

- Introduce yourself
- Purpose of presentation is to initiate a discussion about Olympia's neighborhood centers
- Brief history: NC identified in 1994 Comp Plan, but very limited development since then.
 2014 Comp Plan directs the City to...[...]



What are Neighborhood Centers?

Intended to be small walk 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.









- Olympia's 20-year Comprehensive Plan describes our community's goal to create small walk and transit-friendly business clusters within residential neighborhoods
- Often cited examples include the San Francisco St. Bakery in the NE and the Wildwood Center along Capitol Way
- These places are important for:
 - meeting day-to-day retail and service needs of local residents within an easy walking distance so that we don't have to drive everywhere
 - fostering community interaction
- Overall, NC's increase the quality of life and the value of residential neighborhoods



- Existing and potential NC
- What this map shows are the 17 sites identified in the City's Comp Plan for NC development over the next 20 years
- Existing conditions vary greatly in these areas from thriving to moderately active uses, to vacant or even completely
 underdeveloped sites
 - 6 of these sites are associated with village master plans or are currently in Thurston County jurisdiction but shown on our map because they are within Olympia's urban growth area and will be annexed into the City someday
 - The other 11 sites are the main focus of the Planning Commission's current work, and where we will focus
 most of our discussion tonight
 - (The 11 areas of focus: Kellerman's Corner, Yauger & Capital Mall Dr., Handy Pantry, Westside Co-op, Cooper Point & Evergreen, Frog Pond, Wildwood, Pit Stop, Fones & 18th, San Fran Bakery, Puget Pantry)

Back-Pocket:

- Although the CP is a high level goal & policy document which does not include regulations; most of these starred
 areas have underlying zoning (neighborhood retail) regulations (in the Municipal Code) that allow for moderate retail
 development
 - but a few do not currently (Yauger & Capital Mall Drive, Cooper Point & Evergreen, and Fones & 18th.)
 - (Because the CP provides policy direction to include a neighborhood center in these areas, it's
 potentially something the City could consider in the future.)
 - Some of these areas are part of what we call "neighborhood villages" or "urban villages", which require a
 master planned subdivision to include a neighborhood center
 - These are denoted by stars surrounded by a red circle
 - All five of Olympia's villages have approved master plans, which are in various degrees of development
 - But none of the retail components have built out yet
 - You may have heard that Briggs Village will have a grocery store some day that's an example of a planned neighborhood center in a village
 - A couple areas are still in the jurisdiction of Thurston County, but will be annexed into the City someday (Victoria Square & Glenmore)



3-Phase Project

- Phase 1 2014: Info Gathering
- Phase 2 2015-2016:
 Public Outreach
- Phase 3 2016:
 Consider Changes to Regulations



- Why are we here tonight?
 - Despite the importance of NC's, they have not developed as planned within the past 20 years
- So the OPC has sought to analyze why, and help to create a path to better implementation of this community vision
- Last year (in 2014) OPC analyzed existing conditions and completed surveys and interviews to learn more about the public's desires, and the challenges to developing retail or operating a business in these areas
- We want to share what was learned and spark a community conversation about some potential opportunities
- Our goal is to inform public dialogue & gain a better understanding of what could work in these areas
- Next year, the OPC will likely consider changes to City land use regulations to ensure we have the right standards in place and remove barriers that might be preventing NC's from being built
- There are a few things we need stress:
 - 1. No specific changes to land use regulations are being considered at this time
 - If specific changes to land use regulations in the code are proposed in the future:
 - the Planning Commission would hold a formal public hearing that would be publically noticed
 - The OPC would then make a recommendation to the City Council, who would ultimately make a decision
 - 2. We recognize that neighborhood center development may not be welcome everywhere, and that the desired type or scale of a center may vary from neighborhood to neighborhood
 - 3. NC (re)development will rely almost entirely on **private** decisions
 - 4. The City will not be the developer of these sites, nor is the City trying to **force** development in these places
 - However, this is an important community goal, so with your help we are trying to help make these places more viable, including thinking about how the City's development regulations might help or hinder them



Phase 1: Information Gathering

Public Preferences

- Small-Scale, Quaint
- Family-Friendly
- Local, Organic
- Affordable, Convenient
- Bike-Friendly
- Easy Transportation Options
- More Housing Choices







Public Concerns

- Noise
- Vagrancy & Crime
- Garbage Containers
- Parking Availability/Design
- Handicap Accessibility
- Truck Traffic
- Loss of neighborhood character



- Here are some concerns about NC's that arose from the survey
- Many of these impacts can be mitigated or avoided through carefully crafted land use regulations
- (More information about what we learned is available on handouts/ on our NC website.)



Phase 2: Neighborhood Outreach

- Partner with the Coalition of Neighborhood Associations
- Meet with neighborhood groups
 - Neighborhood Vision
 - Feasibility Analysis and Private Sector role
 - How City can help to achieve vision
- Open House to review results of outreach



- In 2014, we surveyed 668 Olympia residents about their desires for neighborhood centers
- These are the characteristics people identified
- This helps us understand what a successful neighborhood center in Olympia might 'look and feel' like
- We see many of these characteristics our most popular neighborhood centers today



Phase 3: Focus on Solutions

• Short-term:

- Consider changes to development regulations
- Update allowed uses & other development standards
- Enhance housing opportunities in the vicinity
- Simplify complex permitting process
- Encourage Place-making & Temporary Uses

• Mid-Term:

- Focus on City programs & expenditures
- Explore cost reduction options
- Prioritize pedestrian safety around centers
- Develop/communicate best safety practices



- This section covers the role that NCs play in the urban fabric.
- What are NC's and why are they important?
- Why don't they already exist if they're important?



City's Goals and Objectives

Comprehensive Plan:

- Accommodate projected growth
- Conserve natural resources
- Promote public health
- Reduce vehicle miles traveled
- Reduce infrastructure costs

By creating:

• Compact, walkable, transitserved communities





This is where YOU come in!





• We've learned some things about what contributes to successful NC, as well as what some of the challenges are



- There are many factors that contribute to a businesses' success
- We're going to touch on a few key factors
- Site accessibility & visibility always has and will continue to be important
- Wildwood Center is a great example of this located on a highly accessible and visible spot on Capitol
- The historic and distinctive architectural presence doesn't hurt either!



Business Success Factors



"Destination" businesses may overcome lack of access and visibility if coupled with a wholesale component

- However, we find that destination businesses may be able to overcome not being highly accessible or visible
- The San Francisco bakery is a good example of a destination business (and Blue Heron Bakery on the Westside).
- It probably also helps that the bakery has a wholesale component, where they make products here and sell them elsewhere
- The revenue generated from the wholesale component contributes to their overall bottom line



Business Success Factors

Demographic & Physical Characteristics (Local customers needed to support the business!)





Business Challenges

- Market & demographic challenges
- [Photo to be added]
- · Too few households
- Limited incentive to redevelop existing bldgs.
- Retail Market Consolidation
 - Lending practices/ assumption of risk
 - Larger grocery stores
 - On-line competition

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#1

- Just as the number of households within the area can contribute to the NC's success, it can be a challenge
 if there are not enough potential customers passing by the area to support the businesses
- Another possible success factor or challenge depending on the situation is presented when there is an existing building on the site
 - This can be a success factor because if the building is old enough (as Olympia's are) the original
 construction is probably paid for, reducing lease costs for tenants can be a make it or break it
 business expense
 - It can present a challenge to redevelopment though since there is little incentive for property or business owners to make improvements as long as business is good

#2

- Retail market consolidation is an obvious trend and challenge for the development of Olympia's NC development (but not futile!)
 - Lending practices are a huge factor
 - Banks are risk averse
 - To receive a loan, investors need to be able to demonstrate a case for success
 - Someone wishing to construct or operate a small grocery store may have difficulty
 proving their case for success if they or their business model don't have history or
 other models that serve as test cases for success
 - As a general trend, grocery stores are getting larger
 - Though in very dense urban areas, such as Ballard in Seattle, there is a trend in the opposite direction
 - These grocery stores are typically around 30,000 sq. ft., and serve as anchor stores that support smaller retail uses within the retail establishment
 - That's the trend in grocery store development and, likewise, for proven test cases and loan packages
 - On-line retail has also had an obvious impact on brick and mortar stores
 - Though with NC developments that emphasize convenience, perhaps this is less of an issue



- Another challenge can be the cost of required public improvements
- Under the land use permit process, when redevelopment of site crosses a certain threshold, such as when there is a change of use (e.g., retail to restaurant), or addition of square feet to an existing building, or when the rehabilitation raises a property's value by 50% or more road, sewer or other public improvements may be required
- Public improvements can be costly
- Here is a picture of Kellerman's Korner on Harrison & Kaiser on Olympia's westside
- The owner of Wood Creek Stone Fire Pizza, a pizza cart on the adjacent property, is interested in turning the vacant gas station onsite (2nd building from corner) into a permanent restaurant
- In addition to required building improvements (e.g., fire sprinklers, oven fans), he would be required to complete street & sidewalk improvements along Kaiser*
 - In the yellow box the remaining 110' of planned improvements (sidewalk, curb, gutter, street trees, etc.)
 - Below the yellow box, you can see where 170' of improvements were recently made by public sector
 - The improvement will be quite costly perhaps too costly for this small business owner

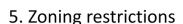
^{*}EDDS requires such improvements with any additions, conversation or change of use more than 230 sq. ft.)



Business Challenges

4. Unique site constraints

- High site clean-up costs (some
- Site accessibility/visibility



- a) Impervious surface limit may be unrealistic
- b) Building size and height limits may be too restrictive to make new construction financially feasible
- c) Allowed uses are limited
- d) Code is complex & confusing



Old gas station across from San Francisco Bakery



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#4:

- Many older sites once had a gas station component, putting the site at risk for contamination by leaking underground gas storage tanks
 - When a site is redeveloped and site contamination is found, the property owner can be liable for cleaning it up
 - Not only can the high expense be a real barrier to redevelopment, the fear of such risk alone can be a barrier
- We've already mentioned how important visibility is, and here's an example where this might be a real challenge ...
- The map on the screen shows Woodbury Crossing west of Cooper Point Rd near the Evergreen State College
 - (it's more developed today than this 2012 picture shows)
 - This is one of Olympia's master planned villages, and although not the main focus of our work, we use this as a good example of the visibility/accessibility problem
 - Stormwater ponds along Harrison
 - As you drive up Greenwood, you're going up a hill
 - Remaining areas will be developed with single and multi-family dwellings
 - The master plan includes the addition of a neighborhood center which will be located up the hill away from Harrison Avenue.
 - The property developers have expressed concern about whether this commercial area is truly marketable – since it is so out-of-site and feels so outof-the-way for through traffic
 - Most businesses would prefer to be located on a main drag, such as where Phyl's Furniture is along Harrison

Zoning restrictions

- In some cases, the City's development (or zoning) regulations present challenges for redevelopment, and sometimes unnecessarily
 - We'll give you some specific examples in just a bit

Back-Pocket Info:

The Woodbury Crossing master plan was approved according to Code by Thurston County prior to the property being annexed into the City



- Another type of challenge is neighborhood opposition or fear
- While there seems to be quite a bit of interest in creating more neighborhood centers in Olympia; at the same time, there are also fears that making any changes will negatively affect the character of our neighborhoods
- We recognize this, and want to engage in a deeper community conversation about how we can approach making changes to land use regulations so that:
 - NC centers fit comfortably into neighborhoods, and
 - · Redevelopment opportunities are feasible in reality
- The basic purpose of zoning regulations are to protect the health, safety and welfare of citizens
- Regulations can solve problems that are in the best interest of the public to solve,
 - such as such as requiring fire separation between neighboring buildings, or sanitary sewer to protect human and environmental health
- But sometimes development regulations can be too inflexible or restrictive, making it impossible to achieve a type of development that a community or neighborhood really wants
 - This sometimes happens when development regulations are crafted to address the worst-case scenario, rather than with community goals and what is feasible and realistic in mind

Communities that articulate their vision with clear design direction are likely to have much different built results than communities that do not have such provisions.



Business Challenges

- Low Visibility
- Vehicle Parking Too much / too little
- Garbage/Recycling
- Limited space for bins
- Limited recycling options
- Business/ Pedestrian Safety Concerns



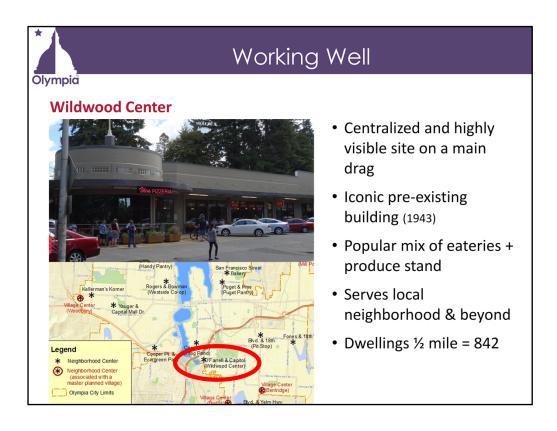
Pedestrian crossing next to Pit Stop Grocery

- In 2014, we also conducted 21 one-on-one interviews with business owners from neighborhood center areas
- Many of the operational challenges identified by business owners relate to the same concerns identified by the public
 - Low visibility: Businesses want to be seen from a main transportation route and easy for customers to find
 - Vehicle Parking: businesses wants there to be enough convenient parking for customers who drive there. (At the same time, recognizes that too high of a parking requirement takes away from site design and feasibility for (re)development.)
 - Limited space for garbage/recycling bins and limited recycling options: Older sites were not designed with today's multiple bin (garbage, recycling, compost) in mind, thus it is difficult for some businesses to find adequate space for these + screening. Also, the City does not currently pick up commercial recycling. This service is provided through private companies, and businesses identify space, costs and frequency of pick-up as challenges. (The City is planning to get more into commercial recycling pick-up as part of the recently updated Zero Waste Plan; however because recycled materials are considered a commodity there are laws that prioritize private haulers, so it's not as easy as we'd like.)
 - Pedestrian/Business Safety Concerns: Businesses are concerned about vagrancy and crime in and around their business. Also, some business owners also cited the need for pedestrian and bicycle safety improvements to serve customers who wish to walk or bike to their store.



• Let's take a closer look at what's working and what's not working in some of our current neighborhood center areas ...

[Choose up to 3 slides in this section to showcase per neighborhood meeting – not intended to walk through all of them]



- Wildwood Center was cited by The Olympian as the "poster child" for what Olympians desire in a neighborhood center
 - A place with local flavor that neighbors can easily walk or bike to from home often with their children - to meet friends, get a bite to eat, a coffee, or pick up fresh veggies
- There are many factors that contribute to Wildwood's success:
 - See slide More details:
 - Recent developments near Tumwater Safeway enhance walkability and add to customer base
 - Main drag Capital Way provides great visibility and drive-by customer base
 - Construction of original building is likely paid for reducing lease/operating costs

Highlight challenge/barrier:

- However, under our current development standards, the Wildwood center site could not be developed in the same way
 - e.g., 93% of the site is covered with impervious surface (structures, asphalt, concrete ...)
 - The current standard, which would apply to new developments, is 60%
 - Achieving this standard gets even more difficult when you add in the required #
 of parking stalls (# of onsite stalls required based on square footage of retail
 space)
- Even if "the market" could build another Wildwood Center, our current regulations probably wouldn't allow it



Working Well

Rogers & Bowman



- Moderately centralized & visible site
- Pre-existing buildings (1902 – Restaurant & 1957 – Co-op)
- Co-op is a local & citywide draw
- Co-op's new Garden Center and FreeStore also popular
- Dwelling ½ mile = 1,339





(OPC may not refer to all slides #14-21, rather could choose just a few based on which group they are talking to.)

- Another popular neighborhood center is the Westside Food Co-op
- Many factors contribute to it's success
 - See slide More details:
 - Fairly walkable neighborhood
 - (although neighbors we talked to on site visit talked about needed improvements)
 - Food Co-op is a popular local business that draws people from around the area
 - Construction of original building is paid for reducing lease/operating costs
 - (Co-op opened in 1980, and fully purchased the site in 1993)
- Although the restaurant has changed hands several times in recent years, the fact the building and restaurant use is already established provides continued opportunity to maintain that use

Highlight challenge/barrier:

- Under current development standards, the restaurant site could not be developed the same way
 - The number of onsite parking stalls here was grandfathered in when the building was constructed in 1902
 - But if you tried to build the same building today, almost twenty onsite parking stalls would be required
 - On one hand, you have to wonder if all that much parking is the "look" we're going for?
 - On the other hand, if there's not enough onsite parking for customers who do drive, parking could spill onto residential streets - what current regulations are trying to avoid
- We also wonder if a grocery store of this size could be placed within a neighborhood like this today without generating opposition over the impacts of delivery truck and customer traffic, and noise



Working Well (partly)

San Francisco Street





- Moderately centralized & visible site
- · Walkable neighborhood
- Pre-existing buildings (1948 -Bakery, 1941 – Convenience Store, 1957 abandoned gas station)
- Bakery is a local & citywide draw
- Bakery has wholesale component (that contributes to business' success)



(OPC may not refer to all slides #14-21, rather could choose just a few based on which group they are talking to.)

- The San Francisco Bakery is another beloved neighborhood destination
- Many factors contribute to Bakery's success
 - See slide More details:
 - Site is close to the retail industries' rule-of-thumb, which is that 500 households are needed within ¼ mile to support this type of retail business
 - Also draws people from around the city
 - Construction of original buildings likely paid for reducing lease/operating costs
 - includes a wholesaling component (baked goods are made onsite and shipped to other retailers for sale) this adds to the business' bottom line, and may be help the walk-up customer business pencil out

Highlight challenge/barrier:

- There is a considerable neighborhood focus and desire for redevelopment of the abandoned gas station across from the bakery
 - Potential barriers to (re)development include:
 - Risk or perception of risk concerning site contamination from prior gas station use
 - If not cleaned up entirely already, clean-up would be required with redevelopment
 - Extensive street and sidewalk improvements would be required along Bethel and San Francisco Streets

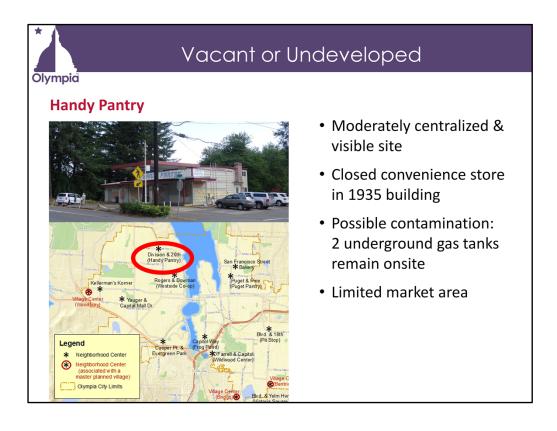


Success Factors:

- These are yesterday's neighborhood grocery stores, and Olympia is charmed to still have these convenience stores in operation
 - Buildings built (clockwise from Frog Pond) 1922, 1923, 1939
- Frog Pond & Puget Pantry
 - Are accessible and visible sites
 - Good # of dwelling units within ¼ mile
 - Frog Pond is within ¼ mile of WA State Capitol Campus
- Pit Stop:
 - Has less # of dwellings within a 1/4 mile
 - But may draw some through traffic as it sits at the confluence of two primary local traffic streets (Blvd & 18th)
 - Also located across the street from a barber shop and within walking distance of a large church

Room For Improvement:

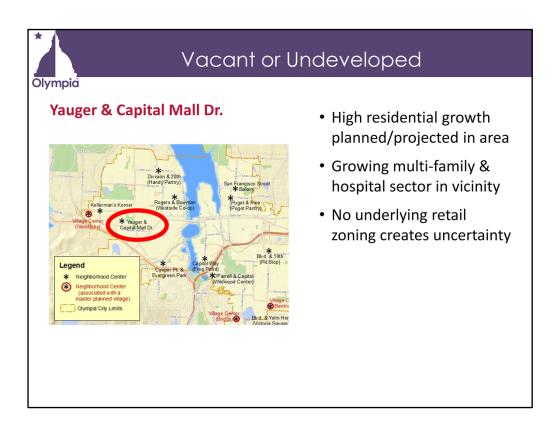
- If there's room for improvement, it could be in expanding the area with more of what Olympian's want in an NC (such as the additional of a local organic food store)
- Near Puget Pantry, opportunity lies in a couple of adjacent parcels already zoned for neighborhood retail



• Main headquarters of Garden Raised Bounty (GRuB) is immediately to the east

Barriers/Challenges:

- Although the area to the west is zoned for multi-family, the number of households within a ¼ mile is low
- Although located on a Commercial Collector street, there is not a lot of through-traffic in the area
- Redevelopment may be difficult because the limited market area may not justify redevelopment of this older building, especially due to potential site contamination and associated clean-up costs



Potential Opportunity

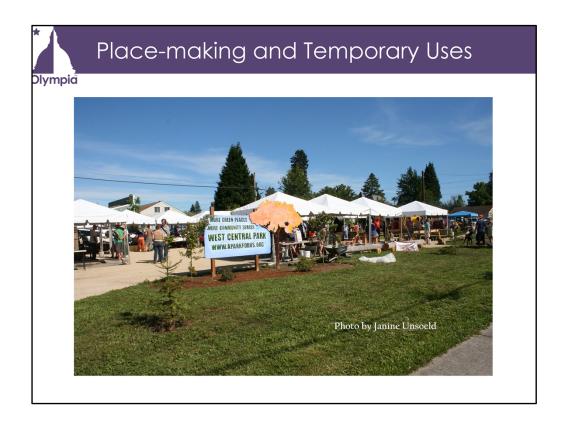
- High residential growth planned/projected in this area
 - Estimated population within ¼ mile has almost doubled in past 5 years (from 292 in 2010 to 552 in 2015)
 - Area projected to be one of Olympia's highest population centers by 2040
- There is lots of multi-family and growing hospital sector in the vicinity
- Good market area within walkable distance

Potential Barriers/Challenges:

 This is one of those areas where a neighborhood center is allowed to be proposed with a larger development plan, but it's not required, nor is there underlying retail zoning, so may not happen here



- We'd also like to introduce a range of possible activation or redevelopment opportunities for our neighborhood centers ...
- To be clear:
 - Our intention is to demonstrate what we think are potentially feasible concepts
 - We are not trying to push these concepts
 - We are trying to understand whether our community is open to these concepts, to provide direction for a potential future code update
 - Keep in mind that the type of use or activity that occurs on a site will be determined by the property owner, in accordance to what is allowed by code and an approved permit from the City



- Placemaking and temporary use activities are one opportunity to achieve more activity in our neighborhood center areas
- Considered "temporary" because the use is only carried out for a limited period of time
- This could include farmers markets or other neighborhood events



• Farm stands may be a great way to inspire neighborhood residents to walk or bike to a center, creating neighborhood activity in an otherwise under-developed center.



- Temporary Food carts are readily movable "structures" that can receive a permit good for one year
- After one year, the permit can be re-applied for, and the City has an opportunity to review whether there were any adverse impacts to the neighborhood before deciding whether to issue the permit again
- Currently, temp food carts are not allowed in neighborhood or neighborhood retail zones
- (Not sure the kiosk pictured is actually a temporary use, but you get the idea)



- Another option is to allow existing single-family homes in certain areas to be converted to things like restaurants or stores – creating a destination within a neighborhood
- Conversions would likely be required to meet current building & zoning codes, including: safety standards (such as fire walls, fans for restaurants, etc.); ADA compliant bathrooms and parking; under current standards, paved onsite parking would be required.
 Depending on needed conversions, cost may be a factor for owner.

Additional info:

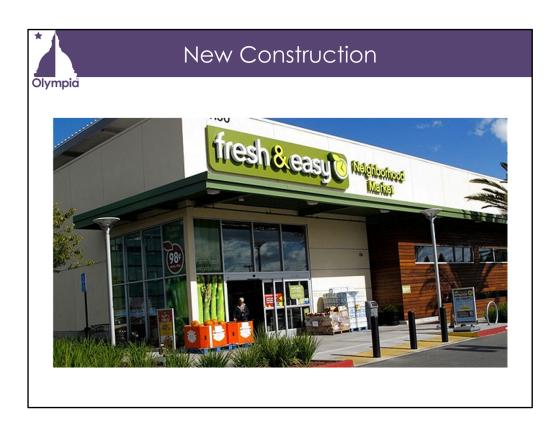
- This is currently allowed in neighborhood retail zones; however there are few single-family homes within this zoning designation and the allowed uses are limited
- One consideration would be whether or not to allow alcohol sales. Neighborhood pubs are a population idea with some people, but not others.
- Different than home-based business, which under current rules cannot employ more than family that lives there or sell retail products onsite.



• Existing retail buildings can be converted to new uses

Additional info:

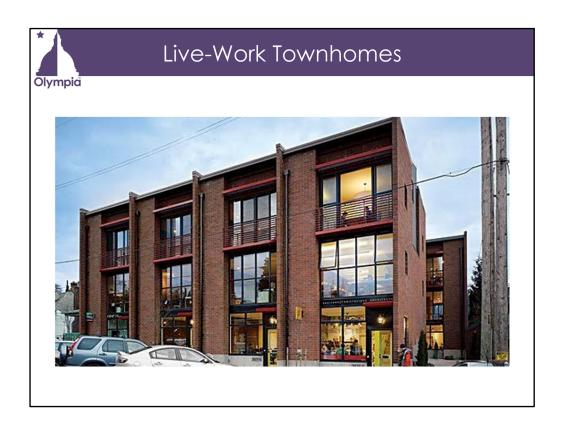
• Same conversion/cost issues as described on last slide



- Newly constructed single story retail buildings served by surface parking seem like an obvious option
- However, the Planning Commission has learned it may be very difficult to make such a project financially feasible
 - The cost of construction and associated lease would likely exceed the expected revenue (especially in low density/traffic/visibility areas)



- One way to help new construction "pencil out" is to allow ground floor retail to have residential apartments on upper floors
- The other nice thing about mixing more residential uses into centers is that it provides more customers and eyes on the street



- Another option are live/work townhomes
- These have flexible ground floor space for office or retail uses, which also function as a home
- There are a growing number of these in the region
- Typically they offer the greatest amount of flexibility, and may be one of Olympia's most viable options



• Another potential option is retail on the ground floor and several apartments on upper floors.

Additional info:

• Somewhat larger sites may be needed for this, which in existing neighborhood center areas could require consolidation of parcels (which are likely different ownership at this time.)



Summary and Conclusions

- 1. Which is more important to you
 - maintaining neighborhoods just the way they are,
 - or incorporating more neighborhoodscale retail opportunities?
- 2. Within the range of options we've presented, what interests or concerns you the most?
- 3. What questions do you have?
- We believe it will be necessary to make changes to current standards in order to make neighborhood centers a more viable option for Olympia
- And we would like to hear more about your interests and concerns ...



Thank You!

Olympia Planning Commission
Department of Community Planning & Development

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Opportunities

- Reuse existing building (for commercial use)
- Redevelop as single story commercial
- Townhouses (perhaps with live/work units)
- Lowrise apartments (mixed-use opportunity) (3-story served by in-structure parking)







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(Need to add Bob's illustration of potential site options back in)

- One option for this site could be to reuse the existing building for another commercial
 use,
 - Whether this is viable or not will likely depend on the costs associated with upgrading the existing building to current standards, relative to the potential for a return on investment
- In theory, it would be possible to tear this building down and build a new single story commercial
 - However, we wonder why the existing convenience store closed in the first place
 - Perhaps the location and low surrounding population density made it hard to compete with larger stores
 - If so, the cost of building a new single story store here might not be justified
 - Especially since we know there are two underground gas tanks remaining underground
- Brand new construction on this site may be more feasible with something like the live/work townhouse or lowrise apartment options we talked about earlier