

MINUTES OF MEETING

**New Market Industrial Campus (NMIC) & Tumwater Town Center
Real Estate Master Plan Advisory Committee Meeting
Thursday, October 8, 2015
Percival Plaza, Olympics Room, First Floor
626 Columbia Street Suite 1-B
Olympia, Washington 98501**

Call to Order

Senior Planner Paul Brewster called the meeting to order at 5:40 p.m.

Attendance

Members Present:

John Hurley, Port of Olympia Citizens Advisory Committee
Paul Pickett, The Evergreen State College
Rick Walk, City of Lacey
Alex Young, Tumwater Neighborhood Representative
Theresa Kaufman-Wall, Kaufman Construction
Michael Van Gelder, Department of Enterprise Services
EJ Zita, Salmon Creek Neighborhood Association

Members Absent:

Robert Coit, Thurston County Food Bank
Mel Murray, Tumwater School District
Chami Ro, Comfort Inn and Guesthouse Suites
Donna Weaver, South Thurston County Citizen
Sally Nash, City of Tumwater Planning Commission

Staff & Others Present:

Paul Brewster, Thurston Regional Planning Council (TRPC)
Mike Reid, Port of Olympia
Dan Penrose, Planning Manager, SCJ Alliance
Paula Reeves, City of Tumwater
Tom Gow, Recording Secretary, Puget Sound Meeting Services

Welcome and Introductions

Everyone in attendance provided a self-introduction.

Planner Brewster reviewed the meeting agenda.

Review and Approval of September 10, 2015 Meeting Minutes

The following changes were requested to the minutes of September 10, 2015:

- Jason Allen and Scott Royer, listed as absent, should be deleted as both individuals are no longer members of the committee.
- On page 3, change the first word in the last sentence of the second to the last paragraph to reflect, "Not."

By consensus, members approved the September 10 2015 meeting minutes as amended.

Public Meeting #3 Recap

Planner Brewster reported that at the last committee meeting, members previewed the first generation of the refined district boards based on input from a variety of sources to include the committee. The posters were presented at an open house on September 17. Approximately 35 people attended. Most of the individuals liked the format and responded favorably to the posters. Some individuals who have never attended prior

public meetings asked basic questions about the Port's ownership of the properties. Many questioned the delay in the development of the properties. There was affirmation that commercial use in District 1 is highly desirable. Many attendees appreciated the inclusion of recreation, park, and open space amenities in District 2. There were some concerns about the size of potential buildings with many preferring the buildings remaining at scale as presented in the boards for District 2. Non-motorized transportation facilities were deemed important in all four districts. Many attendees supported the flexibility in District 3. There was positive feedback on the truck and trade route through the center of the district on Center Street, which would help reduce truck traffic from Kimmie Road and 93rd Avenue.

Only 12 attendees completed feedback forms; however, all responses were positive and appreciative of how the study is accounting for ways potential development could impact the surrounding neighborhood.

Planner Brewster asked for feedback from members who attended the open house.

Mr. Hurley said the boards were much improved and the format of the meeting afforded time for people to review each board and provide feedback to staff.

District Site Design Review

Dan Penrose presented the four district boards that were presented at the September 17 public meeting. District 1 is comprised of commercial and mixed use and is located along the Tumwater Boulevard corridor. The board represents the building envelope of potential new development. Each board reminds everyone that new development is forecasted based on a market-informed program. Community Attributes forecasts future buildout during the 25-30-year period at four million square feet. Each board reflects how land within each district is projected to develop, District 1 existing uses and undeveloped land total approximately 1.8 million square feet. Some land will remain undeveloped in addition to designated preserve and open space land. The entire study area comprises 550 acres, which has been overlaid over different landforms throughout Thurston County and in Seattle and King County. The master plan is designed to be a flexible, illustrative master plan with real estate principles supporting the projections. The Port will have flexibility as development proposals are submitted even though the development envelope wasn't identified on the district maps.

District 1 parking is anticipated to consume 1.1 million square feet, which hasn't been detailed but is based on the City of Tumwater's parking standards. The study area includes underlying zoning and development regulations.

Mr. Van Gelder asked about the computation for the projected parking square footage, which appears to be excessive. Mr. Penrose said that within the 90 acres of District 1, projected build-out would generate approximately 1.1 million square feet in parking. District 1 is the most urbanized district of the four districts. The Port would evaluate impervious surface at the time of development submittals and likely implement low impact development (LID) techniques with much of the 1.1 million square feet in impervious paving or landscaping. Mr. Van Gelder commented on the possibility of locating parking within a parking garage.

Mr. Reid noted that 1.1 million square feet equals approximately 25 acres. Structured parking could enable more development in the district. Structured parking is dependent upon the market and whether rental rates could support a parking structure.

Mr. Penrose said some potential development could face challenges because of the parking requirements, such as a large-scale office complex, which requires much parking according to City regulations.

Mr. Pickett said District 1 is an area that is conducive as a very walkable space. Previous discussions mentioned the possibility of a pedestrian overpass over Tumwater Boulevard to provide better pedestrian access. The board speaks to buildings facing the boulevard. It should also include plaza space or gathering places to promote pedestrian traffic. The board lacks any pedestrian presence as the district lends itself to foot traffic. Planner Brewster affirmed the City's vision for Tumwater Town Center is a pedestrian-oriented area.

Mr. Penrose noted that the detailed set of plans for each district integrates pedestrian uses.

Ms. Zita asked about the potential for any of the districts including a transit center. Mr. Penrose affirmed that although, the examples did not include a transit center, a transit center would be a viable use.

Mr. Pickett asked whether any development options are hindered on the old tank farm site. Mr. Reid said the site has been remediated and can be redeveloped. Ms. Zita noted that Tumwater Farmers Market has expressed interest in relocating to the site.

Mr. Penrose presented a site plan for District 2, located south of Tumwater Boulevard, which is considered the transition district between commercial and larger industrial uses. The district is much more developed than the other three districts with approximately 1 million of existing uses and another 445,000 square feet of new development in addition to storm water open space and vegetation. Development would be two to three stories in height.

Ms. Zita noted that more than half of District 2 is currently forested. She asked whether the development forecast would remove most of the forest. Mr. Penrose said a wooded area would be retained. The area is designated for 420,000 square feet of set aside for the wooded area with additional open space for storm ponds and ballfields. Ms. Zita questioned the amount of forest that would be lost. Mr. Penrose said the amount is undetermined at this point; however, building envelopes for new development front Center and a new south road, which would conceivably retain some trees. The district is a prime area for other types of industrial uses and flex space.

Mr. Pickett suggested placing information on the boards depicting existing (percentage of current use) uses to help visualize the transition as uses develop.

Mr. Walk said it appears 10 acres are forested. Mr. Penrose verified that 427,000 square feet equals less than 10 acres. Ms. Zita said it appears the development scenario would result in the loss of twice that amount. The comparison of before and after development is part of the information enabling completion of a cost-benefit analysis in terms of identifying the costs and benefits.

Mr. Pickett asked about the height restrictions in terms of development proximity to the airport. Planner Brewster noted the airport has an Airport Overlay Zone based on the approach to runways, which drive the height restrictions. Mr. Penrose said the restricted areas are located along the approach pattern. As a component of the FAA grant monies and lease restrictions, there is recognition that taller buildings are incompatible with the airport.

Mr. Pickett asked whether development along the airport must be airport-related. Planner Brewster said development within the airport fence must be airport-related. Mr. Reid added that property in District 2 is also included outside of the fence but under the airport overlay zone requirement. The ballfields are a good example as they are located in the area that is significantly governed by the FAA. Those uses are typically not compatible according to the FAA. Planner Brewster said much of that type of detail is included in the maps for existing conditions.

Mr. Penrose referred members to the District 3 board. The district is a typical office park and industrial/manufacturing use area. Cardinal Glass is located within the district along with a golf course and other buildings. The board includes diagrams of potential future uses under five different organizing principles (design guidelines). The forested area provides a buffer between the New Market Industrial Campus and the neighborhood to the south.

Ms. Zita asked whether the scenario calls for the loss of the forest adjacent to the new road. Mr. Penrose said the new road would likely replace the trees dependent upon the angle of the road. The scenario calls for 1.5 million square feet in open space with the golf course as the dominant open space area. The district is 129 acres in size equating to 5 million square feet with approximately one-third of the area in the open space/golf course area.

Planner Brewster inquired about the proposed freight/traffic circulation route. Mr. Penrose described a new connection parallel to Center and New Market that provides frontage and marketability for new uses.

Mr. Pickett pointed out the residential use along the south edge of the district and the number of complaints from residents about truck traffic through the neighborhoods. He asked about current issues that are concerning to residents and how the proposal addresses those concerns rather than worsening the issue. Mr. Reid said the proposed truck route doesn't bypass any residences. The new road extends only to 83rd rather than 93rd. Mr. Pickett said it appears the concern is from truck traffic on Kimmie Street generated from the south. He asked whether truck traffic would still move from the south.

Ms. Zita said Mr. Pickett's concern is whether recreational use is still a concern of the neighborhood and for students who run along the road as part of the school's track program. Mr. Brewster said some residents from the neighborhood attending the public meeting supported the new connector because it mitigates traffic on Kimmie Street and lessens the impact on 93rd Avenue as well.

Ms. Zita added that there is low-income housing across from Bush Middle School that is home to many students. People do use the road and if there could be some improvements to the road for providing safe bike and walking routes to children it would be an important feature.

Mr. Pickett asked about the possibility of cutting off Kimmie Street and forcing all truck traffic access to the north. Mr. Penrose said the proposal is to add more connections. One improvement to the intersection at Tumwater Boulevard is a roundabout that would be more conducive to freight traffic than the 93rd Avenue intersection. Intensifying the commercial/industrial/flex space in the area would entice a predominant amount of the traffic to use the upgraded intersection to access the freeway.

Ms. Zita pointed out that many of the trucks will continue to use the southern exit at 93rd because of the location of the truck stop. It is the only truck stop with a scale and larger facilities for trucks. Traffic will continue in both directions and it's important to consider how to improve the roadway to improve safety for local traffic, pedestrians, and bicyclists.

Mr. Reid pointed out that below 83rd Avenue the Port has no control over truck traffic. Mr. Walk noted that the City's roadway design criteria would be implemented as development occurs along that corridor. Ms. Zita suggested that the Port should act as a good neighbor and take responsibility for the certainty that truck traffic would continue to travel from 93rd up Kimmie Street.

Mr. Penrose noted that when District 4 transitions away from heavier industrial uses and into a master-planned environment, less truck traffic would be generated with less reason for trucks to use Kimmie Street to access the site.

Discussion ensued on the type of development planned for the area reducing the need for truck traffic. Mr. Pickett noted that office and commercial uses still generate truck deliveries.

Mr. Pickett asked whether the master plan includes a programmatic environment impact statement (EIS). Mr. Penrose said the planning format doesn't call for an EIS. Each district plan could entail a need for a programmatic EIS dependent upon implementation. It could entail a planned action EIS to help expedite some of the environmental review. Much of the planning is too generalized to identify specific uses.

Overall Site Concept Design Review

Mr. Penrose presented the overall draft site plan layout of buildings, prototypes, and locations for the study area incorporating the design principles. He identified locations for the potential sports field location, the new road to facilitate commerce, and stormwater ponds.

Ms. Zita suggested the design depicting storm ponds and trees is misleading as many of the trees have been removed. She asked that the design be reconfigured to reflect a different color for storm ponds rather than green.

Mr. Penrose said another green area of the design would be changed as well because it depicts existing underlying ground with a mixture of vegetation, log yard, and roadside culverts. The land is not recognized for any future uses. Mr. Reid said the design is attempting to reflect the relative amount of potential new activity over a 25 to 30-year time horizon. Mr. Penrose added that in District 4, the proposed design option of a corporate campus is a real possibility; however, future development could be oriented differently. The document was developed to provide the Port with guidance on areas that are more prone for certain types of development or uses than other areas. The plan is a tool and not a regulatory limitation. Uses as indicated on the plan are what the team believes are what the market would most likely support. The plan illustrates how four million square feet of uses could be allocated across the entire study area based on the design components.

Mr. Penrose reviewed another design addressing key anchors. The team considered key locational criteria for specific anchors in terms of what the market might support. The first model is of a grocery store at the eastern edge of the Tumwater Boulevard block. The types of uses are better suited for automobiles and located on the edges of pedestrian-friendly uses. The key locational criteria for siting a grocery store included:

- Tumwater Boulevard provides ample homebound traffic to attract a retail anchor and is located closer to supporting housing.
- Larger format uses may be located peripherally within the retail district to ensure that the core of the district maintains high standards for pedestrian orientation.
- Larger block sizes allow for larger building footprints and ample surface parking.

Mr. Pickett referred to a detailed design for District 1. If the area in the middle of the district denotes parking lots, the design concept appears not to promote or support a walkable district. Mr. Penrose pointed out that the orientation of the buildings fronting the corridor creates a pedestrian and urban town center ambience. Parking is placed behind the buildings.

Mr. Walk noted that in any development scenario, the City's site and building design guidelines prevail and require open space and corridors to create connectivity and provide safe walking and biking. Some of the uses are more auto-dependent and should be accommodated. However, once arrived, it's possible for pedestrians to walk from location to location. The goal is framing the buildings with the streetscape and concealing the parking while still creating connections through parking lots and placement of buildings with open space and plazas.

Mr. Pickett said the design stipulates streets on four sides with parking in the middle, which enhances automobiles rather than pedestrians. Moving the buildings closer and converting the middle area to pedestrian plazas with parking maintained on the exterior concentrates the auto use at the edges while providing pleasant spaces for people to congregate. Mr. Walk said the challenge is avoiding the creation of too much distance from the sidewalks and walkways along the street to access the parking areas. The goal is framing buildings with the streetscape, hiding the parking, and creating plazas between buildings to afford pathways for pedestrians to avoid crossing the parking lot.

Ms. Zita suggested a compromise as Mr. Pickett envisions a vision that Tumwater shares of a walkable urban village town center. Parking appears to be central in each of the examples. She suggested decentralizing parking in at least one of the blocks and creating more of a walkable urban model. The lost parking could be replaced with a transit center making travel more efficient and a way to bring in people that don't have access to a car.

Mr. Walk noted that all members visualize the same outcome. The designs are only illustrative models. It's also possible to create a pedestrian corridor by connecting streets and buildings. There are different ways to achieve the same outcome; however, parking is still required.

Planner Brewster cited University Village in Seattle as an example the illustration is attempting to portray. Parking lots are much more than a paved surface; they include walkways, rain gardens, planter strips, etc.

Mr. Pickett said he envisions much more than a place for people to walk, He envisions gathering places where people can congregate or have lunch, share music, or play games.

Mr. Penrose documented the comments as a place for gathering and civic plaza.

Mr. Reid added that staff has been in contact with Tumwater City staff. At the committee's first meeting, Tumwater Planning Manager Tim Smith presented information on the City's planning exercise for the Tumwater Town Center. He challenged members to overlay the Port's master plan model with the City's vision for the Town Center as the results will be very similar.

Ms. Kaufman-Wall commented that City Administrator Doan addressed housing during the public meeting.

Ms. Zita said housing has been discussed by the committee and some would like to see housing added while others stressed that housing was an incompatible use. However, based on this conversation, incompatible doesn't necessarily mean forbidden. Mr. Reid clarified that residential for Port properties, according to the FAA, is not allowed and should be actively discouraged on Port properties. Ms. Zita said housing was an element of the original vision. Mr. Reid added that the market analysis reveals that the market supports housing and there have been community requests for housing. Ultimately, the Port will need to determine policy in terms clarifying the use with the FAA. At this time, it's not appropriate or fair to include a use on the design that is currently not allowed. Adding housing would create a false expectation.

Ms. Kaufman-Wall said the conversation with the City reflected that the City doesn't believe the prohibition by FAA of housing is that strong. Perhaps the process should seek clarification.

Mr. Van Gelder shared that he was a member of the task force for the Tumwater Town Center planning. Members concluded that the City and the community's vision for the area included residential in the area and that retail uses would not be possible unless residential was included. The issue of the FAA guidelines and the deed restriction was addressed and it was concluded that the rigidity is in the approach path and that the FAA has encountered too many other negative instances where residential has encroached the approach path. The FAA tends to define a broader spread pattern beyond the defined approach pattern. Should the Port and the City determine it's a policy issue and pursue attempts with FAA that the area is outside of the approach path then it might create an opportunity to initiate discussions with the FAA.

Discussion ensued on including the issue within the plan. Planner Brewster added that the public sentiment has been recorded, as well as the sentiment expressed by the advisory committee. Port Commissioners have also discussed it as an issue and are aware of the legal and regulatory challenges. The issue could move forward as a follow-up action recommendation in the plan.

Ms. Kaufman-Wall noted the importance of clarifying that there are types of residential that are much more conducive to surrounding airport-related uses.

Mr. Penrose referred members to the office complex key anchor design example. Key locational criteria include a gateway component on the north side of Tumwater Boulevard. The purpose of the gateway is to introduce the district while recognizing the location of Washington State office buildings. The block size is approximately 350 feet or 1/5th of a mile - a distance that most people are willing to walk. End uses are not pedestrian-dependent but could entice pedestrian activity.

Mr. Van Gelder said the visioning process for the Tumwater Town Center acknowledged the importance of breaking up large blocks with east-west streets.

Mr. Pickett asked whether the plan would also reflect the realities of the difficulty in marketing the properties because of the unfavorable financing and lease rates for Port properties. Mr. Reid said the Port purchased the property many years ago and hasn't invested much into the properties affording some flexibility in rates. The Port is governed in terms of charging fair market value. However, it's possible to consider what's necessary to attract the type of use. Additionally, required infrastructure investments will also dictate costs.

Ms. Zita offered opinions on the investment strategies required for each district.

Mr. Young agreed on the importance of ensuring District 1 is pedestrian-friendly. He supports locating a transit center/station to encourage transit visitors. The amount of value will dictate the type of development.

Ms. Kaufman-Wall said she's surprised that the older buildings along Tumwater Boulevard are not reflected as different types of buildings. The buildings have outlived their useful life and the designs could have reflected something different.

Mr. Young asked whether the Port plans to market the plan aggressively to prompt development. Mr. Reid pointed to the City of Lacey's efforts with the Woodland District, which included a similar planning exercise. Once the Port of Olympia Commission believe the vision has been vetted and it answers many of the questions, marketing is critical.

Mr. Young noted the Tumwater Town Center plan was developed over 10 years and no development has occurred. He asked about the Port's forecast for development activity. Mr. Van Gelder pointed out that the country experienced a major recession creating some roadblocks for development activity in the Town Center, as well as the unresolved issues of residential and the FAA. One of the proposals from the advisory committee was for the City to actively improve infrastructure.

Mr. Penrose referred members to the business incubator key anchor example. The business incubator was addressed during the last public meeting and in previous discussions. The location is in District 2 affording a high degree of flexibility. It could be located in many different areas but at key intersections to afford visibility.

Ms. Kaufman-Wall asked about the approximate size of the building. Mr. Penrose said the example is similar to the size of one of the Cleanwater Drive buildings (6,000 square feet). Ms. Kaufman-Wall said her company has downsized several spaces that have been filled very quickly. She has spoken to several potential investors. One is an owner of small brewery who wants to move the business from a garage. The most popular building space is approximately 1,875 square feet. Different kinds of businesses are attracted to the space.

Mr. Reid said Districts 2 and 3 are good locations for incubator uses, food hubs, or processing centers because the area requires fewer infrastructures and it would provide the ability to charge less rents.

Mr. Young asked whether visibility of buildings along District 1 is the primary factor for attracting visitors or whether the Port anticipates that people already know about the area or businesses. He visited Whistler last summer, and the main marketplace sits among trees with a large parking lot in the middle surrounded by buildings. He questioned whether the plan relies on visibility or word of mouth. Mr. Reid said street frontage visibility is important for the Town Center with boulevard-type of restaurants and retail.

Mr. Pickett suggested that visitors are not drawn to a business because they can view the business; it's mostly dependent upon word of mouth. Word of mouth attracts visitors.

Mr. Penrose referred members to the food hub key anchor example, which is the production side rather than retail. Key locational criteria include larger blocks and parcels in District 3 with larger building footprints that facilitate warehousing and distribution uses, as well as manufacturing uses. The largest blocks allow for 500,000 + square foot facilities, through smaller buildings are illustrated in the site plan. The extension of Harper Street creates a planned freight route for truck traffic that improves access to existing industrial properties, open new industrial land for development, and diverts traffic away from residential neighborhoods to the south.

The team took input from the committee, developed design principles, the frameworks, and identified sites within the districts that are market-driven and match with the design principles and framework.

Members cited different examples of businesses that would use a food hub.

Mr. Penrose presented the last example of a key anchor for a corporate campus. The locational criteria varies and is dependent upon the Port's plan for site-specific or a district-specific master plan for a corporate campus, as well as what the market would support. Criteria include open space and visibility, as well as gateways. Two examples include one campus in District 1 and one example for the remaining districts. As the team refines the concepts, the information will be presented to the committee along with market data.

Ms. Zita commented that as the neighborhood representative for the Salmon Creek Basin Neighborhood, there would be pushback from the neighborhood for District 4 as most of the forest is lost. The forested 10 acres is valuable and the example depicts that the district will be built-out broadly and the neighborhood will push back. Mr. Penrose pointed out that in District 4, most of the forest is retained. The site of the corporate campus is not currently forested. Ms. Zita pointed out areas that would lose trees.

Mr. Brewster offered that it's important to consider the opportunity because the preservation of the north-south green includes the development of trails and other recreational amenities currently not in existence.

Mr. Penrose encouraged members to provide feedback to Planner Brewster. The team will continue to move forward with key locational criteria. Based on feedback, it appears the team is on the right track. The team will identify a potential location for a transit center. The designs are concept drawings and there are many other factors contributing to the process. The City of Tumwater has a strict tree preservation code requiring tree tracts and retainage of trees. The concepts are a long-term vision of what the full buildout could be. The district boards are included on the website.

Next Meeting

The next committee is scheduled on Thursday, October 29 at 5:30 p.m.

The final public meeting is scheduled on November 19 to present the preferred conceptual framework and master plan.

Adjournment

With there being no further business, Planner Brewster adjourned the meeting at 7:20 p.m.