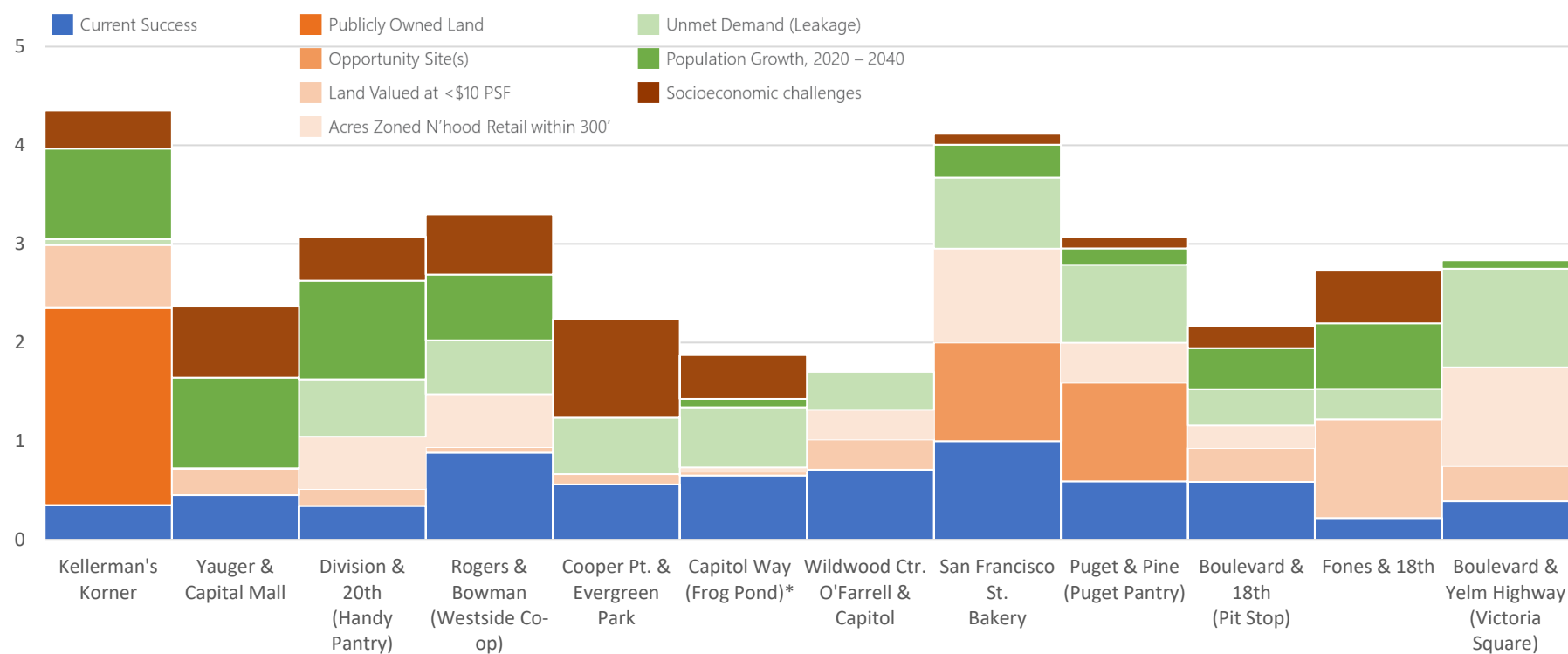
Some centers, most notably Cooper Point and Evergreen Park, do not appear to have obvious opportunities. The city should either take a very reactive approach at these centers (e.g., responding to active neighborhood advocacy groups, if any) or potentially remove their centers designation.



Future Potential Summary – Continued

In the chart below, LCG has added the socioeconomic challenges factor to the other factors suggesting future potential. This highlights the fact that the centers with the highest degree of socioeconomic challenges are not the centers with the most future potential. However, there may be policy reasons to support some centers with high socioeconomic challenges, and different policy approaches that are more related to the neighborhoods that the centers in those neighborhoods.

For example, issues associated with environmental health disparities or environmental exposure could be mitigated by reducing pollution or exposure to exhaust. Poverty and unemployment may be mitigated by improving access to family-wage jobs and/or transit. However, in some centers that seem to have low potential for new small-scale commercial development—such as Cooper Point and Yauger and Capital Mall—the opportunities for centers-type development are limited, and the city’s time may be better spent by improving broader socioeconomic outcomes.



Conclusions and Recommendations

This section summarizes LCG's findings and recommendations. LCG recommends that the City and/or other stakeholders do the following. LCG and MAKERS will be conducting further evaluation of implementation actions as the project moves forward and providing more specificity about these actions later.

- **Modify the city's zoning in order to allow for more centers-type development on more land**, within 600' of more centers. Zoning should allow commercial, residential, and mixed-use development. This modification may be completed by designating more land as Neighborhood Retail or another existing zone, creating an overlay that applies to most or all centers, or another method. If the city does not modify its zoning, the amount of centers-type development that can be built in the city will be very limited, as shown above. Zoning changes may also require Comprehensive Plan amendments.
- In addition to expanding the areas in which centers-type development can occur, the city should explore and likely **make modifications to the zoning code**, as described above. This may include modifications to parking ratios, building coverage, ground floor use requirements, heights, solid waste, frontage improvements, review process and timeline, and other issues.
- **Complete site-specific development evaluation and/or pilot projects** at two, three, or more specific opportunity sites. Focus on the publicly owned land and opportunity sites identified above, unless other promising sites are identified. These pilot projects should include some level of site design, feasibility analysis, public outreach, and identification of barriers and next steps. The ideal outcome would be to develop multiple site plans that are financially and logistically feasible and are supported by property owners and the community. These can then be built, with ground-breaking taking place some time in the next 5 years.
- **The City should consider allowing small-scale commercial uses in single family zones**, subject to clear standards to ensure neighborhood compatibility. Such a regulatory change has the potential to advance the City's goals of enabling pedestrian-oriented centers. However, details will need to be worked out, such as the maximum scale of commercial uses (whether measured in terms of square feet or impacts such as parking or trip generation), and whether commercial parking minimums would be required if residential spaces are adaptively reused to provide commercial space. Where possible, the City should consider relying on permitting criteria based on nuisances (e.g., maximum auto trips, parking, noise) rather than uses (e.g., restaurant, coffee shop).
- **Current development economics** (i.e., return on investment generated by typical commercial rents compared to the cost of commercial development) **indicate that most new-construction commercial centers projects will be infeasible for developers in the near-term** and therefore not be built. To some, this might suggest that the City should stop pursuing the centers vision. However, market conditions change over time and creative approaches involving the public, private, and nonprofit sectors are possible and can overcome projects with inadequate financial returns. We expect that at some point in the coming decades, construction costs and interest rates will plateau or decrease, while commercial rents will continue to rise, making more centers development feasible. This type of evolution in market conditions has taken place in other Pacific Northwest cities: Mixed use projects that were once considered infeasible in downtown Olympia have since been built and occupied, while generating acceptable returns for developers. A variety of creative approaches to enhancing centers development feasibility are discussed below.

Conclusions and Recommendations

- **The City should focus its proactive efforts on the centers with the most future potential**, as described above. Kellerman's Korner, San Francisco St. Bakery, and Puget & Pine all have promising opportunity sites. The Division and 20th and Rogers and Bowman are somewhat promising: they have existing commercial stores, projected population growth, and some retail leakage (residents leaving the area to shop elsewhere), among other assets. Victoria Square is another somewhat promising center because it has a large amount of leakage.
- **For other centers with less near-term potential, the city can take a more measured approach.** The Fones and 18th and Pit Stop centers may have some potential, due to a mix of population growth, leakage/unmet demand, low-cost land, and current success. However, these should be approached with reasonable expectations—neither has a particularly strong sense of place at the moment.
- **Some centers, most notably Cooper Point and Evergreen Park, do not appear to have obvious opportunities.** The city should either take a very reactive approach at these centers (e.g., responding to active neighborhood advocacy groups, if any) or potentially remove their centers designation.
- Beyond this approach to prioritization, LCG does not have specific recommendations regarding categories or scales of centers, partially because each one is different and has a series of unique features that are described in the body of this report.
- The city could also identify specific **"prototypical" centers projects**, such as a small commercial space next to a triplex, that can be built in multiple centers around town, on say a typical 5,000 square foot lot. Prototypical projects could also be for the adaptive reuse of existing structures as well as new, ground up construction. If these receive the blessing of planning and building staff, small-scale developers may seek to build them in multiple locations.
- Continue to evaluate the city's **Transportation Master Plan** and ensure that planned transportation improvements—including roadway redesigns, roundabouts, crossings, and sidewalk and bikeway improvements—support the centers vision and make neighborhoods and centers more walk- and transit-friendly. Transportation projects in centers should be prioritized.
- **Incentive programs.** Explore and potentially adopt incentive programs that would apply to all centers and potentially other parts of the city.
- One set of incentive programs that is used in other cities is a series of modest grants (\$10,000 to \$50,000), loans, or other incentives (e.g., special tax valuation) that are awarded on a competitive basis to property owners, developers, business owners who are attempting to build projects or renovate spaces in a way that is consistent with the neighborhood centers vision. Funds may be used for architectural, engineering, financial, leasing, or other studies of buildings, and/or modest exterior or interior improvements. Property owners provide matching capital, particularly for larger projects. These programs take advantage of the community's energy and creativity and allow the City to support the most promising concepts.

Conclusions and Recommendations

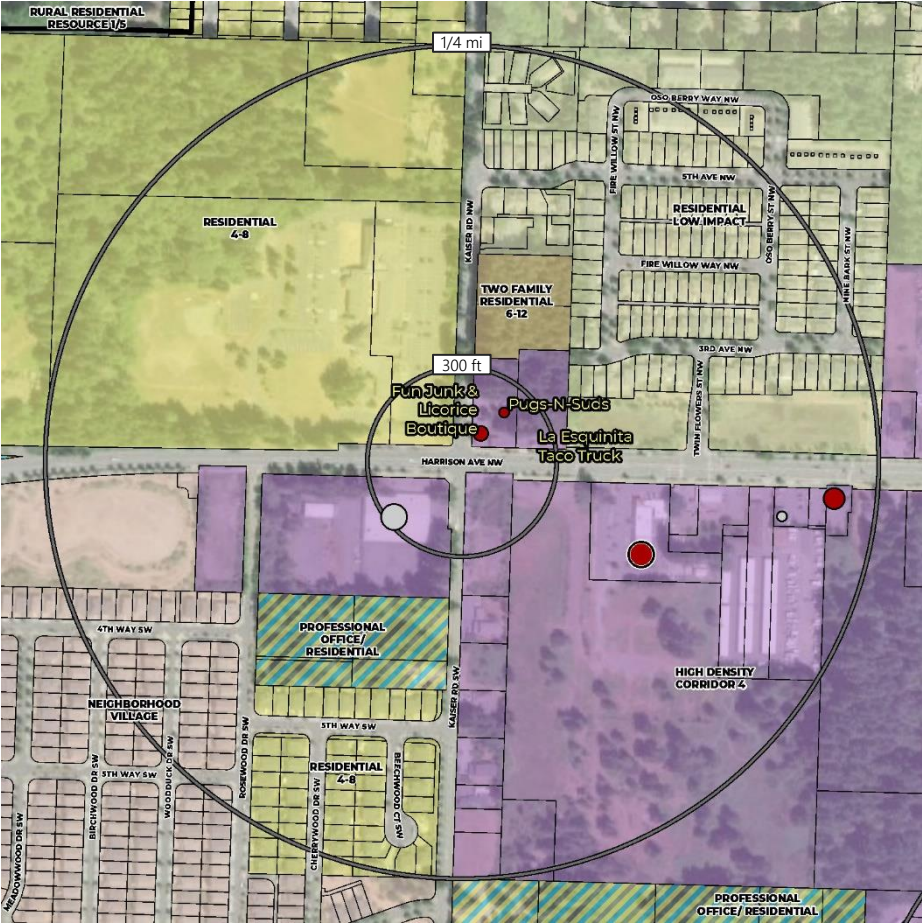
- They also create examples that other property owners, developers, and business owners can follow. Links for example programs are shown below. LCG believes that Beaverton's program is the best model for Olympia. Tacoma's program focused narrowly on designated historic buildings but could be expanded to apply to non-historic buildings:
- [Storefront Improvement Programs](#), Beaverton, Oregon. [Adaptive Reuse Program](#), Vancouver, Washington; [Financial Incentives for Historic Preservation](#); Tacoma, Washington.
- A more expansive model, based on the business improvement area (BIA or BID) model and with a greater focus on long-term district operations, promotions, and maintenance, is Portland's [Neighborhood Prosperity Initiative](#).
- Other incentives that could be created or expanded are the Multifamily Tax Exemption (MFTE), which already exists in Olympia but could be modified and/or expanded to centers; impact fee waivers; and the state's special tax valuation, which applies to designated historic properties.
- **The city as deal facilitator.** The city's, via its economic development department or other staff, could take a more assertive approach towards facilitating centers-type development projects. This is consistent with the recommendations of at least one interviewee, who recommended a "public development authority" (PDA). While a PDA specifically may or may not be the right entity to facilitate development deals, LCG believes that the recommendation is particularly valid in this context, since as discussed above, many or all development projects in centers will face funding gaps in the near term due to high construction cost.
- While the city can provide funds for development deals, it can achieve greater leverage by assisting with a range of actions, some of which are mentioned above. These include assisting with regulatory approvals and entitlements and providing modest grants and loans. Deal facilitation can also involve assembling and facilitating the delivery of gap financing from other, third-party sources. A growing range of impact investors are focused on making investments with a "triple bottom line" (profit, people, and planet) or "ESG" approach on development projects that have positive environmental, social, and governance impacts. Such gap financing sources include: Community Development Financial Institutions (CDFIs); Traditional banks via the Community Reinvestment Act (CRA); Impact Capital; Philanthropies; Small Business Administration (SBA); crowd funding (e.g., small change, go fund me); and various regional, state, federal, or other public grants or loans. "Patient equity" or gap financing can enable challenging projects to get built.
- **Education.** There are numerous opportunities for the city, aspiring small-scale developers, community members and others to get more educated about small-scale, centers-style development. Understanding small-scale development will enable advocates to be more informed and effective. Opportunities and resources include:
 - Incremental Development Alliance <https://www.incrementaldevelopment.org>. "Inc Dev" could organize a small developer bootcamp in Olympia.
 - [Building Small: A Toolkit for Real Estate Entrepreneurs, Civic Leaders, and Great Communities](#)
 - Small scale development [Forum](#).
 - Other organizations, including the [Washington Main Street](#) organization, CNU, ULI, and/or NAOIP.

Conclusions and Recommendations

- **Identification of a staff point person or department** who will be the quarterback for implementation of the neighborhood center vision going forward.
- Legacy Business Programs and Shop Local programs. Various programs exist that provide support “legacy” businesses and encourage residents to shop at small, locally owned businesses. These include:
 - [Legacy Business Program, San Francisco.](#)
 - [Shop Local First, Arizona.](#)
- **Continue to define what a neighborhood center designation confers.** Currently, as described at length above, centers vary widely in terms of their zoning, development and transportation patterns, and other features. The neighborhood center appears to be largely aspirational at this point in time, rather than a designation that confers particular benefits or public actions. The benefits of neighborhood center designation should be clarified.
- **Develop a policy for evaluating proposals for new neighborhood centers.** Some Olympia citizens are interested in adding new neighborhood centers. The City will need to clarify its criteria and/or process for evaluating and approving or rejecting new neighborhood center proposals. In LCG’s view, applications for new neighborhood centers should begin with an understanding of whether the center is formally endorsed by the surrounding neighborhood association, either via a specific letter or neighborhood plan. The association’s endorsement should be site specific, i.e., it should identify the desired intersection or location.
- Next, the city should evaluate the proposed center against the factors that this analysis identifies as likely to produce current and future success. The city should be more supportive of centers that have existing commercial businesses, are well connected, have reasonable traffic volumes, suitable zoning, opportunity sites/available land, unmet demand/leakage, population growth, and/or other factors identified above.
- Another potential source of gap funds is [tax increment financing](#) (TIF), which has been reauthorized in the state and could facilitate new development. However, there are significant limits vis a vis centers. One is that cities can only create two tax increment areas. With 12 neighborhood centers, it would be difficult to determine which, if any, merit the application of this special tool, especially when other important areas (e.g., downtown, Capital Mall Triangle) also merit investment. There are other opportunities and challenges related to tax increment financing that the City would need to explore prior to implementation.
- Transfer of Development Rights (TDR) has been mentioned as another possible incentive for centers. However, the current [Thurston County](#) and [City of Olympia](#) rules allow only a small amount of additional residential capacity (one additional dwelling unit per acre) to be transferred to the Residential 4-8 zone; there is no provision to enable additional commercial space or higher density mixed use. Moreover, LCG has not seen TDR programs be highly effective as incentives for centers-type development. Ensuring that the City’s zoning code allows and encourages the desired development is a simpler and more direct tool.

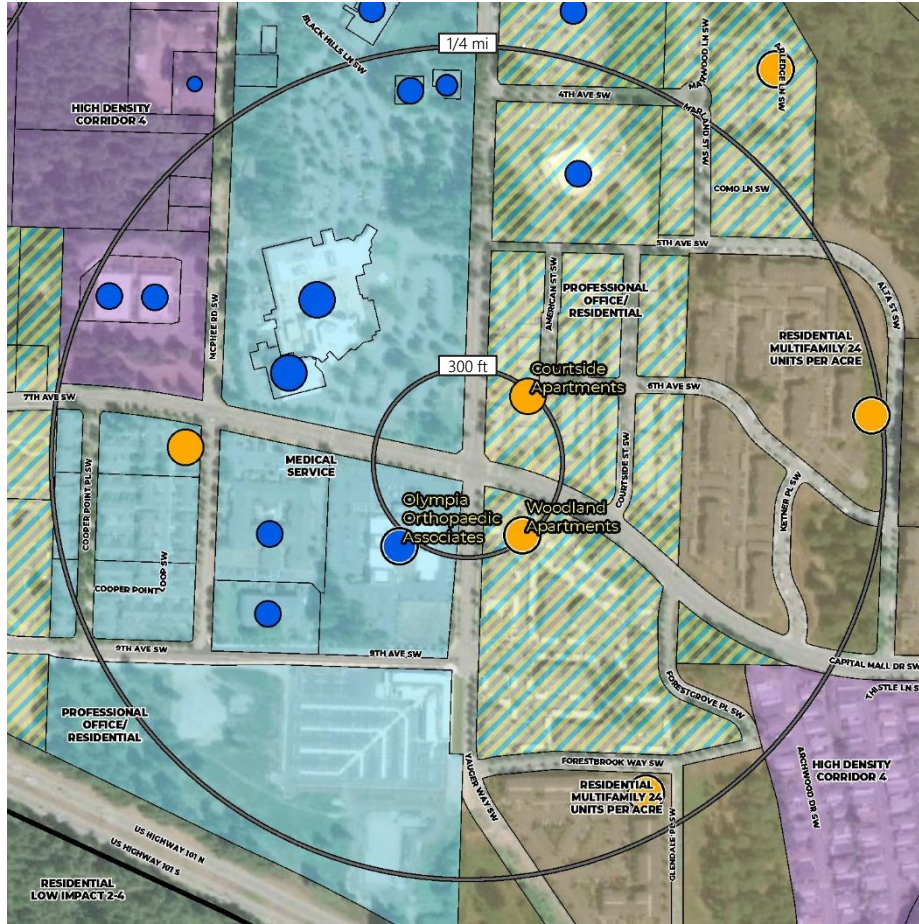
Appendices

Kellerman's Korner



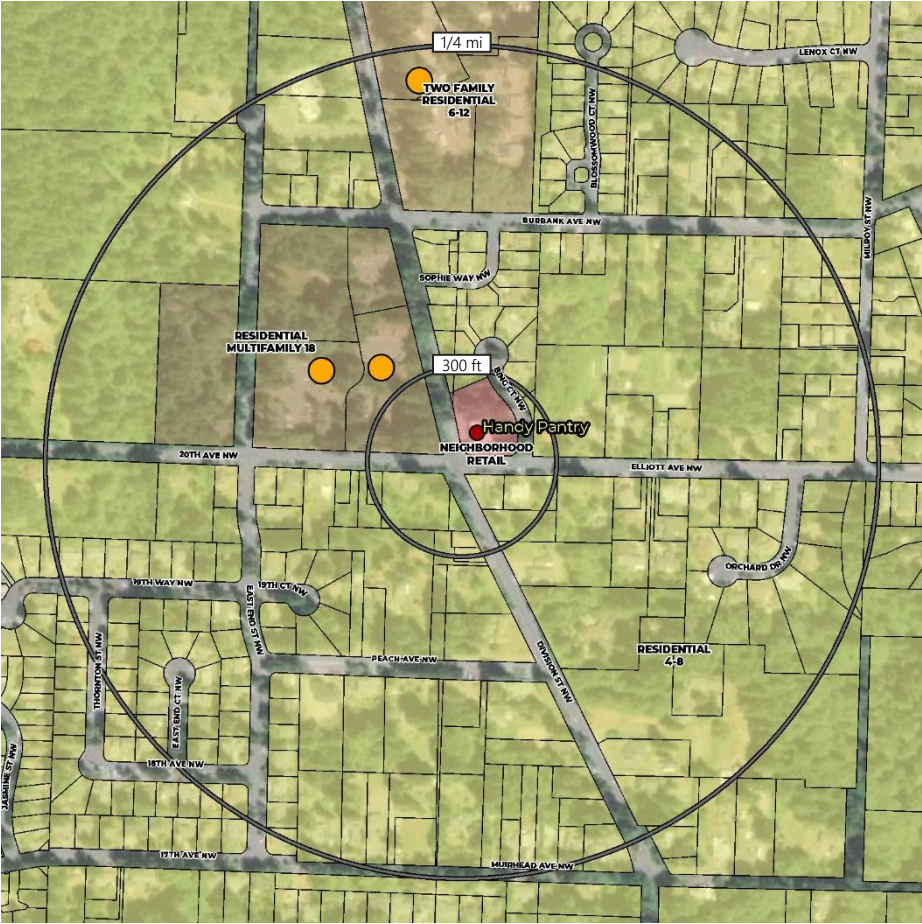
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- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

Yauger + Capital Mall



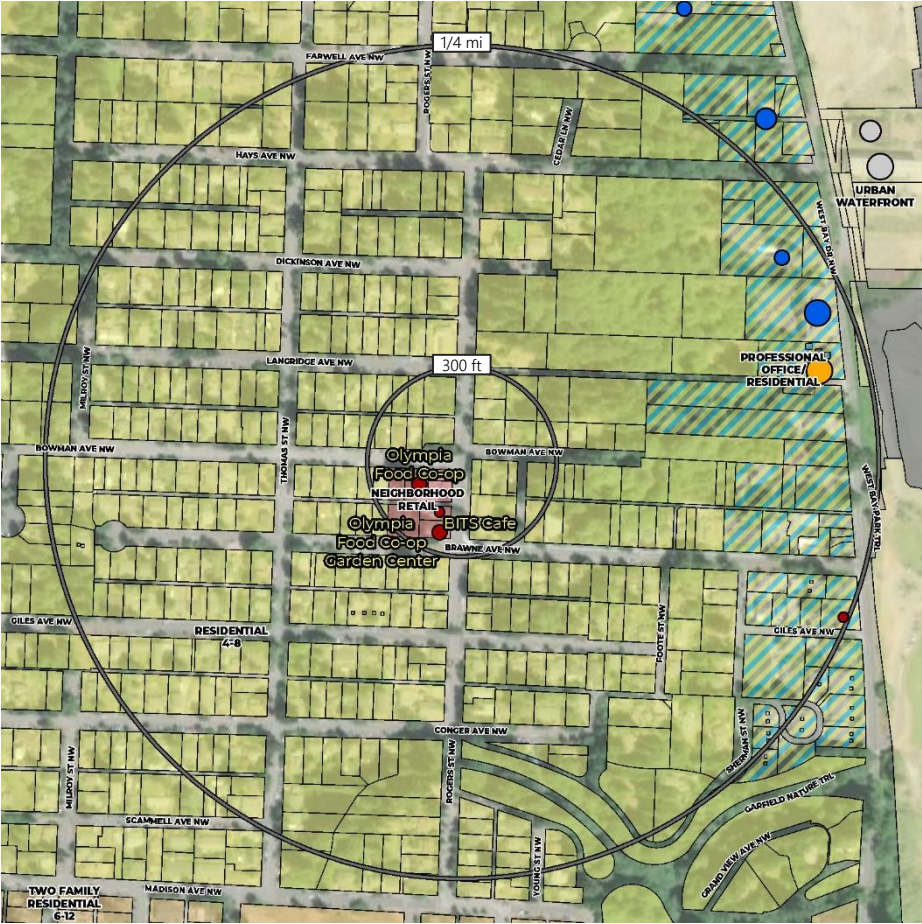
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| ○ 50,001 or More Square Feet | ○ (Any Color) Built 2020 or Later |

Division + 20th (Handy Pantry)



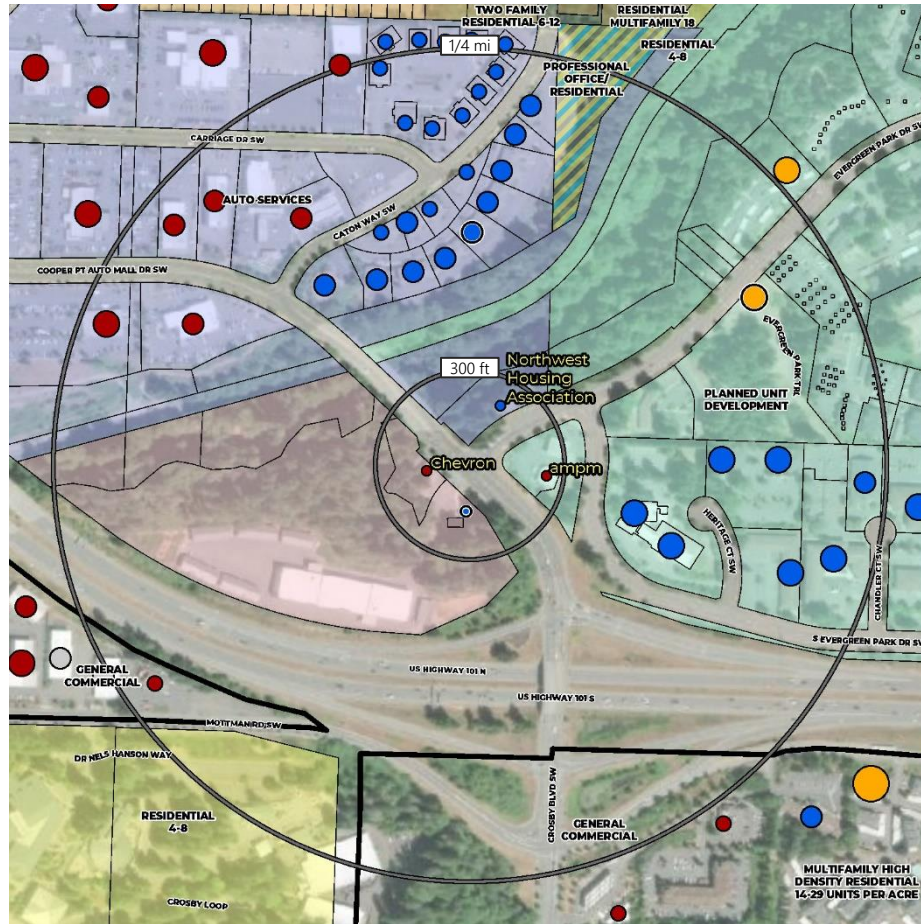
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- (Any Color) Built 2020 or Later

Rogers + Bowman (West Side Co-op)



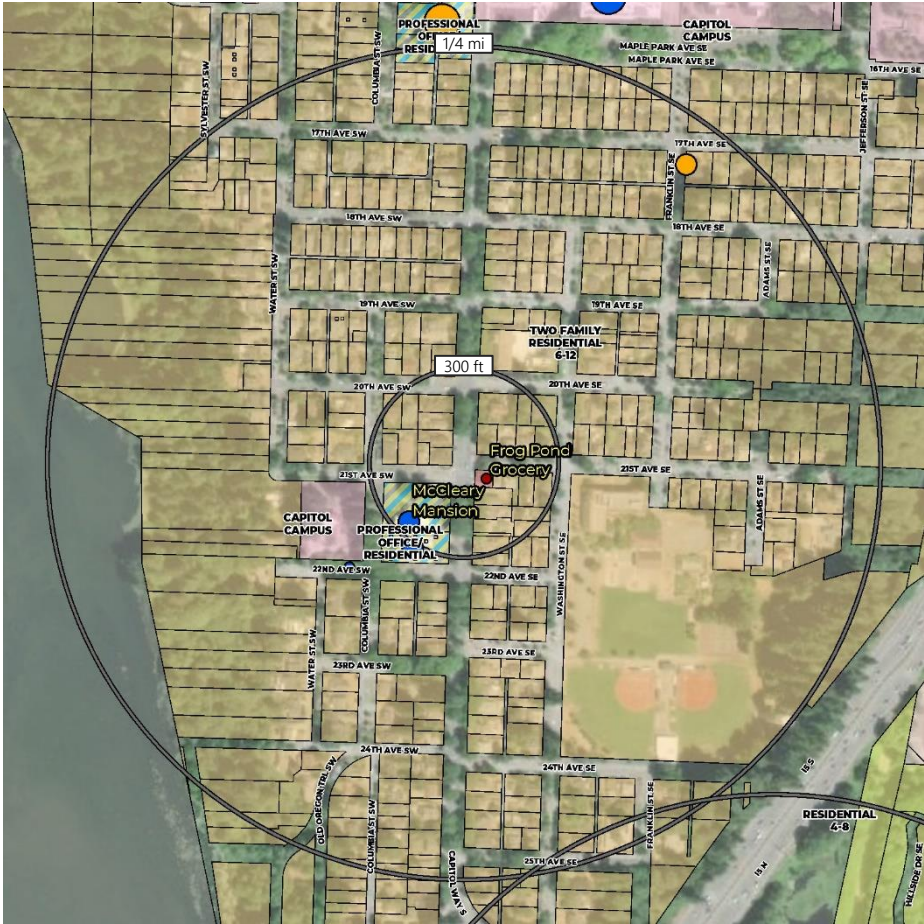
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Cooper Pt. + Evergreen Park



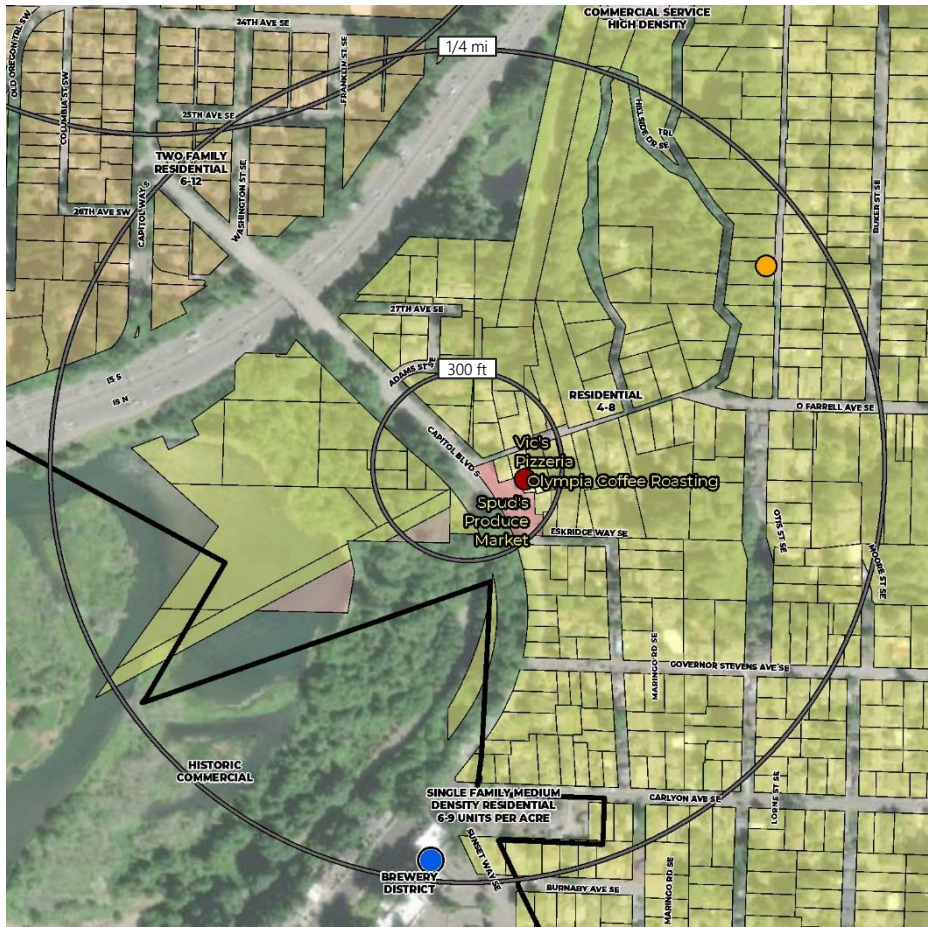
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Capitol Way (Frog Pond)



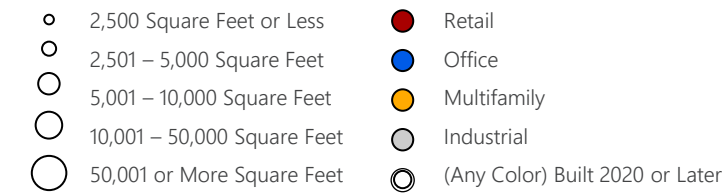
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- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

O'Farrell + Capitol (Wildwood Center)

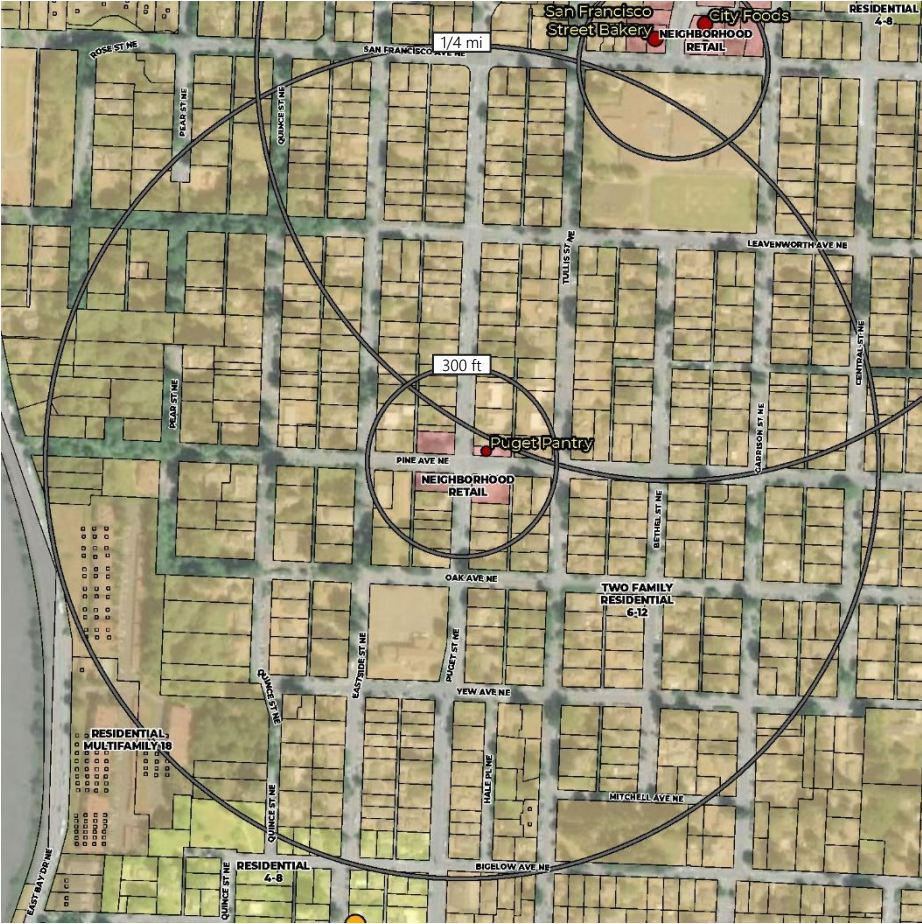


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San Francisco Street Bakery

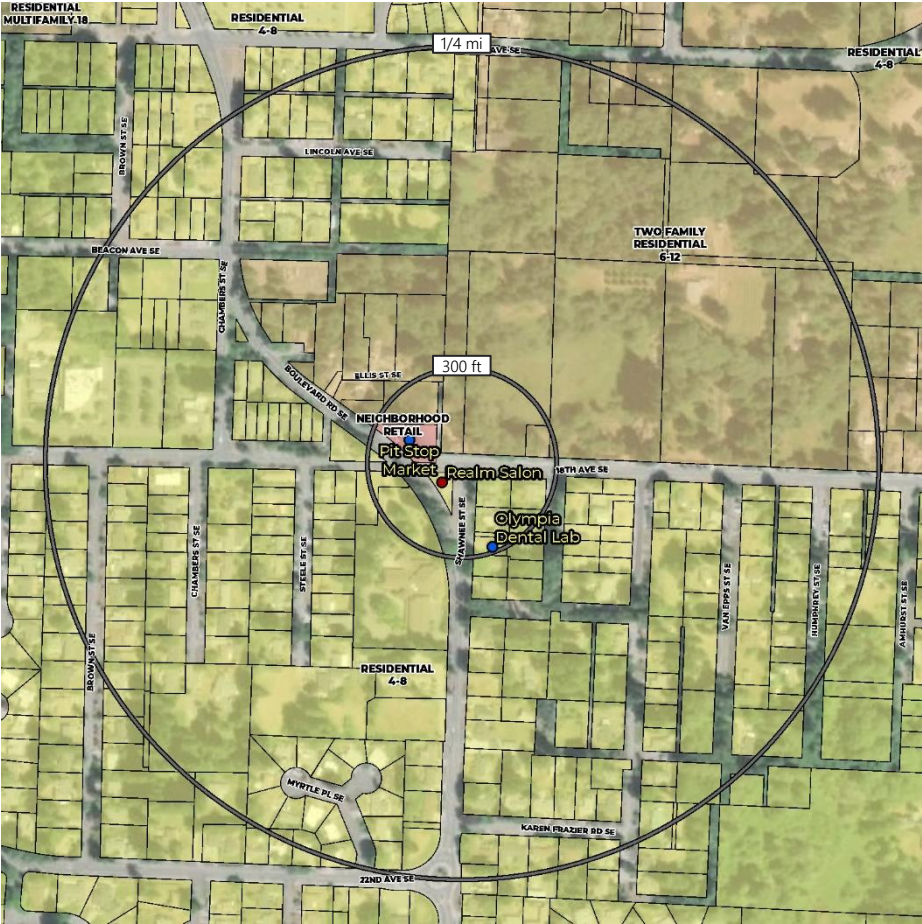


Puget + Pine (Puget Pantry)



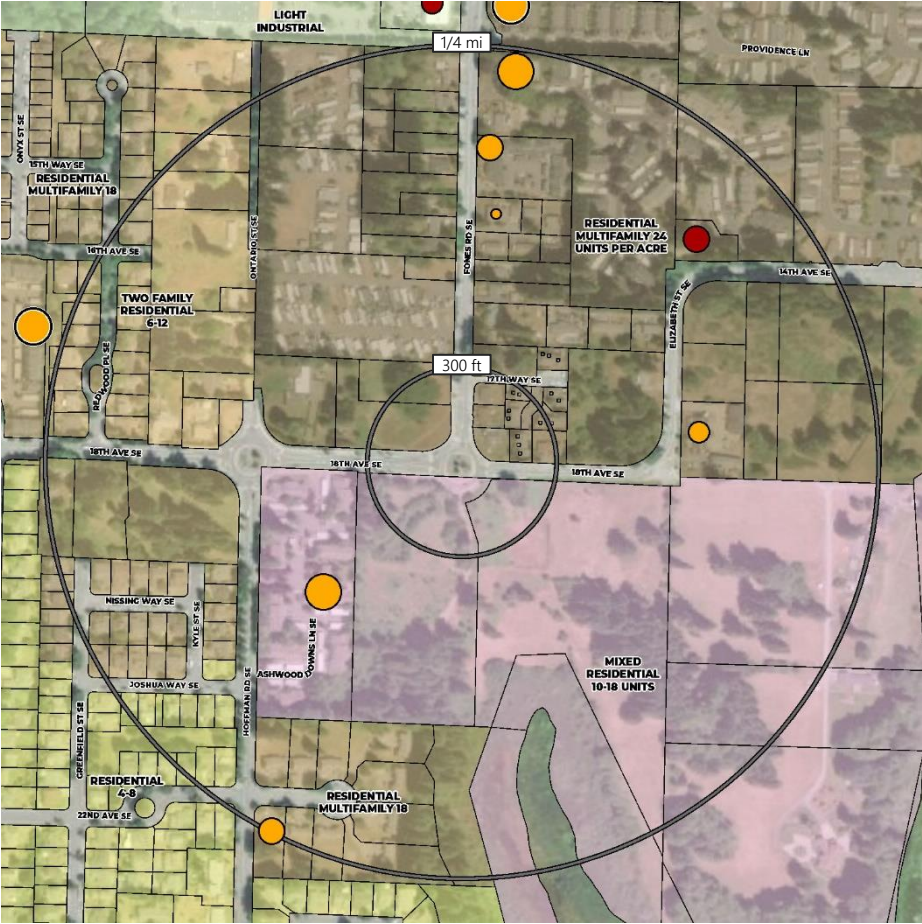
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| | 2,501 – 5,000 Square Feet | | Office |
| | 5,001 – 10,000 Square Feet | | Multifamily |
| | 10,001 – 50,000 Square Feet | | Industrial |
| | 50,001 or More Square Feet | | (Any Color) Built 2020 or Later |

Boulevard + 18th (Pit Stop)



- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

Fones + 18th



- 2,500 Square Feet or Less
- 2,501 – 5,000 Square Feet
- 5,001 – 10,000 Square Feet
- 10,001 – 50,000 Square Feet
- 50,001 or More Square Feet
- Retail
- Office
- Multifamily
- Industrial
- (Any Color) Built 2020 or Later

Boulevard + Yelm Hwy (Victoria Square)



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|  | 2,500 Square Feet or Less |  | Retail |
|  | 2,501 – 5,000 Square Feet |  | Office |
|  | 5,001 – 10,000 Square Feet |  | Multifamily |
|  | 10,001 – 50,000 Square Feet |  | Industrial |
|  | 50,001 or More Square Feet |  | (Any Color) Built 2020 or Later |



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Summary of 2014 Findings about Olympia's Neighborhood Centers



Despite the relevance of neighborhood centers to our local and regional goals, these areas have not developed as envisioned over the past 20 years. The Olympia Planning Commission has sought to analyze why, and help create a path to better implementation. In 2014, the Commission interviewed 13 business owners and 8 property owners who have operated a business, designed or developed a neighborhood center in Olympia in order to learn more about the barriers to neighborhood centers. They also launched an online questionnaire to gather input about the public's desires and concerns, to which they received 668 responses. A summary of findings from 2014 is included herein.

BACKGROUND:

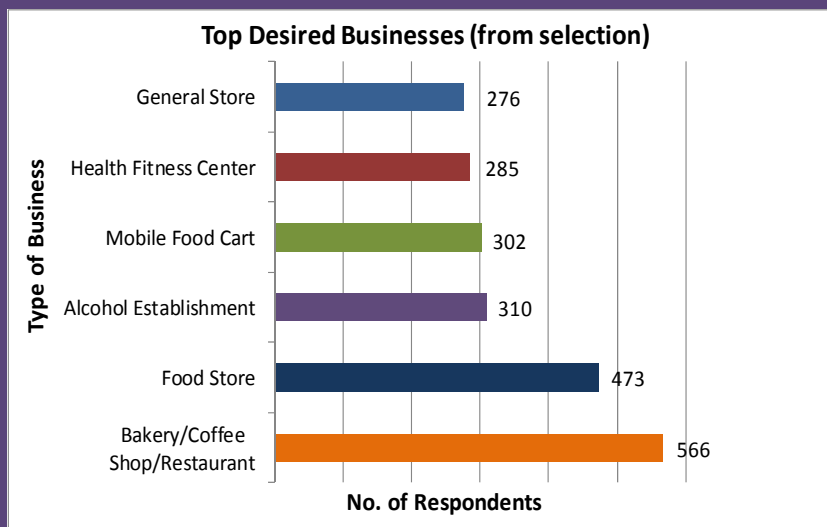
The City has had a policy of encouraging the development of neighborhood centers for over 20 years, however these have not developed as described in our Comprehensive Plan, with a few exceptions.

Neighborhood Centers are small walk and transit-friendly activity clusters within neighborhoods that serve the day-to-day retail and service needs of local residents and foster community interaction.

CURRENT CONDITIONS:

Today, only about 35% of Olympia households are within 1/2 mile of a neighborhood center that has at least one operating business. While the Comprehensive Plan identifies 17 areas for neighborhood centers (see back page), only 9 of these have an operating business.

Neighborhood Centers are of high interest to Olympians, as evidenced by the 668 responses to our poll on OlySpeaks*. The following were revealed as respondents' top desires for neighborhood centers:



Anonymous Quotes:

"Good design is key to their acceptance, more important than allowed uses."

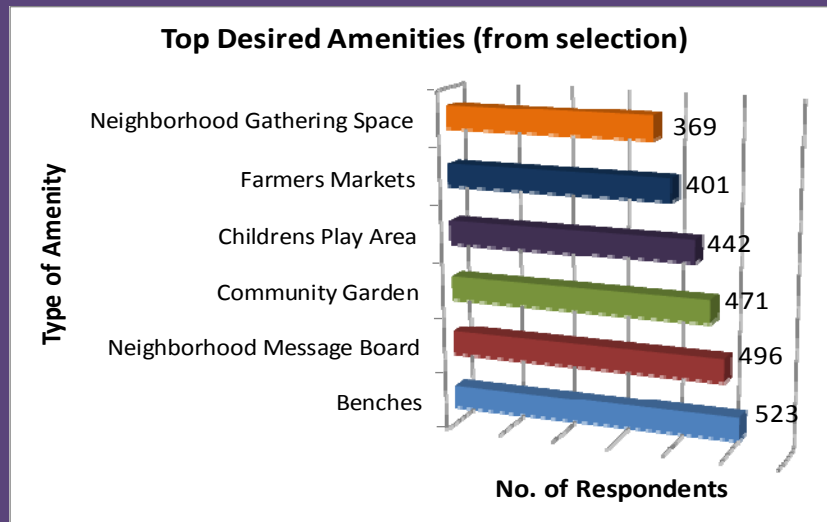
"As someone who lived across the street from a westside NC, I loved it, but there were impacts from light and noise pollution, screening from garbage/recycling and customer on-street parking encroaching on our property."

"Not everyone wants to or can walk everywhere. We need more parking ..."

"Postal services!"

"Model innovative design practices. Follow principles of local sourcing and renewable, non-toxic energy & materials."

"I don't actually favor this idea. Get people downtown."

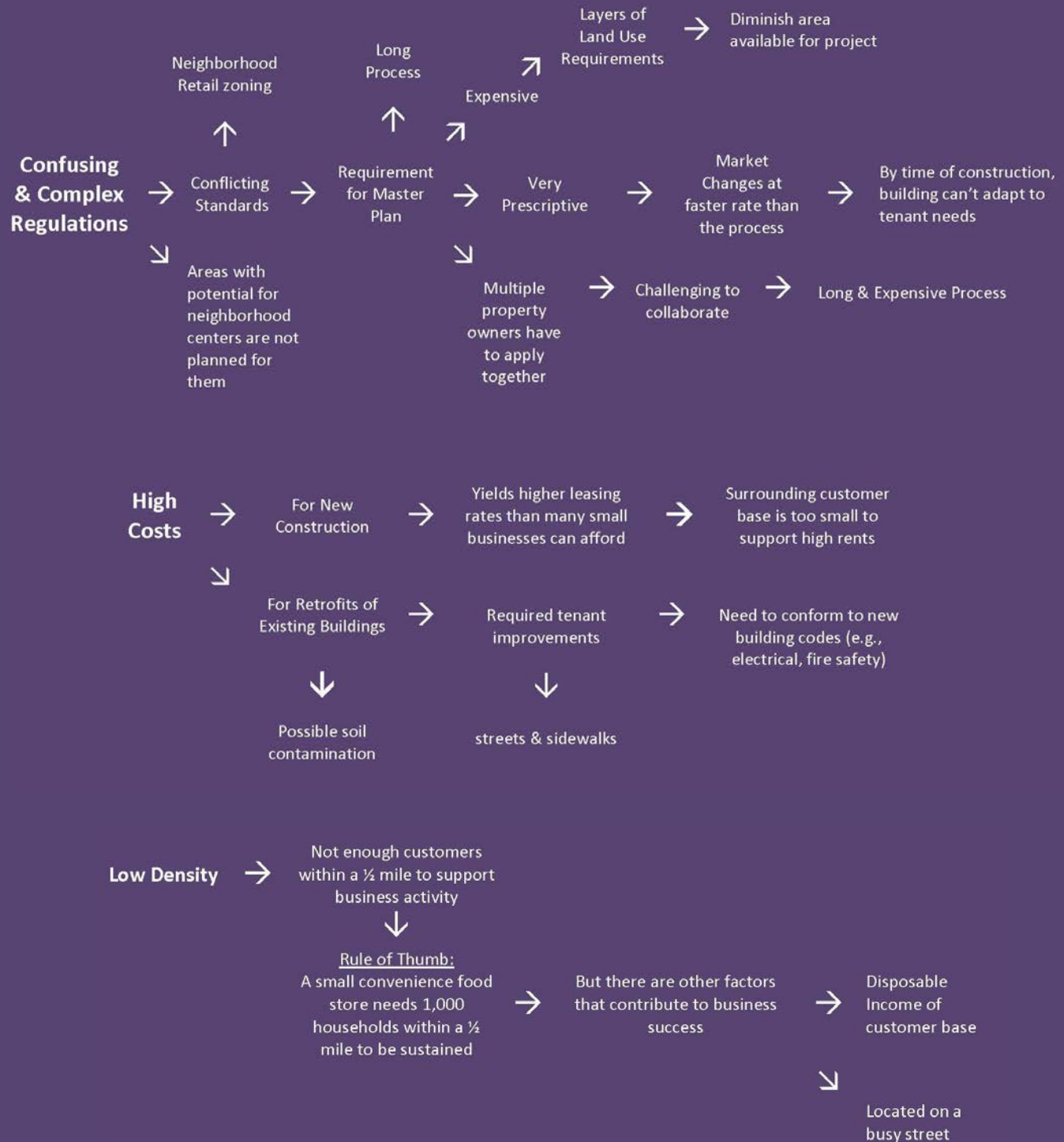


TARGET:

Within 20 years, at least 65% of Olympia households will be within 1/2 mile or a 20 minute walk from a neighborhood center with an operating business.

PRELIMINARY INPUT & ANALYSIS—Logic trees are based on City staff interviews with 21 business and property owners/developers of existing neighborhood centers, including some further analysis:

WHAT ARE THE BARRIERS TO NEIGHBORHOOD CENTER DEVELOPMENT?

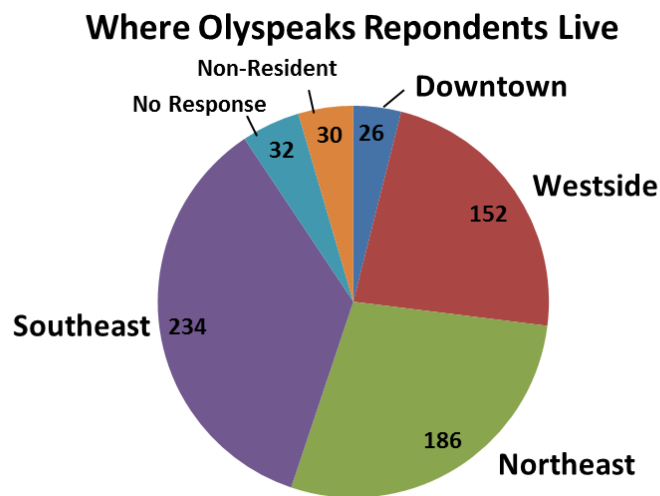


WHAT ARE THE OPERATIONAL CHALLENGES FOR NEIGHBORHOOD CENTER BUSINESSES?



Summary Report: Questionnaire on Olympia's Neighborhood Centers

Olympia's 20-Year Comprehensive Plan says neighborhood centers should develop in various locations throughout the city. In 2014, the Olympia Planning Commission gathered input to better understand community desires and feasibility for neighborhood center development. This included an online questionnaire which was posted to Olyspeaks.org October 13-28, 2014. A total of 668 people responded from all over Olympia. This input, along with other forms of input and analysis, will help to inform a Planning Commission recommendation to the City Council regarding actions the City can take to further the community's neighborhood center goals.



What Types of Businesses Belong in Neighborhood Centers?

We asked respondents to select desired businesses from a list we provided. We had two reasons for providing this specific selection:

- 1) To get a better idea about the community's interest in neighborhood center business types, and
- 2) To rationalize two lists of allowed neighborhood-scale development in the code. Currently, there are two sections of the development code that relate to neighborhood-scale business development, with some differences in their allowed/prohibited uses.

As some respondents pointed out, the feasibility and impacts of these uses should be examined. Here is how the community responded in order of preference from most selected to least selected:

Responses	Types of Business
566	Bakery/coffee shop/restaurant
473	Food store
310	Alcohol establishment
302	Mobile food cart
285	Health fitness center
276	General store
183	Art gallery
163	Bed & breakfast: 2-5 guest rooms
160	Pharmacy or medical supply store
150	Bank
146	Child care center
134	Personal services such as hair or nail salon
130	Bed & breakfast: 1 guest room
117	Medical offices such as dentist or doctor
100	Gas station
97	Veterinary clinic
92	Clothing stores
91	Laundry services
65	Church*
56	Light manufacturing with retail component
53	Business offices such as tax preparation, lawyer, or real estate agency
26	Commercial printing shop

** This should be re-titled "Place of worship"*

What Other Uses Belong in Neighborhood Centers?

We asked respondents to select from a list of non-commercial uses they think belong in a neighborhood center. Below is a compilation of how the community responded with selections ranked from most selected to least selected:

Responses	Types of Business
523	Benches
496	Neighborhood message board
471	Community garden
442	Children play area
401	Farmers markets
369	Neighborhood gathering space
320	Residences above commercial uses
310	Entertainment events
296	Shared recycling/waste bin area for businesses
295	Membership organization facility
279	Library
276	Free standing ornamental structure
251	Mobile sidewalk vendors
240	Electric vehicle power station
190	Interpretive signs
176	Apartments (up to 5 units)
147	Duplexes
137	Quarters for a night watch person
125	Museum
105	Apartments (6 or more units)
93	Parking lot sales
47	Wholesale sales combined with retail component

Open-Ended Responses

The survey included three open-ended sections where respondents were asked to write in their own ideas. A number of common themes surfaced in these comments.

Desired Characteristics for Neighborhood Centers:

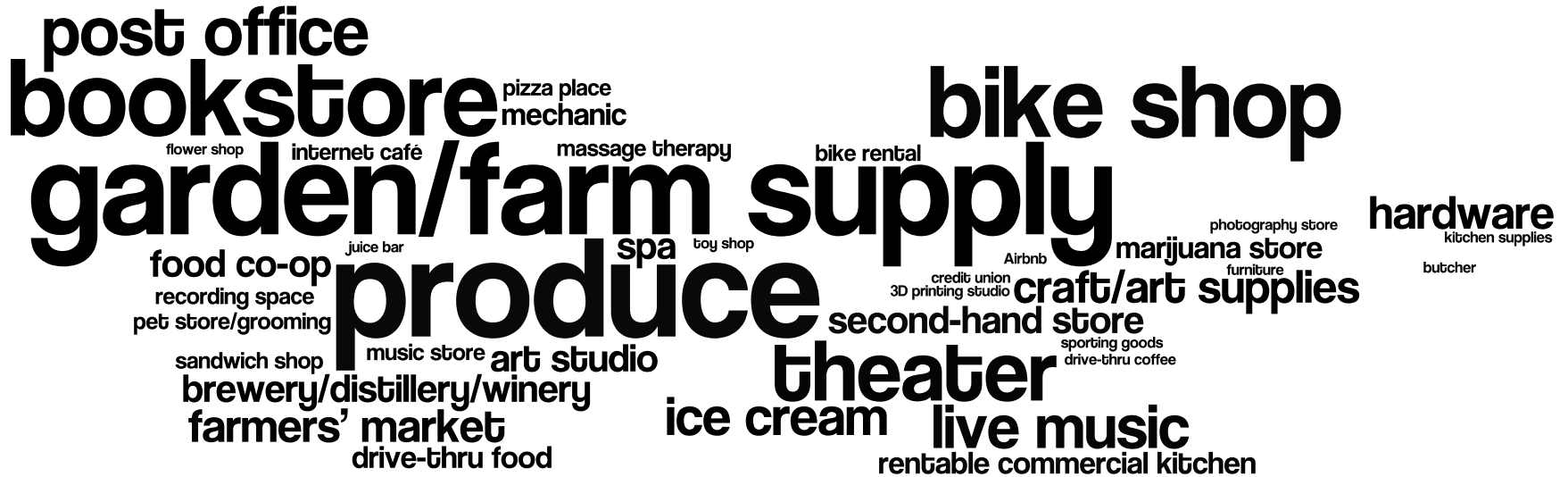
- Family-Friendly, Local, Organic, Small-Scale, Affordable, Quaint, Convenient, Easy Transportation Options, Bike-Friendly, Variety of Housing
- Wildwood & San Francisco Bakery are good models

Concerns about Neighborhood Centers:

- Impacts of vagrancy and crime (increased break-ins, drug-needle debris)
- Impacts of noise (need set hours of operation)
- Site of garbage (needs to be screened)
- Availability and design of parking
- ADA Accessibility to and within centers

The following pages provide a compilation of the public's responses to the open-ended prompts.

Other Business Options - Write-in Comments*



* Font size reflects the relative number of suggestions for each item, with the smallest font indicating 1 comment and the largest indicating 17.

[illegible]

**Font size reflects the relative number of suggestions for each item, with the smallest font indicating 1 comment and the largest indicating 22.*

Other Housing Options - Write-in Comments*



*Font size reflects the relative number of suggestions for each item, with the smallest font indicating 1 comment and the largest indicating 6.

Other Findings:

Most of the comments were positive in regard to neighborhood centers, such as ***“Love it!”*** and ***“I think this is one of the most progressive initiatives the City has offered citizens in many years.”***

A few of the comments were not positive, expressing sentiment such as, ***“no thanks”*** or ***“...we don’t want businesses in our neighborhood, pure and simple.”***

Many people expressed concern along these lines, ***“... allow the centers to not be “trashed” with homeless, drug dealers and young people hanging out like we have done to our downtown.”***

Many people also expressed concern for Olympia’s homeless population. For example, one person wrote, ***“The homeless-ness in our community has increased so much that services to assist homeless should be present in each center.”***

Several people made comments about desire for ***“locally focused”*** businesses. One person gave a reason, stating, ***“I would be very disappointed if my neighborhood had any national chain business as they don’t have the same kind of investment in building relationships with neighbors or investing in local activities.”*** A few comments expressed this idea: ***“do not want profit zones in my neighborhood.”***

There were also several comments along these lines, ***“allow flexibility depending on size of land and location,”*** and ***“Central planning isn’t what government should be all about”*** and, ***“make it easier for people to build a small business without all the red tape the City has.”***

In regard to our survey, we received sentiments such as:

- ***“Thank you for involving the community with this survey! It is a HUGE step in the right direction asking citizens what they want to see in their neighborhoods.”***
- ***“The city does not have prescriptive authority over what WILL go in NC’s, so this survey is a bit odd. Perhaps its purpose is to determine if allowed uses are on-target with community needs?”***
- ***“... survey doesn’t capture important distinctions ...”***
- ***“I was confused by the survey question on where I should indicate I live.”***
- ***“I really appreciate the opportunity to provide feedback!”***
- ***“I worry the city is leading people on with false hopes instead of using this as a learning moment about the economics of growth and realities of density.”***

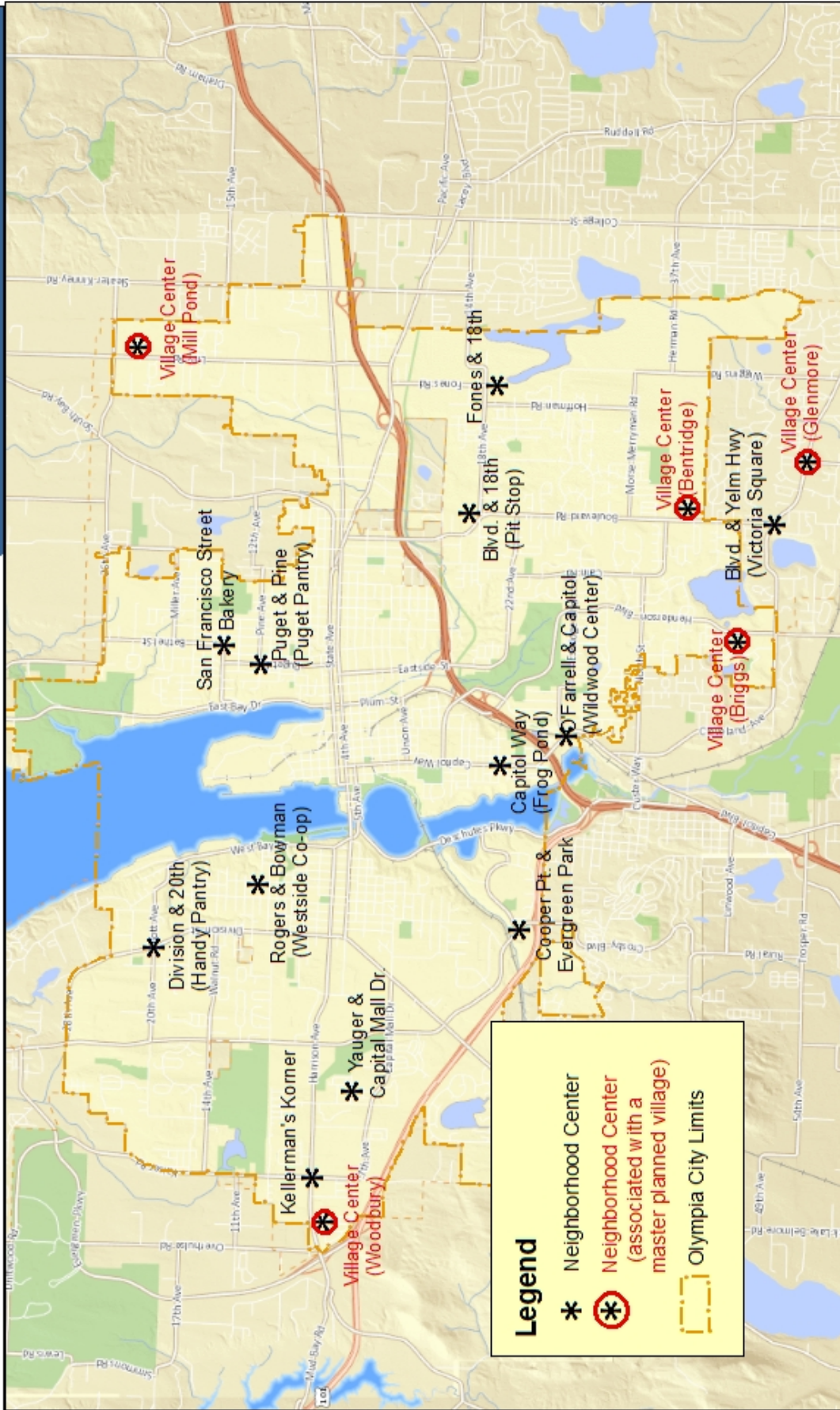
SUMMARY SCOPE OF ACTIONS:

CAUSE:	PROPOSAL:	EXPECTED OUTCOME:
<p>The Master Plan process is too onerous.</p> <p>Certain development regulations may be outdated.</p> <p>There are neighborhood concerns about design, primarily about the mass and scale of buildings.</p>	<p><u>Consider</u> code amendments to:</p> <ul style="list-style-type: none"> Remove the master plan process for neighborhood centers, and update neighborhood retail zoning regulations as the alternative process. (update allowed uses and other development standards) Decrease the number of required vehicle parking stalls for neighborhood center businesses. Update the sign code to allow businesses to have more visibility, while also balance this with public concerns about sign clutter. Expand design review to all neighborhood center developments. Consider adoption of standards that provide more certainty, yet maintain flexibility for variety of tenants. Incorporate Crime Prevention through Environmental Design (CPTED) standards. 	<p>The process and regulations around neighborhood centers will be easier to understand, apply for and administer.</p>
<p>In some areas, surrounding population densities are too low to support neighborhood center businesses.</p>	<p>As part of the neighborhood subarea planning process, provide a data profile of planned neighborhood center locations within the subarea. (e.g., current & projected number and income of households within 1/2 mile, nearest park, transit route, other commercial area, etc.)</p> <p>As an option for the subarea planning process, facilitate a visioning, followed by a feasibility analysis to determine whether higher densities or other characteristics are likely needed to support the subarea's vision for its neighborhood center.</p>	<p>Subarea stakeholders explore options for feasibility, including increased population around centers, or may rethink vision for these locations.</p>
<p>Costs are prohibitive:</p> <ul style="list-style-type: none"> Construction of new mixed-use buildings Rehabilitation of existing, underused sites 	<p>Explore possible partnerships between the City, neighborhoods, business and property owner/developers to reduce costs associated with neighborhood center development or improvement (e.g., assistance with addressing contamination, constructing improvements, and place-making.)</p> <p>Provide info about tax incentives associated with upgrading older buildings. See also #1, #2 and #4</p>	<p>Provide a 'tool-kit' of potential partnerships & other incentives to help overcome financial hurdles to developing or operating a center business.</p>
<p>There is not enough land onsite to stage garbage, recycling and compost bins.</p>	<p>Consider allowing shared space among neighborhood businesses for staging garbage, recycling and compost.</p> <p>Continue to explore the City's options for picking up commercial recycling through the City's Zero Waste Plan, and consider prioritization of centers.</p>	<p>There is adequate collection & space to manage waste and recycling.</p>
<p>Inadequate pedestrian infrastructure</p>	<p>Prioritize improvement of pedestrian infrastructure and amenities in neighborhood center areas as they develop.</p>	<p>Improve pedestrian safety and walkability.</p>

Neighborhood Center Areas

From Olympia's Comprehensive Plan Future Land Use Map

City of Olympia | Capital of Washington State



Legend

- * Neighborhood Center
- * (in red circle) Neighborhood Center (associated with a master planned village)
- - - Olympia City Limits

Victoria Square & Glenmore are currently in the jurisdiction of Thurston County, but are planned to be annexed into the City of Olympia within the 20 year planning period.

This map is intended for 8.5x11" landscape printing.



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Map printed 11/9/2014
For more information, please contact:
Amy Buckler, Associate Planner
abuckler@ci.olympia.wa.us
(360) 570-5847

Filename and path: Z:\ArcGIS\Neighborhood Center\Mapa 1015141201 Neighborhood Center\Map 101514.mxd

For more information, please contact Senior Planner Amy Buckler at 360.753.8314 or by email at cpdinfo@ci.olympia.wa.us

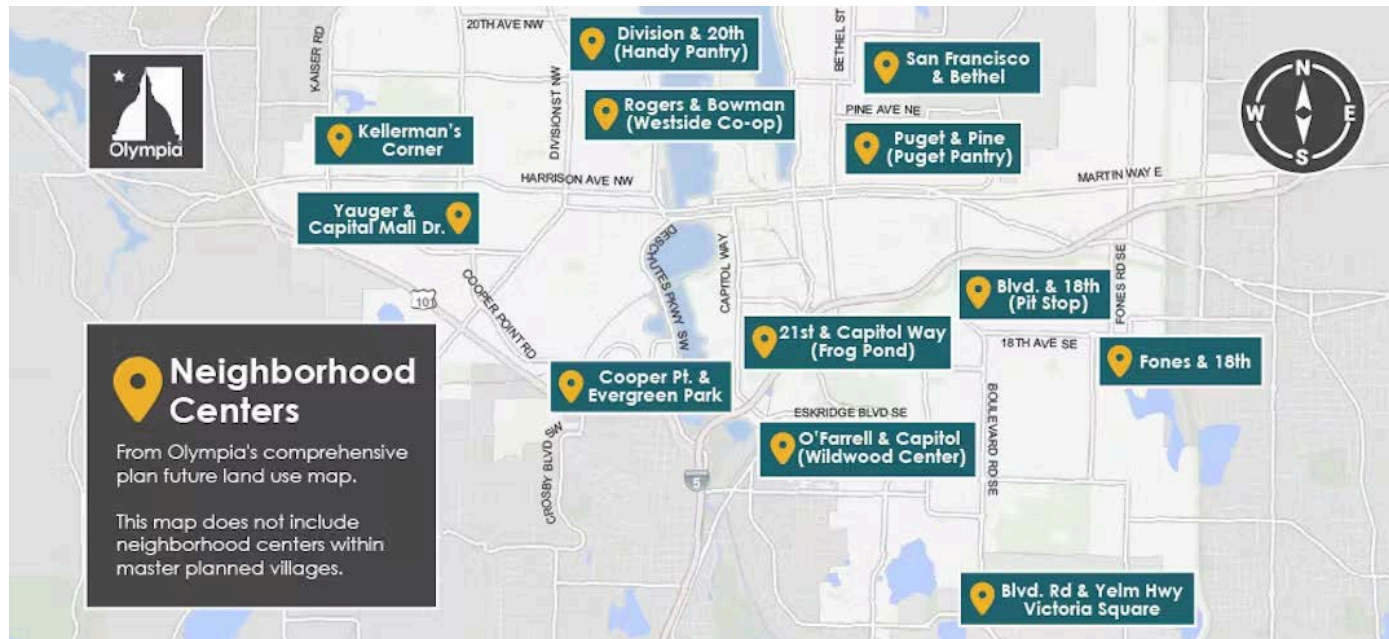
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Neighborhood Centers



What's happening?

Neighborhood centers are small walk, bike, and transit-friendly business clusters within residential neighborhoods that serve the day-to-day retail and service needs of local residents and foster community interaction. Neighborhood centers are important to community-wide goals to increase walkability, reduce our carbon footprint, improve human health, and foster neighborhood resiliency.

Olympia's Comprehensive Plan identifies 17 locations for neighborhood centers. Conditions of these sites vary from thriving retail centers to vacant or completely undeveloped. Despite long-held goals to encourage them, neighborhood centers have not developed as envisioned. In 2014, the Olympia Planning

Commission set out to find out why this was the case and to help create a path to implement the City's vision. Early efforts included a community wide online survey and stakeholder interviews.

- [View 2014 outreach summary](#)

In January 2022, the City hired the consulting team of MAKERS Architecture & Urban Design and Leland Consulting Group gain a better understanding of barriers affecting neighborhood centers, and identify strategies for addressing these barriers. This team is focusing on the twelve neighborhood centers that are not part of Olympia's master-planned communities.

View details about each of these 12 neighborhood centers at the bottom of this page.

The consultants spent the first half of 2022 evaluating each of the neighborhood centers, talking to stakeholders, and conducting a market analysis. The next phase of the project is to share findings from these efforts and get community input.

- [View market analysis](#)

Community input

Your input is important for identifying actions the City can take to implement important community goals for walkable neighborhoods, reducing reliance on cars, and fostering neighborhood connections. Over 350 people participated in an online survey from July 13 - August 15.

- [View survey summary](#)

SURVEY	NC DETAILS
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Neighborhood Centers Survey
This survey is closed. View summary

[Take Survey](#)

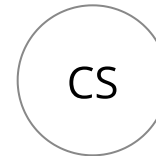


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Who's Listening

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Documents

-  [Neighborhood Centers Survey Summary \(1.79 MB\) \(pdf\)](#)
-  [July 13 Open House Slides with Poll Results \(14.2 MB\) \(pdf\)](#)
-  [2022 Market Analysis \(5.33 MB\) \(pdf\)](#)
-  [Detailed Neighborhood Center Profiles \(13.3 MB\) \(pdf\)](#)
-  [2014 outreach summary \(2.68 MB\) \(pdf\)](#)
-  [Olympian article about Wildwood \(175 KB\) \(pdf\)](#)

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 ["Creating walkable business districts" by J Owen and G Easton \(1.83 MB\) \(pdf\)](#)