

Brewery District



Overall Development Attractiveness

CITY

Olympia and Tumwater

CORRIDOR LOCATION

At the junction of Capitol Boulevard SE, Custer Way SW/North St. E, and Cleveland Ave.

This neighborhood-oriented commercial hub was once associated with the Olympia Brewery, one of the largest local manufacturers in Thurston County. When the brewery closed in 2003, it left a 175-acre hole in the fabric of this district, a redevelopment opportunity that is at once promising and challenging.

The district itself is mixed-use, with a full service grocery store and numerous small businesses and eateries within walking distance of surrounding residential neighborhoods and the brewery property. The neighborhoods are primarily older and well-cared for, with characteristic bungalow and cottage features that make them memorable. Other amenities include the Tumwater Falls Park, which will be connected in the future to the regional trail system via the Deschutes Valley Trail. The district is adjacent to US 101 and I-5 interchanges, and through traffic makes up a large share of its traffic volume.

The Brewery District has a couple of strong characteristics that support future development and density, including a good range of amenities and an excellent redevelopment opportunity in the Brewery Site. The area has a well developed sense of place, historical character, access to the Deschutes River and Tumwater Falls, connected streets, sizable residential lots, essential neighborhood businesses, and a location along the main transit corridor with an integral transit center. However, it is a relatively small employment center, with lower land values than most urban districts, as well as less commercial development. In terms of housing units/population and transit service, the Brewery District is about average compared to other districts.

AMENITIES



- **Parks:** Tumwater Falls Park & Hatchery, Historical Park, Barclift Park
- **Water/Views:** Deschutes River
- **Shopping:** Safeway shopping complex and small shops and restaurants on Capitol Blvd and Custer Way
- **Other:** Tumwater Historic District, Cemeteries, Transit Center

The Tumwater Historic District and Tumwater Falls Park are in the Northwest corner of the District. The park includes a segment of the Deschutes River, 15 acres of forested land and the historic Schmidt House. Also within the Historic District are the Henderson House Museum and the Crosby House, Tumwater's oldest home. The broader Brewery District also includes several small shops and restaurants on Capitol Boulevard and Custer Way.

Custer Way



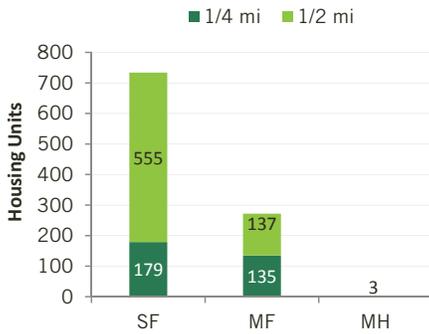
Brewery District

MARKET FACTORS



Housing Units/Population

■ Total Population: 2,215



The majority of the 1,009 housing units within the district are single-family units. Relative to other districts, the Brewery District is average for the total number of housing units.

Employment

■ Total Jobs: 1,348

- Commercial/Service: 1,005
- Government: 249
- Industrial: 95

■ Major Employers/Businesses:

- Safeway Grocery Store
- State Offices (WSP, SAO, Dept. of Agriculture)
- Evergreen Olympic Realty

Among the urban districts, the Brewery District is a relatively small employment center, with the majority of jobs coming in the commercial/service sector.

Commercial Rents (per SF)

	Quoted Rates	Vacancy Rates
Retail		
General Retail	\$14.72	2.3%
General Retail (Avg.)	\$12.73	3.3%
Shopping Center	\$17.01	15.5%
Shopping Center (Avg.)	\$17.22	10.8%
Office		
All Classes	\$15.30	7.5%
All Classes (Avg.)	\$17.02	10.6%

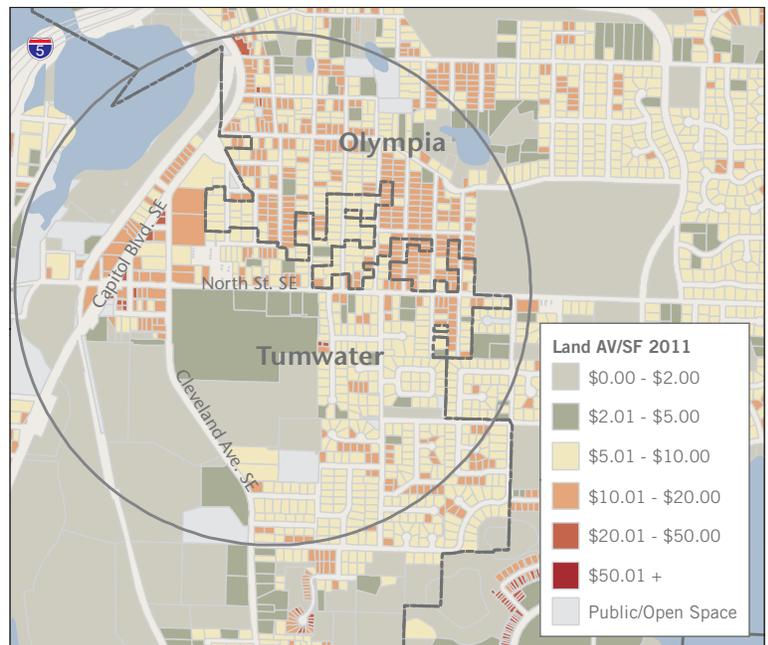
Source: CoStar Property, Year-end 2011

* All office rental rates reported have been converted to a full service equivalent rental rate, and all retail rates have been converted to triple-net (NNN) equivalent rates.

Overall, rents within the broader Tumwater-South Olympia market, which the Brewery District is within, are near the countywide market average. General retail rents are higher than the countywide average at \$14.72 per square foot, while rents at shopping centers are slightly below the countywide average at \$17.01 per square foot. At \$15.30 per square foot, office rents are lower than the countywide average.

Vacancy rates within the Tumwater-South Olympia market are lower than the countywide average for general retail and office uses. Shopping center vacancy is fairly high at 15.5%.

Land Values



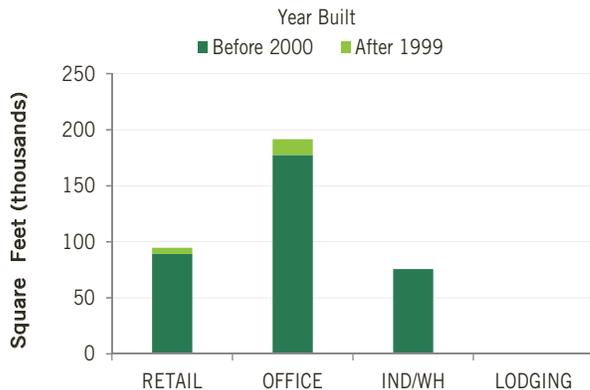
Average land value within the district is \$6.00 per square foot. This is about average of all the districts evaluated, which is \$6.02 per square foot, and is just below Tanglewilde/Carpenter Road (\$6.52) and Southgate/DOT (\$6.25). The highest average land value is \$23.66 per square foot, in Downtown Olympia.

Brewery District

DEVELOPMENT CHARACTER

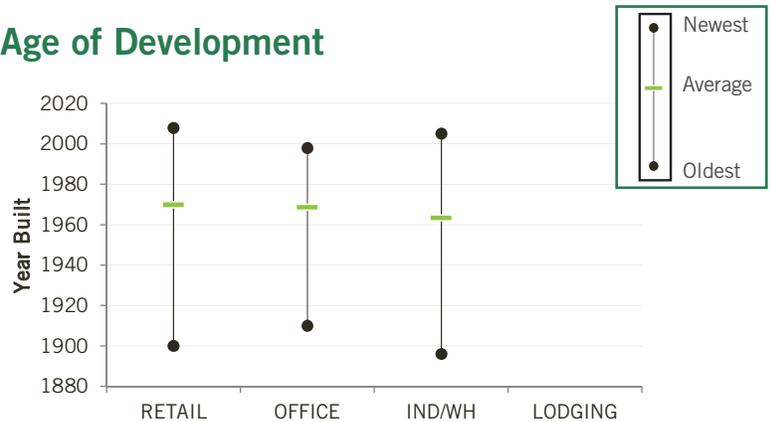


Commercial Development Inventory



Overall, the Brewery District has a relatively low amount of commercial development. Office uses are by far the most prevalent, with some retail and industrial uses as well. There is no lodging in this district.

Age of Development

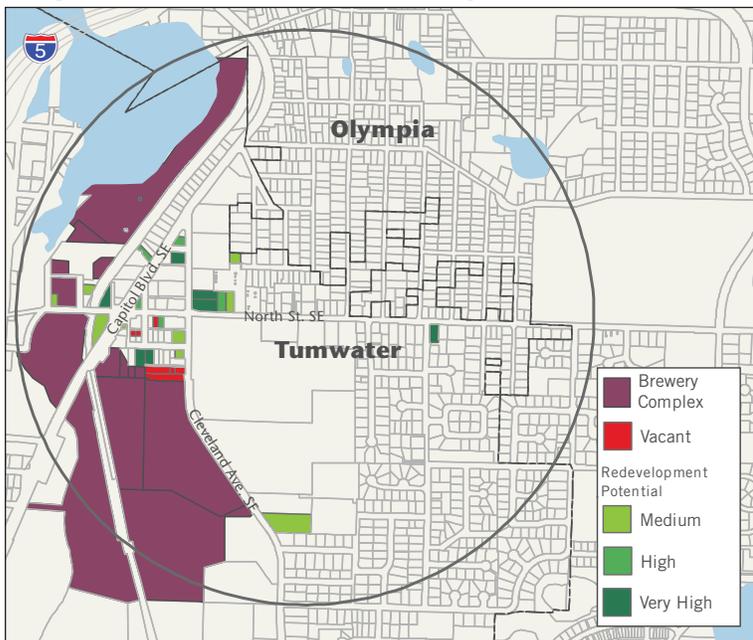


Nearly all of the building inventory was built before 2000, with the average year built for retail and office development at around 1968, and the average year built for industrial/warehouse development at 1962.

POTENTIAL DEVELOPMENT SITES



Map of Vacant and Redevelopable Sites



Source: TRPC & Thurston County Assessor, 2011; BERK, 2011

Vacant and Redevelopable Sites (Acres)

Use	Vacant	Redevelopment Potential				Other
		Very High	High	Medium		
Brewery Complex	0.0	0.0	0.0	0.0	43.0	
Commercial	0.0	2.0	0.8	1.4	0.0	
Mixed Use *	1.3	0.6	0.1	2.1	0.0	

*Either commercial, residential or a combination of commercial/residential.

** Redev. potential estimated based on size of bldg. and bldg. to land value ratio:

Very High - Less than 3000 building SF per acre or building to land value ratio <0.5

High - More than 3000 building SF per acre and building to land value between 0.5 and 1

Medium - More than 3000 building SF per acre and building to land value between 1 and 2

The Brewery Complex is a critical component of Tumwater's economic development strategy, and represents a unique and significant redevelopment opportunity for the community and the region. Outside of the Brewery Complex's 43 acres, the Brewery District presents unique opportunities for both commercial revitalization and residential infill and redevelopment.

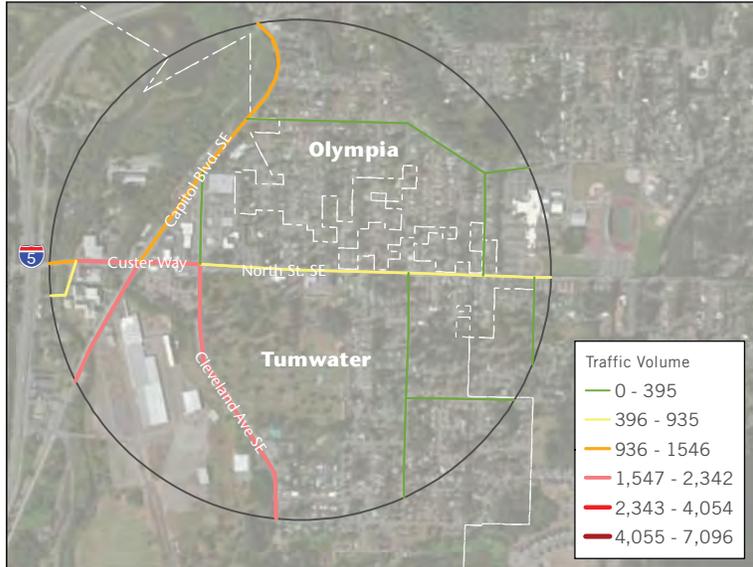
Tumwater will soon begin a planning process to develop a district plan and zoning regulations to guide future growth in the area. The City intends to consider zoning that encourages transit-oriented, mixed-use form.

Brewery District

TRANSPORTATION



Traffic Volumes



Although I-5 does not pass through the Brewery District, there is relatively easy access via Custer Way directly west of the district. Traffic volumes are the heaviest traffic along Custer Way and Capitol Boulevard SE and Cleveland Ave SE south of Custer Way. The district has the fourth most transit boardings of all the districts, at 832 per day, although this number is substantially lower than the 2,707 transit boardings per day in the next highest district, West Olympia. Staggered routes allow for fifteen minute bus service along Capitol Boulevard.

Improvements to the transportation system is a key piece of the long term redevelopment of the district. Transportation access into and circulation within the district will be addressed during Tumwater's district planning process. Potential street alignments, improvements (bike lanes, planter strips, crosswalks, crosswalk signals, turn lanes, bus pullouts, medians, etc), and connections to support future growth and re-development will be identified.

Transit Routes

Route	Peak Frequency (Min.)	Total Boardings (On and Off) per Weekday	Destinations
12	30	75	Olympia Transit Center, Tumwater Square, Littlerock Rd, Labor & Industries, Tumwater Town Center
13	15	347	Olympia Transit Center, Tumwater Square, Capitol Blvd, Labor & Industries, Tumwater Town Center
43	30	158	Olympia Transit Center, County Courthouse, SPSCC, Tumwater Square
68	30	252	Olympia and Lacey Transit Centers, Tumwater Square, Olympia High, Yelm Hwy, Timberland High

■ 2010 Boardings per Day in District: 832

This commercial market analysis was developed as part of the **Sustainable Thurston Project** (www.sustainablethurston.org). It will provide background information for the allocation of TRPC's 2040 Employment Forecast and the Regional Plan for Sustainable Development.



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