

## **Downtown Excerpts from the Final Draft of the Comprehensive Plan Update**

### *Note:*

- *Other goals and policies in the Comprehensive Plan not specifically addressing downtown may apply on other grounds. For example, environmental protection standards and other programs and services that apply citywide (e.g., parks, utilities)*
- *Policies of the Shoreline Management Program will be incorporated into the Comprehensive Plan before the 2016 update deadline.*
- *The Economy chapter has a great deal more background text regarding downtown than is included here.*

### **[Start of Comp Plan Text]**

#### **Forward**

In order to meet our vision of a more vibrant and pedestrian-friendly **downtown**, the City will need flexibility to respond to changing market conditions over the 20-year planning period. (1<sup>st</sup> paragraph)

#### **Introduction Chapter**

##### **Sea Level Rise**

Over the next twenty years, sea level rise will continue to be a key challenge facing Olympia, and therefore a key priority. As the challenge unfolds, the City of Olympia is prepared to respond thoughtfully and competently to the threat of flooding in **downtown**. As the heart of our City, **downtown** can and will be protected. *(Several more mentions of downtown in this section ...)*

##### **Other Key Challenges**

**Integrate Shoreline Management Program (SMP):** Olympians value ample public space along their marine shoreline and waterways to balance growth **downtown**.

**Revitalize Our **Downtown**:** Located on Puget Sound and along the Deschutes River, **downtown** is the site of many historic buildings and places, and is home to many theatres, galleries, and unique shops as well as the State Capitol. At the same time, Olympia's **downtown** has yet to become the walkable, comfortable place the community desires. To add vibrancy while retaining our desired small town feel will require more **downtown** residents, better amenities, attractive public spaces, green space, thriving local businesses, and integrated standards for design.

**Address Climate Change and Sea-Level Rise:** Sea-level could rise in Olympia by 50 inches or more over the next century due to warming of the oceans and settling land. This will put much of Olympia's **downtown** at risk of flooding since it lies only one to three feet above the current highest high tides. Over the next 20 years, the City will continue to explore how to address sea-level rise impacts on our **downtown**.

## **Community Vision/Values Chapter**

### **Our Natural Environment**

... As a result of this cooperative effort, Olympia will enjoy a dense tree canopy that will beautify our **downtown** and neighborhoods ...

### **Land Use**

*Olympians value ... a walkable and comfortable **downtown**; ... public spaces for citizens in neighborhoods, **downtown**, and along our shorelines.*

... Through collaboration with other agencies and partners, our urban waterfront will be a priceless asset, eventually running along the Deschutes River from Tumwater's historic buildings, down past Marathon and Heritage parks to Percival Landing and the Port Peninsula ...

... Capitol Way will be a busy and historic boulevard linking the waterfront and **downtown** to the Capitol Campus. By creating plazas, expanded sidewalks, and public art in public places, we will stimulate private investment in residential and commercial development, increasing **downtown** Olympia's retail and commercial vitality ...

### **Transportation**

... Sidewalks, both in compact, mixed-use neighborhoods and **downtown**, will encourage walkers to stop at shops and squares in lively centers near their homes ...

... Parking lots for car commuters will be located on the edges of **downtown**, hidden from view by offices and storefronts ...

### **Economy**

... The City's investment in the **downtown** will encourage market-rate housing, many new specialty stores and boutiques, and attract visitors to places such as Percival Landing, the Hands on Children's Museum, and our many theatre and art venues ...

### **Public Services**

... By adopting "affordable" housing program criteria, the City will help assure all residents can meet their basic housing needs ... this would contribute to reducing the cost of City police and social services and make the **downtown** more attractive for businesses and visitors ...

## **Land Use Chapter**

### **Introductory Text**

Our community seeks to:

- ... Phase urban development and facility extension outward from the **downtown** area
- ... Focus higher residential densities **downtown**, along urban corridors, and near neighborhood centers.

We envision:

- ... A process for exploring the unique possibilities of each area with special attention given to **Downtown** ...

### **General Land Use Area**

... Development will be carefully designed to integrate with the adjacent transportation system, and with key features such as **downtown** and the hospitals.

**PL1.7** Enable frequent transit service, support housing, utilize existing infrastructure, provide public improvements and concentrate new major shopping, entertainment and office uses **downtown**, in the medical services area of Lilly Road, near the Capital Mall, and in the urban corridors.

### **Urban Design, Historic Structures and Built Form**

... Study participants particularly valued Olympia's waterfront, **downtown**, the Capitol Campus, the older established neighborhoods, and views of the Olympic Mountains and the Black Hills ... Specifically, they liked the portions of **downtown** where buildings form a continuous edge along the street, where it is interesting to walk, and where awnings protect people from the rain.

**PL6.7:** Create attractive entry corridors to the community and neighborhoods, **especially downtown** and along **urban corridors**; to include adopting design standards and installing significant special landscaping along community-entry corridors.


**PL12.3** Seek opportunities to create or enhance town squares framed by commercial or civic buildings, pocket parks, plazas and other small public or private spaces in **downtown** or other high-density areas.

**PL11.5** Encourage the efficient use and design of commercial parking areas; reduce parking space requirements (but avoid significant overflow into residential areas); support parking structures, especially **downtown** and in urban corridors; and designate streets for on-street parking where safe.

**PL14.1** Establish eight gateways with civic boulevards that are entry/exit pathways along major streets to **downtown** Olympia and the Capitol.

**PL14.2** Concentrate housing into three high-density Neighborhoods: **Downtown** Olympia, Pacific/Martin/Lilly Triangle; and the area surrounding Capital Mall. Commercial uses directly serve high-density neighborhoods and allow people to meet their daily needs without traveling outside their neighborhood. High-density neighborhoods are highly walkable. At least one-quarter of the forecasted growth is planned for **downtown Olympia**.

## Focus Areas

... In addition to the focus areas described below, the City works with the State of Washington in its preparation of the [Capitol Campus Master Plan](#)  and with the Port of Olympia in its planning of its properties including the Port peninsula. Included in these efforts is the continuing goal of integrating these areas with **downtown** Olympia ...

**PL15.1** Maximize the potential of the Capital Mall area as a regional shopping center by encouraging development that caters to a regional market, by providing pedestrian walkways between businesses and areas; by increasing shopper convenience and reducing traffic by supporting transit service linked to **downtown**; by encouraging redevelopment of parking areas with buildings and parking structures; and by encouraging multifamily housing.

## Downtown and other Neighborhoods

### Downtown Olympia

A community needs a "heart." For our community, the **downtown** area performs this role, not just for our city, but for the larger region. **Downtown** Olympia thus deserves and receives special attention. A city with a thriving **downtown** has more potential for bolstering community spirit and providing a healthy local economy.

Olympia's **downtown** includes over 500 acres. It is bounded generally by the State Capitol Campus, Capitol Lake, Budd Inlet, and Plum Street. This area includes Olympia's retail core, State and other office uses, and access to the waterfront, and is the center of most major transportation links. It is the social, cultural, and economic center of the area.

**Downtown** will continue to be an attractive place to live, work and play. Future office, retail and residential development will support **downtown's** role as a regional center and home of state government, commerce, and industry. Given its history, physical location and established identity, **downtown** Olympia will continue to be the heart of Olympia and the region.

**GL17:** Regional urban activity is centered in **downtown** Olympia.

**PL17.1:** Adopt a **Downtown** Plan addressing - at minimum - housing, public spaces, parking management, rehabilitation and redevelopment, architecture and cultural

resources, building skyline and views, and relationships to the Port peninsula and Capitol Campus.

**PL17.2:** Include public art and public spaces in the **downtown** landscape.

**PL17.3:** Through aggressive marketing and extra height, encourage intensive **downtown** residential and commercial development (at least 15 units and 25 employees per acre) sufficient to support frequent transit service.

**PL17.4:** Encourage development that caters to a regional market.

**PL17.5:** Coordinate with State of Washington and Port of Olympia to ensure that both the Capitol Campus plan and Port peninsula development are consistent with and support the community's vision for **downtown** Olympia

**PL17.6:** Landscape the **downtown** with trees, planters and baskets, banners, community gardens and other decorative improvements.

**GL18: Downtown** designs express Olympia's heritage and future in a compact and pedestrian-oriented manner.

**PL18.1:** Regulate the design of **downtown** development with specific but flexible guidelines that allow for creativity and innovation, enhance historic architecture and recognize distinct areas of downtown, and do not discourage development.

**PL18.2:** Require that **downtown** development provide active spaces, adequate sunlight and air-flow and minimize 'blank' walls at street level.

**PL18.3:** Require development designs that favor pedestrians over cars by including awnings and rain protection that blend with historic architecture, create interest, and minimize security and safety risks; development designs should also foster cultural events, entertainment, and tourism.

**PL18.4:** Provide for private use of public lands and rights-of-way when in the best interest of the community.

**PL18.5:** Design streets with landscaping, wide sidewalks, underground utilities and a coordinated pattern of unifying details.

**PL18.6:** Designate 'pedestrian streets' where most of the frontage will have 'people-oriented' activities and street-level buildings will have a high proportion of glass. Prohibit parking lots along these streets, except when preserving scenic views and instead provide surface parking along other streets.

**PL18.7:** Plant, maintain, and protect **downtown** trees for enjoyment and beauty; coordinate planting, with special attention to Legion Way and Sylvester Park and a buffer from the Port's marine terminal.

**PL18.8:** Limit drive-through facilities to the vicinity of the Plum Street freeway interchange.

**PL18.9:** Limit building heights to accentuate, and retain selected public views of, the Capitol dome.

**GL19:** Downtown's historic character and significant historic buildings, structures, and sites are preserved and enhanced.

**PL19.1:** Promote the **Downtown** Historic District to provide a focal point of historic interest, maintain the economic vitality of **downtown**, and enhance the richness and diversity of Olympia.

**PL19.2:** Minimize damage to significant historic features or character during rehabilitation projects.

**PL19.3:** Design new development and renovations so they are compatible and harmonious with the established pattern, alignment, size and shape of existing **downtown** area.

**PL19.4:** Incorporate historic buildings into redevelopment projects and restore historic facades

### **Sub-area Planning**

... Twelve planning areas, including **downtown**, are to be established ...

## **Appendix A – Future Land Use Map Designations (Definitions)**

### **– See map**

**Residential Mixed Use.** To provide opportunities for people to live close to work, shopping, and services, this designation provides for high-density multifamily housing in multistory structures combined with limited commercial uses in parts of **downtown**, near the State Capitol Campus, and near urban corridors and other activity centers.

**Central Business District.** This designation provides for a wide range of activities that make **downtown** Olympia the cultural, civic, commercial and employment heart of the community. A dense mix of housing, pedestrian-oriented land uses and design and proximity to transit make a convenient link between **downtown**, the State Capitol, the waterfront, and other activity centers in the region. The scale, height and bulk of development reinforce **downtown** Olympia's

historic character, buildings, places and street layout.

**Industry (On Port).** This designation provides for heavy industrial development, such as manufacturing, transportation terminals and bulk storage, and complementary commercial uses in locations with few land use conflicts, minimal environmental constraints, and adequate freight access.

**Urban Waterfront.** Consistent with the State's Shoreline Management Act, this designation provides for a compatible mix of commercial, light industrial, limited heavy industrial, and multifamily residential uses along the waterfront.

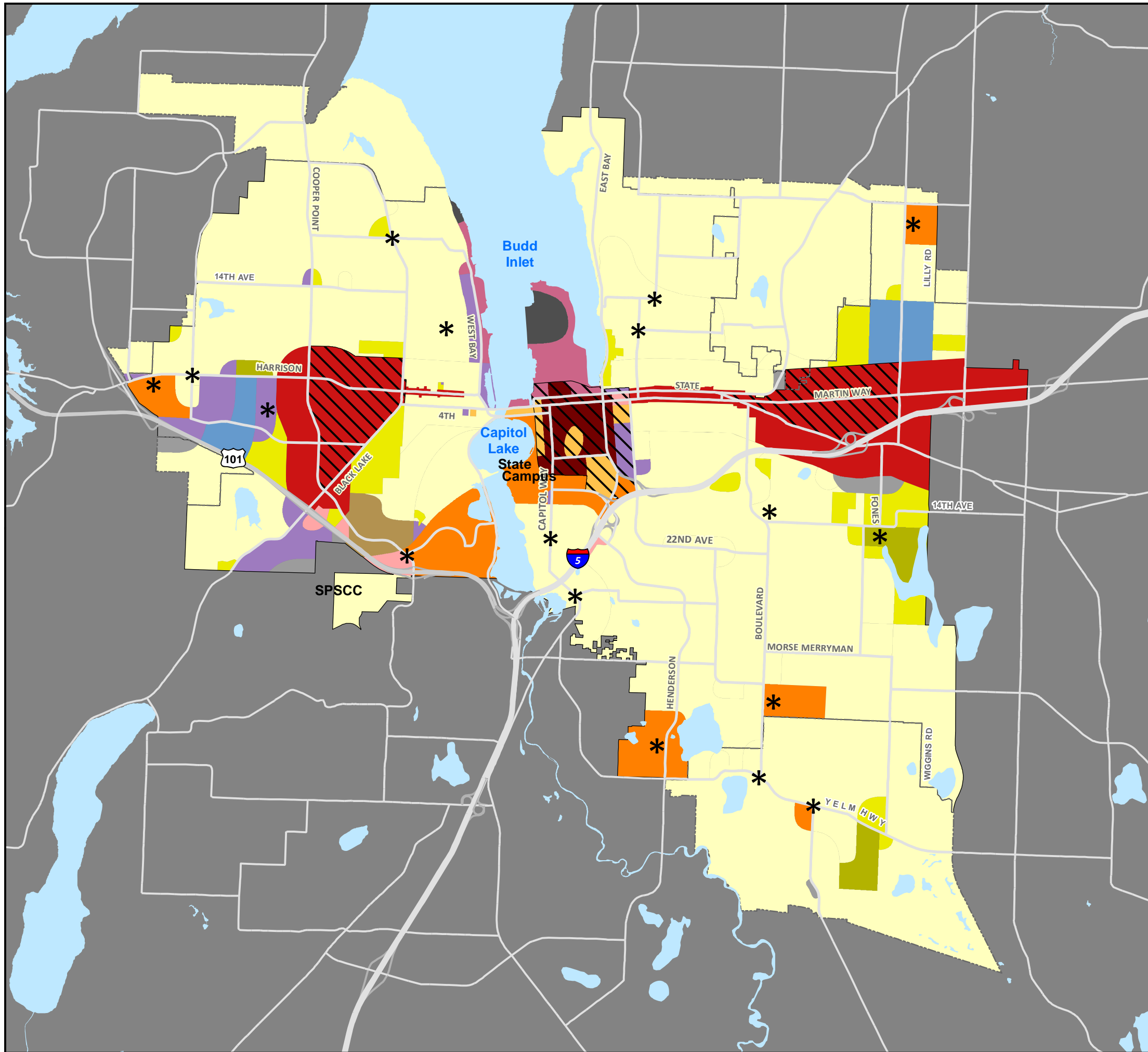
**Planned Developments (Capitol Campus).** This designation includes areas of **mixed uses** where specific 'master plans' are required prior to development. These master plans are prepared and proposed by one or a few parties and subject to review and confirmation by the City. This designation is intended to achieve more innovative designs than in conventional developments but which are also compatible with existing uses in the area. Innovative designs may include offering a wider variety of compatible housing types and densities, neighborhood convenience businesses, recreational uses, open space, trails and other amenities. Generally residential densities should range from seven to thirteen units per acre, but the specific mix of land uses will vary with the zoning, environment, and master plan of each site. In addition to a variety of housing types, these areas may include neighborhood centers as described below. Each of the two planned developments along Yelm highway may include a larger neighborhood-oriented shopping center with a supermarket. The planned development designation also includes retaining certain existing, and potentially new, manufactured housing parks in locations suitable for such developments. Two unique planned developments include substantial government office buildings and related uses - these are the Capitol Campus; and Evergreen Park, which includes the site of the Thurston County courthouse.


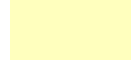
















**Professional Offices & Multifamily Housing (a few blocks west of Plum).** This designation accommodates a wide range of offices, services, limited retail uses specifically authorized by the applicable zoning district, and moderate-to-high density multifamily housing in structures as large as four stories.

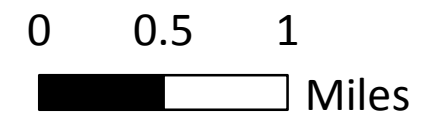
**High-Density Neighborhoods Overlay:** Multi-family residential, commercial and **mixed use** neighborhoods with densities of at least 25 dwelling units per acre for residential uses that are not re-using or redeveloping existing structures. New mixed-use developments include a combination of commercial floor area ratio and residential densities that are compatible with a high-density residential neighborhood. The height in these neighborhoods will be determined by zoning and based on the "Height and View Protection Goals and Policies."

# Future Land Use

City Council Public Hearing Draft, 2014



-  High Density Neighborhoods Overlay
-  Low Density Neighborhoods
-  Medium Density Neighborhoods
-  Mixed Residential
-  Neighborhood Centers
-  Residential Mixed Use
-  Planned Developments
-  Professional Office & Multi-family Housing
-  Urban Corridor
-  Urban Waterfront
-  Central Business District
-  General Commerce
-  Auto Services
-  Medical Services
-  Light Industry
-  Industry
-  City Limits
-  Urban Growth Area



The City of Olympia and its personnel cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. The parcels, right-of-ways, utilities and structures depicted hereon are based on record information and aerial photos only. It is recommended the recipient and/or user field verify all information prior to use. The use of this data for purposes other than those for which they were created may yield inaccurate or misleading results. The recipient may not assert any proprietary rights to this information. The City of Olympia and its personnel neither accept or assume liability or responsibility, whatsoever, for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.



## **Transportation Chapter**

### **Land Use**

**GT13:** A mix of strategies is used to concentrate growth in the city, which both supports and is supported by walking, biking, and transit.

**PT13.1:** Consider increasing allowed densities in the **downtown core** and along parts of the urban corridors, while maintaining lower densities in the periphery of the City.

**PT13.2:** Consider a geographically-influenced impact fee based on costs that would likely incentivize development or redevelopment in the **downtown core** and along parts of the urban corridor.

**PT13.3:** Consider incentives to address the specific challenges **downtown** redevelopment faces.

**PT13.4:** Promote infill in close-in neighborhoods and increased land-use density in activity centers and **downtown** to reduce sprawl, car trips, and to make the best use of the existing transportation network.

### **Downtown and City Center Transportation Issues**

**“Downtown”** is defined as the area bounded by the bridges to the west, Marine Drive to the north, Eastside Street to the east, and Union Avenue to the south. The **“City Center”** is defined as the downtown the Capitol Campus, and the Port.

City Center traffic levels vary throughout the day. For the most part, no new roadways are proposed here, based on the existing land-use plan and expected development. The area is a well-connected grid-street network that can handle large volumes of traffic, and where plans are in place to provide excellent support to pedestrians, bicyclists and transit riders. Traffic congestion will continue in the City Center, but the City is focused on moving people and goods instead of accommodating only vehicles.

Some intersections in City Center will continue to be congested during morning and evening rush hours. But because the City Center is a strategy corridor, widening is not an option. Future capacity will come from improvements to walking, biking and transit.

The City works with the Port of Olympia to establish and maintain truck routes between Interstate 5 and the Port’s marine terminal, which are now Plum Street, Olympia Avenue and Marine Drive. Any proposals to change these routes must consider, at a minimum, traffic impacts, pedestrian and bicyclist safety, the Port of Olympia, and the potential noise and air quality effects they could have on adjacent properties.

The Port of Olympia’s investment in redeveloping the East Bay area since the mid-1990s has created new street connections that improve access and mobility in northeast City Center. The

Thurston Avenue-Olympia Avenue connection from East Bay Drive to Jefferson Street has greatly improved access into the north part of the City Center, and now provides a new east-west route option.

#### **4th and 5th Avenue Corridor Study**

In 1991, the City began a multi-stage study of the 4th and 5th Avenue corridors in an effort to improve transportation between the City Center and the Westside. The study looked at ways to reduce congestion and improve access and safety for walking and biking. It also studied how the City could help maintain the livability of nearby neighborhoods, enhance City Center vitality, protect the environment, improve the appearance of the corridor, and improve access for buses and carpools.

The study recommended a new three-lane bridge, roundabouts, and a significantly enhanced street system for walking and biking. This corridor planning was critical to the City's ability to fast-track these projects after the 2001 earthquake and complete them by 2004. A new four-lane bridge to replace the old, two-lane bridge would have been a simple solution to congestion. But the City's decision to build a three-lane bridge kept its commitment to building human-scale street system, while at the same time, reducing congestion.

A three-lane bridge still allows two lanes to exit the downtown, which provided the greatest potential to alleviate congestion that could bring downtown to a standstill.

Additionally, the new roundabouts greatly improved traffic flow in the corridor, reducing delays and collisions – as well as the potential severity of any collision.

Wide sidewalks, flashing light systems for crosswalks, roundabouts, and bike lanes enhanced access for bicyclists and pedestrians. Viewing areas on the bridge, art and a new park in the corridor transformed this transportation facility into a destination itself.

This project -- one of the City's largest and most visible -- demonstrated for the first time its major commitment to providing many travel options for its citizens. And it demonstrated how a transportation project can do more than just move cars. It can enhance the character of a City.

#### **Olympia's Downtown Streetscape Strategy**

The 2003 Downtown Streetscape Strategy Report provides a design template for streetscape improvements for Olympia's Downtown. Streetscape improvements will focus on public right-of-way improvements rather than zoning or development standards.

The City expects the strategy will be applied over the long term, through the combined efforts of annual capital improvements, streetscape improvements, and partnerships with other public and private agencies.

### **East Downtown Streetscape**

The east downtown area is defined as the area bounded by Plum Street on the east, Adams Street on the west, State Avenue on the north, and 7th Avenue on the south. A market analysis indicated that new types of commercial and residential development are becoming feasible in this area.

The 2003 Olympia East Downtown Development Plan calls for east downtown to feature a mix of commercial activities and housing types within a walkable neighborhood setting. Specific streetscape improvements have been defined to help achieve the vision for this district.

Improvements for 4th, State, Cherry, Chestnut, and Legion in the east downtown have been defined and incorporated in the development standards to guide public- and privately-funded improvements to these streets.

### **Downtown Growth and Transportation Efficiency Center (GTEC)**

In 2007, the City Council established a "Growth and Transportation Efficiency Center" for downtown Olympia with the specific goal of reducing the commute trips of its some 20,000 City Center employees. A dense City Center will help meet the City's land-use, transportation, environmental, and economic goals. But only by reducing trips will it be able to have an effective transportation network and a dense, vibrant downtown.

### **Capitol Way Study**

In 2005, the City studied the safety and transportation issues along the Capitol Way Corridor from 14th Avenue to Carlyon Avenue. Through a series of workshops, the City asked the community about potential multimodal improvements and to help define the unique historic, environmental, and community values in the corridor.

Many neighborhood residents told the City they were concerned about the history of accidents at the curve south of 25th Avenue, pedestrian crossing safety, vehicle speeds, the lack of a bicycle route, and the impacts of increased traffic volumes. They also identified the historic and neighborhood character elements they wanted preserved in the corridor.

This study explored roadway design options that would help solve problems identified by these residents, including a possible three-lane roadway configuration. The City found, however, that reducing the number of vehicle travel lanes from four to three would increase congestion to an unacceptable level.

In the end, the City developed a four-lane option that addressed some of the safety and mobility concerns expressed by the public.

## **Utility Chapter**

### **City-Owned Utilities Working Together**

... We will need a coordinated effort to protect our **downtown** from the flooding that could result from a sea rise scenario of 50 inches by 2100 ...

### **Drinking Water On Tap**

... The City also provides transmission and distribution of Class A Reclaimed water to customers in a limited area of **downtown** Olympia ...

### **Rainfall, Runoff & Surface Water**

**GU11:** The City uses best available information to implement a sea level rise management plan that will protect Olympia's **downtown**.

**PU11.1:** Evaluate different scenarios for sea level rise, including varying magnitudes and time horizons, and develop a progression of adaptation and response actions for each scenario.

**PU11.2:** Develop plans, cost estimates and financing options for addressing sea level rise that include regulatory, engineering and environmentally sensitive solutions.

**PU11.3:** Maintain public control of **downtown** shorelines that may eventually be needed to help manage flood water.

**PU11.6:** Partner with government entities and other key stakeholders, such as, the federal government, State of Washington, LOTT Clean Water Alliance, Port of Olympia, Squaxin Island Tribe, downtown property owners, businesses and residents, environmental groups, and other interested parties.

### **Waste Resources**

## **Public Health, Arts, Parks & Recreation Chapter**

**GR3:** A sustainable park system meets community recreation needs and Level of Service standards.

**PR3.5:** Beautify entry corridors to our City and our neighborhoods, giving priority to street beautification **downtown** and along [Urban Corridors](#)

**GR8:** Arts in Olympia are supported.

**PR8.7:** Establish and promote a theater and entertainment district in **downtown** Olympia

## **Economy Chapter**

***See the opening text of this chapter for more extensive background information. Some points that pertain to downtown:***

- As 25 % of the State government workforce retires, there will likely be a demand for more downtown multifamily housing for young workers and seniors and senior-oriented services and activities for the retiring workforce
- Retail is the county's third largest employment sector, but it provides an average living wage that is just under what the City estimates is needed for a single adult in Olympia.
- The Port owns 200 acres along Budd Inlet near Olympia's central business district. The Comprehensive Scheme of Harbor Improvements, the Port's development plan for its Olympia properties, includes industrial uses in the vicinity of the Marine Terminal, recreational boating uses at the Swantown Marina and Boatyard, and mixed uses in the Market, North Point, and East Bay Districts. Recreational uses are envisioned throughout its mixed-use districts and the Marina. For example, the East Bay District is a significant investment and downtown redevelopment opportunity, home to the Hands On Children's Museum and East Bay Plaza.
- The City should continue to seek opportunities for direct partnerships with the college on program development, capital facilities planning and student housing. A physical presence in our downtown could create opportunities for both the City and the College

### **Downtown Olympia**

**Downtown** Olympia is a special place. For many years it has served as Thurston County's only **downtown**. It has the only urban waterfront in the region, attracting recreational boaters from throughout Puget Sound. It has the only performing arts center, is the region's banking sector and is the recreational hub for the region.

**Downtown** Olympia is also home to the state's largest farmers operated farmers' market. The Olympia Farmers' Market serves as a link to a substantial network of small family-owned farms and businesses. The market serves as a tourist attraction and destination and a place for local residents to purchase local food. Farmers Markets have proven to be a good way to foster the development and expansion of locally owned businesses. In recent years small neighborhood markets are beginning to appear in Olympia with the hope of fostering more neighborhood centers and even more accessibility to locally grown and produced products.

Thursday, Friday and Saturday evenings see the streets of **downtown** come alive with theater patrons, diners and live music fans. Recent enhancements such as the Hands on Children's Museum, East Bay Plaza, LOTT Clean Water Alliance's WET Center and Percival Landing reconstruction add to downtown's status as a destination.

The proximity of the Capital Campus to downtown creates a strong relationship between the campus and downtown that is enhanced by the presence of the Dash Shuttle, an Intercity Transit bus that operates on 10 minute headways. This free link between the downtown and the state campus is helpful for downtown commerce and a convenience to workers and visitors that come to Olympia to participate in the State Legislative sessions.

Downtown remains a work in progress and the City has invested heavily from both a capital facilities and services perspective. From 2012 to 2014 the City has used an action oriented program known as the Downtown Project to effect change. The Downtown Project has included key elements such as enhancing the downtown walking patrol, replacing parking pay stations, creating a Downtown Ambassador program, establishing an Alcohol Impact Area, and construction of parklets to name just a few.

The City has initiated a community Renewal Area (CRA) planning process for downtown. The Community Renewal Area law was created by the state specifically to give communities the tools that they need in order to help areas such as the downtown move forward. Washington law (RCW 35.81) allows cities to establish a Community Renewal Area through the designation of a geographic area that contains blight and the creation of a Community Renewal Plan for addressing that blight. Many Washington cities have used CRA to develop and implement redevelopment plans, including Vancouver, Shoreline, Everett, Bremerton, and Anacortes.

Olympia's downtown is the urban center for the entire region - residents and business owners would all benefit from a more active, vibrant downtown. However, parts of downtown are widely recognized as "blighted", with several condemned or obsolete buildings occupying key properties. Soil contamination, excessive amounts of surface parking, soils subject to liquefaction and rising seas also contribute to the blight. Redevelopment is stuck despite the area's unparalleled assets. The City has an interest in improving the downtown and enhancing its economic productivity in a manner consistent with the rest of this plan. The creation of a CRA may be one way to accomplish this objective.

In 2013 the City initiated an economic development planning process to consider creating a Community Renewal Area in downtown and to provide an assessment of the broader real estate market. This process resulted in the preparation of two key reports: "Investment Strategy: Olympia's Opportunity Areas" and the Downtown Olympia "Community Renewal Area Feasibility Study". These reports will help to refine the City's approach to economic development over the coming years and underpin the City's Community Renewal Area planning process.

The Investment Strategy report provided a community wide assessment of key redevelopment opportunity areas. In addition to downtown, six geographic areas were examined in detail:

- Kaise/Harrison Potential for neighborhood commercial / mixed-use / retail district on large single-ownership tract
- Olympia Landfill City owned, potential major retail site adjacent to existing major retail area

- Division/Harrison Potential neighborhood center adjacent to established neighborhoods
- Headwaters Large multi-ownership parcel with wetland amenity and infrastructure challenges
- K-Mart Site (currently vacant) on major close-in retail corridor

### **Downtown Focus Area for Community Renewal Area Planning**

The Investment Strategy report recommends that the City manage its development area assets as a portfolio that adheres to the community vision. This approach includes: (1) strategically investing in infrastructure improvements, such as roadways, streetscape improvements, and property acquisition; (2) making necessary or desired regulatory adjustments, such as zoning changes; and (3) creating partnerships with developers and property owners to generate development returns that remain sensitive to market demand.

The CRA Feasibility Study provides the outline and support materials for the ultimate creation of a CRA in **Downtown** Olympia.

Key findings related to **downtown** from the Feasibility Study include:

- Demand from those users who need to be downtown (such as state government, the Port, and related uses) is not a growing part of the economy.
- The redevelopment hurdle downtown is higher than other locations because of higher land and construction costs.
- Commercial rents are not yet high enough to justify new commercial construction in Downtown Olympia.
- Office rents have decreased as vacancies have increased.
- Retail rents are more stable, but have also decreased.
- Low vacancy rates and modest rent increases for apartments citywide, as well as some anecdotal evidence suggest that there is near-term demand for multifamily housing.
- Over \$100 million of public investment has been made downtown by the City and Port of Olympia in new buildings and parks, including a new City Hall, the Hands On Children's Museum, LOTT Clean Water Alliance offices, East Bay Plaza, and Percival Landing.

### **Recent capital investments have included:**

- Olympia's new City Hall and the reopening of Percival Landing (Phase 1) in 2011, together an investment of over \$60 million.
- In the East Bay area, the LOTT Clean Water Alliance's WET Science Center, East Bay Plaza, and the Hands On Children's Museum are providing more family activities downtown.

Over the next 20 years, Olympia must continue to make judicious "up-front" investments that bring development to targeted areas, using its partnerships as effectively as possible. To keep them affordable, such investments will need to be located in the **downtown**, Investment Strategy Report opportunity areas or Urban Corridors. Projects that "leap-frog" to remote sites

outside of our existing infrastructure can be prohibitively expensive to develop.

In addition to the City's work on the Community Renewal Area Olympia has recently established a Section 108 Loan Program. This program leverages the City's annual CDBG Allocation to create a loan pool to promote economic development opportunities within our community. These funds must be used in a manner consistent with the Department of Housing and Urban Development's regulations. Generally these funds can be used to support economic development projects that create jobs for low to moderate income people or support reinvestment in areas such as **downtown** where low to moderate income people live.

**GE3:** A vital **downtown** provides a strong center for Olympia's economy.

**PE3.1:** Support a safe and vibrant **downtown** with many small businesses, great public places, events, and activities from morning through evening.

**PE3.2:** Support lively and active **downtown** parks and waterfront attractions.

**PE3.3:** Promote high-density housing **downtown** for a range of incomes.

**PE3.4:** Protect existing trees and plant new ones as a way to help encourage private economic development and redevelopment activities.

**PE3.5:** Support continuation of the Dash Shuttle as a means of linking the Capital Campus and **downtown**.

**PE3.6:** Use tools such as the **Downtown Project, Community Renewal Area downtown plan** and other planning processes and tools to improve the economic and social health of downtown.

**GE4:** The City achieves maximum economic, environmental and social benefit from public infrastructure.

**PE4.6:** Economic uncertainty created by site contamination can be a barrier to development in **downtown** and elsewhere in our community; identify potential tools, partnerships and resources that can be used to create more economic certainty for developments by better characterizing contamination where doing so fulfills a public purpose.

**PE4.9:** Collaborate with public and private partners to finance infrastructure needed to develop targeted commercial, residential, industrial, and mixed-use areas (such as **Downtown** Investment Strategy Report opportunity areas and along Urban Corridors) with water, sewer, electricity, street, street frontage, public parking, telecommunications, or rail improvements, as needed and consistent with the Comprehensive Plan.



**PE6.4:** Prepare preliminary studies for priority development sites (such as **Downtown**, Investment Strategy Report opportunity areas or Urban Corridors) in advance, so the City is prepared for development applications, and the process can be more efficient.

**PE6.8:** Encourage The Evergreen State College, St. Martin's University, and South Puget Sound Community College to establish a physical presence in **downtown**.

**PE6.9:** Collaborate with hospitals and other health care providers to identify actions the City could take to support their role in ensuring public health and their vitality as a major local employment base and to establish a physical presence in **downtown**

### **Theater**

... The Arts Alliance of Downtown Olympia determined that in 2009, local theaters brought 167,000 people **downtown** to attend more than 500 live performances, primarily in the evenings and Sunday matinees. The industry had a \$3.8 million operating budget, and brought in an estimated \$1.6 million to the community in local pay and benefits.

### **Public Services Chapter**

**GS9:** New low-income housing is created to meet demand.

**PS9.4:** Continue to encourage development of single-room occupancy units **downtown**, along **urban corridors**, and in other areas where high-density housing is permitted. This could include encouraging alliances between public, private, and nonprofit organizations.