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Land Use & Environment Committee

Community Renewal Area Plan/Downtown Master Plan Relationship

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Title

Community Renewal Area Plan/Downtown Master Plan Relationship

Recommended Action

City Manager Recommendation:

Receive report and consider next steps in regards to the Community Renewal Area Plan and the Downtown Master Plan

Report

Issue:

The City initiated development of a Community Renewal Plan in the Spring of 2013. During that same period, the City was also developing its Comp Plan. The Comp Plan, while not yet adopted, includes goals and policies related to the creation of a Downtown Master Plan. Some members of the community and the Planning Commission have expressed concerns about the timing of these planning processes.

Staff Contact:

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Presenter(s):

Keith Stahley, Director, Community Planning and Development Department

Background and Analysis:

The City entered into a contract with ECONorthwest to prepare a Community Renewal Area Plan in the Spring of 2013. This contract (scope of work attached) calls for ECONorthwest to prepare a CRA Plan in accordance with the Revised Code of Washington (RCW Chapter 35.81 attached). The consultant has moved forward with their work and has developed two significant reports including an Investment Strategy and a CRA Feasibility Study (attached). These reports recommend moving forward with and finalizing a Community Renewal Plan for downtown. City Council will discuss governance options, boundary options and possible next steps at their December 3, 2013 Special Meeting.

The proposed Imagine Olympia Comprehensive Plan includes the following policy statement, “PL17.1 Adopt a Downtown Master Plan addressing - at minimum - housing, public spaces, parking

management, rehabilitation and redevelopment, architecture and cultural resources, building skyline and views, and relationships to the Port peninsula and Capitol Campus."

Concerns have been expressed that the CRA Plan should not precede a Downtown Master Plan and that the CRA Plan will hinder future Downtown Master Planning efforts.

Staff Work Plan:

Staff has proposed in its 2014 - 2016 CPD Planning Projects Work Plan (attached) continuing with the CRA process as generally contemplated in the scope of work. This work is primarily being supported by the CPD Director and a planning consultant and is not included in the annual FTE count reflected on the work plan. This schedule would have the CRA planning process being completed by City Council in the third quarter of 2014 with implementation work continuing into 2015 (see project 21). The Downtown Master Plan would follow the adoption of the Comp Plan with the scoping of the Downtown Master Plan (see project 15) taking place in the third and fourth quarters of 2014 and the actual Downtown Master Plan (see project 16) occupying 2015. The CRA Plan and the Downtown Master Plan are 2 of 22 projects on the CPD work plan. This work plan has very little discretionary staff time available, less than 3.0 FTEs per year and includes other significant projects such as Subarea Planning, Comp Plan Implementation Strategy, Land Development Code amendments and finalization of the Shoreline Master Plan.

Highlights of Chapter 35.81 Community Renewal Area Law Relating to the Requirement to Plan:

The Community Renewal Area Law requires the creation of a Community Renewal Plan. This plan is predicated on the City Council declaring that blight exists in the area. The plan must include a Workable Program to eliminate this blight or blighting influences. Elimination of blight is primarily achieved through Community Renewal Projects. The City is encouraged to involve the private sector in the implementation of the workable program. This Community Renewal Plan must be consistent with the Comp Plan as it exists or as it is amended to implement the plan. Key sections of Chapter 35.81 have been included below with emphasis added.

35.81.015 -- Key Definitions:

(2) "Blighted area" means an area which, by reason of the substantial physical dilapidation, deterioration, defective construction, material, and arrangement and/or age or obsolescence of buildings or improvements, whether residential or nonresidential, inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality; inappropriate uses of land or buildings; existence of overcrowding of buildings or structures; defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility or usefulness; excessive land coverage; insanitary or unsafe conditions; deterioration of site; existence of hazardous soils, substances, or materials; diversity of ownership; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; improper subdivision or obsolete platting; existence of persistent and high levels of unemployment or poverty within the area; or the existence of conditions that endanger life or property by fire or other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime; substantially impairs or arrests the sound growth of the municipality or its environs, or retards the provision of housing accommodations; constitutes an economic or social liability;

and/or is detrimental, or constitutes a menace, to the public health, safety, welfare, or morals in its present condition and use.

(5) "Community renewal area" means a blighted area which the local governing body designates as appropriate for a community renewal project or projects.

(6) "Community renewal plan" means a plan, as it exists from time to time, for a community renewal project or projects, which plan (a) shall be consistent with the comprehensive plan or parts thereof for the municipality as a whole; (b) shall be sufficiently complete to indicate such land acquisition, demolition, and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community renewal area; zoning and planning changes, if any, which may include, among other things, changes related to land uses, densities, and building requirements; and the plan's relationship to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; (c) shall address the need for replacement housing, within the municipality, where existing housing is lost as a result of the community renewal project undertaken by the municipality under this chapter; and (d) may include a plan to address any persistent high levels of unemployment or poverty in the community renewal area.

(7) "Community renewal project" includes one or more undertakings or activities of a municipality in a community renewal area: (a) For the elimination and the prevention of the development or spread of blight; (b) for encouraging economic growth through job creation or retention; (c) for redevelopment or rehabilitation in a community renewal area; or (d) any combination or part thereof in accordance with a community renewal plan.

35.81.030 -- Encouragement of private enterprise.

A municipality, to the greatest extent it determines to be feasible in carrying out the provisions of this chapter, shall afford maximum opportunity, consistent with the needs of the municipality as a whole, to the rehabilitation or redevelopment of the community renewal area by private enterprise. A municipality shall give consideration to this objective in exercising its powers under this chapter, including the formulation of a workable program, the approval of community renewal plans (consistent with the comprehensive plan or parts thereof for the municipality), the exercise of its zoning powers, the enforcement of other laws, codes and regulations relating to the use of land and the use and occupancy of buildings and improvements, the disposition of any property acquired, and the provision of necessary public improvements.

35.81.040 -- Formulation of workable program.

A municipality for the purposes of this chapter may formulate a workable program for using appropriate private and public resources to eliminate, and prevent the development or spread of, blighted areas, to encourage needed community rehabilitation, to provide for the redevelopment of such areas, or to undertake the activities, or other feasible municipal activities as may be suitably employed to achieve the objectives of the workable program. The workable program may include, without limitation, provision for: The prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards; the rehabilitation of blighted areas or portions thereof by replanning, removing congestion, providing parks, playgrounds and

other public improvements, by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; the replacement of housing that is lost as a result of community renewal activities within a community renewal area; the clearance and redevelopment of blighted areas or portions thereof; and the reduction of unemployment and poverty within the community renewal area by providing financial or technical assistance to a person or public body that is used to create or retain jobs, a substantial portion of which, as determined by the municipality, shall be for persons of low income.

35.81.060 -- Comprehensive plan - Preparation - Hearing - Approval - Modification - Effect.

(1) No municipality shall exercise any of the powers hereafter conferred upon municipalities by this chapter until after its local governing body shall have adopted an ordinance or resolution finding that: (a) One or more blighted areas exist in such municipality; and (b) the rehabilitation, redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals, or welfare of the residents of such municipality.

(2) The municipality may itself prepare or cause to be prepared a community renewal plan, or any person or agency, public or private, may submit such a plan to the municipality. Prior to its approval of a community renewal project, the local governing body shall review and determine the conformity of the community renewal plan with the comprehensive plan or parts thereof for the development of the municipality as a whole. If the community renewal plan is not consistent with the existing comprehensive plan, the local governing body may amend its comprehensive plan or community renewal plan.

(4) Following the hearing, the local governing body may approve a community renewal project if it finds that (a) a feasible plan exists for making available adequate housing for the residents who may be displaced by the project; (b) the community renewal plan conforms to the comprehensive plan for the municipality; (c) the community renewal plan will afford maximum opportunity, consistent with the needs of the municipality, for the rehabilitation or redevelopment of the community renewal area by private enterprise; (d) a sound and adequate financial program exists for the financing of the project; and (e) the community renewal project area is a blighted area as defined in RCW 35.81.015
<http://apps.leg.wa.gov/RCW/default.aspx?cite=35.81&full=true>(2).

(6) Unless otherwise expressly stated in an ordinance or resolution of the governing body of the municipality, a community renewal plan shall not be considered a subarea plan or part of a comprehensive plan for purposes of chapter 36.70A
<http://apps.leg.wa.gov/RCW/default.aspx?cite=36.70A> RCW. However, a municipality that has adopted a comprehensive plan under chapter 36.70A
<http://apps.leg.wa.gov/RCW/default.aspx?cite=36.70A> RCW may adopt all or part of a community renewal plan at any time as a new or amended subarea plan, whether or not any subarea plan has previously been adopted for all or part of the community renewal area. Any community renewal plan so adopted, unless otherwise determined by the growth management hearings board with jurisdiction under a timely appeal in RCW 36.70A.280

<http://apps.leg.wa.gov/RCW/default.aspx?cite=36.70A.280>, shall be conclusively presumed to comply with the requirements in this chapter for consistency with the comprehensive plan.

Staff and the consultant team have identified significant blight and blighting influences in the proposed boundary for the CRA (see Properties of Interest PowerPoint). The CRA Ad Hoc Committee has stated that the primary purpose of the CRA is to continue to champion downtown and encourage commerce and reinvestment within downtown in a manner consistent with City Council's goals. The Options Memo proposes that the next step be to begin to consider what redevelopment might look like on selected parcels through a design charette process.

Given the significant work that has taken place to date on the CRA, the existence of blight, the likelihood that the Downtown Master Plan will not be finished until 2015 and the requirement that any adopted plan must be consistent with the Comprehensive Plan, staff recommends continuing forward with the CRA process while remaining cognizant of how this planning effort will fit into a Downtown Master Plan at some point in the future.

Neighborhood/Community Interests (if known):

There has been significant community interest in the CRA process.

Options:

Provide staff with feedback and direction regarding the relationship between the Community Renewal Area Plan and the Downtown Master Plan and the timing of these projects in the 2014 - 2016 work plan. This recommendation may become part of the background information for use by City Council at their 2014 Annual Retreat.

Financial Impact:

The project is budgeted per the attached scope of work, however, changes in the scope may require additional project budget.