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Memorandum

To: Amy Buckler, City of Olympia
From: Thurston EDC, Michael Cade, Annette Roth, Aslan Meade
Date: July 9, 2016
RE: April 28, 2016 Business & Developers Forum

Executive Summary

Thank you for the opportunity to participate with the City of Olympia staff and the downtown Olympia consulting team on this project. We can say with utmost confidence that this was a positive experience from both the participant and facilitator perspective. We attribute this to the consistent spade work of the City of Olympia staff and team during the downtown strategy process. Overall, the input we received from participants at this forum discussion focused on the traditional strengths, weaknesses, opportunities and threats (SWOT) analysis – though the discussion was not tendered in this fashion. The input stressed the following notions: that the City possesses great location and has a great capacity to attract visitors and potential outside interests; that the downtown has a current lack of development to act as a magnet for additional outside investment; that there are vast opportunities from both a public planning and private development perspective to establish a continuous destination environment; and that there threats to development that are both internal and external.

This memorandum contains the following components and has several attachments:

1. Attendees: roster of those invited and attendees
 - a. It should be noted that this list was strategically crafted to ensure that the city was receiving a dialogue from a cross section of individuals from the employer/entrepreneur, developer, real estate, and business professional.
2. Agenda
 - a. The agenda was developed with strategy-viewpoint of pulling from each of the pre-arranged groups information in three broad topical areas:
 - i. Opportunities and challenges to development/business
 - ii. Cost barriers for development and redevelopment/business
 - iii. How participants can move an agenda forward
3. Report matrix
 - a. The report matrix provides details as reported from each facilitator on the topical segment of discussion. While the facilitators made every attempt to record all major points of input, and maintain the "voice" of the participants, the recorded input does reflect some synthesis of discussion and points of input. Please note that each of the groups was asked slightly different questions (though themes were consistent throughout), thus reflecting a different tone and perspective per group and per session.



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4. Copy of final presentation

- a. The copy provides an overview from the event. The report was developed around the theme that the EDC staff picked up from the discussions – “Creating a Climate of Economic Vibrancy.”

The remainder of this memorandum is focused not on the structure of the event, but rather the content of input from the participants. For a fuller contextual discussion and reporting of the input, please refer back to the attached matrix. The following text provides the overarching themes and issues.

Input and Items of Importance

Session 1

Group A (Development & Real Estate Professionals)

Regarding the Character Areas, what development opportunities are envisioned?

- There are a number of critical market actions that will result in the increased population and density that is forecast for the downtown, and for Thurston County as a whole. This represents a major opportunity to take advantage of now, setting the stage for density and redevelopment to accommodate alternative styles of housing.
- With increased property values (that comes with increased density), an increased likelihood of development at a higher “quality and value” would potentially allow for the development of amenity structures that would further enhance the livability of the region – more specifically structured parking.
- There is a “ribbon” that surrounds downtown – and the City could, through a variety of municipal actions, transform a somewhat “bland” development and infrastructure around the waterfront to one that could be a year-round attraction.
- Downtown Olympia is easily one of the top 5 geographic capital cities in the country. Strong and creative thought should be given to using this “mental designation” as a catalyst for increasing stop-by traffic, investment in and creation of new businesses that take advantage of this, and for new business models that take advantage of the placement of the State of Washington’s presence here, (i.e. conference facilities).
- Downtown should be attractive to national retailers.

What are the constraints and or obstacles in each area?

- Cost structure in development – i.e. the cost of a parking structure construction is not commensurate with the value of the land that it would be built on.
- Vibrant workforce – while recent surveys and studies show a diversity in workplace occupations, there currently is a lack of clean-tech, or a major economic driver that buttresses wages and new economic activities.



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Group B (Business Professionals)

Regarding the Character Areas, what development opportunities are envisioned?

- Strong belief that an increase in residents of downtown will create an increased market for retail operations and businesses.
- There is an increasing market trend in other regional markets toward the condonation of retail and commercial space, which allows for equity based investment and for owner/occupied activities.
- Mini-enterprises should be supported that can combine into a singular facility.
- Tourism is not supported as well as it could be by infrastructure in the downtown core –an example would be to adjust the “Dash Trolley” from just a north-south fixed route from the Capital campus to the Farmers Market, to one that is also east-west allowing for tourists and visitors to take advantage of the entire spectrum of retail and amenities.

What are the constraints and or obstacles in each area?

- There is a potential for incompatibility between character areas – i.e. entertainment and noises associated with that activity may not be neighborly compatible with residential uses. It is critical to find that balance.
- Serious lack of branding and signage to “historic capital and business district” from Interstate 5.
- Gentrification is a possibility and would act as a deterrent to maintaining the city’s character and current resident population.
- One of the biggest issues to attracting (or re-attracting) visitors is the issue of street dependence.

Group C (Community Organization Professionals)

Regarding Character Areas, what opportunities exist for future vibrant communities?

- There is a very significant attraction built into the waterfront. There is a need for activities and development that gets people to downtown and on the sidewalks of the cafes, shops and art galleries.
- Significant opportunities to take advantage of the planned for county-wide increase of density – to be allowed to build up, not necessarily out.

What are the constraints and or obstacles in each Character Area?

- Regulations and permitting has a significant impact on attracting development and investment. The city should be cognizant of the fact that, just like private business, it is in competition with other communities that are also seeking to attract investment and capital. While the regulations and permitting process may not be overly onerous, they are not viewed as a competitive advantage, and may work as a dis-incentive in comparison to what other communities have done to ensure that investment is welcomed and recognized as a positive thing.
- Create a culture of partnership to attract investors. This means much more than just welcoming them, but to actually work with an investor in a community development partnership.



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Session 2

Group A (Development and Real Estate Professionals)

What are the biggest cost barriers associated with new construction or rehabilitation of existing buildings?

- LOTT utilities and hook-up fees for residential development is thought to be more expensive than what they are for comparable communities. Although the city cannot provide any real deep fiscal incentives, it can address fees and associated development costs it can control, and perhaps create a system so that they act as incentives – by making it cost competitive.
- Traffic and school mitigation fees are applied to the multi-family residential properties at the same rate as those in a more suburban environment; however the traffic and school impacts are typically much different. There should be some consideration for this.
- Code requirements for redevelopment or adaptive re-use of buildings should be re-examined. For example, once the value of the redeveloped building is set at or above 50% of value, the entire building is required to be brought to a higher code/standards. This is a very significant inhibitor to adaptive reuse of buildings – especially when only a portion of the structure is being redeveloped or re-done.

Group B (Business Professionals)

What are the biggest cost barriers associated with opening a business in downtown, and operating a business downtown?

- The upkeep of vandalism is very costly.
- It is felt that the permitting process is a significant barrier. A perception exists that a lack of understanding by the businesses of what the vision of the City staff is, can cause a project to stall for an indeterminate amount of time. Consistency of interaction with businesses and developers by the City is crucial in being able to tell the story of the positive environment of the city.
- An opportunity exists for the City to potentially create a matrix of decisions that is very easily understood by the lay-person – someone not familiar with permitting processes – that can help to simplify the process.
- Infrastructure needs and requirements and upgrades are sometimes very costly and project prohibitive. A phased approach may be a more conducive way to allow for upgrades over time.

What could be the challenges for finding and maintaining affordable commercial space? Is displacement a problem?

- Displacement (or gentrification of businesses) is seen as a potential future problem.
- As the economy changes, and retail and shopping habits change and continue to evolve, it will be crucial to create an environment wherein the shop owners and operators have access to technical skills and training that provides a base of operations to compete in an "Amazon climate." Additionally, the businesses



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feel that the physical environment of the city is an asset and must be nurtured by the community so that shoppers feel safe, welcome and invited.

Group C (Community Organization Professionals)

What are the biggest cost barriers for attaining/maintaining economic vibrancy downtown?

- Impact fees and permits are some of the highest in Thurston County.
- Lack of traffic – both automobile and pedestrian counts - is a barrier for a business model based upon volume. In addition, downtown does not currently have a high volume of consumers that spend in high dollar volumes – high ticket items may regularly be purchased, but not at the volume that attracts retailers.
- There are no magnet business or facilities that draw in retail spending and residential.

As downtown grows and changes, what would be impediments to the vibrancy?

- It is currently felt that environmental issues seemingly trump the other two critical “triple bottom line” elements – those two being social and economic. Having a balance of these three elements moving forward is critical to maintaining vibrancy.

Session 3

Question for all groups: what types of actions can the city take that would have the greatest positive impact upon business, development, or redevelopment?

All groups:

- Cutting and/or reducing mitigation fees that create an environment that is uncompetitive to attracting new investment and capital. While it is true that there will be some new investment, ultimately if the city doesn’t attract a myriad of sources and developers, it can be subject to a wide swing of economic growth and downturns. Appealing to a broader base is necessary to ensure a diversity of investment.
- Parking – it must be addressed.
- Ensure predictability in the process. Current efforts made by the city are laudable, however they City should do a better job of promoting the work that it has done to allow the private sector to see the effort, and begin to remove the perception of a tough permitting environment.
- Allow for “multi-modal” in transportation planning – which means a multitude of transportation activities – pedestrian, truck, single occupancy automobile, bicycle, etc.
- Public restrooms that are available and clean and monitored.
- Support services for businesses in advance of opening, i.e., business technical assistance.
- Convene partners to fund “catalectic investments” projects that support the downtown as being Washington State’s downtown.

What is the greatest opportunity?



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All groups:

- Undertake a downtown programmatic EIS planned action program that addresses issues on a downtown-wide scale. Currently it is parcel by parcel and that leads to significant cost barriers for individual developments, and removes a large portion of the potential development community. It also would provide the city with a tool to engage the private sector on areas of commonality.
- Take actions that ensure that larger employers can move into the downtown core, allowing for a vibrant and dynamic wage scale that provides an increase of wealth to the workers of downtown.
- Work with the state so that they know what their impact is upon the local community – and work to enhance that relationship through stewardship programs, etc.
- Natural beauty is significant – however, the community should embrace the built environment is quite stunning as well. Both should be recognized and promoted. It is the notion that two of the triple bottom line elements are not addressed in conversations and planning of downtown (economic and social).

What do you think the identity of downtown is or could be?

All groups:

- Downtown could be the home to a vibrant and recognized green “tech industry” cluster – one that drives new wages, creates new products, and attracts a vibrant residential market.
- Downtown has the opportunity to rebrand itself as a destination tourism market. It could become the central point for all of SW Washington.
- Funky – but in a good way – green / music and arts / diverse / and tolerant / compassionate / cultural / comfortable.

Group 1, (Real Estate/Development Professionals) – Facilitated by Michael Cade

Zack Kosturos, Prime Locations
Pat Rants, The Rants Group
Stuart Drebeck, Adroit Contractors
Mike Lyons, Petworks
Ryan Clintworth, Big Rock Capital
Ron Thomas, Ron Thomas Architects
Mike Reid, Port of Olympia
Ryan Kang, The Governor Hotel

Group 2 (Business Professionals) – Facilitated by Annette Roth

Lindy McIntire, The Reef
Aaron Shively, Batdorf & Bronson
Dean Jones, Encore Chocolate & Teas
Alana Carr, Compass Rose
Jeannine Kempees, Belleza Ropa
Gray Graham, Peddler Market

Since there was a lower turnout for this group, business owners in the audience were invited to join in after the second question:

- Oliver Stormshak, Olympia Coffee Roasting
- Connie Phegley, PBIA, Old School Pizza
- Kim Murillo, Little General

Group 3, (Professional Groups, Agencies, and...) Facilitated by Aslan Meade

Erica Cooper, Cooper Real Estate
David Schaffert, Thurston Chamber of Commerce
Perry Shea, SCJ Alliance
Troy Nichols, OMB
Faith Trimble, The Athena Group
Vida Zvirdys Farler, Olympia Downtown Association
Mary Corso, Courtyard Antiques, PBIA
Jon Jones, Washington Business Bank

Roster of invitees, City of Olympia Business & Developers Forum, 4/28/16

	First	Last	Organization
1	Garner	Miller	MSGs Architects
2	Jim	Haley	Thurston First Bank
3	Chris	Lane	Coldwell Banker
4	Ron	Thomas	Ron Thomas Architects
5	Erica	Cooper	Cooper Real Estate
6	Brian	Kolb	Anthony or Damion are his sons, but we don't have
7	Zach	Kosturos	Prime Locations
8	Mike	Reid	Port of Olympia
10	Tessa	Smith	Artisans Group
11	Lindy or Just	McIntire	The Reef
12	Pat	Rants	The Rants Group
13	Aaron	Shively	Batdorf & Bronson
14	Bob	Wolfe	Vine Street Group
15	Bob	Knudson	Casa Mia
16	Ryan	Kang	The Governor Hotel
17	Stuart	Drebick	Adroit Construction
18	Jim	Greene	Greene Realty
19	Drew	Phillips	Forma Construction
20	Joseph	Lanham	Wells Fargo
21	Carrie	Whisler	Olympia Federal Savings
22	Shelby	Hentges	JA Morris Construction /MPH Holdings
23	Evan	Parker	Kidder Mathews
24	Perry	Shea	SCJ Alliance
25	David	Schaffert	Thurston County Chamber of Commerce
26	? TBD		Phillips Burgess
27	Troy	Nichols	Olympia Master Builders Association
28	Sandy	Dessner	
29	Patty	Belmonte	Hand's On Children's Museum
30	Jon	Jones	Washington Business Bank
31	Faith	Trimble	The Athena Group
32	Patrick	Davidson	Doubletree Hotel
33	Jacob	David	Ninevah Catering
34	Vida	Zvirzdys Farler	Olympia Downtown Association
36	Greg	Miller	G Miller
37	Mary	Dimatteo	Olympia Farmers Market
38	Mary	Corso	Courtyard Antiques/ PBIA president
39	Mike	Lyons	property owner (Petworks etc)
40	Sanrica	Marquez	Oly Taproom
41	Chad	Smith	Zielgers Welding
42	Janice	Dean	Popinjay
43	Dean	Jones	Encore Chocolates & Teas
44	Sunday	Williams	Spider Monkey Tattoo
45	Kelly	Harris	Premiere Salon & Spa
46	John	Sordahl	Urban Upolstry
47	Alana	Carr	Compass Rose
48	Forrest	Peaker	Stable Studios
	Erica	Smith	Owner, PetWorks
50	Robert	Rose	ILWU
51	Jeannine	Kempees	Bellaza Ropa
52	Kevin	Stormans	Stormans
53	Ryan	Clintworth	Big Rock Capital

City of Olympia Downtown Strategy, Business & Developers Forum Agenda

April 28, 2016

6:00 p.m. until 8:30 p.m.

City of Olympia Council Chambers

- 6:00 Welcome & Convene**
Mayor Cheryl Selby or Mayor Pro Tem Nathaniel Jones
- 6:05 Overview of the Downtown Strategy Process**
Amy Buckler, City of Olympia
- 6:15 Review of October 2014 Developers Roundtable, Presentation of downtown Olympia data**
Michael Cade, Thurston EDC
- 6:25 Discussion of format/ground rules**
Annette Roth, Thurston EDC
- 6:30 Topic Number 1 – Opportunities and Challenges to Development**
- 6:50 Break**
- 7:00 Topic Number 2 – Cost Barriers to Development**
- 7:20 Mini Report from Topic 1 and Topic 2**
- 7:40 Topic Number 3 – Moving Downtown Development Forward**
- 8:00 Report out, Group Discussion**
- 8:25 Closing Comments**
- 8:30 Adjourn meeting**

City of Olympia, Downtown – Business & Developers Forum
 April 28, 2016
 Issues and Concepts Matrix

Themes, Issues and Questions	Facilitated Group A (Development and Real Estate)	Facilitated Group B (Business Professionals)	Facilitated Group C (Community Organization Professionals)
Session 1			
<u>For Group A and B</u> Re: character areas, what development opportunities are envisioned?	<ul style="list-style-type: none"> Population projections are significant – represents a real market opportunity for housing. There is an increase in property values, which increases the likelihood of development that can handle the increased costs of development – i.e. parking. Ribbon along the waterfront is a significant asset that draws interest and people to the downtown. The downtown could “easily” be transformed into one of the top 5 capital cities in the country with assets like waterfront, walkability, etc. Relatively stable market for hotels which is unique. Commerce related to the waterfront and views – i.e. commercial office and retail space. Downtown should be attractive to national retailers. Tourism should be a draw to the area – boutique hotels with conference amenities should be able to advantage of the state capital market. 	<ul style="list-style-type: none"> Condoization for retail spaces Mini-enterprises can combine into co-ops (like Bread Peddler bldg.), to help business begin Convert Dash to trolley and have it cross-cross downtown; could be a draw for tourists More residents in downtown will create demand for business 	

	<ul style="list-style-type: none"> State as an employer, could be integrated into the retail and business core. Currently there seems to be a barrier from the capital building area and the downtown core. 		
What are the constraints and or obstacles in each area?	<ul style="list-style-type: none"> Structured parking – or lack thereof is a significant deterrence to development or increased commercial activity. The cost of the parking structure construction is not commensurate with the value of the land that it would be built upon. Vibrant workforce – as value of employment increases, wages increase and overall development climate increases – as there is an increased demand for space. There currently is a lack of a major economic driver that drives wages and new economic activities. There is currently a lack of clean tech industries that drives new wages. Parking codes and requirements are a hindrance – there is a lack of predictive resource of parking. 	<ul style="list-style-type: none"> Current market rates (for old bldgs.) is affordable. Will new construction price people out of neighborhood? Gentrification is a possibility/with Entertainment district/high-end residences don't mix (noise complaints). How do you find balance Signage to downtown is hugely important – improved signage on I-5 to downtown (Historic Downtown) would be great; cool historic street signs Large businesses need employment base (with parking) Biggest issue is vagrancy Encouraging visitors to State Capitol to come downtown 	
<p><u>For Group C</u></p> <p>Re: character areas, what opportunities exist for future vibrant activities? What type of environment will downtown Olympia</p>			<ul style="list-style-type: none"> Capitalize on Waterfront Need Activities and development designs that get people D.T. and on the streets. Density- repurpose existing, and up, not out

need to thrive?				
What are the constraints and or obstacles in each area?				<ul style="list-style-type: none"> • Impact of regulations and permitting • Create a “culture of partnership” to attract investors
Session 2				
For Group A What are the biggest cost barriers associated with new construction or rehabilitation of existing buildings?	<ul style="list-style-type: none"> • LOTT utilities and hook-up fees for residential is way over and above what they are for other urban areas in the region. • Traffic and school mitigation fees are applied to the multi-residential properties (which typically do not have as much an impact upon schools as single family units built in the non-downtown core. This is a prohibitive impact for downtown residential development. • Lack of regional or downtown-wide programmatic EIS Planned action. 			
Which specific development codes are most challenging?	<ul style="list-style-type: none"> • Code requirements for redevelopment of buildings – ie once the value is at or above 50% of value, the entire building is required to be brought to a higher code/standard. This is a huge dampener on adaptive reuse of buildings. 			
For Group B What are the biggest cost barriers associated with opening a business in		<ul style="list-style-type: none"> • Finding small-enough space is challenge • PBIA/self-taxing district • Upkeep from vandalism 		

downtown, and operating a business in downtown?		<p>downtown is costly</p> <ul style="list-style-type: none"> • Building permit process is still a challenge, but getting better • Change of Use is a BIG Barrier • Triple-net leases are somewhat burdensome • Infrastructure upgrades (water meters, sprinklers, etc) • The permitting process is a big challenge – seems arbitrary, sometimes city staff are rude and hold up the process b/c they have personality differences with the project person • Allowing for permitting scenarios that are outside of standard would be helpful • A checklist of stuff to go through provided at the beginning of the permitting process would be hugely helpful (more help from City staff) • If business owners were property owners as well, it would change the game (like owning vs. renting a house) 	
What could be the challenges for finding /maintaining affordable commercial space? Is potential displacement seen as a problem?		<ul style="list-style-type: none"> • Potential displacement for rising rates is an issue • If Grow Olympia Fund supported the purchase of bldgs., could have an influence • Support resources should reach out more to failing businesses • Educating people about shopping 	

		local in the 'Amazon climate' is a challenge; would like to City to support consumer education	
For Group C What are the biggest cost barriers for attaining/maintaining economic vibrancy downtown?			<ul style="list-style-type: none"> • Impact fees & Permits — Highest in Thurston County • Lack of investment friendly factors that don't making funding viable. • Lack of foot traffic. • Need for magnet biz or college to pull folks in • Balance of uses; i.e. environmental issues • Balance of opinions; i.e. pro vs anti development. • Nothing — The more we grow, the more vibrant we'll be!
As downtown grows and changes, what would be impediments to the vibrancy?			
Session 3			
For all Groups: What types of actions can the city take that would have the greatest positive impact on business, development, or redevelopment?	<ul style="list-style-type: none"> • Cutting or mitigating impact and hook up fees. These are currently not in alignment with being competitive with the other downtown areas of the region. This creates a strong disincentive if they are not competitive. • Address parking — either do away with parking requirements or put up a structured parking facility. • Ensure predictability in the development process. Timing is good, but predictability is critical. • Identify and remove choke points in the development review process. Ensure 	<ul style="list-style-type: none"> • Expand Library/community pool/experience based amenities would draw people downtown • Downtown needs a bigger employer with HQ downtown • Slower speeds • Greening of Capitol Way • Make 4th and State 2-way streets • Do NOT go to one Lane on Capitol, other streets • Make permit process more simplified — can City help with pre-sub feasibility? • EDC can provide svcs to business 	<ul style="list-style-type: none"> • Find ways to close market gaps • Incentivize Development • Convene Partners to fund "Catalectic Investments." i.e. convention center, parking structure, craft brewing district. • Need input from: The Silent Majority (a segment of the population has learned they can stop the works). The future leaders: where are the Millennials? And where

	that their an “ombudsman” approach to permits that moves requests and permits through the system.	<ul style="list-style-type: none"> • in advance to ensure they’re viable for loans, etc. • City can work to build a better story of Olympia that can be told to residents and visitors • Marketing the community is VITAL (but the City needs to do it, not outside agencies) • Clean and safe issues are big • Public restrooms • Alleys/dumpsters need addressing • Enforcement of vagrancy, dedicated evening walking patrol • Hire staff people with good attitudes who like downtown 	are the State workers?
What is the greatest opportunity?	<ul style="list-style-type: none"> • Undertake a downtown-wide Programmatic EIS Planned Action that would ensure that all issues are identified – environment, etc. • City needs to be sensitive to their role in promoting the downtown as a core attractor for investment. • Take actions that ensure that larger employers can move into the core – allows for a vibrant wage scale – one that allows for wages all along the spectrum of wages. • Work with the State so that they understand their impact upon the real estate market. 	<ul style="list-style-type: none"> • Vibrant for a small city, hasn’t died like toerh cities of its size did in the 80s/90s • Camaraderie of businesses downtown • Diverse customer base • Olympia is progressive, mindful • One of the largest historical downtown in WA – HUGE asset • Elephants in the room are critical to fixing issues 	<ul style="list-style-type: none"> • Natural Beauty (especially the Waterfront) • Residents who are passionate about the community • A real D.T. (for the whole region) with heritage and history, ped scale and walkable, theatre district and art, food culture and local food.
What do you think the identity of downtown is or could	<ul style="list-style-type: none"> • Downtown could be the home a to vibrant tech based industry. One that drives new wages, creates new 	<ul style="list-style-type: none"> • Walkable, safe, multigenerational, connective, desirable, clean but not sterile, authentic, experiential, 	<ul style="list-style-type: none"> • Natural Beauty, outdoor activities and waterfront • Funky in a good way: green,

be?	<p>products, and attracts a vibrant residential market.</p> <ul style="list-style-type: none">• Downtown has the opportunity to rebrand itself as a destination tourism destination; one that captures state conference market and out of town visitors.• The downtown core could become the central point for all SW Washington – attracting visitors, artisans, etc.	<p>eclectic, waterfront, vibrant, compassionate, cultural, comfortable</p>	<p>music scene, artistic, chill/laid back, diverse and tolerant</p> <ul style="list-style-type: none">• Counter: More professional-earners D.T. Family Friendly, clean, safe.

City of Olympia

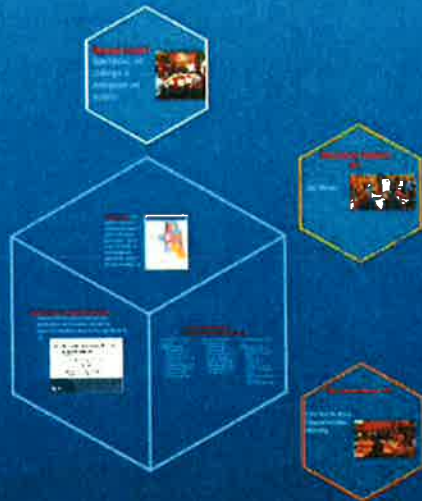
Community Economic Revitalization Committee
Overview of Business & Developers Roundtable
April 28, 2016

CREATING A CLIMATE OF
Economic Vibrancy

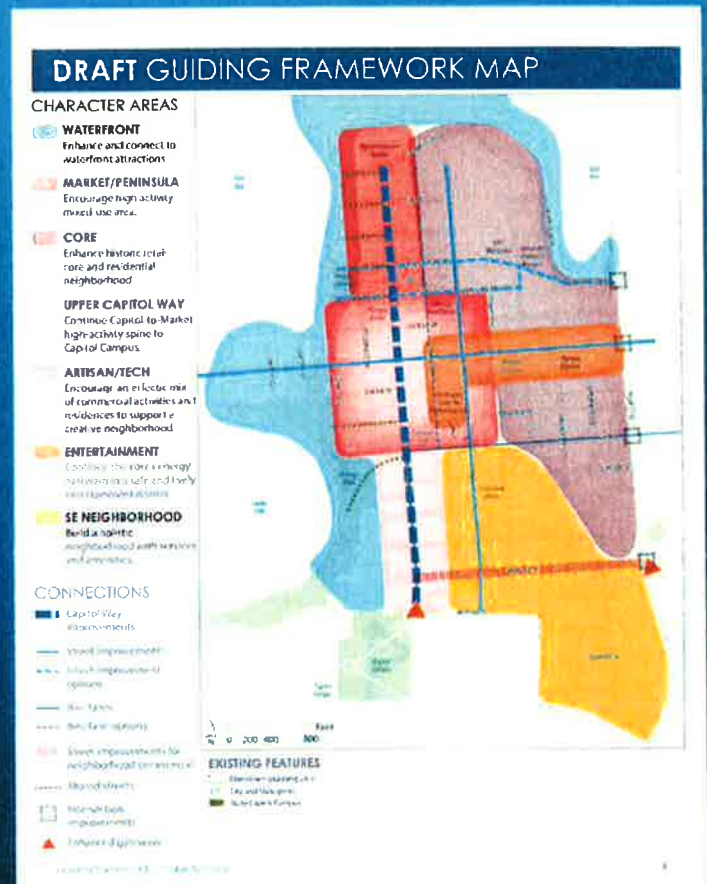


City of Olympia

Community Economic Revitalization Committee
Overview of Business & Developers Roundtable
April 28, 2016



Roundtable Focus: Bring together a very robust collection of developers, realtors, and business professionals -- seek out issues that identify and clarify impediments, opportunities, solutions and vision for Cade is cool



**The participants and order of the groups
(groups stayed in Q #1 and #2, then mixed for Q #3)**

Group 1, (Real Estate/Development Professionals)

Facilitated by Michael Cade

- Zack Kosturos, Prime Locations
- Pat Rants, The Rants Group
- Stuart Drebeck, Adroit Contractors
- Mike Lyons, Petworks
- Ryan Clintworth, Big Rock Capital
- Ron Thomas, Ron Thomas Architects
- Mike Reid, Port of Olympia
- Ryan Kang, The Governor Hotel

Group 2 (Business Professionals)

Facilitated by Annette Roth

- Justin McIntire, The Reef
- Aaron Shively, Batdorf & Bronson
- Dean Jones, Encore Chocolate & Teas
- Alana Carr, Compass Rose
- Forrest Peaker, Stable Studios
- Jeannine Kempees, Bellaza Ropa
- Connie Phegley, Old School Pizza
- Oliver, Olympia Roasting Co.

Group 3, (Professional Groups, Agencies, and...)

Facilitated by Aslan Meade

- Erica Cooper, Cooper Real Estate
- David Schaffert, Thurston Chamber of Commerce
- Perry Shea, SCJ Alliance
- Troy Nichols, OMB
- Faith Trimble, The Athena Group
- Vida Zvirdys Farler, Olympia Downtown Association
- Mary Corso, Courtyard Antiques, PBIA
- Robert Rose, ILWU
- Jon Jones, Washington Business Bank

Setting the stage for a proactive and positive dialogue

- Overview of DTS process undertaken by the City
- Identification of key data elements and trend lines
- Review of 2014 Roundtable discussion and steps taken by the city

Some thoughts from October 2014 Roundtable:

Three major themes from that discussion

1. Investment and development perspective with an eye towards long term positive impacts
2. Identify ways and efforts that will encourage greater investment into Olympia
3. Identify ways in which the City is more proactive and accepting of "economic development"

Discussion Session 1:
Opportunities and
challenges to
development and
business



Real Estate Professionals:

Thinking about the character areas, what *development opportunities* do you envision? What are the constraints or obstacles?

Business Professionals:

Thinking about the character areas, what *business opportunities* do you envision? What are the constraints or obstacles?

Community Organizational Professionals:

What opportunities exist for *future vibrant commercial/business activities* (what type of environment will downtown need)? What are the constraints or obstacles?

Themes / 50,000 foot level:

Group A:

- Downtown could be one of the top 5 capitals in country -- physical environment, location, walk-ability, waterfront.
- Property values are increasing -- incrementally, but could alter the viability of projects
- Commerce along the waterfront & views -- spur new commercial projects
- Raise of wages in a dynamic economic model
- Parking codes -- predictive parking

Group B:

- Retail space condos
- Mini-enterprises into co-ops to facilitate new business and commerce
- Increase of residential in downtown will create demand for retail and job sites
- Entertainment district / high-end residences don't mix -- need to find a balance

Group C:

- Capitalize on Waterfront
- Need Activities and development designs that get people D.T. and on the streets.
- Density- repurpose existing, and up, not out
- Impact of regulations and permitting
- Create a "culture of partnership" to attract investors
-

Discussion Session #2:

Cost Barriers



Real Estate Professionals:

What are the biggest cost barriers associated with new construction or rehabilitation of existing buildings? Which specific development codes are most challenging?

Business Professionals:

What are the biggest cost barriers associated with opening a business in downtown -- operating in downtown? What could be the challenges for finding/maintaining affordable commercial space?

Community Professionals:

What are the biggest cost barriers for attaining/maintaining economic vibrancy in downtown? What could be the impediments to vibrancy?

Themes / 50,000 Foot Level

Group A:

- Hook up fees / Mitigation fees are above other similar sized areas in the Puget Sound region
- Such fees are a prohibitive impact or dis-incentive for downtown residential development
- Lack of a regional approach (or downtown approach) to environmental assessment -- ie a planned action
- Code requirements for redevelopment of buildings -- 50% of value, then requires the entire building to undertake higher code/standard -- dampener on adaptive reuse of buildings

Group B:

- Finding "right size of space" is challenging
- Upkeep from vandalism is very costly
- The allowing for permitting scenarios that are outside of the standard would be very very helpful
- Potential for displacement caused by rising rates is an issue
- Grow Olympia fund was referenced as a valuable tool, but if could be altered to allow for real estate purchases could be an exponential impact.

Group C:

- Impact fees & Permits—Highest in Thurston County
- Lack of investment friendly factors that don't making funding viable.
- Lack of foot traffic.
- Need for magnet biz or college to pull folks in
- Balance of uses; i.e. environmental issues
- Balance of opinions; i.e. pro vs anti development.
- Nothing – The more we grow, the more vibrant we'll be

Top ...
Downtown
ies, PBIA
ss Bank

Discussion Session #3:

City-led **A**ctions,
Opportunities,
Identify



Question for All Groups:

- What types of actions can the city take that would have the greatest positive impact on business and development (or redevelopment) in downtown Olympia? What street improvements would help business owners the most?
- Based upon the themes identified in previous discussion, what is the greatest opportunity?
- What do you think the identity of downtown is/ could be?

Themes / 50,000 Foot Level

Group A:

- Cutting or mitigating impact and hook up fees.
- Ensure predictability in the development process.
- Undertake a downtown-wide Programmatic EIS Planned Action that would ensure that all issues are identified – environment, etc.
- Take actions that ensure that larger employers can move into the core –
 - Work with the State so that they understand their impact upon the real estate market.
- Downtown could be the home a vibrant tech based industry.
- The downtown core could become the central point for all SW Washington – attracting visitors, artisans, etc.

Group B:

- Expand Library/community pool/experience based amenities would draw people downtown
- Downtown needs a bigger employer with HQ downtown
- Make 4th and State 2-way streets, do NOT go to one Lane on Capitol, other streets
- Make permit process more simplified – can City help with pre-sub feasibility?
- Marketing the community is VITAL (but the City needs to do it, not outside agencies)
- Clean and safe issues are big
- Enforcement of vagrancy, dedicated evening walking patrol
- Hire staff people with good attitudes who like downtown
- Vibrant for a small city, hasn't died like other cities of its size did in the 80s/90s
- Camaraderie of businesses downtown
 - Walkable, safe, multigenerational, connective, desirable, clean but not sterile, authentic, experiential, eclectic, waterfront, vibrant, compassionate, cultural, comfortable

Group C:

- Find ways to close market gaps, incentivize development
- Convene Partners to fund convention center, parking structure, craft brewing district.
- Need input from: The Silent Majority, Milenials and State workers
- Natural Beauty (especially the Waterfront)
- A real D.T. (for the whole region) with heritage and history, ped scale and walkable, theatre district and art, food culture and local food.
- Funky in a good way: green, music scene, artistic, chill/laid back, diverse and tolerant
- More professional-earners D.T. Family Friendly, clean, safe.

CREATING A CLIMATE OF Economic Vibrancy

Increase Density, Focus of
Sale/Clean and Vibrancy

Simplify and Streamline
Permitting Process; Increase
D/T's Regional
Competitiveness


Capitalize on Current
D/T Assets, Add New
Assets as Needed

Incentivize
Development &
Business Retention/
Expansion

Promote D/T as The
Regional Downtown,
Build on Tourism that
Attracts New Dollars



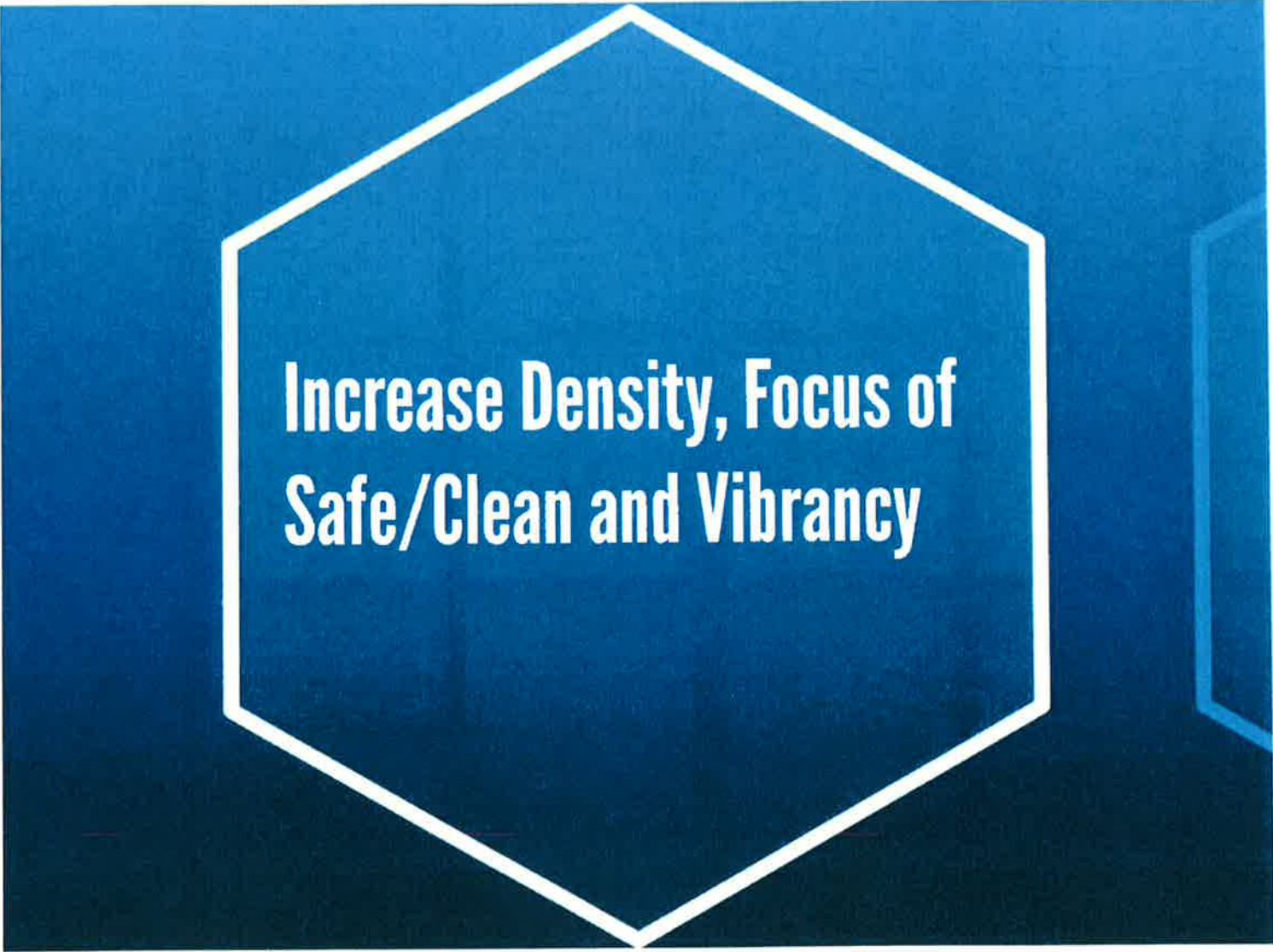
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**Increase Density, Focus of
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**Promote D/T as The
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