

## Downtown Retail Strategy Summary - DRAFT

The purpose of the Downtown Strategy is to identify priorities and realistic, impactful actions to move our community's vision for downtown forward over the next 6 years. The draft priorities and actions listed below have been distilled from ideas expressed at the Business & Developers Forum on April 28, the 2015 EDC business survey, technical analysis and other public engagement for the Downtown Strategy. They are all interrelated. Feedback will help to further shape the proposals that will be recommended in the draft Downtown Strategy to be released in late 2016.

**Vision:** Downtown is a vibrant, dynamic business environment that attracts people, activity and investment

### Priority: Strengthen existing & local businesses so downtown's small businesses can stay and thrive as the local economy grows

Downtown is a unique shopping and entertainment destination, where a majority of vendors are small, local businesses. These compose an eclectic character and charm that contributes to downtown's status as a destination. According to a recent market study, retail opportunities in downtown are expected to grow based on estimated regional growth and additional downtown residents. The report also highlights a potential for increased market capture in select sectors, such as food service, food & beverage, miscellaneous retail, apparel, and accessories. While the City has little direct influence on the market, the City and partners can help promote an environment where small businesses can compete and thrive. Strong coordination and continued partnerships with business organizations, such as the Parking & Business Improvement Area (PBIA), Olympia Downtown Association (ODA), Thurston Chamber of Commerce and Economic Development Council (EDC) will be key to this effort.

Need	Recommended City Action (new or one-time action)	Recommended Partnership or Program Focus
<b>Communication with City</b>	<ul style="list-style-type: none"> <li>• Develop a business support webpage</li> <li>• Conduct a business retention survey with local retail business owners</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing support of City Downtown Liaison position</li> <li>• Provide permit assistance to assist businesses with the process of opening and maintaining business compliance</li> </ul>
<b>Financial and Technical Assistance</b>	<ul style="list-style-type: none"> <li>• Explore B&amp;O tax waiver</li> <li>• Explore opportunities to provide low interest loans or grants for façade improvements</li> </ul>	<ul style="list-style-type: none"> <li>• Invite guest speakers to downtown business groups to share information re: financial and technical resources</li> <li>• Offer workshop training on best practices for local retailers (merchandising, understanding consumer options, online vs. brick &amp; mortar marketing, etc.)</li> <li>• Continue funding the Grow Olympia Fund (helps existing businesses grow) and contributing funds for the regional Tune-Up Program (helps stabilize existing businesses) Provide support to carry out the PBIA's 5-year Strategic Plan (<i>several actions listed</i>)</li> </ul>

<p><b>Affordable business space</b></p> <p><i>Specific interest expressed in small spaces for start-ups, larger spaces for expansions and co-op or condo options</i></p>	<ul style="list-style-type: none"> <li>• Consider a lower threshold for requiring that commercial space has ability to be compartmentalized (currently it's 25,000 sf)</li> <li>• Explore and promote tools that incentivize preservation or adaptive reuse of existing structures as a way to maintain existing retail spaces, typically less costly to lease/own than new <ul style="list-style-type: none"> <li>• <i>Tools being explored include: CDBG funds for façade grants; easing SEPA thresholds; applying for EPA grant to assess contamination and other funds available for clean up; expanding historic district boundary (access to tax breaks); existing multifamily tax exemption; existing tax breaks for historic preservation; Community Renewal Area public/private partnerships; design guidelines that encourage reuse)</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Help connect businesses (new or existing) to available properties through real estate listings, local commercial brokers and property owners</li> <li>• Help connect businesses looking for condo options or shared spaces with each other and available resources</li> </ul>
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**Priority: Improve the streetscape so that downtown invites more pedestrian activity, patrons and investors**

Downtown has a beautiful natural and historic setting that sets it apart from other areas of the county. A well-connected grid of sidewalks sets the stage for a truly pedestrian-oriented place, but the physical and aesthetic quality from place to place is inconsistent. Aiming to better connect places and spaces through redevelopment, the strategy outlines steps to encourage private sector development and identifies key public investments. A need to repave 5 street segments in the core (Franklin, Jefferson, Legion, Washington and Capitol) presents opportunity to leverage dedicated funds to make transformational improvements to these retail oriented streets over the next 6 years. Guided by the pallet of unique character areas, this ambitious investment should make a big impact in downtown's retail core, attracting people and investment to the area.

Need	Recommended City Action (new or one-time action)	Recommended Partnership or Program Focus
<p><b>Inviting Streetscapes</b></p>	<ul style="list-style-type: none"> <li>• Improve 5 street segments in the downtown retail core, and other steps identified in the transportation element of the Downtown Strategy</li> <li>• Require retail storefronts on the ground floor in a key area identified for high activity retail (<i>existing requirement will be examined to see if locations are still appropriate</i>)</li> </ul>	<ul style="list-style-type: none"> <li>• Several strategy actions aim to encourage private development</li> </ul>
<p><b>Unique character enhancements</b></p>	<ul style="list-style-type: none"> <li>• Update design guidelines for buildings and streets <ul style="list-style-type: none"> <li>◦ <i>Scope includes: simplify standards, enhance character areas, strengthen historic preservation, promote safety/crime prevention, enhance look of retail storefronts, etc.</i></li> </ul> </li> <li>• Update sign code to address unique downtown needs, character</li> <li>• Install wayfinding to identify character areas and parking</li> </ul>	<ul style="list-style-type: none"> <li>• Use public art funds to enhance unique character areas</li> <li>• Work with partners to leverage Thurston County's designation as an Innovation Partnership Zone for brewing and distilling to advance Art/Tech and Entertainment areas</li> <li>• Aim to coordinate wayfinding with Capitol Campus</li> </ul>
<p><b>Clean &amp; safe</b></p>	<ul style="list-style-type: none"> <li>• Aim to fund a full-time walking patrol (6 officers all year)</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct a nighttime lighting audit, considering safety and</li> </ul>

	<ul style="list-style-type: none"> <li>• Continue effort to locate public restrooms downtown</li> <li>• Continue having Park Rangers at the Artesian Commons</li> <li>• Assess outcome of shared trash compactor pilot, and continue the program if it is successful</li> </ul>	<p>aesthetic; share information with property and businesses owners so that next steps for improvements are identified</p> <ul style="list-style-type: none"> <li>• Continue Clean &amp; Safe efforts in partnership with ODA &amp; PBIA (Ambassadors, Clean Team, flower baskets, etc.)</li> </ul>
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**Priority: Encourage More Residents so that downtown offers a more active & urban environment, more patrons and eyes on the street**

About 1,800 people currently live downtown, and the City’s Comprehensive Plan sets a target for about 5,000 more over the next 20 years. This target is supported by growing market demand for urban lifestyles where people can work and shop close to home or transit. More people living downtown means new business opportunities, as foot traffic and residents looking for day-to-day services and goods increase. Having more activity on the street should also contribute to an increased perception of safety, making downtown more inviting to the broader population. While the City is not a housing provider, there are things it can do to influence housing development. For decades, the City has been trying to set the stage for more market rate housing options, having put several tools in place to achieve this (multifamily tax exemption, lower impact fees, height bonus, etc.) Within the past 3 years, 299 new market rate units were added, comprising 18% of downtown’s total housing stock. Based on recent applications, the City anticipates over 400 new units will be in permitting or construction during 2017.

Need	Recommended City Action (new or one-time action)	Recommended Partnership or Program Focus
<b>Increased foot traffic</b>	<ul style="list-style-type: none"> <li>• Implement actions that set stage for a full-service neighborhood with a range of housing options as outlined in the Downtown Housing Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Include housing as part of CRA public/private projects for Waterstreet &amp; former Griswolds site</li> </ul>
<b>Businesses serving day-to-day needs</b>	<ul style="list-style-type: none"> <li>• Ensure codes allow flexibility for a wide variety of business types <i>(includes expanding allowed commercial uses in the southeast neighborhood/UR zone)</i></li> </ul>	
<b>Balance between mixed uses</b>	<ul style="list-style-type: none"> <li>• As part of code update, include measures to mitigate noise and other impacts due to mixing commercial and residential uses</li> </ul>	

**Priority: Improve Identity & Perception within Thurston County so that downtown attracts more patrons and investment**

Although downtown is beloved by many, it has a well-known negative reputation among other citizens. The most often cited concerns about downtown include: inconvenient parking, homelessness, open drug use/refuse and an overall perception that downtown is unsafe. The negative reputation hinders downtown’s success, as the desired level of activity and potential for increased market capture depend on people from throughout the county spending more time and money in downtown. In Fall 2016, the City kicked off an update to its downtown parking strategy which will be coordinated with this effort. Homelessness is a complex issue that the City cannot solve nor even address on its own. Funding for social services is largely decided at the county level. Regionally, many organizations and agencies have efforts underway to support the continuum of care helping people vulnerable to homelessness transition into housing. In 2017, Providence Health and Services will be opening a care center in downtown, bringing several agencies together in one location to serve people who need treatment for mental illness, health conditions, drug abuse

and personal trauma. Not only will this better serve those in need, it should also reduce the impact to public spaces when people are experiencing a mental health crisis. Meanwhile, the strategy proposes the City convene partners including the business community to form a more coordinated approach to how we address the impacts of homelessness and street dependency in downtown.

Need	Recommended City Action (new or one-time action)	Recommended Partnership or Program Focus
<b>Address negative perceptions</b>	<ul style="list-style-type: none"> <li>• Develop a media plan to regularly communicate about downtown improvements &amp; address perception vs. reality (i.e., provide stats that demonstrate crime is actually relatively low in downtown)</li> <li>• Promote language that does not present homelessness as a crime or describe people experiencing homelessness in a derogatory manner</li> </ul>	<ul style="list-style-type: none"> <li>• Work with the State on a marketing strategy to encourage state workers to come downtown</li> </ul>
<b>Address Homelessness &amp; street dependency</b>	<ul style="list-style-type: none"> <li>• In 2016, design an instrument and approach to help document the number and characteristics of the homeless population that lives in and around Olympia’s downtown; Synthesize existing data and reports relevant to homelessness in Olympia, and determine what has been successful or can be improved; Develop a scope for a planning process with a broad array of stakeholders (<i>see left</i>)</li> </ul>	<ul style="list-style-type: none"> <li>• Convene a broad array of stakeholders (businesses, service providers, people experiencing homelessness, agencies, etc.) to form a strategic action plan leading to a more coordinated response for addressing the impacts of homelessness and street dependency in downtown</li> <li>• Initiate a discussion with regional policy makers about social service siting needs throughout the region</li> </ul>
<b>Convenient Parking</b>	<ul style="list-style-type: none"> <li>• Compete &amp; implement parking strategy in 2016-17               <ul style="list-style-type: none"> <li>◦ <i>Scope looks at current and future needs, management of city owned lots and on-street parking, development requirements, potential for structured parking, new technologies, residential parking program, wayfinding, etc.</i></li> </ul> </li> </ul>	

**Priority: Actively Promote Tourism so that downtown is a well-known and sought out destination**

Downtown’s waterfront setting, history and eclectic mix of shopping, dining and entertainment provide a strong basis for tourist activity. Major attractions like the Hands on Children’s Museum, Farmers Market and Capitol Campus draw in hundreds of thousands of visitors each year. Unfortunately, we hear that visitors often do not venture beyond these destinations – in a nutshell, because it is not clear what else downtown has to offer. Efforts to make downtown more visually attractive (clean & safe programs, street improvements, redevelopment along Capital Way, etc.) should invite visitors to venture further. We also hear that a large number of theater patrons enjoy dining before or after a show, but that finding convenient, safe parking can hinder going out at all. An updated parking strategy, wayfinding and better lighting should improve convenience and the overall experience of being downtown during the day and night. Also, building on the Visitor & Convention Bureau’s recent effort to rebrand Thurston County, now is the perfect time to consider how downtown fits within that and to develop a well-coordinated branding and marketing plan for downtown. The City sees itself as an important partner in this effort, but not necessarily the lead.

Need	Recommended City Action (new or one-time action)	Recommended Partnership or Program Focus
<b>Branding &amp; Marketing</b>  <i>“Family friendly” &amp; “waterfront” often mentioned</i>	<ul style="list-style-type: none"> <li>Form a marketing strategy to encourage State employees and visitors to come downtown</li> <li>Look into how signage along I-5 can be improved</li> </ul>	<ul style="list-style-type: none"> <li>Support branding/marketing efforts in partnership with the Visitors &amp; Convention Bureau, ODA, PBIA and others</li> <li>Convene agencies on next steps to improve and market the Olympia Waterfront Route (<i>public agencies have now acquired most of the land along the trail, i.e., City, State, Port</i>)</li> <li>Promote character areas &amp; the Downtown Historic District</li> </ul>
<b>Leverage assets</b>	<ul style="list-style-type: none"> <li>Strengthen historic preservation efforts through update to historic design standards, completing an inventory of historic properties and consideration of expanding the historic district boundary</li> <li>Identify funding to complete Percival Landing rehabilitation, phases 2 &amp; 3</li> </ul>	<ul style="list-style-type: none"> <li>Include representatives from major downtown attractions in forming the marketing strategy (HOCM, LOTT Wet Center, South Sound Estuarium, Farmers Market, Capitol Campus, theaters, etc.)</li> <li>Work with Capital Campus to coordinate wayfinding</li> <li>Draw additional attractions, possibly including a full-service hotel</li> </ul>
<b>Support activities &amp; events</b>	<ul style="list-style-type: none"> <li>Continue to support events (Arts Walk, Procession of the Species, Lakefair, etc.)</li> <li>Implement the Music Out Load Program (a program of musical performances occurring in locations where pivotal past musicians are honored on sidewalk mosaics)</li> </ul>	<ul style="list-style-type: none"> <li>Identify steps to promote art and art activities in the Art/Tech and Entertainment areas</li> </ul>

**Priority: Connect to other Community & Economic Development Efforts so that downtown is supported by a strong local economy**

Many interrelated components contribute to a strong local economy (jobs, education, sector diversity, physical infrastructure, municipal tax revenue, etc.) Through partnerships we can strengthen and connect these components to support the long-term health of our region. The EDC recently lead formation of a Thurston County Economic Alliance that involves many partners including local jurisdictions. The City’s new Economic Development program positions the City to be a strong partner, in turn helping set the stage for the long-term viability of downtown. There has been over \$180m of public sector investment in downtown over the past 20 years (East Bay Plaza, Percival Landing, WA Center, City Hall, etc.). Now the City is turning its attention to public/private partnerships made possible through a Community Renewal Area (CRA). In addition to CRA, Olympia currently takes advantage of over 15 tools to incentivize development and business (i.e., multifamily tax exemption, historic property tax incentives, reduced downtown impact fees, Grow Olympia Fund, etc.)

Need	Recommended City Action (new or one-time action)	Recommended Partnership or Program Focus
<b>Culture of partnership</b>	<ul style="list-style-type: none"> <li>Maintain City-driven Economic Development Program (Economic Development Director &amp; Downtown Liaison)</li> </ul>	<ul style="list-style-type: none"> <li>Work with EDC and other partners to implement steps outlined in the Thurston Region Economic Development Plan</li> <li>Develop strong public/private partnerships so that investment is captured and stewarded to support downtown businesses (i.e., InterCity Transit, CRA, parking solutions.)</li> </ul>

<p><b>Catalectic Investments</b></p> <p><i>Interest expressed for a community pool, affordable housing and a larger &amp; more tech savvy library</i></p>	<ul style="list-style-type: none"> <li>• Explore how City owned property in downtown (i.e., surface lots, old fire station, library) could be redeveloped to meet goals</li> <li>• Support Community Renewal Area (CRA) plan for downtown</li> </ul>	<ul style="list-style-type: none"> <li>• Complete public/private partnerships to redevelop Waterstreet area and former Griswold property</li> <li>• Support redevelopment of Port's East Bay properties</li> </ul>
<p><b>Incentivize development</b></p>	<ul style="list-style-type: none"> <li>• Exempt downtown projects from SEPA (<i>would apply to residential, mixed use and commercial under 65,000 sf</i>)</li> <li>• Update codes so they are easier to understand and encourage unique character areas</li> <li>• Make public investments to improve the streetscape</li> <li>• Explore and promote tools that incentivize adaptive reuse <ul style="list-style-type: none"> <li>◦ <i>Possible Tools: CDBG funds for façade grants; EPA grant to assess contamination and funds for clean-up; existing multifamily tax exemption; existing tax breaks for historic preservation; CRA public/private partnerships; design guidelines that encourage reuse; EB-5)</i></li> </ul> </li> </ul>	
<p><b>Business retention and expansion</b></p>	<ul style="list-style-type: none"> <li>• City's Economic Development Program includes: <ul style="list-style-type: none"> <li>◦ Regular coordination with headquarter employers to actively support business &amp; employee retention (i.e., Heritage Bank, Olympia Federal, Image Source, Mud Bay, WA Business Bank, WSECU and WA State, etc.)</li> <li>◦ Identifying businesses within the region that are looking to expand or open a storefront</li> <li>◦ Market Downtown to a variety of employers that may include the technology, finance, professional services, non-profit sectors</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◦ Partnering with EDC in regional tech sector group to support employee recruitment &amp; tech/innovation culture</li> <li>◦ Partnering with the Thurston County Chamber and PAC Mtn. Workforce Development Council to connect employers to workforce talent</li> <li>◦ Coordinate efforts with ODA to identify and address business retention red flags</li> </ul>