Policy Guidance:

Creating vibrant, walkable neighborhood destinations is of significant interest to citizens of Olympia. While there are many goals and policies in the Comprehensive Plan that guide how neighborhoods develop, those specific to "Neighborhood Centers" are:

- **GL21:** Neighborhood centers are the focal point of neighborhoods and villages.
- **PL21.1:** Establish a neighborhood center at each village site, encourage development of designated neighborhood centers as shown on <u>Future Land Use Map</u> and allow designation of additional centers where compatible with existing land uses and where they are more than one-half mile from other commercial areas.
- **PL21.2:** Locate neighborhood centers along collector or arterial streets and within about 600 feet of a transit stop.
- **PL21.3:** Include housing, a food store, and a neighborhood park or civic green at all neighborhood centers. Allow churches, schools, and convenience businesses and services that cater primarily to neighborhood residents. Prohibit auto-oriented uses. Vary the specific size and composition of such centers for balance with surrounding uses; focus commercial uses on the civic green or park, and limit the size of commercial uses. (Note: A larger urban center is permitted in the Briggs Urban Village.)
- **PL21.4:** Allow neighborhood center designs that are innovative and provide variety, but that ensure compatibility with adjoining uses. Consider appropriate phasing, scale, design and exterior materials, as well as glare, noise and traffic impacts when evaluating compatibility. Require buildings with primary access directly from street sidewalks, orientation to any adjacent park or green and to any adjacent housing, and signage consistent with neighborhood character.
- PL21.5: Locate streets and trails for non-arterial access to the neighborhood center
- **PL14.4:** Allow medium-density Neighborhood Centers in low-density neighborhoods to include both civic and commercial uses that serve the neighborhood. Neighborhood centers emerge from a neighborhood public process.

Creation of neighborhood centers is also one of the priority goals of *Creating Places*, *Preserving Spaces: A Sustainable Development Plan for the Thurston Region:*

Priority Goal: Create vibrant centers, corridors, and neighborhoods, while accommodating growth.

Target: By 2035, 72 percent of all (new and existing) households in our cities, towns, and unincorporated growth areas will be within a half-mile (comparable to a 20-minute walk) of an urban center, corridor, or neighborhood center with access to goods and services to meet some of their daily needs.

First Action Steps: Rethink our existing land-use zoning and regulations in the urban areas to allow for greater mix of uses and densities to support efficient provision of services. Identify priority areas, begin neighborhood-level planning to create clarity about design, mix of uses, and density, and take actions. Find resources for continuing the community conversation about land-use and zoning changes.

Locations of Neighborhood Centers (NC) in Olympia:

The Future Land Use map in Olympia's draft Comprehensive Plan Update identifies 17 locations for Neighborhood Centers throughout the city. 8 of these NC locations are carried over from the existing Comprehensive Plan. Staff and the Planning Commission have proposed 9 new locations in the update; these were chosen based on ability to meet criteria in the plan, presence of an already functioning commercial element in the location, and distance to other NC's and residences. If during a subarea planning process, an alternative preferred location for the NC is identified, a reasonable outcome would be to request the City consider changing the location in the Plan.

During their 2013 Retreat, the Olympia Planning Commission toured the 17 Neighborhood Center areas identified on the Future Land Use map. A map identifying the locations and driving directions for a self-guided tour are included. (Numbers below correspond with the map.)

Neighborhood Centers Compared to Neighborhood Retail Zoning:

Some of the areas identified for Neighborhood Centers in the Comp Plan are concurrently zoned "Neighborhood Retail," which is commercial zoning. For example, the Wildwood Building in South Capital, Puget Pantry and San Francisco Street Bakery in the northeast are all located on parcels zoned "Neighborhood Retail."

Note the Difference:

Neighborhood Centers (NC's): This is a land use designation described in Comprehensive Plan policies and identified on the Future Land Use map. Criteria for NC's includes that development of these areas is subject to a master plan*.

Neighborhood Retail (NR): This is a commercial zoning designation in the Municipal Code. 9 out of 17 NC's identified in the Comp Plan draft are located in areas with parcels zoned NR on the zoning map.

*Parcels within the NR zone may (re)develop without a master plan, consistent with allowed uses and applicable development standards in the Municipal Code (18.06.040). In general, a master planned Neighborhood Center would include a larger area and allow more uses.

Villages (Neighborhood Village, Urban Village): These are planned, mixed use communities, containing a variety of housing types arranged around a village (neighborhood) center. There are four "villages" in the city of Olympia, and one in Olympia's unincorporated Urban Growth Area (will be annexed someday.) In these

five projects at least 10% of the floor areas of the neighborhood center must be residential. At this point, all the villages have approved master plans.

Villages with (Neighborhood) Centers:

- (#4) Woodbury Crossing
- (#9) Briggs
- (#12) Bentridge
- (#15) Mill Pond
- (#10) Glenmore (in the unincorporated UGA)

Neighborhood Centers also zoned Neighborhood Retail with existing commercial:

- (#1) Westside Food Co-Op
- (#2) Handy Pantry
- (#3) Kaiser & Harrison
- (#7) Frog Pond Grocery
- (#8) Wildwood Center
- (#11) Boulevard & Yelm (Victoria Square)
- (#13) Pit Stop Grocery
- (#16) San Francisco Street Bakery
- (#17) Puget Pantry

<u>'Floating' Neighborhood Center locations – more general locations and no specific parcels yet zoned for Neighborhood Retail or approved for commercial development:</u>

- (#5) Yauger Way & Capital Mall Drive
- (#6) Cooper Point & Evergreen Park
- (#14) Fones & 18th

Neighborhood Center Regulations

During their retreat, the Planning Commission reviewed the regulations in the Municipal Code pertaining to Neighborhood Centers, and discussed possible Code barriers to their development. For example, the Code requires the developer to provide at least an acre of park/green space/plaza, which – realistically - may be too costly if the City wants to encourage NC development.

The current 'village and center' development regulations of the City require that before a Neighborhood Center can be developed, site-specific design criteria must be reviewed by the Olympia Design Review Board; the Olympia Hearing Examiner must hold a public hearing and make recommendation; and the City Council must approve the "master plan." (Keep in mind that parcels/uses within an NR zone may (re)develop without a master plan, consistent with allowed uses and applicable development standards for NR in the Code. The Neighborhood Center concept envisioned in the Comprehensive Plan is a somewhat larger land area, planned for multiple uses to service the neighborhood.) Among other features, regulations provide that:

- Neighborhood centers are to range from two to ten acres
- At least 5,000 square feet of retail floor area including a "food store" is required

- The maximum commercial floor area is 30,000 square feet with no more than 20,000 square feet of retail or services and no one business exceeding 5,000 square feet (except for the larger Briggs Urban Village and Glenmore Community Oriented Shopping Center developments on Yelm Highway)
- A 'neighborhood park/village-green/plaza' is required; it must be between one and four acres with good drainage and an average slope of less than 5%, with a minimum width of 150 feet and be "constructed" before the second half of the commercial space
- A 'sheltered transit stop' is required
- Auto-oriented uses, adult-oriented uses, firearm sales and pawnshops are prohibited
- Commercial buildings are limited to two stories, but residential and mixed-use buildings may have a third story unless at the perimeter or adjacent to a singlefamily designated area
- Generally housing densities in neighborhood centers are to range from 7 to 12 units per acre
- Neighborhood Centers are subject to design standards found in Olympia Municipal Code 18.05A.

From the August 14, 2013 Minutes, the Planning Commission discussed the following after the tour:

- It is difficult to understand the difference between Villages, Centers and Retail.
- More flexibility is needed within the Center regulations because the codes are too restrictive. The requirement for development to provide an acre of open space isn't realistic.
- A master plan is another current code requirement. It's hard to get separate property owners together to initiate a master plan to develop Centers.
- Each neighborhood may want to develop their Neighborhood Center differently.
- Maybe food carts should be allowed in Neighborhood Centers.
- Farmers Market hours typically cater to people who are home during the day, not those who work during the day and come home at night.
- Some Neighborhood Centers have to compete with other retail within 1/4 mile. Others are farther from competing businesses, such as locations on the fringe of the City that may cater to rural residents.
- The Commission should consider requesting a work item in 2014 to explore potential amendments to the Center code.

Subsequently, the City Council has approved such a work item, which is not yet scheduled on the OPC agenda. The Commission hopes to have strong involvement from the neighborhoods in this discussion.

Although there is no one simple formula for a successful neighborhood center, there are some 'rules of thumb' for centers similar to those proposed for Olympia. These features include:

- Be supported by at least 1,000 households or the equivalent, e.g., nearby offices or pass-by traffic may substitute for nearby housing
- To ensure this service population, at least 500 households should be within a walkable one-quarter mile and 1,000 to 1,500 households should be within one-half mile, with more within easy driving or transit travel
- The center should be at least two acres in size (not just an isolated business)
- Parking must be adequate to support the businesses, but consistent with walkable designs.

The table below reflects rough estimates of existing and projected housing near the 17 proposed NC's in Olympia. Note these estimates are based on current zoning and the simplistic radii shown on the accompanying map do not represent true walking distances. Also note these radii overlap, do not reflect proximity to other business and sometimes extend outside the City's urban growth area, so they do not necessarily reflect the service area exclusive to each proposed center. Nonetheless, they do provide some indication of the prospects for success of the 17 proposed centers.

HOUSEHOLD ESTIMATES					
N'hood	Location Identifier	Quarter Mile Radius		One-half Mile Radius	
Center	Year	2010	2035	2010	2035
Α	Westside Food Co-op	392	461	1,328	1,728
В	Handy Pantry	294	419	739	1,259
С	Kellerman's Corner	111	349	460	1,449
D	Woodbury Crossing	16	394	274	1,039
E	Capital Medical Center	292	635	874	1,906
F	Evergreen Park	97	115	1,426	1,593
G	Frog Pond grocery	445	464	761	819
Н	Wildwood Center	199	224	838	980
1	Briggs Village	63	629	605	1,338
J	Glenmore Village	389	551	1,217	1,545
K	Victoria Square	293	308	1,095	1,276
L	Bentridge Village	189	530	904	1,375
M	Pit-Stop grocery	178	273	718	1,004
N	Fones & 18 th (DeTray site)	305	685	1,385	2,311
0	Mill Pond Village	149	456	513	1,218
Р	San Francisco Bakery	453	479	1,379	1,603
Q	Puget Pantry	510	580	1,663	1,843

Notice that only site "Q" (Puget Pantry) currently meets the targets above – and its service area overlaps with other businesses. Even after twenty years many sites fall below the target of 500 households within one-quarter; but most are projected to be above the 1,000 households within one-half mile target. The 'best prospect' seems to be for site "N" at the Fones and 18th SE intersection. Of course, this table only includes households, it doesn't include other potential customers such as hospital staff and visitors at site 'E' or the office workers of Evergreen Park (site 'F') who are also likely to support neighborhood businesses.

The Sustainable Thurston Program has collected a variety of reports and public comments on the topic of neighborhood centers. Among these is "Creating Walkable Neighborhood Business Districts: An exploration of the demographic and physical characteristics needed to support local retail services," by Gregory Easton and John Owen (June, 2009.) This very insightful article is included as an attachment.

In the Comprehensive Plan Update, the Planning Commission recommends the City "allow medium-density Neighborhood Centers in low-density neighborhoods to include both civic and commercial uses that serve the neighborhood. Neighborhood centers emerge from a neighborhood public process (**PL14.4.**)" Significant community discussion is needed on this topic, along with proactive collaboration, to ensure community and neighborhood goals can be met in way that preserves valued neighborhood assets and directs change where it is needed and desired.