

DATE: October 30, 2015
TO: Leonard Bauer
FROM: Lorelei Juntunen and Erik Rundell
SUBJECT: **DISCUSSION DRAFT** KAISER-HARRISON STAKEHOLDER INTERVIEW SUMMARY

Overview

ECONorthwest is working with the City of Olympia to implement a subarea planning process to update the comprehensive plan designations and zoning for the Kaiser-Harrison Opportunity Area (study area). One component of this work was conducting a series of interviews with key property owners, business owners, and residents in and around the study area. This memorandum provides a summary of the stakeholder interviews conducted to inform this process.

Exhibit 1. Study Area Map



Source: City of Olympia

Overall, there were a number of common themes and takeaways heard from the stakeholder interviews. These findings are discussed in more detail below. Based on these findings, the memorandum lists questions the City may want to consider in developing different comprehensive plan designations and zoning scenarios. An appendix at the end of the document lists the individual interviewees and questions asked during the interviews.

Key Findings and Themes

Interviewees generally agreed that there are opportunities and a desire for the Kaiser-Harrison area to develop differently from its current form. Many of the interviewees had a similar vision for the area: a neighborhood commercial and retail center for the west side of Olympia. There were differences on the exact form and scale of retail uses. One interviewee cited the desire to see more boutique stores and restaurants. Another interviewee thought the area could be a larger-scale retail center, that would be competitive with other retail locations along Interstate-5. In addition, while interviewees generally saw housing as an important supporting use, there was not a strong vision for any particular type of housing development.

Key findings and themes are organized into four categories:

- Retail and commercial uses,
- Housing,
- Infrastructure and public facilities, and
- Regulations and zoning.

Retail and Commercial Uses

Many interviewees saw the need for small-scale, locally serviced commercial uses, particularly retail, as a key need for the area and central to its development. The west side of Olympia has realized a large amount of new housing development in the last several years, but not the commercial and retail uses to serve those new residents nearby. A number of interviewees were interested in what was going to happen at the M-Five site. It is seen as a key driver of how the rest of the area develops. A few interviewees cited the need for a larger anchor tenant, such as a grocery store, to make retail development viable. Others identified “lifestyle centers” (an outdoor shopping center that includes a mixture of uses and has characteristics of a traditional “Main Street”) as the appropriate scale for retail.

Most interviewees thought that demand for new medical office space in the future is limited, and it will not be a driver of development for the area. Regarding commercial opportunities, a few interviewees cited the potential for more entertainment-oriented uses, such as a cinema, or small-scale office uses, like an insurance broker.

A minority thought larger-scale, regionally-focused commercial uses were desirable, particularly if the Kaiser freeway ramp was constructed, and that it would be competitive with locations proximate to Interstate-5.

Housing

Interviewees thought a mix of housing (single-family, multi-family, and senior housing) was likely and desirable. Interviewees were less clear on the exact mix or density of housing. Some interviewees saw multi-family housing and senior housing as the most compatible and feasible. Others questioned the future near-term market for multi-family housing given the number of

multi-family units built in West Olympia recently. Some also thought single-family housing was more likely and should be the majority of new housing in the Kaiser-Harrison area. Overall, housing was seen more as a supporting use and not the predominant use for the future of the study area.

Infrastructure and Public Facilities

Overall, no interviewees cited the lack of infrastructure or public facilities as significant barrier to the development of the area. Most interviewees saw the construction of the Kaiser Road freeway ramps as positive contributions to the area, and felt that increased site access would allow the area to maximize its potential. At that same time, a number of interviewees questioned its importance, essentially stating that while it is nice, it may not be critical to the development of the area. Several interviewees cited existing traffic congestion and the impact of new development on traffic as a concern. A couple interviewees did think the freeway ramps were important, particularly for larger-scale retail use to be feasible.

Interviewees also mentioned a need for better walking and biking connections. These included more and better connections to better access the area from surrounding neighborhoods. Walking and biking connections within the area as it develops was also cited.

A few interviewees also cited the need for a central public gathering space and place-making for the area as it develops. A public gathering space could be incorporated in a future retail development. Park and open space is adequate, and any gathering space would be more like a public plaza and not recreation-oriented.

Regulation and Zoning

Most interviewees did not think the current zoning would allow the area to reach its development potential, and saw rezoning the area as an important step. A few property owners thought the current zoning (particularly single-family and the medical service zoning) was the primary barrier to the development of their property. A number of interviewees cited the need for more regulator flexibility as being important for expanding existing uses or for new development.

A few interviewees saw other regulations as a barrier as well. Specifically, code requirements for street connections, permit and impact fees, and onsite stormwater mitigation were mentioned. Several interviewees specifically mentioned high permit fees as an issue negatively affecting development.

Implications for Comprehensive Plan Changes

Based on what was heard from the interviews, there are a few key implications and trade-offs for the City to consider when developing different scenarios for a potential comprehensive plan and zoning changes.

- **What is the right scale of retail uses for the area?** Is a retail anchor needed for the area? There are a few successful businesses in place (fruit stand, pizza place) that fit the small, local business character cited by a number of interviewees. How can they be supported?
- **What is the role of parking and parking requirements?** Would a retail area serve immediate neighbors who could walk to the retail stores? Or, would it serve a broader section of West Olympia which would necessitate more parking and auto-oriented form? What is the role for stormwater mitigation?
- **What mix and density of housing should the zoning allow?** Should even denser or taller residential buildings be allowed? Should some areas be dedicated for lower density housing (single-family, duplexes, townhomes)?
- **How much internal street network connections and multi-modal connectivity be required?** The cost of street construction by property owners and developers was cited as a barrier to development of the area. What does the street grid for this area look like and who should bear the cost of these improvements? How does transit service fit in with the development of the area?
- **How pro-active should the City be in creating a central public gathering spot?** Should a public gathering place be the responsibility of a future developer(s) or should the City purchase and develop a public space? Would this space be publicly or privately owned?
- **How much should the Highway 101 ramp construction and timing be factored into zoning changes?** Much of the area could be built out before funding for the freeway ramps is secured? How does this affect the timing of zoning changes?

Appendix

Stakeholders Interviewed

Interviewee	Affiliation
Brad Corner	West Olympia Commercial, Property Owner
Brad Kisor	Caldwell Banker - Property Representative
Dennis Bloom	InterCity Transit
Evan Parker	Kidder Mathews
John Kaufman	Kaufman Holdings, Property Owner
Julie Leydelmeyer	Columbia Capital Medical Center
Keith James	Inland Construction, Property Owner
Quint Newell	Greene Commercial
Randy Murray	Stone Creek Wood Fired Pizza
Sal Munoz	Cooper Crest Neighborhood Association, Local Resident
Shelby Hentges	MPH Holdings, Property Owner
Tom Hill	Westwood Baptist Church

Interview Questions

Property or Business Owner Questions

- What development opportunities do you see for your property?
- What are near-term and long-term development opportunities for the broader Kaiser-Harrison area? How would those opportunities change if the proposed access ramp from/to Highway 101 were funded and constructed at Kaiser Road?
- In the near future, what type of housing is the area mostly likely to realize (apartments, condos, townhomes, single-family homes)?
- Is retail development an opportunity in the near future? What types of retail businesses are most likely to be successful? How much retail?
- What kind of opportunity do you see for medical service development in the area?
- From a market perspective, what are the biggest challenges for development in the area?
- Are there specific zoning issues within the area? If so, what could be changed?
- Besides the potential Highway 101 access ramp, is there other infrastructure needed to support the development of the area?
- How do you see development in this area interacting with surrounding residential neighborhoods? With The Evergreen State College? With the Capital Mall and surrounding retail?

Resident and Neighbor Questions

- What types of services do you see as needed in the Kaiser-Harrison area (housing, retail, medical, education, civic, other)? How likely are these services to be developed in the near future?

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- How do you see those uses fitting together, i.e., what is the right mix of these uses?
 - What do you see as the biggest challenges for the future in this area? How could those challenges be addressed?
 - How do you see development in this area interacting with surrounding residential neighborhoods? With The Evergreen State College? With the Capital Mall and surrounding retail?
 - There is currently a study being conducted of a potential access ramp to/from Highway 101 at Kaiser Road. If this project were to be funded and constructed at some point in the future, what opportunities and challenges would that present for this area?