Appendix B. Detailed Blight Findings

The purpose of Community Renewal Law is to improve blighted areas of municipalities. This appendix describes existing blight conditions within Downtown Olympia. Downtown has a variety of environmental and economic challenges that hinder the ability for the private sector to invest in downtown Olympia, including:

- Blighted and abandoned buildings
- Known and unknown soils contamination from prior industrial uses
- Risks from sea level rise
- The high cost of construction on the dredged fill due to the need for support piling
- Aging infrastructure
- Diversity of property ownership within the area
- Negative impacts caused by crime, homelessness, and lack of cleanliness

The causes of blight identified in the Revised Code of Washington (RCW) are numerous, and include the following:

Physical obsolescence of buildings.

Inappropriate uses of land or buildings.

Overcrowding of buildings.

Inadequate street layout.

Faulty lot layout (in relation to size, accessibility, or usefulness).

Excessive land coverage

Insanitary or unsafe conditions

Existence of hazardous soils, substances, or materials.

Diversity of property ownership.

Tax delinquency exceeding the fair value of the land.

Defective or unusual conditions of title.

Improper subdivision or obsolete platting.

Persistent and high levels of unemployment or poverty.

Conditions that endanger life or property by fire or other causes.

1 Environmental challenges

Downtown Olympia faces a variety of environmental risks that affect its future, including sea level rise, environmental contamination, and earthquake risk.

1.1 Environmental hazards

Downtown Olympia's past industrial uses and its history of development on fill make cleanup and redevelopment of the City's brownfield properties cost and time-intensive. Until the 1960s, Downtown Olympia's peninsula saw heavy use by lumber mills, welding shops, petroleum tank farms, and log yards. The east side of the peninsula hosted a creosote wood-treating business, now in long-term environmental cleanup costing over $45 million to date.[1] Figure **1** shows that there are 20 sites with environmental contamination in the CRA boundary that have not yet been cleaned up. This includes sites with confirmed or suspected contamination found in soils and groundwater from metals, petroleum products, and chlorinated solvents. Within te boundary, there are:

- Eight (8) sites with confirmed or suspected contamination
- Eight (8) sites with leaking underground storage tanks
- Four (4) sites that have both LUST and CSCS[2]

[1] City of Olympia Brownfields Grant Application for Isthmus Properties, December 2013.

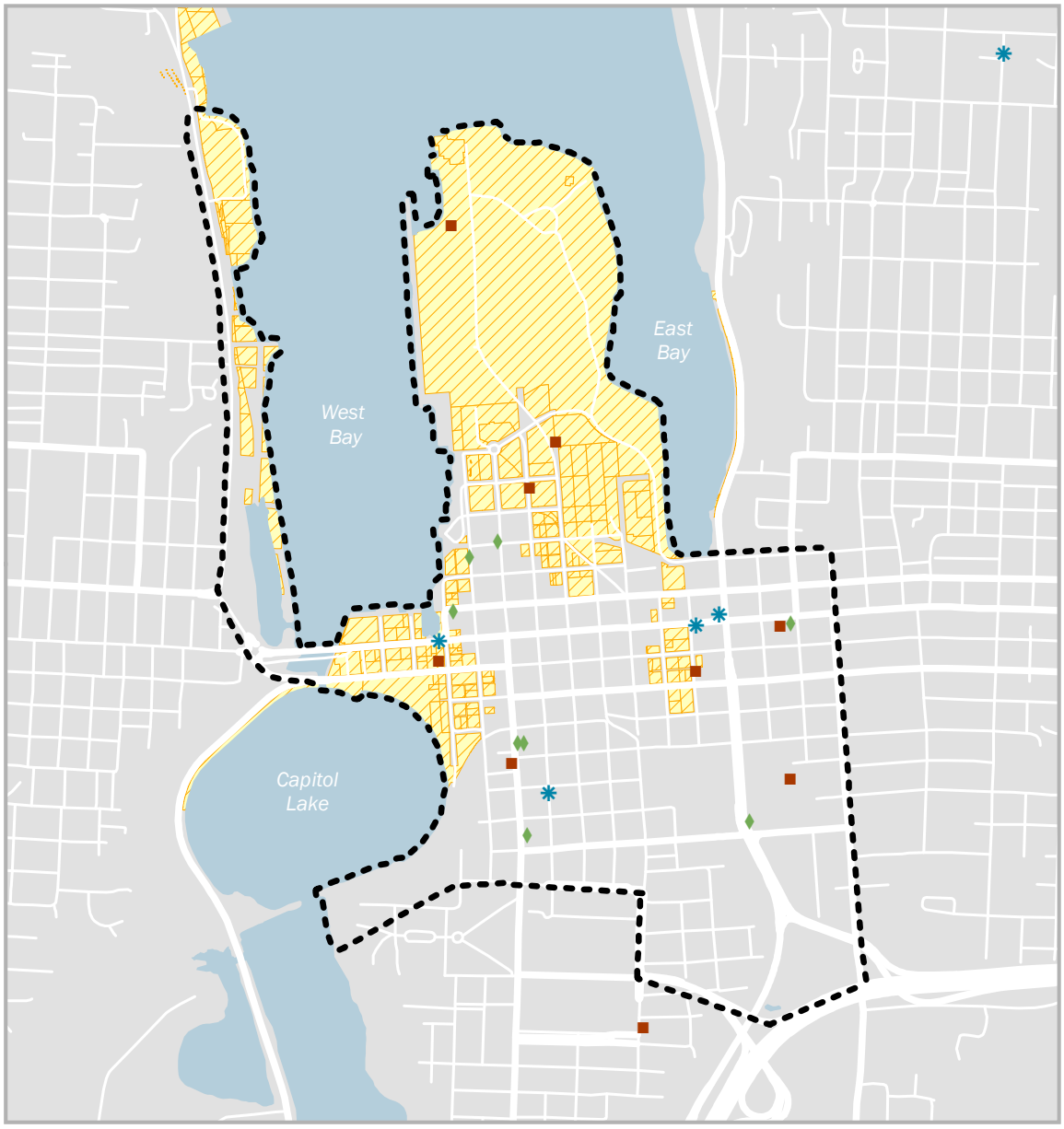
[2] Washington State Department of Ecology Integrated Site Information System. https://fortress.wa.gov/ecy/tcpwebreporting/reports.aspx

Development on fill

A significant portion of Downtown Olympia is built on fill. Fill affects soil stability, and can drive up development costs. Figure **1** shows that a large portion of parcel acreage within the proposed CRA is fill. Over 225 acres, or 48% of parcel acreage within the proposed Community Renewal Area boundary is built on fill, which lies between four and eight feet of the ordinary high tide. By 1912, a dredging and filling effort to create the deep water harbor created about 22 blocks, anchored with wood pilings to hold the sediments. While the City has been successful in obtaining federal funding for brownfield cleanups, the City has had difficulty fully meeting its financial match obligations to mitigate its legacy brownfield properties without taxing the already stretched financial and public safety resources.[3]

[3] City of Olympia Brownfields Grant Application for Isthmus Properties, December 2013.

Figure 1. Environmental hazards in Downtown Olympia, 2014



Downtown CRA - Environmental Hazards

Downtown CRA Boundary

Parcels built on fill

Department of Ecology Toxics Sites

- Confirmed and Suspected Contaminated Sites (CSCS)
- Sites with Leaking Underground Storage Tank(s) (LUST)
- Sites with CSCS and LUST

0 0.25 0.5 mi

Map date: 1/14/2014
Data from City of Olympia, Washington Department of Ecology

ECONorthwest
ECONOMICS • FINANCE • PLANNING

Source: ECONorthwest with data from the Washington State Department of Ecology Integrated Site Information System. https://fortress.wa.gov/ecy/tcpwebreporting/reports.aspx
Note: The map includes sites that are awaiting cleanup or have an unknown status. This map excludes sites that have been already cleaned up, including sites with the following statuses: No Further Action, Cleanup Started, Monitoring, and Reported Clean Up.

Sea level rise

The relatively low elevation of Downtown Olympia makes it prone to flooding due to sea level rise. Much of Olympia's downtown lies only one to three feet above the current highest tides. Sea level is rising in Olympia by about one foot per century, due to post-ice age warming of the oceans and land subsidence.[4] Figure 2 and Table **1** show how much land would be affected under different levels of sea level rise.

Table 1. Impact of sea level rise on community renewal area parcels

	Percent of CRA acreage affected	Acres
Record tide	8%	51
6" sea level rise	13%	86
48" sea level rise	50%	324

Source: City of Olympia.

According to a 1993 City of Olympia report, the most significant impact of continued sea level rise would be increased risk of flooding due to a combination of higher flood tides, higher water table, and reduced surface drainage.[5] If the City takes no protection measures, the report surmises following impacts could happen:

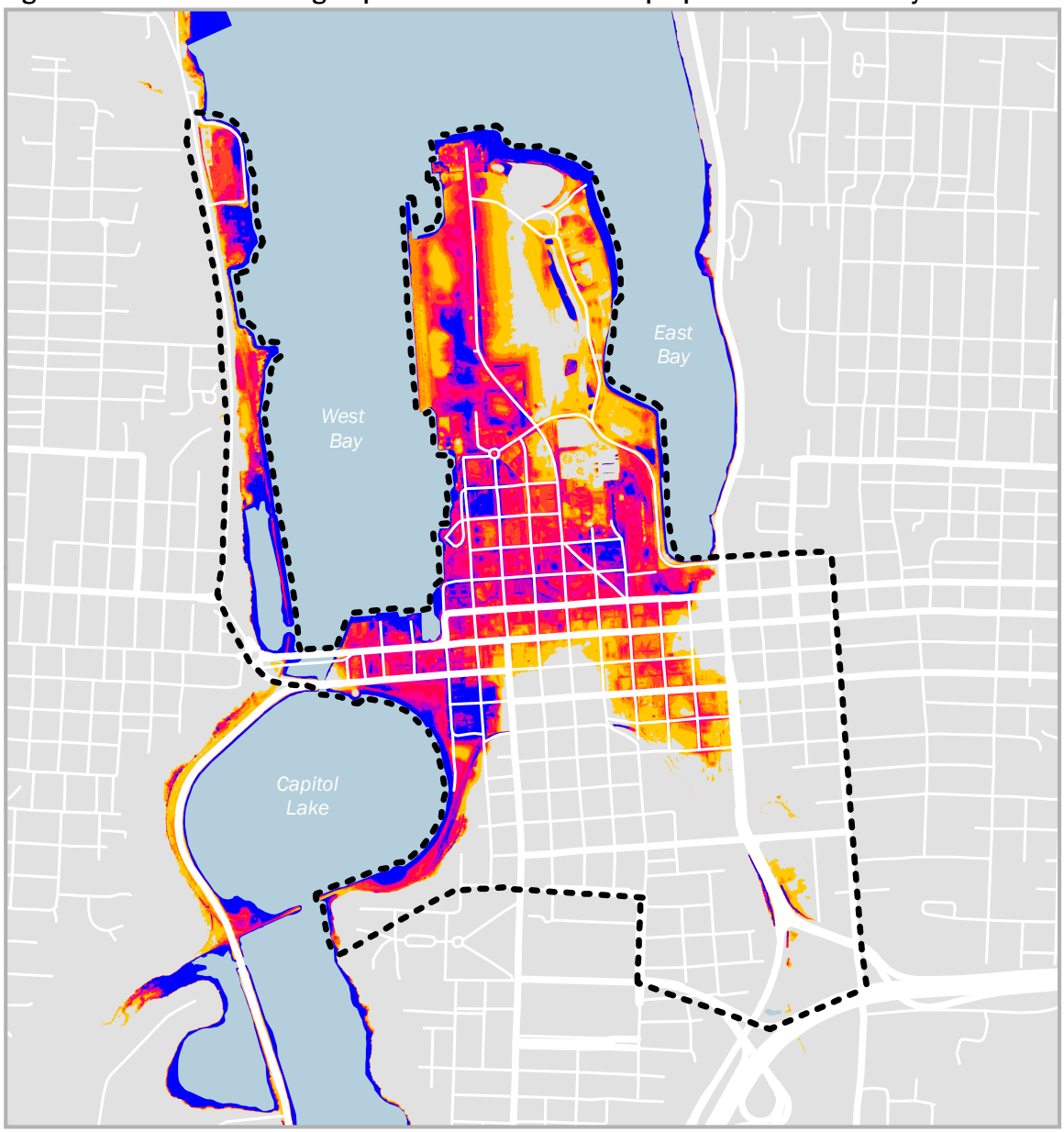
- "The one foot sea level rise predicted by 2050 would result in ponding on some streets and flooding of low-lying structures during the extreme high tides that occur once or twice a year."
- A two-foot rise would impact an even greater area. Pipes designed to convey stormwater away from downtown would be unable to discharge fast enough to prevent flooding during storms. At higher levels, flows would reverse and the sea would flow out of street drains and into the streets.
- A three-foot sea level rise, offered as a mid-range prediction by 2100, would overtop many places along the shoreline and flood most of downtown Olympia during extreme high tides. The wastewater system is combined with stormwater in much of the downtown. Higher sea levels would flow into the wastewater pipes through combined drains and infiltrate through pipe joints, challenging capacity at the LOTT regional wastewater treatment plant."[6]

[4] Climate Change – Olympia is Concerned. http://olympiawa.gov/community/sustainability/climate-change/climate-change-olympia-is-concerned

[5] Preliminary Assessment of Sea Level Rise in Olympia, Washington: Technical and Policy Implications." City of Olympia. 1993.

[6] City of Olympia. Brownfields Grant Application for Isthmus Properties, December 2013.

Figure 2. Estimated flooding impacts of sea level rise in proposed CRA boundary



Source: City of Olympia GIS Department, provided to ECONorthwest on January 3, 2014.

2 Infrastructure Challenges

The age of public infrastructure can create difficulties in development feasibility for downtown, especially if the area is forecast to accommodate additional residents and businesses. The CRA contains more than 25,000 feet of sewer pipes that were installed before 1960. By length, 23% of the sewer system for which installation year is known was installed before 1960. An additional 46% was installed between 1960 and 1979.[7]

The complex, aging public infrastructure combined with existing periodic flooding and even greater future risks for sea level rise will tax pipes in Downtown Olympia, and could create water quality impacts to Budd Inlet. As periodic flood events affect streets and parking lots, water can enter Downtown's combined stormwater and wastewater pipe system. According to the 2013 Olympia Wastewater Management Plan, these flows could exceed the capacity of the existing pipes, creating public and environmental health concerns as well as affecting local businesses and the operation of the LOTT treatment facility.[8] Though pipe maintenance and upgrades in this basin are costly, fixing and expanding the pipes will address sanitary sewer overflows, combined sewer overflows, and other pipe-related issues.

The sewer infrastructure in Downtown combines storm and wastewater flows in one pipe system that runs to the Budd Inlet treatment facility. During redevelopment and street retrofit project, the City identifies and evaluates potential separation projects, and selectively pursues these projects based on ease of implementation and costs. According to the Wasterwater Management Plan, while separation is "not a Utility priority, coordination with LOTT's long-term capacity planning may result in future capital projects that have mutual benefits."[9]

Water System

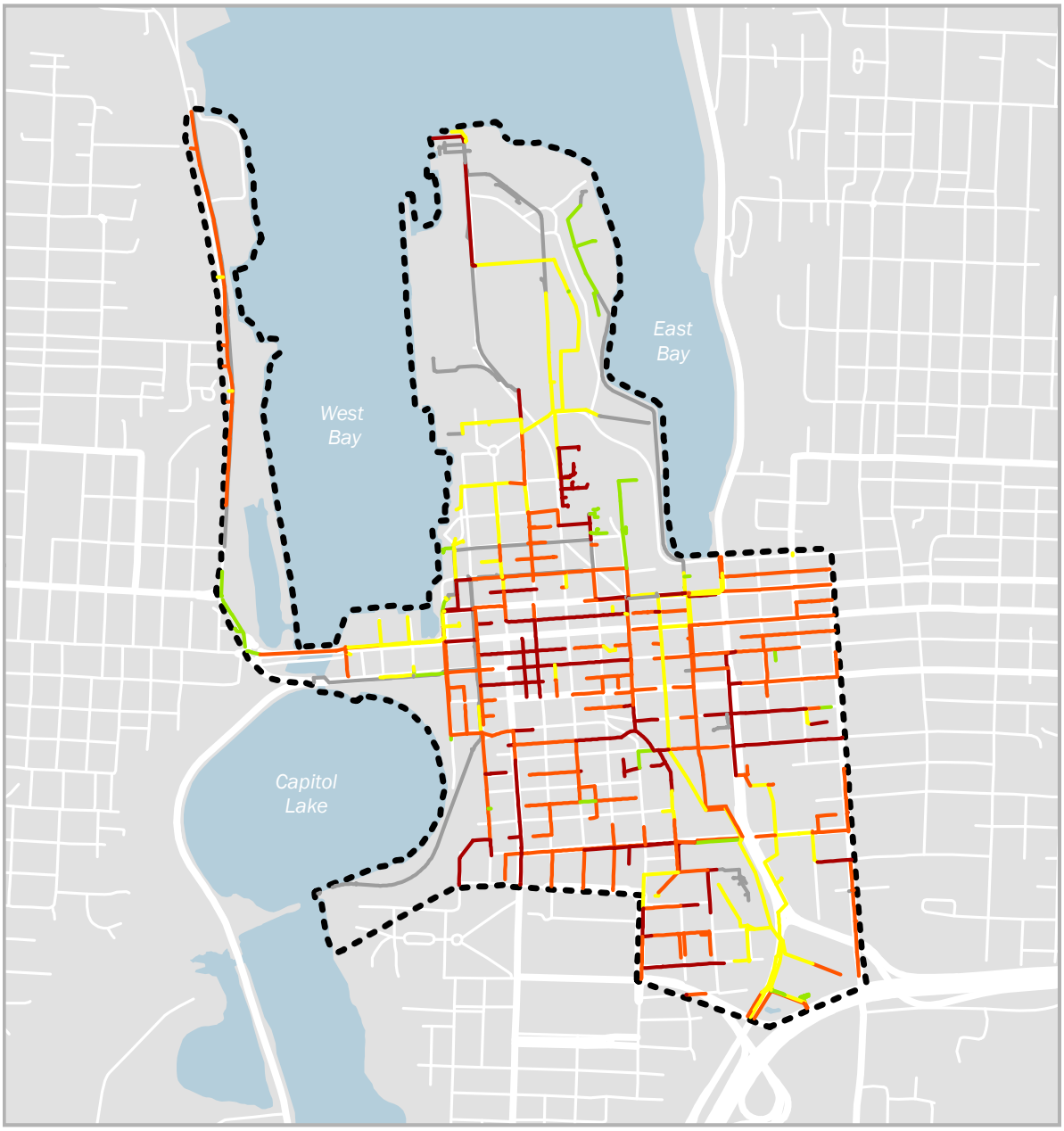
The CRA contains more than 38,000 feet of water pipes that were installed before 1960. By length, 22% of the sewer system in the CRA was installed before 1960. (An additional 37% was installed between 1960 and 1979). By length, 66% of the total water system does not have data about year of installation.

[7] City of Olympia sewer infrastructure data, 2013.

[8] 2013 Wastewater management plan. City of Olympia. http://olympiawa.gov/city-utilities/wastewater/plans-and-studies/~/media/Files/PublicWorks/Water-Resources/Draft%20Wastewater%20Plan/Wastewater%20Plan%20without%20Appendices_Final.pdf

[9] ibid.

Figure 3. Age of sewer system within the proposed CRA boundary, 2014



Downtown CRA - Age of Sewer System

Installation Year

- No data
- Before 1960
- 1960 - 1979
- 1980 - 1999
- 2000 - 2013

Downtown CRA Boundary

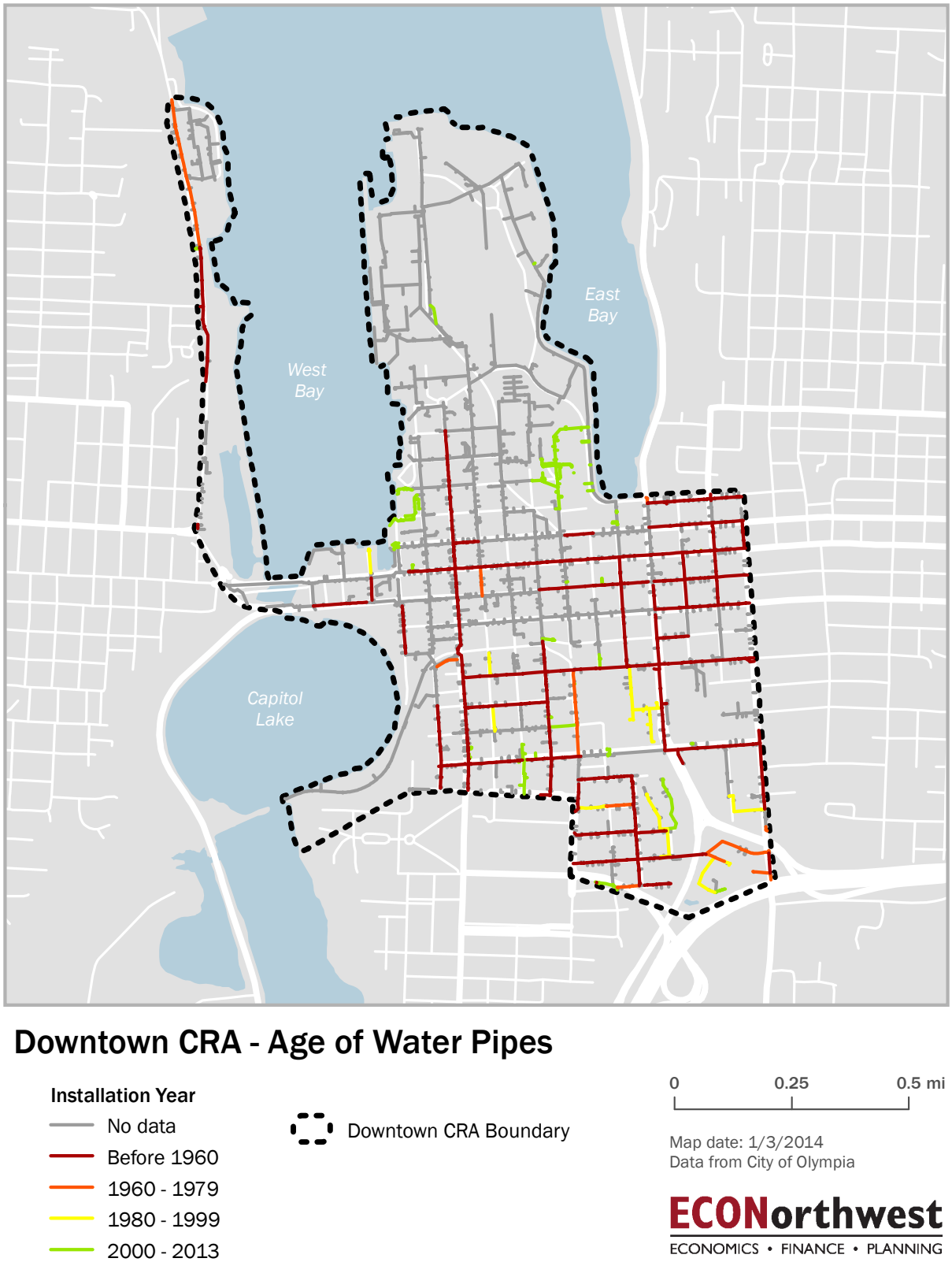
0 0.25 0.5 mi

Map date: 1/3/2014
Data from City of Olympia

ECONorthwest
ECONOMICS • FINANCE • PLANNING

Source: City of Olympia GIS Department, provided to ECONorthwest on January 3, 2014.

Figure 4. Age of water system within the proposed CRA boundary, 2014

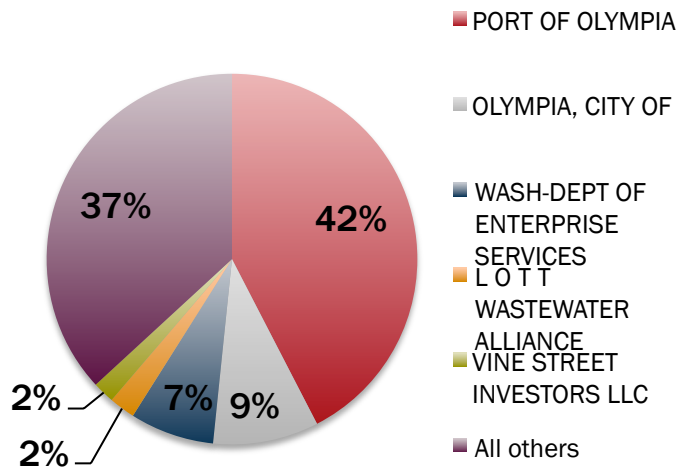


Source: City of Olympia GIS Department, provided to ECONorthwest on January 3, 2014.

3 Diversity of property ownership

The amount of land owners within a community renewal boundary can affect how much coordination is required to achieve development goals. Within the CRA boundary, there are 985 parcels that are owned by 525 separate property owners. As shown in Figure **5**, the Port owns 42% of the land within the CRA, followed by the City of Olympia, which owns about 9% of the total acreage. The twenty property owners with the most land holdings, shown in Table **2**, own 72% of the land within the CRA.

Figure 5. Property Ownership within the CRA by acres



Source: Thurston County Assessor's Office, April 2013.

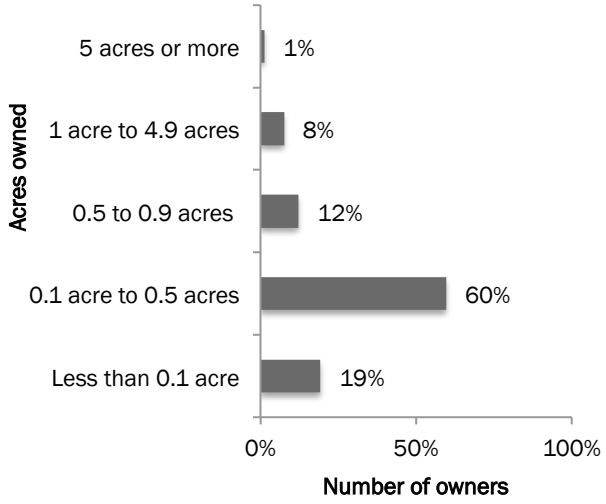
Table 2. Top 20 property owners, by acreage

Owner	Acreage owned
PORT OF OLYMPIA	244.7
OLYMPIA, CITY OF	53.2
WASH-DEPT OF ENTERPRISE SERVICES	42.4
L O T T WASTEWATER ALLIANCE	13.1
VINE STREET INVESTORS LLC	11.0
HARDEL MUTUAL PLYWOOD CORP	7.7
WEST BAY RELIABLE - 0508 LLC	6.9
UNION PACIFIC RAILROAD CO	4.2
VINE STREET ASSOC LLC	4.2
SHAUB PLUM STREET LLC	3.9
BURLINGTON NORTHERN INC	3.3
STATE OF WA - GAME DEPT.	2.9
CAPITOL WAY ASSOCIATES	2.8
VINE STREET ASSOCIATES LLC	2.7
USA-POSTAL SERVICE	2.6
LOTT ALLIANCE	2.5
VINE STREET ASSOCIATES PROJECT II LLC	2.4
CAPITAL SHORES INVESTMENTS LLC	2.3
WASHINGTON TRUST BANK	2.3

Source: Thurston County Assessor's Office, April 2013.

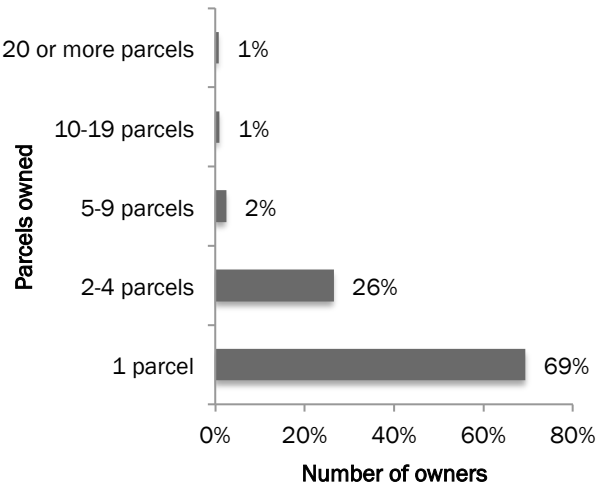
In addition to the major land holders, Figure **1** shows that 60% (313) property owners own between 0.1 acre and 0.5 acres of land within the CRA. The number of small scale property owners complicates efforts to encourage coordinated redevelopment. In addition, the City will want to coordinate with the 30% (161) land owners who own multiple parcels within the District on future downtown planning efforts, shown in Figure **7**.

Figure 6. Property ownership by acreage, Downtown Oy



Source: Thurston County Assessor's Office, April 2013.

Figure 7. Property ownership by acreage



Source: Thurston County Assessor's Office, April 2013.

4 Homelessness and Crime

Stakeholders within downtown Olympia see a strong connection between civil, safe, and comfortable streets and a vibrant retail district. Aggressive panhandling and street crime pervade the area, especially after dark. The homeless counts in Table **3** show that civility challenges in downtown Olympia have grown in the past several years. On January 24, 2013, the homeless count showed a 56% growth in homeless individuals over the first count taken in January 2006 and a 72% increase in homeless students and families. Many of these tend to land in Downtown, where services are more abundant than nearby communities.[10]

Table 3. Homeless counts in Downtown Olympia, January 2013

	Olympia	Lacey	Tumwater	Rural	County total	2006 baseline	% change
Homeless	447	13	6	220	686	441	56%
Students	440	276	133	179	1123	675	72%
Families with children	Data not divided into local towns				277 of 98 families	151	55%

Source: 2013 Thurston County 'Point in Time' Homeless Census Report, March 2013.
http://www.commerce.wa.gov/site/1064/default.aspx

[10] City of Olympia Brownfields Grant Application for Isthmus Properties, December 2013.

5 Blighted Properties

This section describes properties within the CRA with conditions that meet statutory "health and safety" blight requirements:

- Reliable Steel – West Bay Drive
- Former Health Department property and Thurston County Housing Authority building on the Isthmus
- Capital Center property including vacant lot north of 4th Avenue on the Isthmus
- Griswald's property on 4th Avenue

5.1 Reliable Steel

Physical Address: 1218 West Bay Dr. NW
Parcel Numbers: 91013500000 & 91013000000
Property Owner: West Bay Reliable – 0508 LLC
Property Owner Address: 1411 State Ave. NE Ste 100, Olympia, WA 98506
Total Assessed Value (2014 Tax Year): $462,900

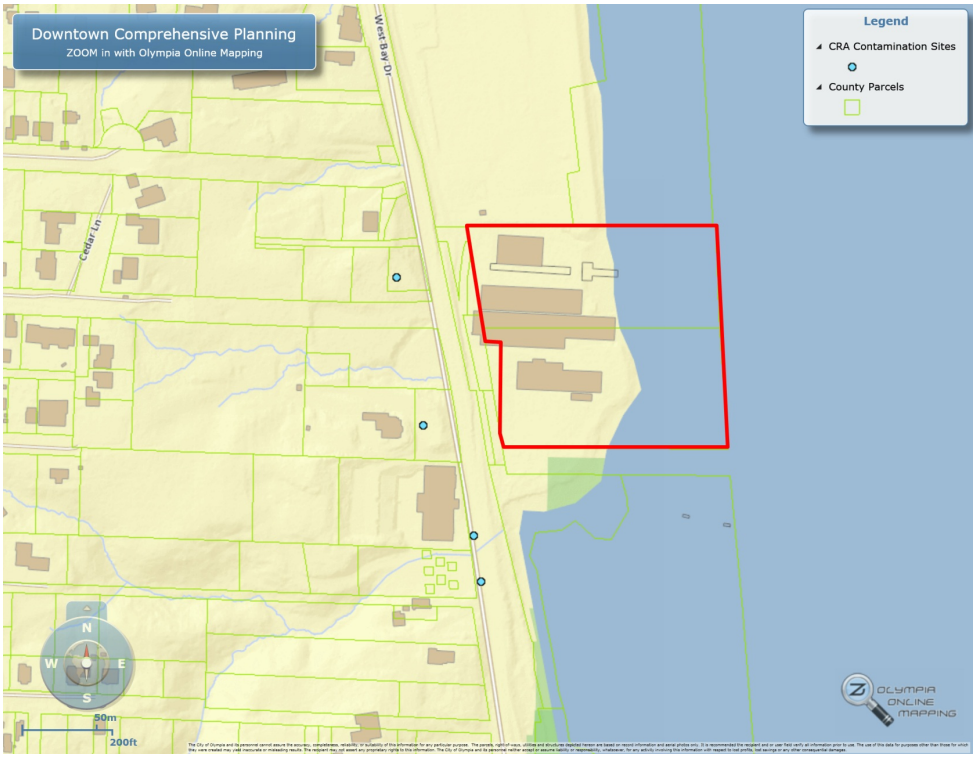
Current Code Violations:
Trash & Debris on Building Exterior (160.06.030.307.1)
Holes on Exterior Walls (16.06.030.304.6)
No Exterior Doors (16.06.030.304.15)
Rodent Infestation (16.06.030.308.1)
Graffiti on Several Walls (16.06.030.302.9)
Leaking Roof (16.06.030.304.7)

The entire property sits on fill. Sea level rise projections show that the majority of the parcel would be submerged at 19-foot tide levels. Contaminated soil has been located in four locations within 200 feet to the west and southwest of the parcels.

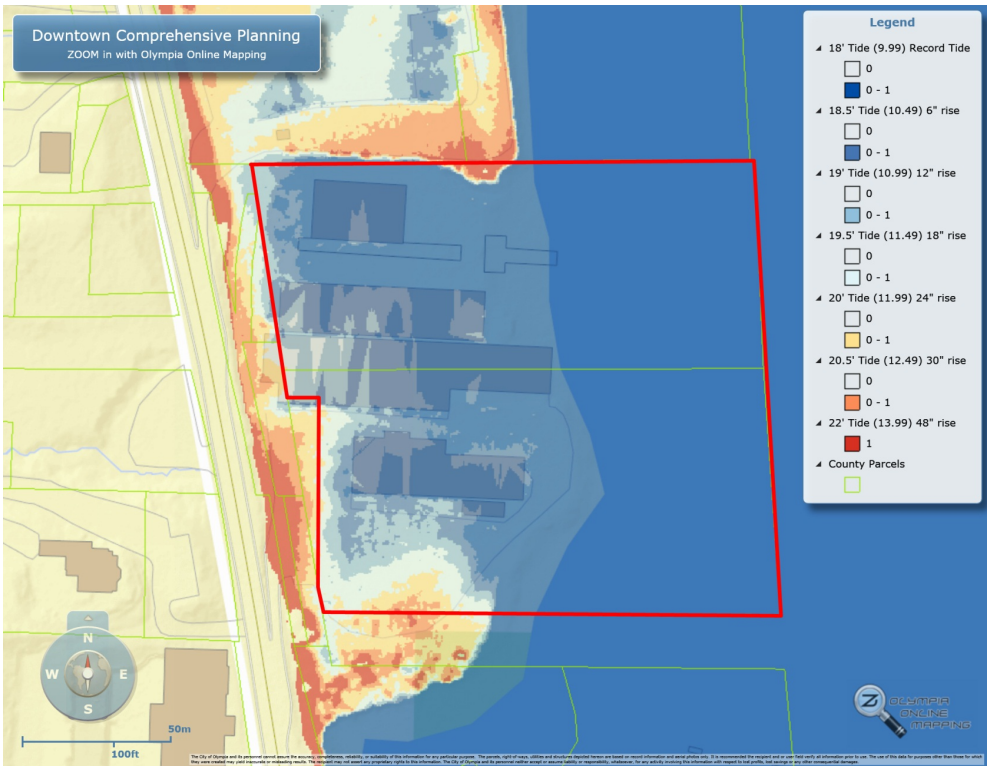



Aerial View

Soil Contamination



Sea Level Rise



5.2 Capitol Center Properties

Physical Addresses: 410/411/420 4th Ave. W and 410 5th Ave. SW

Parcel Numbers: 91005301000, 91005700000, 91005600000, 91005502000, 91005201000

Property Owner: Capitol Center LLC (13930 92nd St. SE Ste. A, Snohomish, WA 98290)

Total Assessed Value (2014 Tax Year): $4,656,150

Current Code Violations:

Trash & Debris on Building Exterior (160.06.030.307.1)

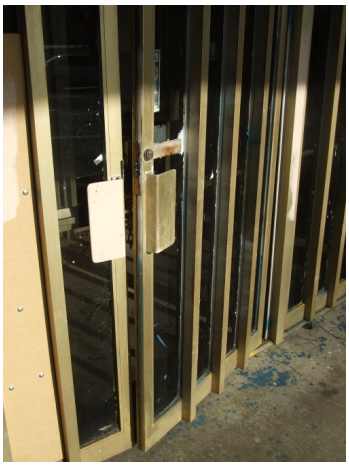
Holes on Exterior Walls (16.06.030.304.6)

Unsecure Exterior (16.06.030.304.15)

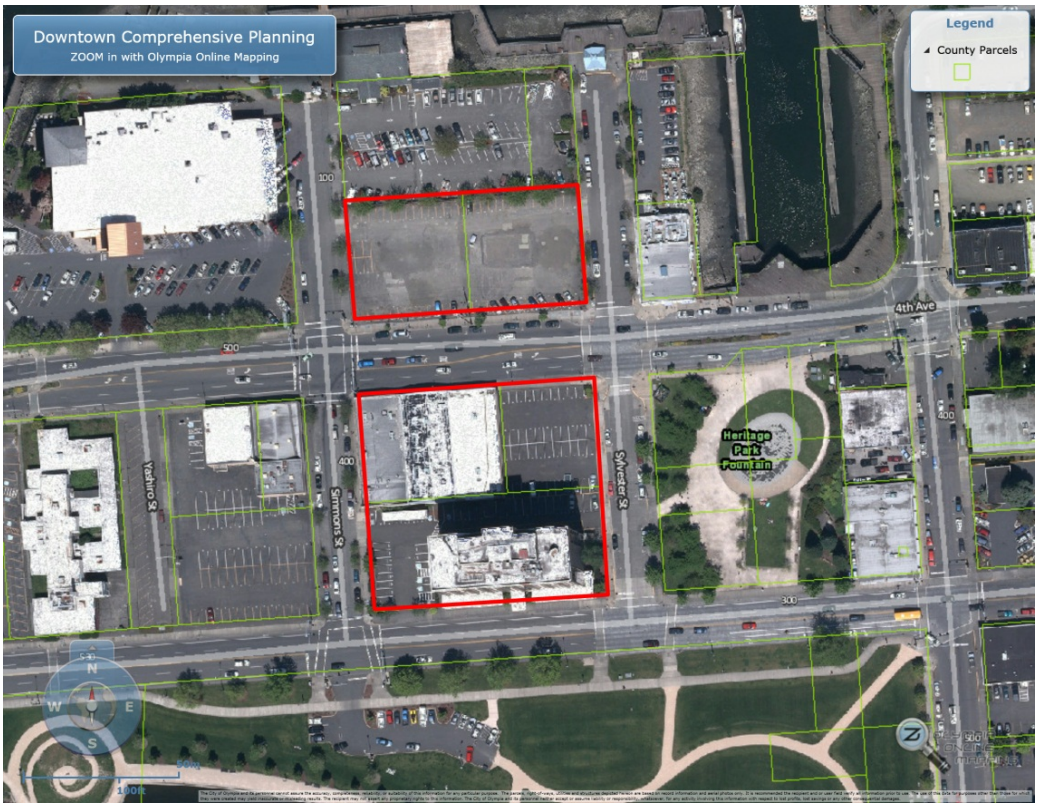
Broken/Boarded Windows (16.06.030.304.13)

Graffiti on Several Walls (16.06.030.302.9)

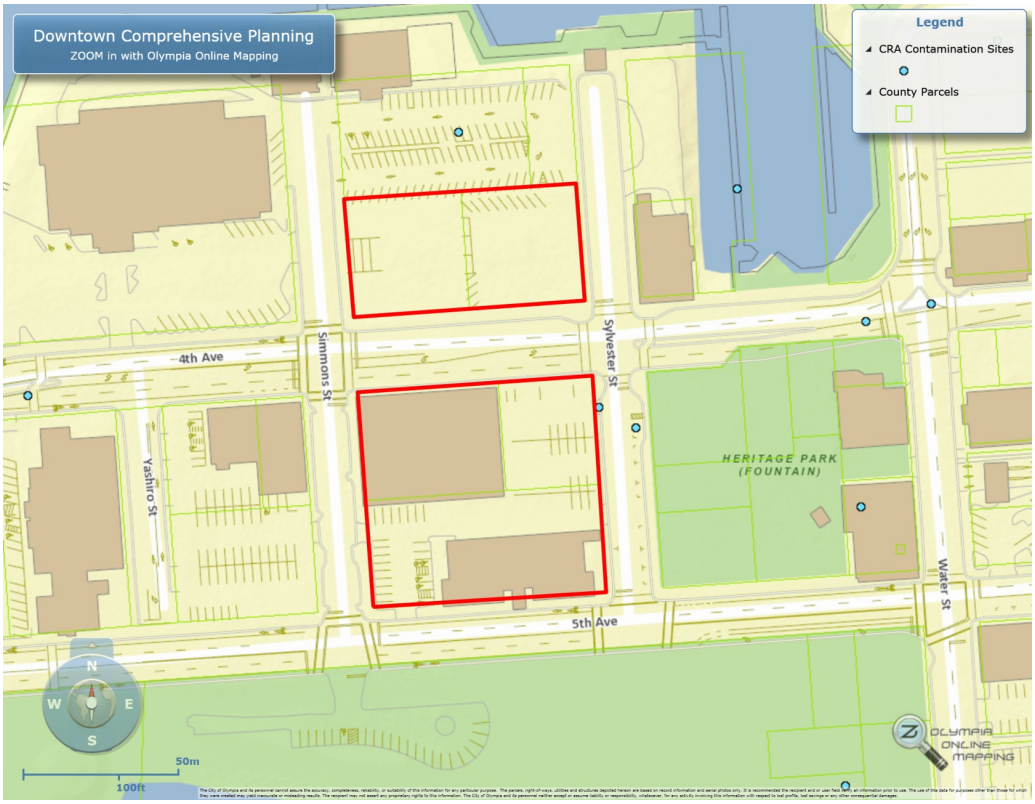
The entire property sits on fill. Sea level rise projections show that a small portion of the parcels on the north of 4th Avenue (parking lot) would be submerged at 18.5-foot tide level, about half at 19-foot tide levels, and the approximately 90% at the 19.5-foot level. The parcels on the south side of 4th Avenue would be 75% submerged at the 19-foot tide level. Contaminated soil has been located within 100 feet to the north of the parking lot on the north side of 4th Avenue, and in the northeast corner of the parcels south of 4th Avenue.



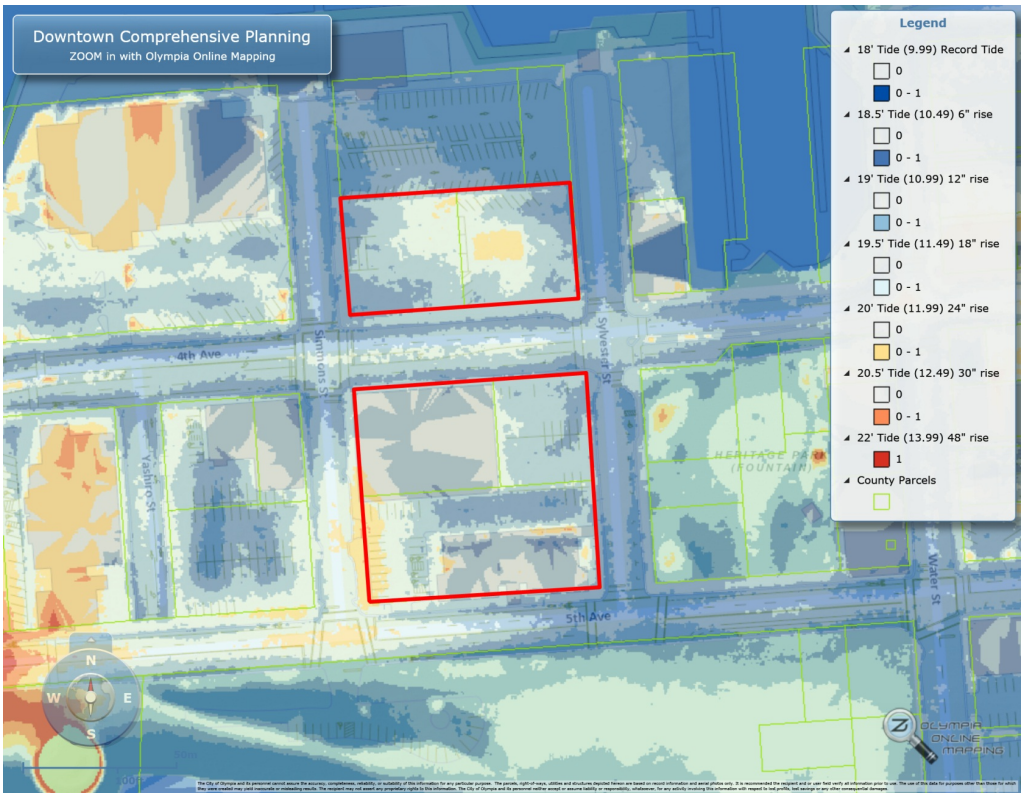
Aerial View



Soil Contamination



Sea Level Rise



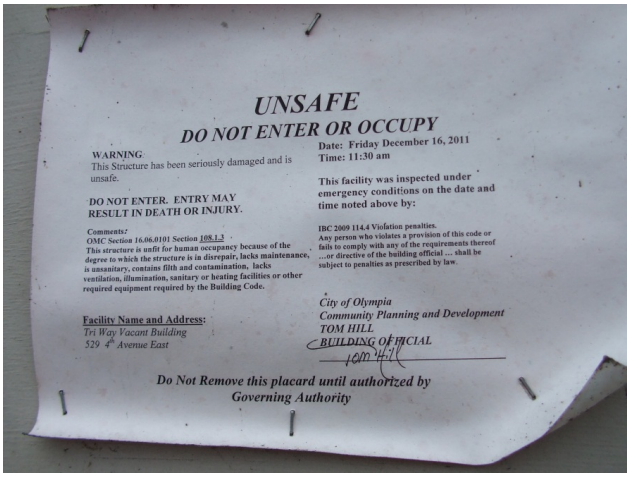
5.3 City-Owned Isthmus Property

Physical Addresses: 505/529 4th Ave. W
Parcel Numbers: 91006800000 & 91006500000
Property Owner: City of Olympia (PO Box 1967)
Total Assessed Value (2014 Tax Year): $3,531,000

Current Code Violations:

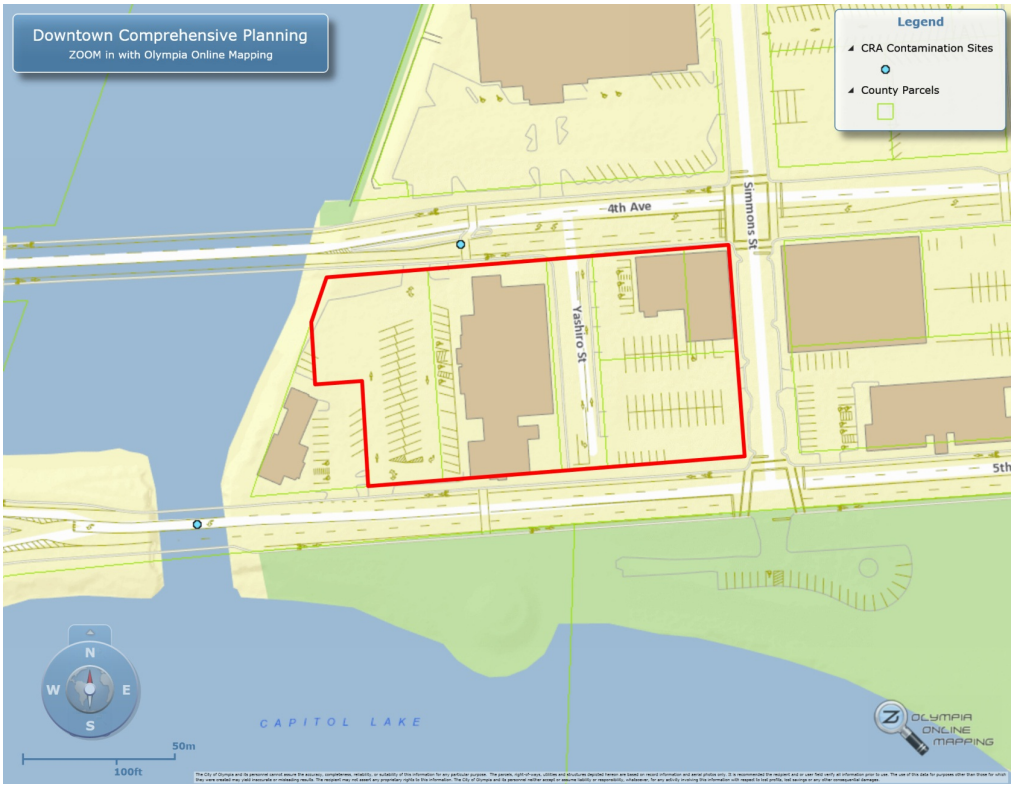
Flaking Exterior Surface (160.06.030.304.2)
No Roof (16.06.030.304.7)
Holes, Breaks, Loose, and Deteriorating Exterior Wall (16.06.030.304.6)
Missing/Boarded Windows (16.06.030.304.13)
Graffiti on Several Walls (16.06.030.302.9)

The entire property sits on fill. Sea level rise projections show that nearly 90% of the east parcel would be submerged at the 19-foot tide level. The west parcel (old health department building) would be 75% submerged at the 20-foot tide level. Contaminated soil has been located within 25 feet to the north of the old health department building. City of Olympia staff is currently working on plans and specifications for demolition. The estimated cost of demolition is $1,000,000. Staff are hopeful to start demolition in Spring, 2014.

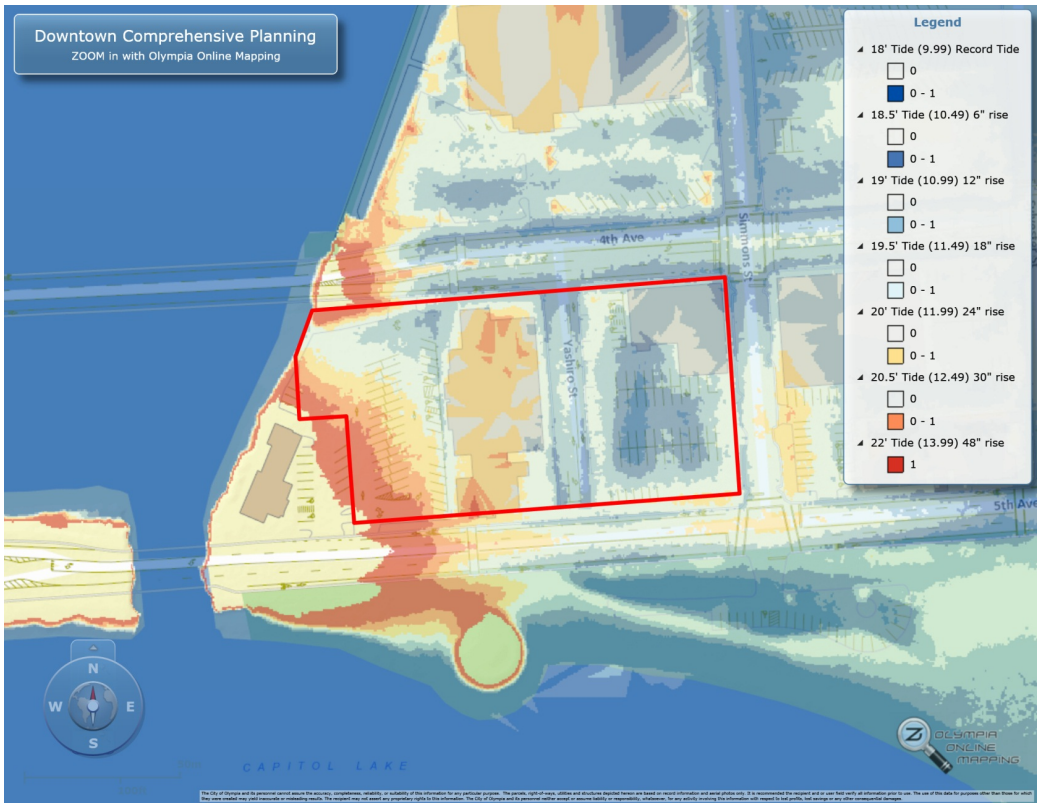


Aerial View

Soil Contamination



Sea Level Rise


Downtown Comprehensive Planning
ZOOM in with Olympia Online Mapping
Legend
18' Tide (9.99) Record Tide
0
0 - 1
18.5' Tide (10.49) 6" rise
0
0 - 1
19' Tide (10.99) 12" rise
0
0 - 1
19.5' Tide (11.49) 18" rise
0
0 - 1
20' Tide (11.99) 24" rise
0
0 - 1
20.5' Tide (12.49) 30" rise
0
0 - 1
22' Tide (13.99) 48" rise
1
4th Ave
Simmons St
Yashiro St
5th Ave
N
W
E
S
CAPITOL LAKE
OLYMPIA ONLINE MAPPING

5.4 Griswold's Building

Physical Address: 308-310 4th Ave. E, Olympia, WA 98501.

Parcel Numbers: 78503300700

Property Owner: Clifford & Sean Lee (7925 Zangle Rd. NE, Olympia, WA 98506).

Total Assessed Value (2014 Tax Year): $321,450

Current Code Violations:

Flaking Exterior Surface (160.06.030.304.2)

No Roof (16.06.030.304.7)

Holes, Breaks, Loose, and Deteriorating Exterior Wall (16.06.030.304.6)

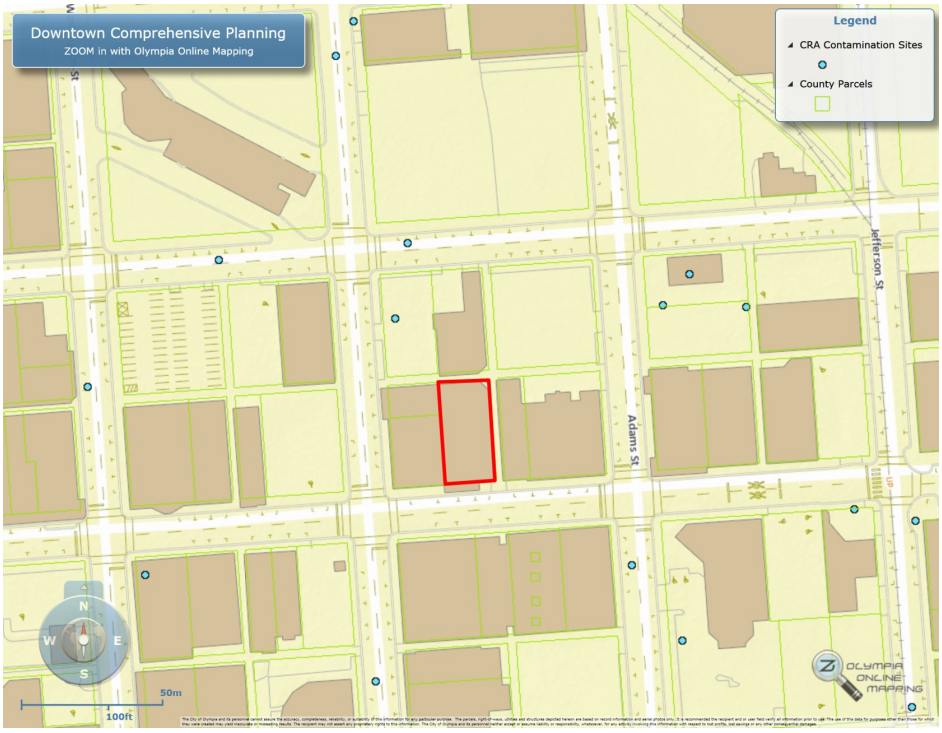
Missing/Boarded Windows (16.06.030.304.13)

Graffiti on Several Walls (16.06.030.302.9)

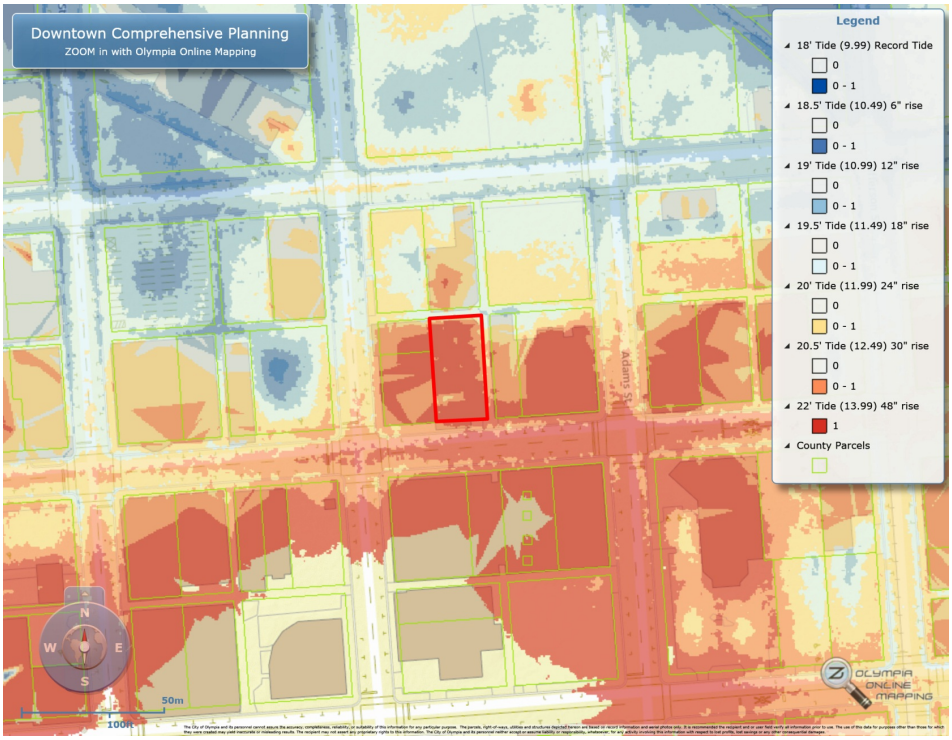
The parcel does not sit on fill. Sea level rise projections show that approximately 10% of the parcel would be submerged at the 20.5 feet tide level, and 90% at 22 feet. Contaminated soil has been located approximately 100 feet to the northwest of the parcel and 250 feet to the southeast.

Aerial View

Soil Contamination



Sea Level Rise


Downtown Comprehensive Planning
ZOOM in with Olympia Online Mapping
Legend
18' Tide (9.99) Record Tide
0
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18.5' Tide (10.49) 6" rise
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19' Tide (10.99) 12" rise
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19.5' Tide (11.49) 18" rise
0
0 - 1
20' Tide (11.99) 24" rise
0
0 - 1
20.5' Tide (12.49) 30" rise
0
0 - 1
22' Tide (13.99) 48" rise
1
County Parcels
Adams St
N
W
E
S
50m
100ft
OLYMPIA ONLINE MAPPING