Attachment 2

From:	CityCouncil
To:	Mark Foutch
Cc:	Councilmembers; Jay Burney; Rich Hoey; Debbie Sullivan; Kellie Braseth; Casey Schaufler; Tim Smith; Leonard Bauer
Subject:	RE: Allow Drive-Throughs Downtown?
Date:	Wednesday, December 6, 2023 3:38:17 PM

Thank you for your comments. I will forward them on to all Councilmembers and appropriate staff.

Susan Grisham *(she/her)*
Assistant to the City Manager
Legislative Liaison
City of Olympia |P.O. Box 1967 | Olympia WA 98507
360-753-8244 | sgrisham@ci.olympia.wa.us

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Please note all correspondence is subject to public disclosure.

From: Mark Foutch <mfoutch@juno.com>
Sent: Wednesday, December 6, 2023 8:42 AM
To: CityCouncil <citycouncil@ci.olympia.wa.us>
Cc: hollygadbaw@comcast.net
Subject: Allow Drive-Throughs Downtown?

It's interesting that in today's JOLT article, no one is quoted outlining the reasons the Council long ago prohibited drive throughs downtown. It's all about the supposed reasons why it would be desirable to change that regulation. I would hope the planning staff would have gone back to "fill in the blanks" while making their presentation to OPC. I remember the exception for banks; it was to increase customer security by reducing "out of car" exposure before/after banking.

I'm cc'ing Holly Gadbaw with this. She was our council's land use planning maven. She could explain that long-ago council's "legislative intent."

Mark

From:	Mark Foutch
To:	Casey Schaufler
Cc:	hollygadbaw@comcast.net; karen@karenmessmer.com
Subject:	RE: Allow Drive-Throughs Downtown?
Date:	Thursday, December 7, 2023 2:32:47 PM
Attachments:	RE Allow Drive-Throughs Downtown.msg

Thank you, Casey! All I can recall generally is that we (the council then) wanted downtown to be more residential *and as part of that, pedestrian friendly, one more reason to avoid auto-oriented development. Our first Comp Plan post-GMA emphasized that, along with reducing urban sprawl and adopting design standards for downtown development. (For the past few years you've probably noticed the many projects downtown to promote pedestrian safety with sidewalk and crosswalk redesign. To me those are directly related to those pedestrian friendly goals. Holly Gadbaw and Karen Messmer might be better contacts for more detailed information. I've cc'd them with this.

Many thanks again!

Mark

*I can't remember an exact number but a good sized percentage of our anticipated growth was assigned in our plan to downtown. This led us to find ways to make that happen, thus the first few years of property tax postponement for both affordable and market rate residential development. (Speaking of which, the recently-vocal opponents of that incentive never seem to acknowledge that all those properttes will be subject to taxation after their postponements run out, public revenue that would not have been collected had they never been built.

Please note: message attached

From: Casey Schaufler <cschaufl@ci.olympia.wa.us>
To: "mfoutch@juno.com" <mfoutch@juno.com>
Subject: RE: Allow Drive-Throughs Downtown?
Date: Thu, 7 Dec 2023 21:45:03 +0000

From: karen karenmessmer.com
To: Mark Foutch; Casey Schaufler
Cc: hollygadbaw@comcast.net
Subject: Re: Allow Drive-Throughs Downtown?
Date: Thursday, December 7, 2023 10:58:09 PM

Mark, Casey, Holly,
Yes, discussions about downtown aimed to reduce conflicts between people who are walking and cars. Drive in or drive through businesses create safety problems. I will look into this further regarding past Comp Plan policies. The purpose of the existing regulations should be fully understood before making changes.
Karen Messmer

On 12/7/2023 2:30 PM, Mark Foutch wrote:
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From: karen karenmessmer.com
To: Mark Foutch; Casey Schaufler
Cc: hollygadbaw@comcast.net
Subject: Re: Allow Drive-Throughs Downtown?
Date: Friday, December 8, 2023 3:06:55 PM

I am away from home so I cannot research in my paper files/documents. Meanwhile here is an article about the problems with drive through businesses for downtown. Our downtown is aiming to be walkable and welcoming to bicyclists. Transit is seen as an important factor for dense residential and commercial development and transit cannot succeed without a safe walking environment.
This article in Strong Towns describes the problems with drive through businesses. (Even though it references Covid at first, the rest of the article applies well to Olympia.)
https://www.strongtowns.org/journal/2020/9/21/no-we-still-dont-need-drive-throughs

In summary from the article -

> *1. Drive-throughs are a bad financial deal for cities.*
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> *2. Drive-throughs are traffic nightmares.*
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Subject: RE: Allow Drive-Throughs Downtown?
Date: Thu, 7 Dec 2023 21:45:03 +0000

From: karen karenmessmer.com
To: Casey Schaufler
Subject: Re: Allow Drive-Throughs Downtown?
Date: Friday, December 8, 2023 7:02:40 PM

Casey -
I am curious why this is being called a 'text amendment' for processing. The proposal would seem to require a Comprehensive Plan amendment because of the strong policies relating to walking.
Can you point me to the decision documents for why this is a text amendment?
Thanks
Karen Messmer

On 12/8/2023 3:09 PM, Casey Schaufler wrote:

> Good afternoon, Karen –
> Thank you for this information. I will add it as a public comment in the project file, which will be available to the Planning Commission and City Council when they deliberate. Please let me know if you have any questions or additional comments.
>
> Kind regards,
> Casey Schaufler (he/him)
> Associate Planner
> City of Olympia | Community Planning and Development
> 601 4th Avenue East | PO Box 1967, Olympia WA 98507-1967
> 360.753.8254 | cschaufl@ci.olympia.wa.us

> **From:** karen karenmessmer.com <karen@karenmessmer.com>
> **Sent:** Friday, December 8, 2023 3:07 PM
> **To:** Mark Foutch <mfoutch@juno.com>; Casey Schaufler <cschaufl@ci.olympia.wa.us>
> **Cc:** hollygadbaw@comcast.net
> **Subject:** Re: Allow Drive-Throughs Downtown?
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Subject: RE: Allow Drive-Throughs Downtown?
Date: Thu, 7 Dec 2023 21:45:03 +0000

From: karen karenmessmer.com
To: Casey Schaufler
Subject: Re: Allow Drive-Throughs Downtown?
Date: Sunday, December 10, 2023 8:13:12 PM

I see you reference the OMC but the Planning Commission should have had the existing Comp Plan goals and policies related to this area before them when this briefing happened. Certainly before the hearing the staff report should include references to what the Comp Plan says about this area.
Whatever is decided by the Planning Commission should be grounded with reference to how this fits, or does not fit, with the Comprehensive Plan. The applicant should not be the only source for the Comp Plan references.
Also, the SEPA checklist on this, as provided by the applicant, is sorely lacking in detail. This is not a specific project application but the SEPA portion that responds about 'non project actions' is non-responsive.
This change in regulations will increase traffic along side streets surrounding Plum Street. Any new projects allowed by this will reduce walking and cycling safety because cars will be entering the property to go to a drive through. They will cross the bike lane and the sidewalk.)
Back-ups of traffic along those side streets could bleed out onto Plum Street potentially.
Emissions will increase because cars will sit idling awaiting their turn. These impacts need to be addressed in the SEPA checklist.
I have two concerns here.
1. The process needs to include a fact-based approach to what is being considered and a grounding from the current Comp Plan.
2. Anywhere that we add drive through business reduces safety for people who are walking an cycling.

Karen Messmer

On 12/10/2023 6:19 PM, Casey Schaufler wrote:

> Good evening, Karen –
> This is a text amendment application, which is a Type IV application under OMC 18.70.040 (link):
>
> A. 4. Legislative decisions by the City Council after a public hearing. The City Council may approve, conditionally approve, modify and approve, or deny the application. Type IV applications are not subject to review timeline limitations unless specified elsewhere in this Title.
>
> Under table 18.70-1, a Type IV application is any of the following:
> Code Amendment to Titles 17 and 18 OMC, Comprehensive Plan Amendment, Development Agreement, Rezone requiring Comprehensive Plan Amendment, Shoreline Master Plan Amendment, Plat Vacation
>
> Thomas Architecture Studios applied for this text amendment, and it is tentatively

scheduled for public hearing before the Planning Commission on January 8, 2024. I expect to send notice later this month. I will include you on notice routing as a party of record. Please let me know if you have any questions or comments. Thank you.

Kind regards,
Casey Schaufler (he/him)
Associate Planner
City of Olympia | Community Planning and Development
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Subject: Re: Allow Drive-Throughs Downtown?

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To: "mfoutch@juno.com" <mfoutch@juno.com>
Subject: RE: Allow Drive-Throughs Downtown?
Date: Thu, 7 Dec 2023 21:45:03 +0000

From:	Knudson, Evan @ CBRE San Diego Occupier Division
To:	Casey Schaufler
Cc:	Chris Knudson; Robert Knudson
Subject:	Letter in Support of Proposed Text Amendment
Date:	Wednesday, January 3, 2024 3:05:07 PM

Hi Casey,

We are writing today in support of the proposed text amendment by TAS architects which would allow drive-throughs as a conditional use on a small section of Plum Street when paired with a larger multi-family development.

My name is Evan Knudson, and I currently reside in San Diego, California and have worked in commercial real estate for almost 20 years. My brother, Chris, now owns and operates both of the Plum Street and Martin Way Casa Mia Restaurants, as well as Well 80 Brew House on 4th Ave downtown. My dad, Bob, was the visionary behind the expansion of Casa Mia and successfully owned and operated the Casa Mia franchises for 35+ years before Chris took over (though he still goes into his office on Plum Street daily to make sure things are going as smoothly as possible).

To provide a bit of background on our experience downtown; our family built the Plum Street Casa Mia in 1985 by redeveloping an old gas station and has owned and operated without pause for the past 39 years. In 2016, we further invested in Downtown Olympia when we built Well 80 Brewhouse. We have a unique understanding of Downtown Olympia and have witnessed first-hand the evolution of both areas and the substantial differences that have grown between these two locations. Put simply, if we hadn't purchased the Plum Street property in the 80's and subsequently paid off our loan; the Casa Mia on Plum Street simply wouldn't be financially viable for several reasons that we'll describe below.

The drive-through ban for Downtown Olympia was put in place in the 1990's. The intent of the code change was multiple, but mainly was created as an attempt to promote walkability to the downtown business district. Fast forward 30 years; Plum Street (specifically between Union and 5th Ave where the text amendment is proposed) has become almost exclusively a mix of grandfathered fast-food restaurants, vacant lots and empty or underutilized office buildings. We own and operate the only remaining non-fast-food restaurant. The motel and restaurants are gone, replaced by a tiny home homeless village, the car dealership is gone, replaced by a tire store, convenience store and assorted small businesses and a drive through espresso stand. The City Hall and offices have vacated. The largest development, Town Square, is largely vacant and listed for sale with almost zero probability of maintaining a bustling office use since the State of Washington has largely vacated those buildings. Contrast this with the rest of the Downtown Olympia business district which has seen largely the opposite trend. Formerly vacant or underutilized lots have been transformed into multi-family residential buildings and store front retailers like Well 80 have comparatively thrived due to the increased foot traffic and densification.

Our understanding of the proposed text amendment shows a focus on a very small section of Plum Street. The applicant has stated, and we also believe, that this focus will help promote future development while bringing much needed housing units and residents to Plum Street which has

largely seen a decline since the drive-through ban was enacted. Our family has invested heavily in the city and its future. But as we said, over these last 40 years, Downtown Olympia has evolved, and the City and businesses need to subsequently evolve or areas that have been left behind will continue to suffer.

Globally, COVID-19 changed almost everything, mostly in ways not anticipated. For a restaurant, certainly the lockdowns were a disaster for all of us, but the unintended consequences that manifested as a result continue and will likely perpetuate well into the future. By far the biggest negative factor that business owners and property developers on Plum Street are faced with is the movement away from in-person offices. Employees were forced to work remotely and as the pandemic subsided, they collectively decided that they didn't want to return to the office. Meanwhile, many business owners have realized that they can reduce overhead by having employees work remotely. The result is that office vacancies have skyrocketed and are not going to significantly change for the foreseeable future and probably forever.

One result is that restaurants which relied on lunch and other business from local office workers are struggling to get customers through the doors. As mentioned above, we own two Casa Mia Restaurants – one on Plum Street and the other on Martin Way. They are essentially identical in size and seating capacity. Pre-pandemic: revenue was essentially equal for the two. Fortunately for the Martin Way location, business has not only gotten back to pre-pandemic levels but has recently started to exceed the numbers from 2019. Contrast this with our Plum Street location, where sales are down approximately 35% since 2019 and we're doubtful that we'll ever be able to recover to anywhere near the levels we once had. Well 80, which had almost a full 3 years of business prior to the pandemic, has met or exceeded pre-pandemic revenues as well, so it seems clear that Plum Street's issues are unique.

Anything that will encourage development and stimulate business will be a huge plus for the "front porch" of Downtown Olympia. Drive-through uses are more valuable than storefront retail, so by allowing them as part of a larger multi-family developments, it would encourage developers to invest in Plum Street. More residential development would lead to better future business viability.

We understand that the drive through bans were put in place for a reason, so we've done a ton of research trying to understand not only why the bans were put in place both here and in other city centers around the country, but also broke down how we feel the proposed amendment has successfully addressed any and all issues that most city planners have with drive throughs in the first place.

- Drive-throughs have negative impacts on local businesses.
    - As an owner of food and beverage on both Plum Street (Casa Mia) and 4th Avenue (Well 80), we strongly believe the benefits that would come by encouraging developers to build additional housing on Plum Street far outweigh any potential negatives (which, based on how the proposed amendment is written seem to be completely nullified)
- Drive-throughs discourage walkability in downtown areas, thus devaluing retail store-front property values.
    - The proposed text amendment does not attempt to allow drive through uses in all of downtown Olympia, rather outlines a small area that <u>is not and will never be a walkable part of downtown</u>, rather is a major freeway arterial and gateway into downtown.
    - As owners of restaurants on both Plum Street and 4th Ave, we can attest that the foot traffic for these two downtown locations are and will continue to be vastly different.
- Drive-throughs are dangerous to pedestrians and bicyclists.

Plum Street is the major ingress/egress arterial for the I-5 freeway (the area proposed average 5-6 traffic lanes) and is not and will never be a walkable downtown street.
    - The proposed text amendment addresses the potential danger by requiring clear pedestrian markings and visual cues.
    - Additionally, the majority of vehicles produced today are equipped with technology (sensors, alarms, auto-braking functionality) which help prevent potential interactions with pedestrians or cyclists)
- Drive-throughs limit densification and are a low-returning land use.
    - This text amendment prohibits drive-throughs as a stand-alone use, or even primary use, and requires them to be a part of a larger mixed-use housing development, thus in this case the opposite effect would be true.
- Drive-throughs create additional traffic and hazardous driving conditions.
    - The text amendment ensures that the queuing lines will be sufficient to prevent back-ups on city streets.
    - Even if there were a queue that happened to back up onto city streets, Plum Street averages 5-6 lanes in the proposed area, so traffic impacts even in that case would be minimal, at worst.
    - The proposed area has a median running the entire length, thus not allowing left turns.
- Drive-throughs have negative impacts on air quality.
    - Cars today are significantly more efficient and emit significantly less greenhouses gas emissions vs. cars from 30+ years ago
        - Almost 20% of all new cars sold in Washington State are electric vehicles.
        - The vast majority of vehicles manufactured in the last 5 years have an auto start/stop system, whereby the vehicle turns off at idle.

It seems clear that the proposed amendment has addressed every potential negative outcome that we were able to find on the issue, and we're under the mindset that it would promote investment and development on a section of downtown that needs it the most. We strongly support the text amendment and hope the Planning Commission sees the overall benefits and votes in favor of the proposal.

Thank you for your time, please let us know if you have any questions.

Evan, Chris and Bob Knudson

Evan Knudson
First Vice President | Lic. 01846995
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evan.knudson@cbre.com | LinkedIn

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