



## City Council

### Status Report from the Community Renewal Area Consultant Team

**Agenda Date:** 10/1/2013  
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**Agenda Item:**

Status Report from the Community Renewal Area Consultant Team

**Committee Recommendation:**

The Community Renewal Area Ad Hoc Committee recommends that City Council hear the status report on *Investment Strategy -- City of Olympia Opportunity Areas* from ECONorthwest (ECON) and provide input and direction regarding next steps.

**City Manager Recommendation:**

Receive report from ECONorthwest, and provide feedback and direction for next steps in the CRA process.

**Issue:**

ECONorthwest is bringing their work to a completion on Component A: *Investment Strategy -- City of Olympia Opportunity Areas* (attached), and is prepared to present their recommendations and receive feedback from Council on the report and next steps.

**Staff Contact:**

Keith Stahey, Director Community Planning and Development Department 360.753.8227.

**Presenter(s):**

Lorelei Juntunen, Senior Planner, ECONorthwest

**Background and Analysis:**

ECON has now completed its work on Component A and is preparing to take next steps. They have reviewed the five opportunity sites in some depth and are prepared to make recommendations to City Council on how to proceed on each of these sites.

- *Kaiser-Harrison* / Potential for neighborhood commercial/mixed use retail district on large single-ownership tract
- *Olympia Landfill* / City-owned site adjacent to major retail site
- *Division-Harrison* / Potential neighborhood center adjacent to established neighborhood
- *Headwaters* / Large multi-ownership parcel with wetland amenity

- *Kmart Site* / Former K-mart site (currently vacant) on major close-in retail corridor

Each of these sites has unique opportunities and challenges associated with its development potential and the report provides an overview of each site from this perspective.

Downtown is treated separately and will be the subject of the consultant's Component B work and a future presentation. ECON has done a significant amount of background work on downtown as represented in Market Analysis Overview (attached). This material was presented at Council's July 23, 2013 Study Session. This work will help to inform next steps about work on a Community Renewal Area Plan for downtown.

### ***CRA Next Steps***

This document evaluates opportunities for community and economic development in Olympia in a format defined by the Ad Hoc Committee, and proposes an initial set of actions for implementation. The list is "initial" because it is intended to provide a template and approach to reevaluating and adjusting the strategy as market conditions and development realities change in each opportunity area. As the City moves from short-term to mid-term actions, the actions identified in this strategy will likely evolve.

In this context of dynamic change, this report also proposes a new approach to addressing development opportunities in Olympia. Perhaps the most important recommendation is the City should use this template and initial set of actions to develop a process for continuously reviewing and updating information related to the opportunity sites addressed in this report. Related to this, the City will need to determine how to best develop the internal capacity for an ongoing process to support implementing priority investments in redevelopment projects, and to support ongoing community conversations about a development vision and strategy on a city-wide basis.

This new approach to community development should proactively and regularly:

1. **Review changing market dynamics** to identify new barriers and opportunities to allow the City to invest in the most market-feasible projects.
2. **Develop relationships with property owners and other stakeholders to learn about their interests and short-term and long-term development goals.** Given the barriers to development described in the attached report, the City will need to establish new partnerships with property owners and developers if it wishes to achieve development in the opportunity areas that is compatible with the City's Comprehensive Plan. Community and neighborhood stakeholders are also critical to this process.
3. **Continue and improve community conversations to better clarify and articulate desired development outcomes and coordinate stakeholders' visions for development.** This work would help to refine the City's policy goals for the opportunity areas and other areas through the comprehensive planning process. Given long-term demographic shifts, the City should support higher density, infill development to achieve multiple public policy goals.
4. **Take advantage of opportunities when they present themselves,** which may mean that the City would focus on new opportunity areas, or move forward with actions in existing opportunity areas ahead of schedule.
5. **Coordinate funding opportunities with other public stakeholders** (the County, Intercity Transit, the Port of Olympia, the State of Washington, others) with the City's CFP for major infrastructure investments that move the implementation forward.

6. **Coordinate with planning and implementation in key opportunity areas.** Some initial steps toward implementation are already underway, including the Martin Way Corridor Study and the Comprehensive Plan update. The Martin Way Corridor Study is evaluating infrastructure investments that can improve access and safety for all transportation modes, and spur higher density development. The City could consider combining subarea planning efforts with the comprehensive planning process for the Kaiser/Harrison and Division/Harrison areas.

In the short-term, the Ad Hoc CRA Committee has discussed the following steps to move this process forward:

1. Engage with the full Council to determine how to best work with the Planning Commission, the Council of Neighborhood Associations and other key stakeholder groups to initiate a process for annually reviewing development opportunity sites.
2. Consider how to best integrate this new approach into current planning processes such as the development of the Capital Facilities Plan and in particular, look for ways to connect the Opportunity Site Teview to the Comprehensive Plan.
3. Engage directly with the Planning Commission in discussions as to how to make use of the information about the 5 opportunity sites with their activities. The new methodology should provide a more relevant means of linking the annual work of the Planning Commission's Finance Committee's review of the city's Capital Facilities Plan.
4. Convene a development roundtable (perhaps in conjunction with the Thurston County Economic Development Council) to discuss how to more effectively build predictability into the development of opportunity sites in order to build the confidence of investors and developers.
5. Work broadly to explain the City's new vision for community development, gathering input from stakeholders on development opportunities for the sites discussed in this report and potential investments the City could make, and discuss potential development and redevelopment tools.
6. Clarify the City's development toolkit. Clearly establish active and potential tools the City has available for new development, and identify which areas are eligible for EB-5 funding, New Market Tax Credits, and any applicable City programs.

***A Look Ahead:***

Work with the CAC to guide the development of the Community Renewal Process downtown. This next work, referred to as "Component B" or part two of the consultant team's contract, focuses entirely on downtown Olympia. CRA is a valuable tool and should be employed in Olympia to begin to address blight and economic stagnation in a programmatic way. Under the guidance of the CRA Ad Hoc Committee and Council, the consultant team should continue to work on the development of a Community Renewal Area Plan for downtown. In coordination with the Citizens Advisory Committee, this process will establish a focus area in the CRA Plan and potentially lead to a demonstration project in this area that builds the community's capacity to work together towards common goals and provide a model for working together in the future.

**Options:**

1. Receive consultant report on Component A: *Investment Strategy -- City of Olympia Opportunity Areas*, and provide feedback and direction on next steps.

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**Type:** decision **Version:** 1 **Status:** Passed

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**Financial Impact:**  
None at this time.