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City of Lacey

Depot District Subarea Plan



Acknowledgements

City Council

Andy Ryder, Mayor
Cynthia Pratt, Deputy Mayor
Carolyn Cox
Jason Hearn
Lenny Greenstein
Michael Steadman
Rachel Young

Planning Commission

Paul Enns, Chair
Sharon Kophs, Vice Chair
Eddie Bishop
Mark Mininger
David Lousteau
David Wasson
Peg Evans-Brown
Catherine Murcia
Michael Goff

City Staff

Scott Spence, City Manager
Ryan Andrews, Planning Manager
Jennifer Burbidge, Parks and Recreation Director
Scott Egger, Public Works Director
Martin Hoppe, Transportation Manager
Roger Schoessel, City Engineer
Rick Walk, Community and Economic Development Director

Consultant Team

Studio Cascade, Inc.
Bill Grimes, Principal
Rick Hastings, Senior Planner

Walker-Macy
Ken Pirie, Principal
Morgan Maiolie, Urban Designer

Fehr & Peers, Inc.
Kendra Breiland, Principal

Leland Consulting Group
Chris Zahas, Principal

Executive Summary

This Depot District Subarea Plan (DDSP) was created to articulate a realistic, yet compelling vision for Lacey's "Depot District." It outlines strategies to achieve this vision, fostering transformation appropriate to the area including scale, rate of change, and location of new investment.

The vision, overall goals, policies and implementing strategies that comprise this plan were derived from substantial community, staff and consultant effort. The plan also reflects the breadth of recent, relevant work the community has accomplished, reflecting and reinforcing direction from the comprehensive plan and other adopted local and regional policies.

The following provides an overview of each of the chapter components of this plan:

- Chapter 1 - This section introduces the policy basis for this plan, spotlighting relevant portions of the City's comprehensive plan.
- Chapter 2 - This section describes Lacey's current demographic and market conditions, including land use and supply; development patterns; market conditions and projections for housing, retail and office space, and transportation conditions.





Figure E.01 – *Stimulating new investment is an important part of this plan, but so is blending in what's existing. Hometown businesses should feel no pressure to have to relocate as a result of this plan's initiatives. (Source: Studio Cascade, Inc.)*

- Chapter 3 - This section details the steps in the planning process and how results shaped this plan. It lists a set of "issues" or findings derived from the process, and presents the various scenario options used to gain input and develop the plan's preferred alternative. Finally, Chapter 3 presents detailed recommendations related

to land use, transportation and urban design topics; a subarea-specific policy framework; a plan diagram locating many of the project recommendations, and a strategic matrix detailing all recommended actions and associated timeframes for implementation.

Transformation envisioned for the Depot District is fully consistent with comprehensive plan, but recognizing the area's strong potential, goes much further, describing, evaluating and outlining steps to fully leverage the district's unique opportunities. Key concepts envisioned for the district include:

- Creating a closer, more symbiotic relationship with Saint Martin's University, including dramatic streetscape and land use ties with the campus, helping realize an environment that may rightfully be recognized as a "university district" centered along Ruddell Road and Franz Street;
- Boosting the utility and value of the Karen Fraser Woodland Trail through improved continuity to/from the district, and fostering complementary land uses fronting the south side of the trail;
- Slower, more efficient traffic movement on both Lacey Boulevard and Pacific Avenue;

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CITY OF **LACEY**

Introduction

This Depot District Subarea Plan (DDSP) was created to articulate a realistic, yet compelling vision for Lacey's "Depot District." The vision and strategies herein reflect the community's voice and intentions as applied to the area's physical context. It outlines strategies to achieve community objectives, fostering transformation appropriate to the area including scale, rate of change, and location of new investment.

The planning concept described here was derived from substantial community, staff and consultant effort. It responds to community suggestions on multiple topics subarea plans must address - shaped and refined by expert guidance from urban design, land use, transportation, economics and engineering professionals. In some cases, further study is indicated (work to inform traffic-related impacts along Pacific Avenue and Lacey Boulevard, for example.) But the plan also provides meaningful and immediately useful perspectives on the district, including next-step measures, and why each are important.

The plan also draws on the breadth of recent, relevant work the community has accomplished, reflecting and reinforcing direction from the comprehensive plan and other adopted local and regional policies. Lacey's comprehensive plan states that subarea plans are intended to provide for a more detailed look at "neighborhoods, corridors, special districts and joint planning areas," helping ensure that as growth occurs,

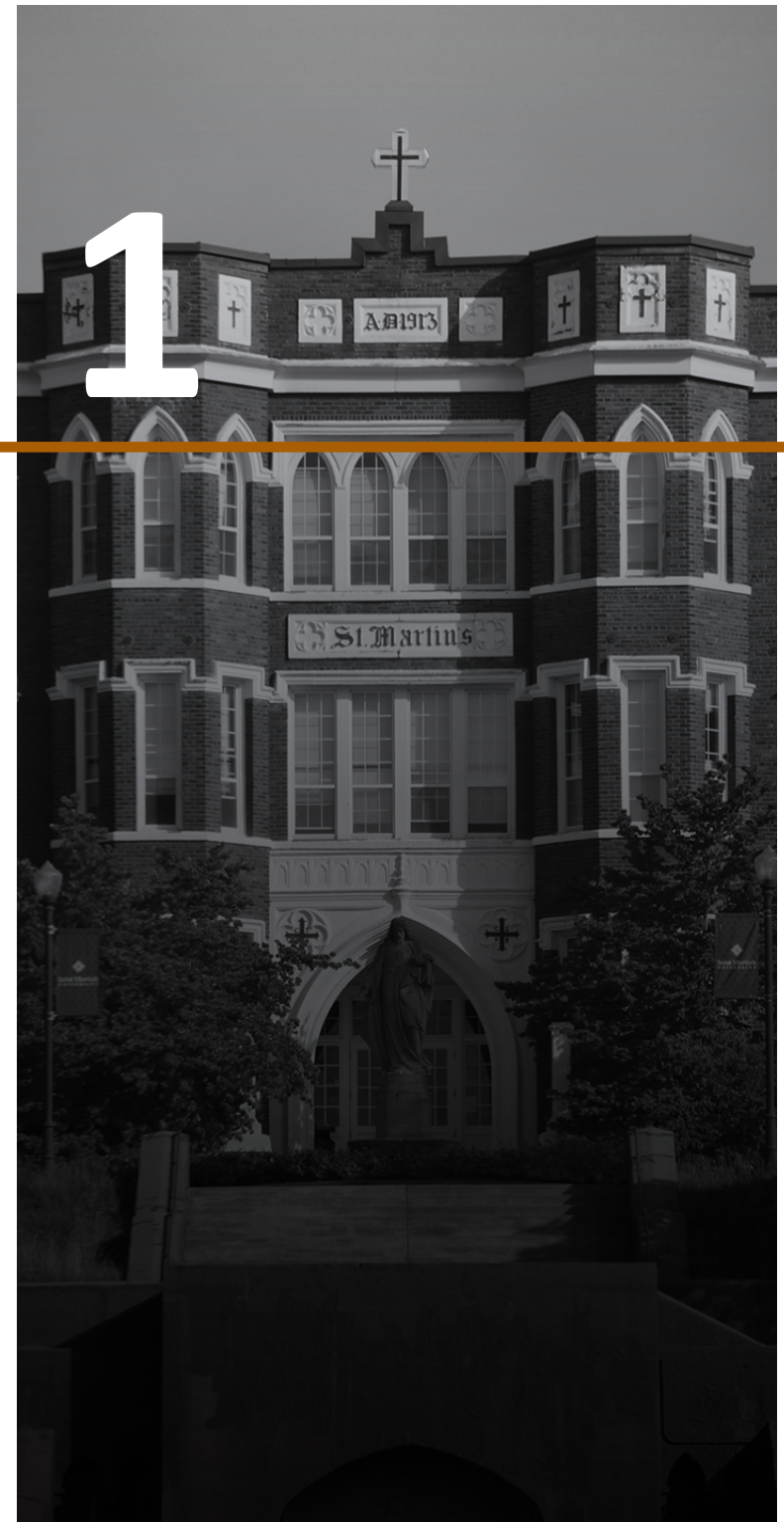




Figure 1.01 – The Depot District subarea plan covers that portion of the Lacey Boulevard/Pacific Avenue corridor between Golf Club Road and Carpenter Avenue. (Source: City of Lacey)

it yields high-quality urban development. The City expects to adopt the DDSP into its comprehensive plan, providing more detailed, targeted guidance to help implement citywide policies regarding a mix of housing types, employment opportunities, greater shopping and entertainment options, and encouraging more residents to walk, bike and ride public transit. While this and other City plans recognize that private autos will likely remain the primary mode of travel for most, it seeks to support transportation options for residents “wherever and whenever possible.”

Comprehensive Plan Policy

Multiple comprehensive plan goals and policies are relevant to this process and provide the foundation upon which this subarea plan is based. Those excerpted below and on the following pages provide specific guidance for Depot District planning:

Residential

Residential Goal 2

Ensure that development regulations meet the current vision outlined in the Comprehensive Plan.

Residential Policy 2.B

Achieve a level of design with innovative, creative, and efficient concepts for integration of different land use types that will facilitate development of great places that provide increased opportunities to live, work, and play.

Infill

Infill Goal 1

Adopt zoning strategies that will promote the intensification, densification, and evolution of Lacey’s land use distribution and form into a sustainable pattern of high quality urban development.

Infill Policy 1.A

Identify areas to focus infill density and mixed-use concepts based upon potential capacity, built condition, and infrastructure.

Infill Policy 1.C

Where compatibility issues can be adequately addressed, allow for a range of densities and land use types within the same zone to provide opportunities to enhance the character, functionality, and desirability of areas and promote multimodal transportation options.

Commercial & Industrial

Commercial & Industrial Goal 1

Designate an adequate supply of land for high quality commercial uses based on appropriate site characteristics, community needs, and adequacy of facilities and services.

Commercial & Industrial Policy 1.A

Existing core commercial and mixed-use areas, including urban corridors and nodes, should be the primary focus for commercial development, redevelopment, and infill opportunities.

Commercial & Industrial Policy 1.B

Provide for a compatible mix of housing and commercial uses in appropriate locations that enables people to walk to employment and shopping.

Commercial & Industrial Goal 2

Create vibrant, integrated and well-designed commercial districts in designated areas in the community.

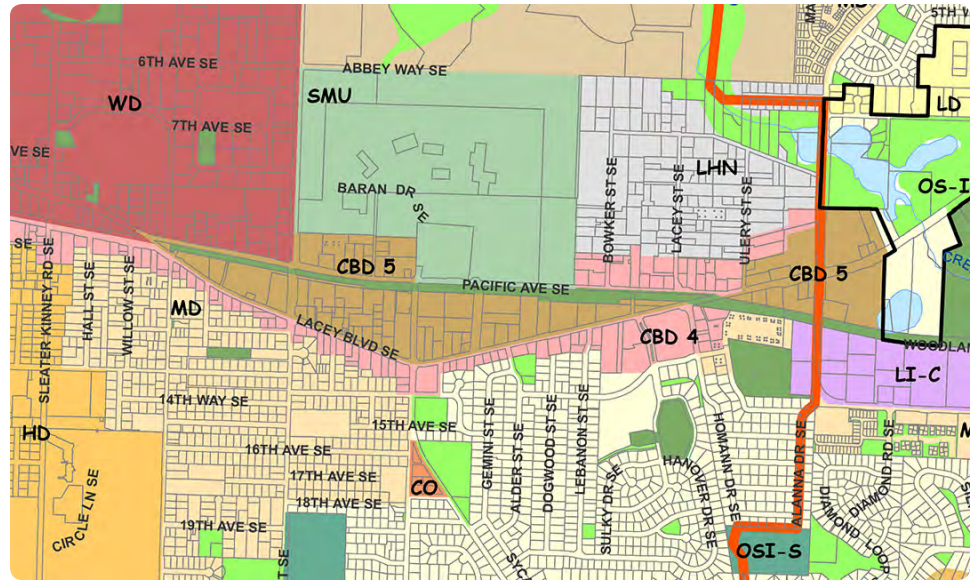


Figure 1.02 – The comprehensive plan - also reflected in today's zoning - retains CBD designations that may not fully enable envisioned mixing of uses and the transformation the community desires. (Source: City of Lacey)

Commercial & Industrial Policy 2.B

Prioritize and develop subarea plans for commercial and mixed-use areas to promote redevelopment and infill efforts to define and strengthen sustainability, character, and aesthetics in these areas.

Commercial & Industrial Policy 2.C

Urban design standards along Lacey's arterial entrance corridors should provide a sense of positive identity, visual interest, and high-quality gateways to the City.



Figure 1.03 – *Lacey Town Square is a project caught between two development eras, with a combination of suburban style parking and urban style building placement along the street edge. (Source: Studio Cascade, Inc.)*

Subarea

Subarea Goal 1

Use subarea plans to assist in Lacey's transition from a suburban to urban community.

Subarea Policy 1.A

Subarea plans shall guide development that recognizes the identity and character of individual

subareas while also effectively transitioning them to more urban uses.

Subarea Policy 1.B

Use subarea plans to implement placemaking techniques to provide interest, identity, complementary character, compatibility, and sense of place for each subarea. The use of innovative techniques, such as form-based codes or other methods, shall be considered to achieve placemaking objectives.

Subarea Policy 1.C

Subarea plans shall strive to provide for a broad range of uses including commercial, office, institutional, parks, and a diverse mix of housing types.

Subarea Policy 1.D

Utilize subarea plans to identify and prioritize future public investments.

Transportation & Land Use

Transportation & Land Use Goal 1

Enhance the function, safety and appearance of Lacey's streets.

Transportation & Land Use Policy 1.A

Ensure coordination with the Transportation Element of the Comprehensive Plan, the Thurston County Transportation Plan, and the Thurston Regional Transportation Plan.

Transportation & Land Use Policy 1.B

Implement a complete and interconnected transportation network through implementation of development guidelines and policies.

Transportation & Land Use Policy 1.C

Streets shall be a modified grid pattern that terminate in other streets, where feasible. Alleys shall be utilized in residential and mixed-use development.

Transportation & Land Use Policy 1.D

Discourage cul-de-sacs where topography allows. Encourage well-connected streets in new and existing neighborhoods.

Transportation & Land Use Policy 1.E

Right-of-way and pavement width shall be the minimum necessary to provide for the safe use of vehicles, public transit, bicycles and pedestrians.

Transportation & Land Use Goal 2

Support land use policies and plans to allow densities and a mix of uses that reduce the number and length of vehicle trips. Increase the opportunity to use public transportation and non-motorized modes of travel.

Transportation & Land Use Policy 2.A

Provide incentives for new development located within ¼ mile of Intercity Transit served corridors. Development incentives could include, but are not limited to, density increases, increased square footage, additional building height, transportation mitigation fee adjustments, and parking requirement incentives.

Transportation & Land Use Policy 2.B

Encourage land development proposals to utilize the full capacity of the existing multimodal transportation system, especially transit and non-motorized modes.



Figure 1.04 – The Karen Fraser Woodland Trail offers non-motorized regional connection, tying the district to other important destinations. (Source: Studio Cascade, Inc.)



Figure 1.05 – Orienting buildings - and their entrances - to the street is a principle echoed in the comprehensive plan, but street design must cooperate for street-front uses to prosper. (Source: Studio Cascade, Inc.)

Transportation & Land Use Policy 2.C

Ensure that destination sites, including job centers, commercial areas, office complexes and other economic development generators are connected with multimodal transportation options.

Transportation & Land Use Policy 2.D

Encourage land use policies that support destination sites where uses are close enough together that

consumers, customers and other users can access each without the need of an automobile.

Transportation & Land Use Goal 3

Prioritize and encourage bicycle and pedestrian trips by providing a safe, well-connected, and convenient bicycle and pedestrian circulation network throughout the City.

Transportation & Land Use Policy 3.A

Support the adopted "Pedestrian Crossing Policy" requirements that consider the installation of marked crosswalks at uncontrolled intersections and mid-block locations as part of public project design, general roadway evaluation and/or review of land use applications.

Transportation & Land Use Policy 3.B

Develop a pedestrian and bicycle plan to inventory existing facilities, identify deficiencies, and identify capital improvements.

Transportation & Land Use Goal 4

Ensure that private development projects, including subdivision and commercial/retail project design, facilitate measures to improve multimodal transportation.

Transportation & Land Use Policy 4.A

Support optional minimum on-site parking requirements to ensure that parking is "right sized", especially in areas where significant on-street parking exists or in areas well served by other transportation modes.

Transportation & Land Use Policy 4.B

Require pedestrian-friendly building design within commercial nodes and along corridors. Parking lots serving mixed-use and commercial developments should be located to the rear or sides of buildings.

Transportation & Land Use Policy 4.C

Private development projects shall provide bicycle parking and a site design that will accommodate transit.

Central Planning Area

Central Planning Area Goal 1

Provide for a healthy and vigorous core area as a destination commercial center and central urban hub for the City.

Central Planning Area Policy 1.A

Develop and implement a subarea plan for the Depot District.

Central Planning Area Policy 1.C

Review and update standards of the Central Business District on a regular basis to maintain a competitive place in regional retail economy while maintaining a quality level of development.

Central Planning Area Policy 1.D

Continue to strive for proper transition of the Central Business District with surrounding residential zones with closer pedestrian ties to residential areas.

Central Planning Area Policy 1.E

Consider the Central Planning Area as a focus for the location of cultural activities.

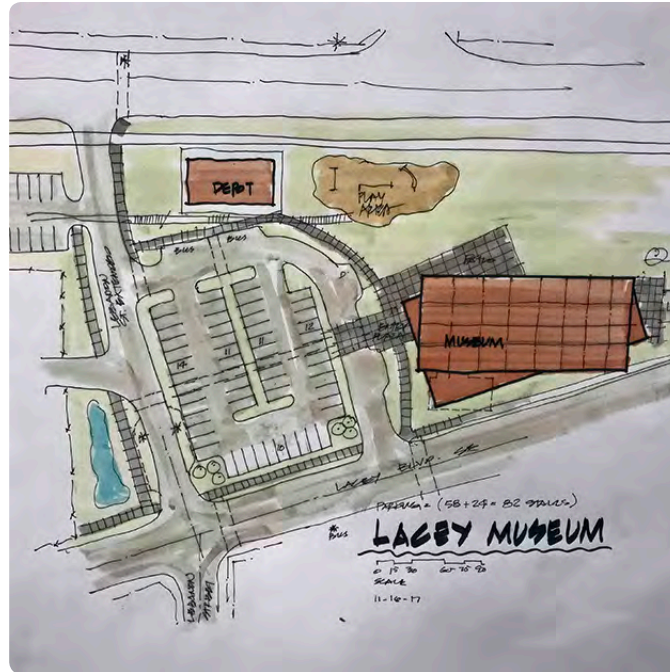


Figure 1.06 – The City is taking the lead on introducing civic and cultural uses into the district with the proposed museum and depot projects. As one of very few near-term opportunities, it's critical that site design and program features here help advance the district vision. (Source: City of Lacey)

Central Planning Area Goal 2

Maintain quality and function of existing residential areas in the Central Planning Area.

Central Planning Area Policy 2.A

Acknowledge historical character and value of the Lacey Historic Neighborhood as a unique housing resource. Continue to require special development

standards for Lacey Historic Neighborhood that recognize and preserve historical values and neighborhood character while allowing reasonable infill and development.

Central Planning Area Policy 2.B

Acknowledge character and value of older residential neighborhoods adjacent to the Central Business District as an affordable housing resource.



Figure 1.07 – Land uses typically evolve to reflect infrastructure design and features. Pedestrian comfort and safety (real and perceived) is a priority for the type of transformation envisioned for the Depot District. (Source: Studio Cascade, Inc.)

Central Planning Area Policy 2.C

Develop and implement a subarea plan for the Golf Club Road neighborhood.

Central Planning Area Goal 4

Provide an exceptional transportation network that interconnects all uses with the Central Business District including employers, retail establishments, parks, and neighborhoods.

Central Planning Area Policy 4.A

Encourage emphasis on interconnection of pedestrian corridors and development of pedestrian opportunities throughout the Central Business District and outlying residential areas.

Central Planning Area Policy 4.B

Work towards interconnection of parks, pedestrian-oriented centers, and residential pedestrian systems.

Central Planning Area Policy 4.C

Provide safe pedestrian crossings to encourage walking and pedestrian access.

Central Planning Area Policy 4.D

Require pedestrian-friendly building design in areas where foot travel is likely and encouraged. Pedestrian-friendly building design may include buildings oriented towards adjacent regional trails.

Central Planning Area Policy 4.E

Ensure that parking areas are “right sized” for the use they are intended to serve while supporting optional minimum requirements should less than the minimum number of parking stalls be desired by an applicant.

Historical Snapshot

Until World War II, Lacey consisted of a small concentration of homes north of Pacific Avenue and west of Carpenter Road (now known as the Lacey Historic Neighborhood). Individual residences were scattered throughout the rest of the community.

After World War II, Lacey experienced a housing boom. Led by the community's proximity to Olympia and Fort Lewis, the installation of the Huntamer Water System (with low water rates) and the availability of low-cost land requiring little or no excavation and clearing, Lacey had become a prime area for development.

New industries were attracted to the area, starting in 1950 with Lacey Plywood and Continental Can. By 1961, Lacey had its own Chamber of Commerce, and in 1963, the "Panorama City" subdivision was constructed on 50 acres. Other developments followed rapidly, including the Lacey Village Shopping Center in 1966. By this time, Lacey had grown so tremendously that Pacific Northwest Bell installed a Lacey exchange.

Growth in Lacey during the 1950's and 1960's paints a textbook picture of suburban-style development, coupled with many of the "growing pains" typical of young communities experiencing rapid urbanization.

Assignment

This subarea process and plan was not designed to revise the comprehensive plan's overall policy direction; rather, it was intended to add increased detail and tailor the ways in which existing policies should apply to the Depot District. Subarea plan policies included in this plan are intended to do just that, applying additional focus and making sure that the City's decisions on land use, transportation, and investment fit with and enhance the characteristics, aspirations and needs of this unique part of town.

To develop the DDSP, the City understood the need to involve as many residents as possible, including a public process to ensure that concepts advanced would enjoy the support of residents, businesses and institutions. Led by input from numerous participants, several concept strategies were explored - with feedback on each helping shape what is included in the plan.

Chapter 3 summarizes the steps in the planning process and how the results of public conversations shaped this plan. Additional process materials including worksheets and conceptual drawings have been provided to the City for use during implementation.

Existing Conditions & Outlook

With development roots established at the turn of the last century, the "Depot District" is essentially the oldest part of Lacey, reflecting decades of use and evolution. Perhaps due to this - and its central location within the community - Lacey's comprehensive plan identifies the Depot District as the number one place for a closer look, seeking unique policies and strategies to shape its future, guiding design, public investment and development.

The Depot District is centered on the area between the Pacific Avenue and Lacey Boulevard corridors and contains a variety of commercial, residential, and light industrial uses. It is also known as the historic center of the community, begun back in the 1890's when the Lacey train station served residents and recreational users. To recognize the historic train station, a train depot and museum project is already under development. This public investment will include outdoor gathering spaces, interpretive features and trailhead accessing the Karen Fraser Woodland Trail (Woodland Trail). The Depot District is also home to Saint Martin's University (SMU), a growing four-year institution that anchors the northern edge of the district. A new and significant private development project is also underway nearby: called "The Reserve at Lacey" - it's a



senior housing development expected to include ground-floor retail space.

This Lacey Depot District Subarea Plan (DDSP) supplements the City's Land Use Element of the Comprehensive Plan. It includes goals and objectives; recommended amendments to city development standards to help define the district's character and support investment, and conceptual-level recommendations for improvements to district circulation. The DDSP sets the direction for reinvestment and revitalization of the area and is based on an understanding of the community's condition and context, including economics, land use, stakeholder input, and infrastructure conditions.

While there has been significant amount of new development throughout the region in recent years, development in the Depot District has been sparse, particularly in retail and office sectors. Further, land use conditions in the Depot District are not currently conducive to the vibrant, walkable, pedestrian-friendly place the community envisions - and opportunities are relatively limited for new development due to the parcelized nature of the district and the limited amount of vacant land.



Figure 2.01 – Mini-storage is prevalent between Pacific Avenue and Lacey Boulevard. Demand for storage in today's market means these will be slow to redevelop. (Source: Studio Cascade, Inc.)

Assessment: Land Use & Development

Figure 2.02 shows all new multifamily, office, and retail development built since 2000 in the region, sized by square footage. For context, the largest building shown is a 305,000 square-foot apartment building (The Village at Union Mills) along SR-510, shown toward the east of the map. Key takeaways include:

- Multifamily development has been built throughout the region, with some clusters around the eastern portion of the Depot District; just east of the Hawks Prairie area; in downtown Olympia, and in Tumwater.
- Almost all new retail development has been built in the Hawks Prairie area in northeast Lacey. Other retail has been built along I-5 that's closer to, but not within, the Depot District.
- Almost all new office development in the area built since 2010 has been in Olympia. Some office development built between 2000 and 2010 has been built in the Woodland District in Lacey.

For all development within and near the Depot District - as shown in Figure 2.03 - the largest buildings are located northwest of the district around the Woodland District. The only buildings

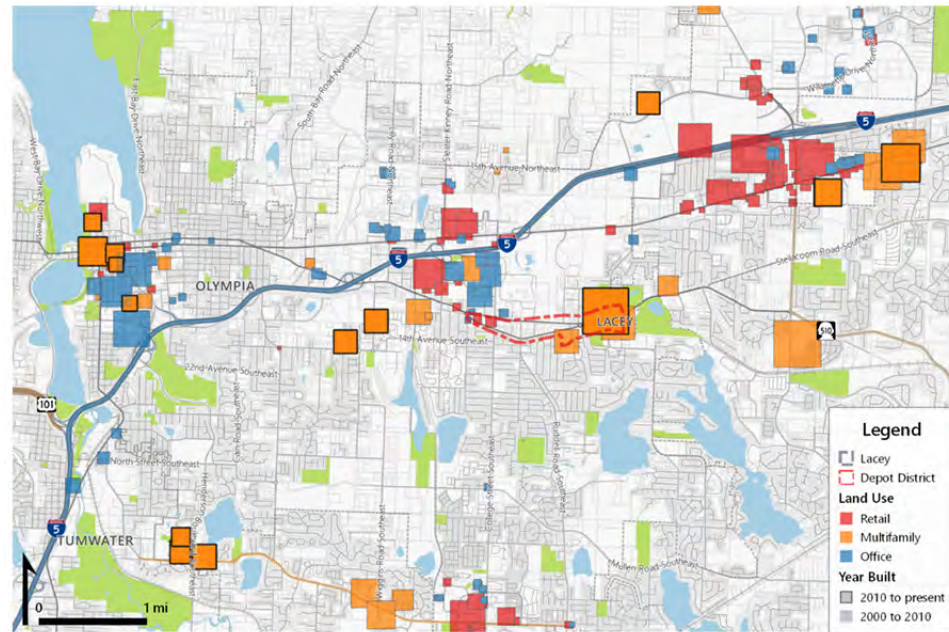


Figure 2.02 – From 2000 to present, multi-family and office development has occurred in Lacey, but in places other than the Depot district. (Sources: Costar, TIGER, Thurston Regional Planning Council, Leland Consulting Group)

constructed in the last ten years are located elsewhere in the area. However, there is one proposed building in the Depot District, the 280-unit Reserve at Lacey due for completion in 2019.

While the Depot District has seen little non-residential development in the last two decades, almost all of the district's multifamily development activity has occurred since 2000. Two properties -

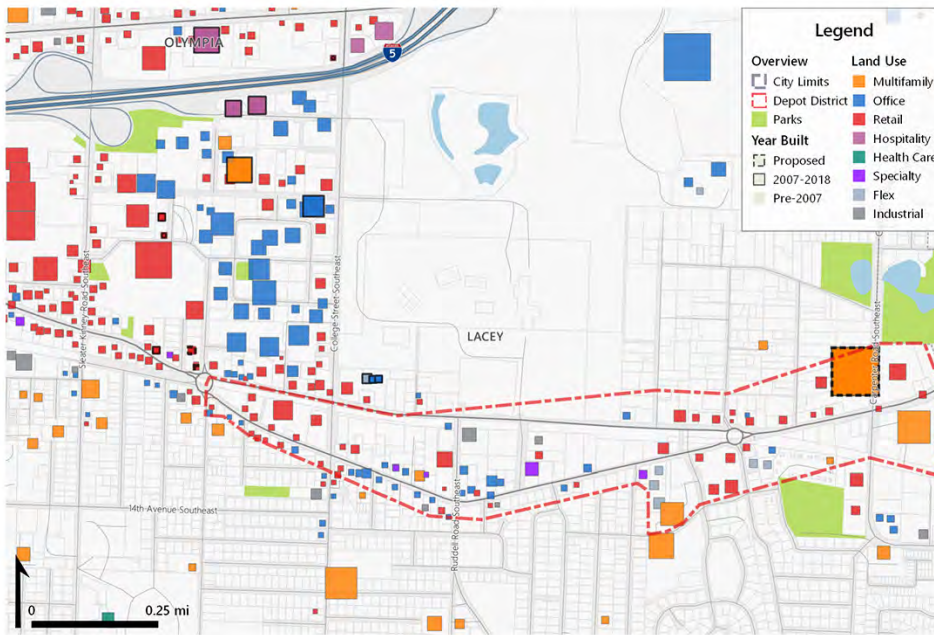


Figure 2.03 – Multi-family development in the district is relatively new, constructed since 2000. This map identifies various development projects and when they occurred. (Sources: Costar, TIGER, Leland Consulting Group)

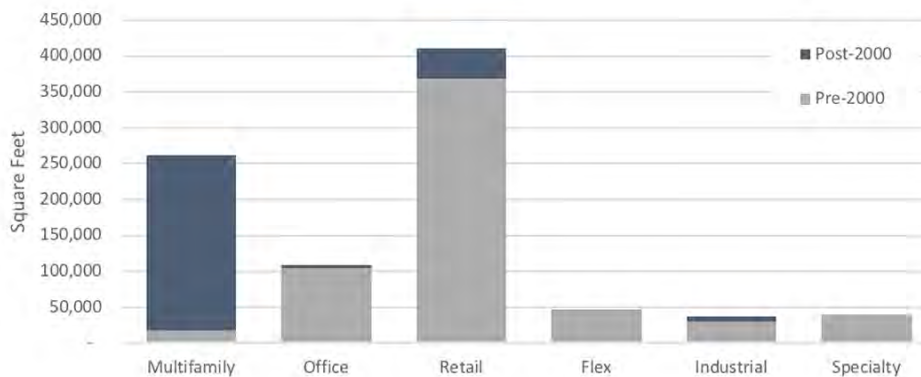


Figure 2.04 – Retail and residential uses predominate the Depot District. (Sources: Costar, Leland Consulting Group)

the Dakota Apartments and the Regency Apartments - were built in the mid-2000s.

Beyond basic development types and building sizes, the Depot District is predominantly characterized as a commercial, auto-oriented district with local, independent businesses (i.e., few national chains) covering a range of land uses. Housing is highly limited in the district, with almost all multifamily development located in the east, and single-family neighborhoods located outside of the Depot District to the south.

Figure 2.05 shows existing land uses throughout the district and the surrounding area. Key takeaways are as follows:

- Land is parcelized and has few major tracts of vacant or contiguous land for new development. Larger redevelopment for multifamily housing would therefore require land assembly and/or redevelopment, which is costlier than development on vacant land and would require rents higher than are currently exhibited in the area.
- The land use with the most acreage within the Depot District is “Exempt” (public), which includes a fire station and a City vehicle maintenance center. Retail, storage, warehouse, medical offices, and vacant land are also significant uses within the area.

- Mini-storage is prevalent between Lacey Boulevard and Pacific Avenue. Mini-storage is a highly lucrative business type in today's market - and is unlikely to redevelop in the near-term.

More than land use conditions factor into new development feasibility: rents are also highly significant. Rapidly increasing construction costs mean that rents must be significantly higher in today's market to support new construction than the same development only a few years ago.

Figure 2.06 shows how construction costs have increased for the Tacoma market in the last decade relative to Depot District rents for office, retail, and multifamily uses (costs are assumed to be the same in Lacey as in Tacoma). As shown, construction costs have increased about 28 percent in the last decade. Meanwhile, multifamily rents have increased by 32 percent, office rents have increased by about 10 percent, while retail rents have declined.

Assessment: Land Supply Conditions

Without a sufficient quantity of vacant or under-utilized land, redevelopment can be prohibitively expensive due to the typically high costs of property assemblage and demolition. If existing structures must be acquired for new development, then rents or sale values also need to be high enough to justify



Figure 2.05 – Existing land use patterns speak to variety and years of incremental change. (Sources: Thurston Regional Planning Council, Leland Consulting Group)

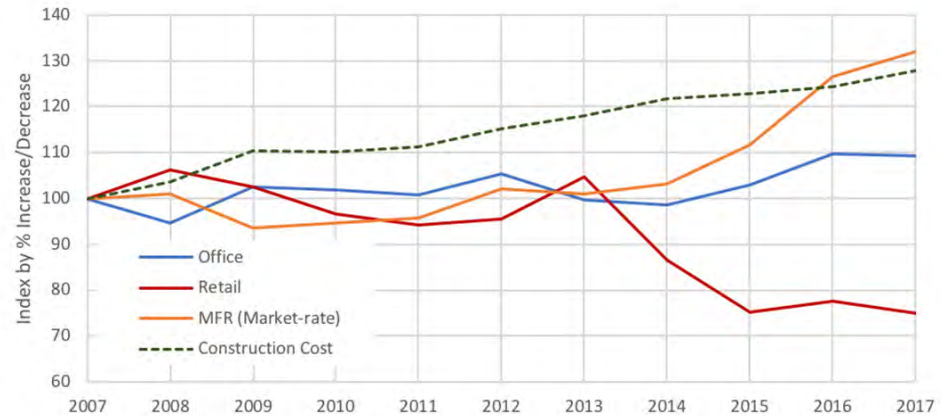


Figure 2.06 – Construction costs have steadily increased, but rents for retail and office uses have varied. (Sources: Costar, RSMeans, Leland Consulting Group)



Figure 2.07 – Vacant land is limited in the district, with much of what appears as "developed" actually in use as parking lots. (Sources: Thurston Regional Planning Council, "Lacey, Olympia & Tumwater Corridor Atlas," 2014)



Figure 2.08 – Improvement-to-land (I:L) ratios may indicate which properties are most likely to redevelop. (Sources: Thurston County Assessor, TIGER, Thurston Regional Planning Council, Leland Consulting Group)

these added costs. As previous sections identified, such rents are not currently seen in the Depot District, with the potential exception of multifamily. That said, newly-constructed buildings would be likely to command higher rents than the prevailing rates seen in the area, by virtue of the newness of the development.

Figure 2.07 shows that vacant land is limited within the Depot District, although a significant amount of the "developed surfaces" are in fact surface parking lots which may be prime redevelopment sites if large enough. There are few large parcels aside from SMU land, and the area is highly parcelized. The map also shows building facades and building orientation; the lack of facades along Pacific Avenue is the most notable takeaway. This is due to the presence of the Woodland Trail, which previously was a rail line, making direct access to these properties from Pacific Avenue impossible.

Improvement-to-land ratios (I:L) for each parcel within and surrounding the Depot District are shown in Figure 2.08. An improvement-to-land ratios are a screening tool to help identify and quantify parcel acreages with strong redevelopment potential due to current vacancy or under-utilization (approximated by comparing building values to land values on a given parcel). A low improvement-to-land ratio (less than 1:5) suggests vacant land or buildings that are smaller, older or poorly maintained - and therefore more likely to redevelop. Conversely, high improvement-to-land ratios (above

2:5) suggest buildings that are larger, newer, or well-maintained and therefore less likely to redevelop.

Improvement-to-land ratios in the Depot District are relatively low, on average. While few in number, the properties with high I:L ratios include the fire station and dental offices west of Franz Street; the Dakota Apartments and the mini-storage in the far east; and the Regency Apartments along 14th Avenue. While low ratios indicate higher redevelopment potential, the lack of high-value parcels also means there is little existing value to leverage. Ideally, a parcel with the highest redevelopment potential would be a large vacant or low-value parcel adjacent to a high value parcel. Under this criterion, one such example would be the 1.3-acre parcel next to the Regency Apartments on the southwest corner of Lacey Boulevard and Clearbrook Drive.

Assessment: Residential Market

Housing is the strongest market sector in the current real estate cycle and should be the primary focus for the Depot District, at least in the near-term. The economic fundamentals for housing are strong in the area, with low vacancies, increasing rents, population growth, and several nearby institutions that are typical drivers of demand for

multifamily rental apartments (namely, Joint Base Lewis-McChord and Saint Martin's University).

A market analysis completed for the City in 2015 identified a total need for 3,675 new housing units by 2035, of which approximately 1,600 are multifamily units (43 percent of total). Since the market analysis was completed, 440 units have been built and several hundred more are in the pipeline. While 440 units are almost half of the total forecasted demand for multifamily units, the Depot District should be able to achieve a high capture rate of future regional growth.

Niche markets, such as student housing which leverages the proximity of Saint Martin's and South Puget Sound Community College (Lacey Campus), are excellent target markets for rental housing. The student population, along with an aging regional population and large transient population associated with Lewis-McChord, provide strong drivers of demand for new rental housing.

Additional takeaways for residential development in the Depot District:

- Rental vacancy in Thurston County is the lowest in Western Washington and rents continue to rise, mostly because of low housing inventory (both owner-occupied and rental).



- Senior, workforce, student and market-rate apartments are suitable development types for the Depot District.
- Access to transit, trails, parks, retail services and other community assets will increase the attraction of the area for new multifamily development.
- Housing is excellent for supporting neighborhood-scale retail and creating a more active 18-hour, seven-day per week activity area.
- The transient population working at Joint Base Lewis-McChord (of which 5,000 employees or 10 percent of total employees now live in Lacey), is an ideal target market for rental housing in the Depot District.
- The aging US population provides potential opportunities for increased senior residential development.
- Townhomes would likely be a positive short-to medium-term investment, if market-rate multifamily development is not yet feasible. Townhomes would increase overall activity in the area through increased residential density. Detached single-family development is not recommended within the District.
- There has been no multifamily housing built in the Depot District since 2006. There are

currently 231 multifamily units within the district – of which 70 were built in 2004 at the Regency Apartments and 147 in 2006 at the Dakota Apartments. The Reserve at Lacey, a 280-unit senior multifamily apartment building, is due for completion in 2019.

- There was little multifamily development in Lacey post-recession until 2016, when permits were issued for 544 multifamily units which accounted for over half of the County's permitted multifamily units. Per preliminary data, no permits were issued for multifamily units in 2017 in Lacey. However, in January 2018, permits were issued for 163 multifamily units.

Residential Growth

There is a strong regional market driven by high rates of population growth. The South Sound is one of the fastest growing areas in the state, and there is a forecasted need for Lacey to accommodate an additional 27,490 persons within the UGA by 2035. Due to available land resources, it is projected that approximately two-thirds of this population will locate in the unincorporated portion of the UGA and one-third within the city limits of Lacey. Based on these factors, an additional 12,220 housing units will be needed by the year 2035 (from 2015).

Job growth is also significant. There are currently 130,000 jobs in Thurston County and another 60,000 are expected by 2035. These jobs will draw workers and their families who will in turn need housing. An increasing number of people are also expected to move to the area and commute to jobs in the Central Puget Sound region and job centers such as Joint Base Lewis-McChord. The City will also attract retirees and students to area colleges and universities. Lacey is required to plan for housing for this expected population through the next planning period ending in 2035.

As the Figure 2.09 shows, the area containing and surrounding the Depot District is expected to see significant household growth through 2040, except for the single-family neighborhood immediately south of the District which is almost completely built out. The area south of I-5 containing the Depot District is projected to add 882 households between 2017 and 2040. A significant number of these can be captured within the Depot District itself with increased multifamily development. The 280-unit Reserve at Lacey will add approximately one-quarter of these in 2019 once complete. Furthermore, place-making strategies that enhance the Depot District's attractiveness as a residential location, through pedestrian improvements, public amenities (such as the Depot Museum) and the introduction of more neighborhood-serving

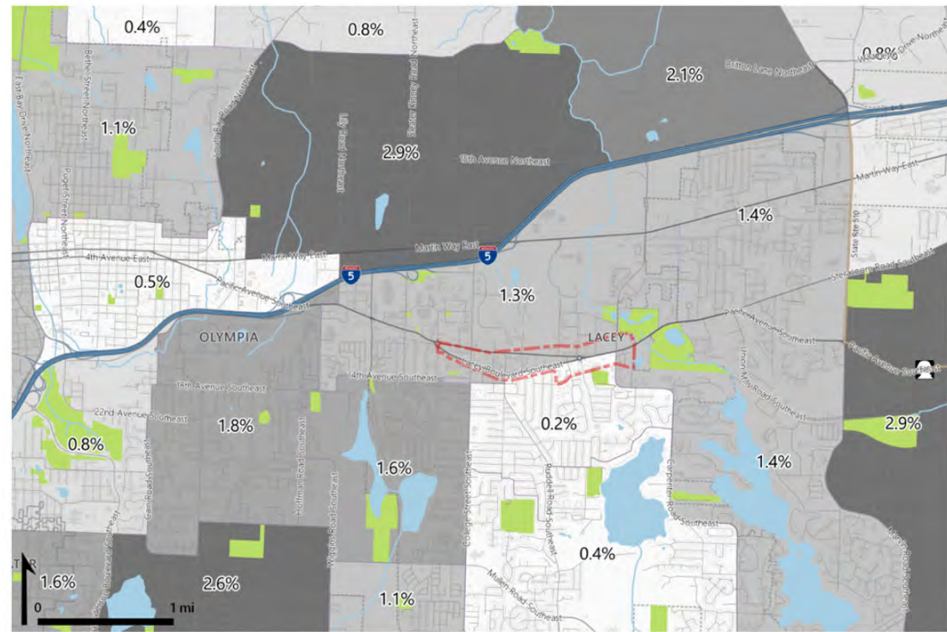


Figure 2.09 – Significant residential growth is forecast in the district through 2040. (Source: Thurston Regional Planning Council)

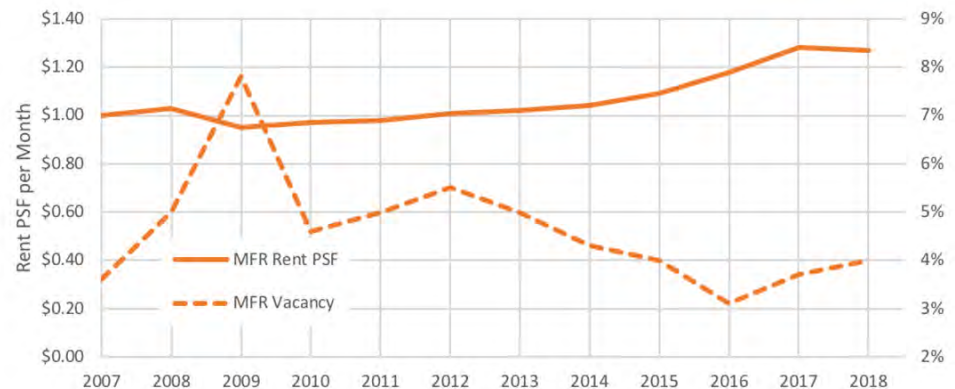


Figure 2.10 – Residential rents and overall vacancy indicate a strong residential market in the area. (Sources: Costar, Leland Consulting Group)

Table 2.01 – Multi-family properties, Depot District

Name	Rent Type	Floors	Built	Units	Vacancy	Rent PSF
Regency Apts.	Market	2-3	2004	70	5.71%	\$1.10
Dakota Apts.	Market	2-3	2006	147	2.72%	\$1.32
Reserve at Lacey	Senior	5	2019 (est.)	280	-	-

Sources: Costar, Leland Consulting Group.

retail services could create an environment where the Depot District might greatly exceed these long-term projections.

Residential Market Conditions

Existing multifamily development has displayed positive market conditions (Figure 2.10). Vacancies near or below five percent indicate a “tight” market with pent-up demand where supply is less than demand. However, while rent growth has been positive, it has been very slow. As noted earlier, significantly higher

Table 2.02 – Market-rate multi-family development built (2017), City of Lacey

Name	Units	Vacancy	Rent (PSF)
The Marq	248	11.3%	\$1.82
Studios	-	-	-
1-beds	126	11.1%	\$2.04
2-beds	122	11.5%	\$1.60
3-beds	-	-	-
Britton Place	192	5.2%	\$1.71
Studios	30	6.7%	\$2.09
1-beds	60	5.0%	\$1.94
2-beds	78	5.1%	\$1.57
3-beds	24	4.2%	\$1.52

Sources: Costar, Leland Consulting Group

rents are likely to be required for new market-rate apartments to mitigate increasing construction costs. The lack of market-rate comparable projects is probably why The Reserve at Lacey, the new multifamily property, is a senior housing project, which follows a different rent model (combined apartment rent and community services) than traditional apartments.

Elsewhere in Lacey, two new market-rate apartment projects were built in 2017. The 192-unit Britton Place Apartments, located in northeast Lacey (near Cabela's), offers studios, one-beds, two-beds, and three-beds averaging \$1.71 per square foot per month asking rent. Despite being open for only one year, vacancy is low at 5.2 percent, demonstrating a very high absorption rate. Britton Place is a typical suburban garden apartment project with a very low Walk Score® of just seven, indicating a highly car-dependent area.¹

The other project, the 248-unit The Marq on Martin, is located within walking distance of Hawks Prairie (although the local urban form is not

¹ Walk Score® uses the concepts of walk route and block size to calculate the number of amenities within a 30-minute walk of any given address. In general, a site within easy walking distance to a high concentration of amenities will receive a higher walk score. A total of 100 points is possible. A score of 90-100 indicates a "Walker's Paradise" where daily errands do not require a car; 70-89 indicates a "Very Walkable" area where most errands can be accomplished on foot; 50-69 indicates a "Somewhat Walkable" area where some errands can be accomplished on foot; 20-49 indicates a "Car-Dependent" area where most errands require a car; and 0-24 indicates a "Car-Dependent" area where almost all errands require a car.

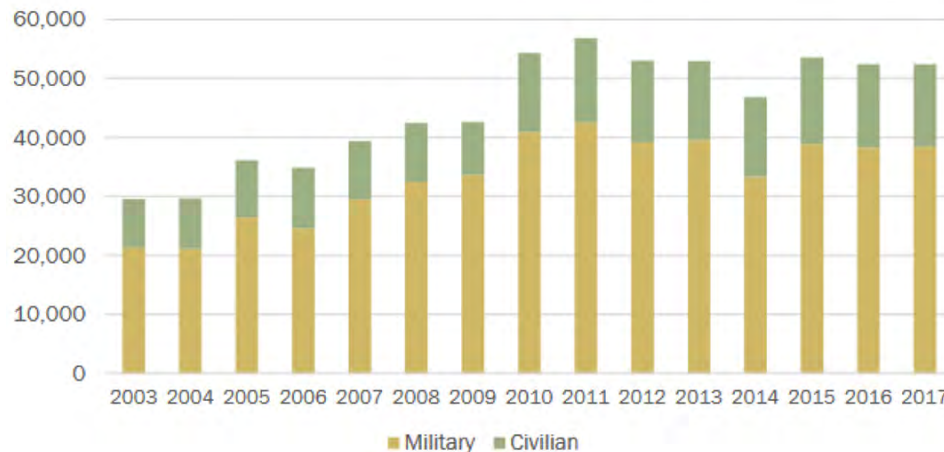


Figure 2.11 – Job growth at JBLM has increased and then leveled off, but the base is still a significant source of employment in the region. (Sources: TRPC Countywide Employment, Commute Forecast)

particularly pedestrian-friendly). The Marq offers one- and two-bedroom units at a higher price point than Britton Place. The slightly higher rent is perhaps due to a rent premium attached to a more walkable location (the property has a Walk Score of 51). The Marq on Martin demonstrates the potential market characteristics that a new market-rate property may achieve in the Depot District, especially if efforts are made to improve walkability. Both these projects may serve as optimal comparables for new multifamily within the Depot District.

Joint Base Lewis-McChord

The Joint Base Lewis-McChord (JBLM) is a major regional asset with a large transient population. Around 29 percent of JBLM's workforce resides in Thurston County.² Over 5,000 (around 10 percent) of JBLM employees live in Lacey, with a collective payroll of \$216.6 million annually and \$50 million in economic activity added to the local economy as a result. About three-quarters of military personnel live off-base and commute. All civilian personnel live off-base. The high transient population at JBLM increases the feasibility of multifamily development in Lacey.

Other Housing Trends

The Great Recession had a profound and lasting effect on the housing market, and while the recovery is now well underway, more people are renting than ever before. For many people, financial barriers such as rising student debts, access to credit, and cumbersome down payments have forced them to rent. For many others, the choice to rent is simply a preference. Indeed, it is well-established that the two most populous generations - Baby Boomers (ages 54 to 72) and Millennials (ages 22 to 37) - are currently the primary drivers of demand for residential units in walkable, urban locations that offer flexibility and a range of amenities.

² Source: JBLM ASIP Historical Data.

As Baby Boomers reach retirement age and see the last of their children leave home, they are increasingly attracted to smaller move-down or "lock-and-leave" housing which requires less maintenance and affords more flexibility. As such, age-restricted and senior multifamily housing has risen near the top of the list for best investment choices (per ULI's "Emerging Trends in Real Estate 2018").

For Millennials, the situation is more nuanced and difficult to forecast. The common rhetoric for many years was that Millennials desire urban living and will continue to reside in urban cities because of financial conditions and choice. However, while demand for urban rental apartments has remained high among Millennials (and now the younger generation emerging behind them), they are increasingly forming households and having children, looking at select suburbs and secondary markets because of the quality of life and lower cost. Indeed, 70 percent of Millennials expect to be homeowners by 2020, even though only 26 percent own today (per ULI's "Gen Y and Housing" report, 2015). With that said, long-term generational trends associated with the next emerging generation - Gen Z (ages 21 and below) - is relatively unknown.

Other reports have recently documented important trends in housing. Some of the major points include:

- Cost of housing, neighborhood safety, proximity to work, K-12 school quality, and community character, ambience, and visual appeal were the top five critical community features for survey respondents.³
- Urban setting, proximity to shopping, dining and entertainment, walkability, and availability of mass transit are also important - but not critical - features in a community.⁴
- The more walkable the community, the more satisfied residents are with their quality of life.⁵
- Access to public transportation is much more important to those earning under \$50,000 per year, while walkability is also more important to those with lower incomes.⁶
- Sixty percent of residents would spend at least a little more for a house in a walkable community.⁷
- Four-in-ten people prefer a walkable community and short commute. Millennials,

in particular, are swayed by shorter commutes.⁸

Talk of generational shifts, however, sometimes misses the point. Ultimately, people are waiting longer to make significant life choices, such as buying a home or having children, and quality of place has emerged as a primary desire for almost all prospective residents across all demographic groups.

Assessment: Retail Market

Across the nation, the retail industry is in an unprecedented state of disruption and transition, impacted by the growth of e-commerce (internet sales), declining traditional brick and mortar store sales, consolidation of major retail chain stores, and the overall decline in demand for new retail space (outside of a downtown or walkable urban environment). These national trends combined with the fact that other, better-located areas in Thurston County have experienced the bulk of new retail development - predominantly adjacent to I-5 - and large tracts of vacant land are not available within the Depot District, mean that growth in traditional retail will be challenging. Any new development will most likely be food-based or "experiential", in keeping with national trends. Other proximate areas, such as the Woodland District and Hawks

³ Urban Land Institute (ULI), *Gen Y and Housing: What They Want and Where They Want it*, 2015.

⁴ *Ibid.*

⁵ National Association of Realtors (NAR), *National Community and Transportation Preference Survey*, 2017.

⁶ *Ibid.*

⁷ *Ibid.*

⁸ *Ibid.*

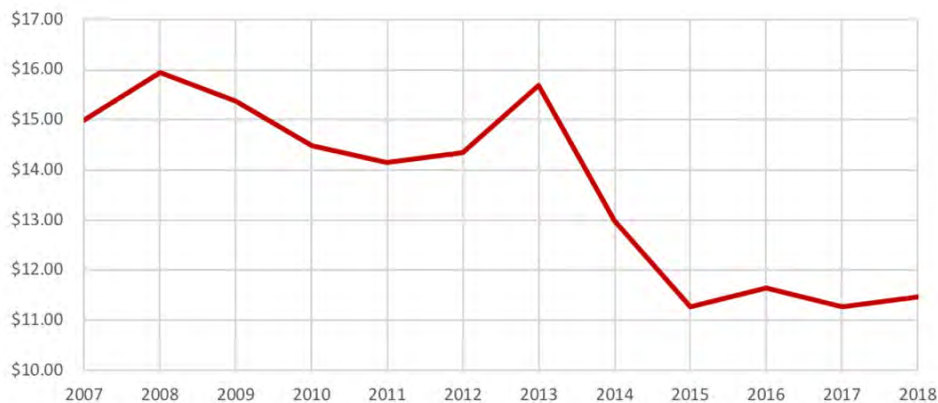


Figure 2.12 – “Triple-net” retail rents in the district have decreased and then stabilized, and they’re lower than others in the region. (Sources: Costar, Leland Consulting Group)

Prairie, will likely continue to be better positioned for traditional retail.

Other key retail takeaways include:

- While retail vacancy in the Depot District is relatively low (less than 10 percent overall) likely due to the presence of small independent retailers which typically need lower lease rates, significant vacancies in the larger retail centers are indicative of a weaker market for larger tenants. As market conditions continue to change rapidly, older commercial and neighborhood shopping centers in the Depot District are likely to continue to struggle. As such, there may be opportunities within the Depot District for

rehabilitation projects of existing outdated structures.

- Alterations in the retail market will require smaller shopping centers’ land use mix and urban form to be updated to keep them healthy and attractive to shoppers and private investment. In some areas, it may be appropriate to support a wider mix of land uses to facilitate overall development where there is less demand for traditional retail.
- Studies indicate that, in general, one-way couplets may be challenging for specialty-type retail uses because they foster higher automobile speeds, reduce retail visibility (only half the traffic passes the frontage, or passes once per day instead of twice; signage may be obscured to those in outboard lanes), and limit the potential for active multi-modal activity - hence walkability is also reduced.^{9 10}
- As housing units are added to the area there will be increased demand for community and neighborhood-oriented retail which

⁹ *Downtown Streets: Are We Strangling Ourselves on One-Way networks?* G. Wade Walker, Walter M. Kulash, Brian T. McHugh; Glatting Jackson Kercher Anglin Lopez Rinehart, Inc.

¹⁰ As noted throughout this plan, conditions suggest the one-way configuration of Pacific Avenue and Lacey Boulevard remain in-place, with mitigating treatments to calm and facilitate multi-modal traffic in the district advised as an important strategy for achieving local objectives. Future revisions to the one-way configuration, if desired, are understood to require comprehensive study related to regional and local mobility needs. For more, see *Assessment: Transportation*, pg. 2•17.

helps establish a walkable mixed-use environment.

- While retail rents in the County average around \$16 to \$20 per square foot per year (triple-net¹¹), retail in the Depot District has been declining since the recession and currently averages just under \$12 per square foot per year (Figure 2.12).

Retail Trends

Several national trends impacting the retail industry and related to the Depot District include:

- The role of entertainment in driving downtown retail is strong and growing. Many cities are pursuing the potential for entertainment as anchor projects for their downtowns, particularly in the form of arts and cultural facilities.
- Food and entertainment retail remain strong and expect continued growth, often serving as anchors in lieu of traditional anchors like department stores or supermarkets.

¹¹ A triple net lease (or NNN) is a lease agreement on a property where the tenants or lessees pay all operating expenses, including property taxes, insurance and repairs and maintenance, either directly or by pass-through reimbursement to the landlord, in addition to any normal fees that are expected under the agreement, such as rent, utilities, etc. (Source: NAIOP).

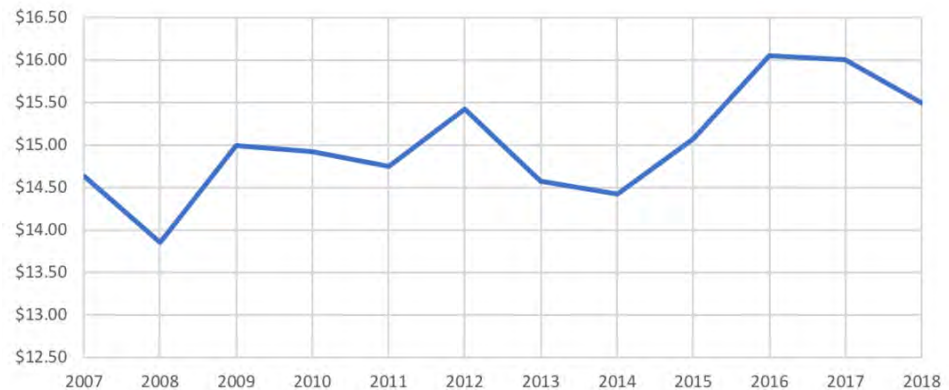


Figure 2.13 – Office rents in the Depot District have been on a gentle rise, with only a recent decline, indicating some stagnation in the market. (Sources: Costar, Leland Consulting Group)

- Expanding or growing retail concepts include fresh fast/casual dining, local arts, and lifestyle/wellness retail. Neighborhood grocery-anchored retail continues to experience good demand growth and falling vacancies and grocery store chains are increasingly exploring smaller formats better suited for infill locations. However, these may be facing some underlying risks due to over-retailing and tenant competition as developers seek “safe plays” against e-commerce.
- Contracting or declining retail concepts include fast food, dollar stores, and commodity retail.

- In some cities, universities are becoming active in helping their host cities enhance the urban experience by transforming under-utilized properties and boosting local business with a stronger downtown presence.
- The most successful and resilient retail establishments will be located in more mature market areas (i.e., cities versus new suburbs).
- "Lifestyle centers" are replacing malls by attempting to create a sense of community, with a focus on food, entertainment, music, books and home improvement goods.
- National trends toward compact urban living with less car dependence will facilitate increased retail spending.

Assessment: Office Market

Significant office development is unlikely to occur within the Depot District. Other regional locations are better suited and there is already a surplus of regional office space, due in part to decreasing spatial needs across all office sectors, as well as budget cuts at the federal and state levels of government. Figure 2.13 shows office rent growth within the Depot District as indicative of the weakness of this sector, with relatively stagnant growth seen throughout the last decade (only

nine to 10 percent growth since 2007). In contrast, multifamily rents have increased by over three times as much (32 percent) and retail rents have declined.

Despite the limited opportunities for office, there may be, at some future time, opportunities to capture more health- and service-related jobs; it's worth noting that the healthcare sector is the largest private-sector employer and provider of wages in Thurston County, and there are a number of significant hospitals nearby.

Assessment: Transportation

Input from community members underscored the need for safer and more comfortable pedestrian and bike connections in the district and the desire for slower traffic along the couplet roadways. This is generally consistent with the comprehensive plan's overall transportation policies favoring pedestrian, cycling and public transportation. It is also consistent with the comprehensive plan's goal to provide for a more complex arrangement of land uses in the community's central area. Slower roadway speeds and increased focus on non-motorized modes of travel will create the type of environment necessary to attract the land use mix the plan seeks.

The district currently sees heavy traffic, in part because of limited roadway network connections

The One-Way Couplet Project...

Why Is the One-Way Couplet Project Being Built?

If you have driven down College Street lately, you have probably come up with a few ideas on how to move traffic better. Hands down, the traffic corridor consisting of College Street, Pacific Avenue, and Lacey Boulevard carries the highest volume of traffic in our community. College Street, for example, moves 50,000 cars per day. This should be no surprise since College Street provides one of the few access points in our community to Interstate 5. Lacey residents, and thousands of our neighbors living south and east of the city, "funnel" onto College Street from Lacey Boulevard and Pacific Avenue in order to access the interstate. As the population in Lacey and the surrounding county has increased, congestion along this critical transportation corridor has worsened.

The time it takes to get to work or home has steadily lengthened over the years. This has resulted in a drop in the "Level-of-Service" for these key roads, which translates into longer waiting periods at intersections, especially during our busiest times of travel. Currently, the Lacey Boulevard and College

Street intersection is at a Level-of-Service rating of "F," the lowest level and considered failing (refer to the Level-of-Service chart below). This is one area that will be corrected by the One-Way Couplet Project.

Solution

Determining an appropriate roadway solution that would improve the overall transportation system has not been easy. Several ideas were developed, and as many were discarded. Public meetings have been held to engage residents and businesses in order to receive comment on critical design issues. The City also received valuable input from residents through the LaceyLive television program and the city newsletter, LaceyLife. In addition, three separate engineering firms have evaluated alternative solutions to identify the best approach to addressing the current congestion problem. Eventually, the design solution incorporated two

key elements—a one-way traffic pattern and modern roundabouts.

Interestingly, the idea of improving traffic flow along College Street and at the intersections of Pacific Avenue and Lacey Boulevard with a one-way couplet dates back to the 1970's. More recently, use of a one-way traffic pattern was consistently recommended by the engineering firms hired by the city. A primary advantage of this design is the ability to use the existing road widths—as opposed to widening the streets. This significantly reduces the cost of road improvements by eliminating the need to acquire right-of-way for new lanes of travel. Other alternatives would have required significant roadway widening, dramatically impacting or displacing numerous adjacent businesses and residences fronting the corridor.

Levels-of-Service

Average Length of Delay at Intersections

"A"	Less than 10 seconds
"B"	10 to 20 seconds
"C"	20 to 35 seconds
"D"	35 to 55 seconds
"E"	55 to 80 seconds
"F"	More than 80 seconds

Modern roundabouts...

Modern Roundabouts are unique transportation devices that can increase roadway capacity and reduce travel time for commuters. A primary characteristic of a modern roundabout is safety. The number of injury accidents are significantly less when compared to traditional signalized intersections with similar traffic volumes.

Roundabouts are often incorrectly associated with traffic circles and rotaries. It is important to remember that traffic circles and rotaries, common to the East Coast, are designed for high speeds, with two or more lanes. Design speeds for modern roundabouts are typically 20 m.p.h. or less, with two lanes.

The City of Lacey currently uses three modern roundabouts within its transportation system, two on Marvin Road N.E., and one on the Quinault off-ramp.

Left Lane or Right Lane? When entering a modern roundabout, your lane decision should be based upon your choice of an exit.

Suggested guidelines on roundabouts from the Federal Highway Administration are as follows: Vehicles should use the right lane when driving 1/2 way around or less within the roundabout to reach their exit, and the left lane when the driver needs to travel 1/2 way or more within the circulation of the roundabout to get to their exit.

The Law: Drivers entering the roundabout must always yield to vehicles within the roundabout. Wait until your choice of travel lane is clear. It is unsafe for vehicles to enter the roundabout when sufficient space is not available. Always use your turn signal when exiting. This eliminates confusion between drivers and decreases the chance of accidentally crossing in front of the path of an exiting vehicle.

If you would like to see a video on how roundabouts operate, or would like more information about the One-Way Couplet Project, please call the City of Lacey Public Works Department at (360) 491-5600, 8:00 a.m. to 5:00 p.m., Monday through Friday.



How the project will be funded...

The One-Way Couplet Project is a \$5.5 million road improvement project requiring several sources of revenue:

Fuel Tax, Real Estate Excise Tax, and Utility Tax	46%
Developer Fees	15%
Grants	39%

Key project dates...

From start to finish, the One-Way Couplet Project is expected to take 16 months. The following are some key dates and phases of the project:

- ☐ April 2002, project goes to public bid
- ☐ May 2002, Lacey City Council awards bid
- ☐ Summer 2002, utility work commences (The One-Way Project is not limited to surface improvements. Work will actually start below the surface to upgrade sewer, water, power, and storm facilities before any roadwork begins.)
- ☐ Spring 2003, construction of two modern roundabouts (This is the most critical stage of construction...rerouting of traffic and lane restrictions will be necessary during this phase.)
- ☐ Summer 2003, surface overlays and striping (New asphalt will extend from Golf Club Road to Carpenter Road.)
- ☐ Fall 2003, project completed

The above schedule is preliminary. Updates to the schedule will be made available on Lacey's website at www.ci.lacey.wa.us and included in future articles of LaceyLife.

Figure 2.14 – Brochures such as the above helped the public understand the reasons behind and the consequences of converting the two, two-way streets into a pair of one-way corridors (Pacific Avenue and Lacey Boulevard couplet). (Source: City of Lacey)

in Lacey. There are only three east-west corridors that transit the city: Martin Way, the Pacific/Lacey Boulevard couplet, and 37th Avenue. College

Street is one of the only north-south corridors that connects south Lacey with I-5, and the corridor is



Figure 2.15 – *Vehicular mobility was a key objective in creating the Pacific Avenue/Lacey Boulevard couplet. Evolving the design to facilitate localized, land use objectives will be critical to creating the type of district the community envisions. (Source: Studio Cascade, Inc.)*

busy with traffic accessing developed areas and rural land south of town.

The couplet was established in 2003 to ease traffic along College Street. The efficiency of having one-way streets on the east-west approaches allows intersections to provide more green time to the north-south movement. The project addressed east-west commuting patterns through the community, redesigned signals at College Street, and anticipated conversion of the then-active rail line to the Woodland Trail. According to public information circulars published in advance of the couplet's construction, the couplet concept would

allow for increased level of service at the College Street intersections with Lacey Boulevard and Pacific Avenue, addressing the pressing peak-hour congestion at those points of the network. The couplet, and the two new roundabouts where Lacey Boulevard and Pacific Avenue intersect, would smooth east-west flow and reduce waiting time for all at College Street.

A fundamental problem underpinning the couplet solution is Lacey's lack of effective access to Interstate 5. College Street is one of the community's only north-south corridors, and it serves thousands of residential units. Many of those households generate commuters seeking access to I-5, and College is essentially the corridor they use to get there. Other I-5 access points are inconvenient, with the community's disconnected network and the limited number of I-5 interchanges increasing demand on College Street. While some may argue against the couplet, any move to reconfigure it back to a two-way street system will need to be preceded by network enhancements elsewhere in Lacey and Thurston County to spread more broadly the traffic now using College Street.

Pacific Avenue generally includes five westbound lanes, and it includes a sidewalk on the north side along Saint Martin's University (on university property). A bus pull-out stop is located in front of Saint Martin's, and other stops are in-lane. The lane capacity on Pacific is now more than adequate for existing and forecast traffic flows, with the

only point of congestion at College Street. A significant number of vehicles on Pacific Avenue are observed to exceed posted speed limits, fostering perceptions counter to the functionality and character sought by this plan.¹²

South of Pacific Avenue is the Karen Fraser Woodland Trail, providing a 10 to 15-foot wide pavement and gravel surface for walking, running, and biking. The trail connects to the larger regional trail system, with access to destinations throughout Thurston County.

Lacey Boulevard generally includes three eastbound lanes, with a sidewalk on both sides of the street. There is no on street parking, but ample off-street surface parking lots exist. Parking is more constrained on the south side due to the conversion of single-family lots to small businesses.

There are limited north-south connections in the district. Average block length is approximately 1,100 feet.

Currently, pedestrian access to transit on the couplet is not ideal due to wide arterial crossings and inconsistent or poorly-designed pedestrian amenities.

12 Observed, anecdotal and City-collected data indicate a majority of vehicles travel at or near posted limits, with a significant minority of vehicles travelling at higher-than-posted speeds.

Subarea Plan

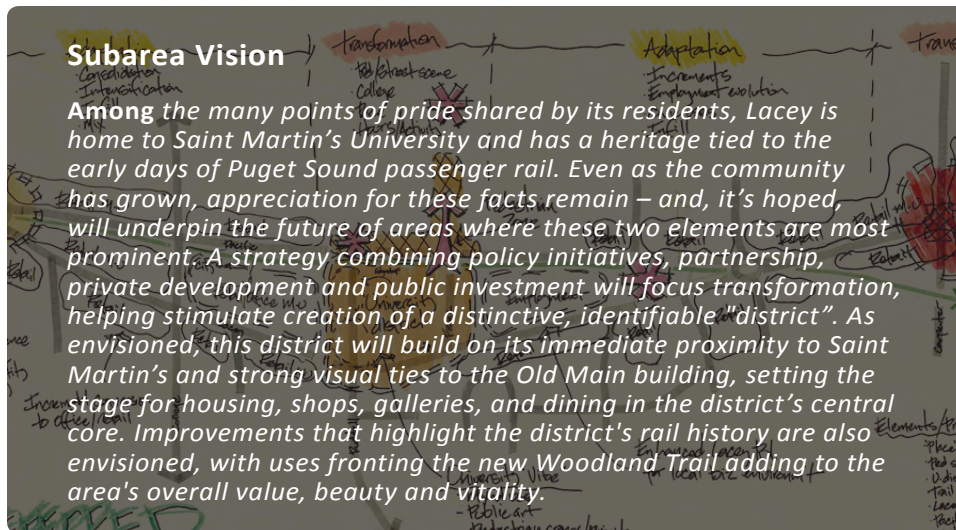
3

Introduction

This plan looks to Lacey's Comprehensive Plan as its foundation. In general terms, the comprehensive plan establishes a baseline set of expectations for the Depot District subarea, envisioning an environment that's more urban, supports diverse land uses, has an emerging "sense of place" and feels welcoming to pedestrians and cyclists. Based on that guidance and public input offered through this process, this plan was developed, presenting a preferred direction or "vision" for the entire subarea (see following page).

This plan envisions real change, but change occurring at a slow but steady pace. Expected focal points include improvements near Pacific Avenue and Carpenter Road, responding to redevelopment there by enhancing the pedestrian environment and improving links to ever-improving district and proximate amenities. The plan also envisions "taming" Lacey Boulevard and Pacific Avenue, creating a slower paced, more hospitable pedestrian and development environment and providing easy, intuitive and safe pedestrian crossings at key locations, including Pacific Avenue at Ruddell Road and Franz Street.





Subarea Vision

Among the many points of pride shared by its residents, Lacey is home to Saint Martin's University and has a heritage tied to the early days of Puget Sound passenger rail. Even as the community has grown, appreciation for these facts remain – and, it's hoped, will underpin the future of areas where these two elements are most prominent. A strategy combining policy initiatives, partnership, private development and public investment will focus transformation, helping stimulate creation of a distinctive, identifiable "district". As envisioned, this district will build on its immediate proximity to Saint Martin's and strong visual ties to the Old Main building, setting the stage for housing, shops, galleries, and dining in the district's central core. Improvements that highlight the district's rail history are also envisioned, with uses fronting the new Woodland Trail adding to the area's overall value, beauty and vitality.

Planning Process

The City of Lacey conducted a comprehensive and progressive public engagement process, encouraging diverse community involvement and incorporating the results of public conversations in the development of this plan. The following pages summarize input received, from orientation interviews, to all-day open house/workshop times ("Studios") and evening meetings. These help illustrate the exemplary efforts - of both City and its community - to envision, shape and refine this long-term plan for the Depot District.

Orientation Interviews

The first step in the public engagement process was a series of orientation interviews. City staff invited residents, business owners and others to meet with the consultant team and provide a first look at the issues this plan might need to address. Based on these interviews, the consultant team was able to craft different scenarios - each arguably reflecting comprehensive plan objectives - for residents to consider as the process moved forward.

Based on the interviews, it was clear that the community's hopes for the district included well-crafted approaches to several issues and opportunities:

Traffic Speed

Nearly everyone felt that the traffic on both Pacific Avenue and Lacey Boulevard moves too fast. Fast traffic on Pacific was seen to make street crossings uncomfortable, and a poor companion to the parallel Karen Fraser Woodland Trail (Woodland Trail). The configuration of Pacific was also seen to create a sense of separation between the campus "face" of Saint Martin's University and the rest of the district. Some noted speeds on Lacey Boulevard hindered turning movements into and out of driveways accessing businesses along the corridor. Slowing or "calming" traffic seemed an essential step for all interviewees.

New Development

The Reserve - a four-story mixed-use assisted living project at the eastern end of the district - was a frequent interview topic. Folks noted that the

Reserve will likely alter the district's character, and they also expect that the number of pedestrians in the eastern end of the district will multiply as new residents take to the streets to recreate and search for fun things to do.

Museum & Depot

Interviewees also mentioned the new museum and depot construction projects, musing about their ability to attract visitors and increase the visibility of the community's historic roots. The project's multi-purpose spaces - inside and outside - were seen as especially opportune.

Karen Fraser Woodland Trail

Recently a railroad, the Karen Fraser Woodland Trail (Woodland Trail) came up frequently as an important recreational and transportation asset, growing in popularity as more become aware of its regional connections. Interviewees imagined that the trail would also evolve into a tourism asset, as regional visitors seeking bike ride routes discover Lacey, using the district as a day-ride trailhead.

Historic District

In keeping with the conversation about the museum and depot projects, some interviewees mentioned opportunities to celebrate Lacey's historic district. This included both preserving its low-density, single-family feel and promoting it as a tourist attraction, representing the type of residential fabric existing at Lacey's founding.

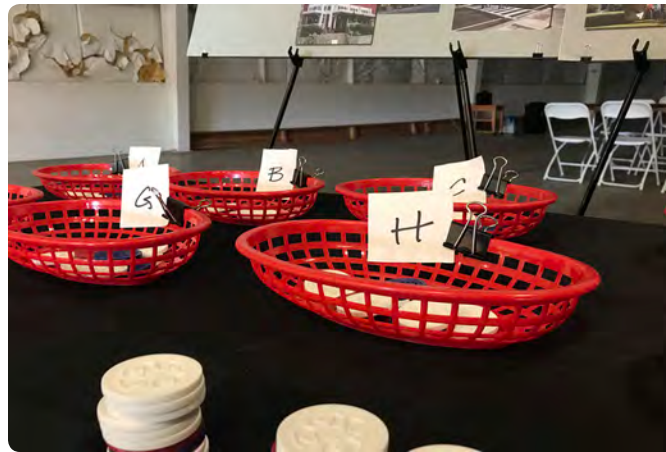


Figure 3.01 – *Community conversations helped identify and refine the issues the plan seeks to address, including an early round of orientation interviews and several group exercises conducted during the "studio days" session. (Source: Studio Cascade, Inc.)*

Saint Martin's University

Many interviewees see the university as an unrecognized/under-utilized community asset, offering vast opportunities to enrich the Depot District's cultural and economic activity.

Existing Businesses

Many interviewees recognized that the district works as a setting for the start-up, growth and prosperity of small local business. Most want to see that continue - even as the district evolves into a more complex, more urban space.

Studio Days

For three days in February, consultants and City staff hosted all-day, public open house/workshop times called "studio" days. This effort - a centerpiece for the plan's development - invited community members to participate in the refinement and evaluation of three potential district scenarios, each developed as abstract portraits to spur conversation.

Participants also worked with members of the consulting team to conceptualize and review ways in which the district should evolve to become the place they hope it will be. This involved open conversations about all manner of things - including incremental transition of warehousing and storage uses into something else; ways to emphasize the visual connections between Saint Martin's University and the district; special activities; land use options, and brainstorming places where new housing might happen within the district.

The studio was staffed by planners, urban designers, landscape architects, engineers and transportation planners, allowing participants to ask questions and make suggestions on virtually any topic. Folks were on-hand and able to listen, dig into the issues, and discuss outcomes and trade-offs with any and all visitors.

The above-mentioned scenarios were presented with illustrations and maps, along with descriptive text to introduce concepts. Participants were asked to consider each scenario, identifying features they liked best and suggesting ways that each scenario

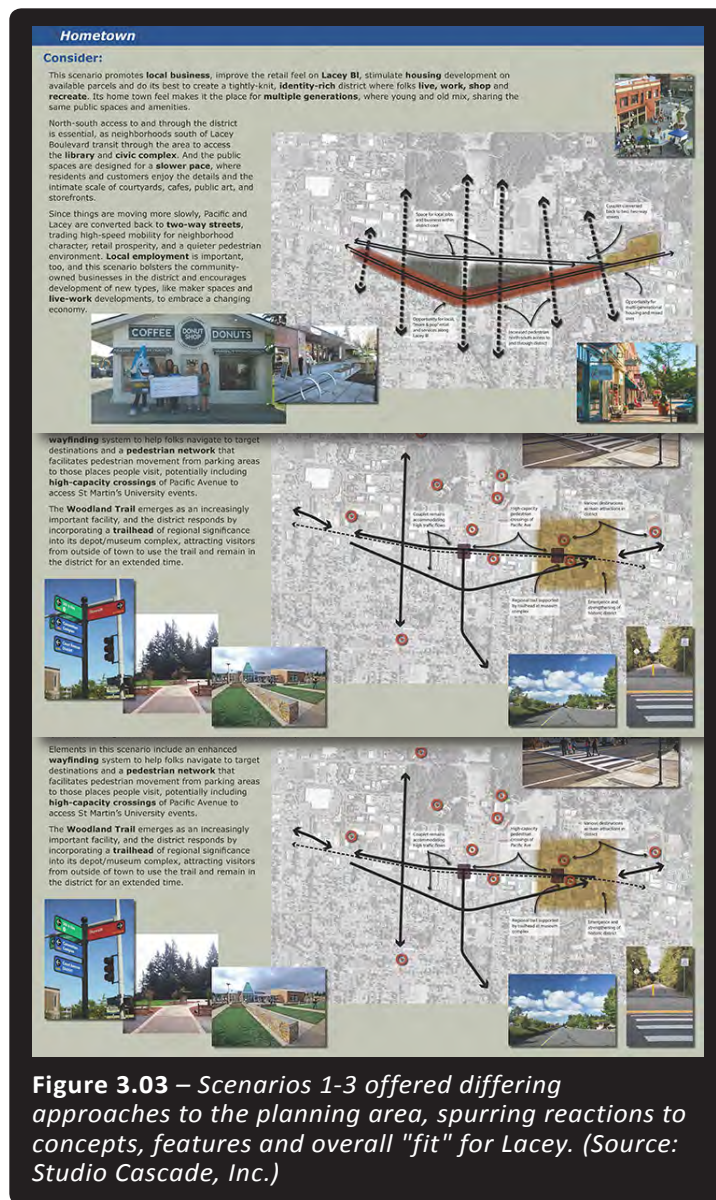
might be improved. The descriptive text for each is presented below.

"Hometown" Depot District

This scenario would prioritize local business; improve the retail feel on Lacey Boulevard; stimulate housing development on available parcels and do its best to create a tightly-knit, identity-rich district where folks live, work, shop and recreate. Its "home town" feel would make a great place for multiple generations, where young and old mix, sharing the same public spaces and amenities.

North-south access to and through the district would be essential, as neighborhoods south of Lacey Boulevard transit through the area to access the library and civic complex. And the public spaces would be designed for a slower pace, where residents and customers enjoy the details and the intimate scale of courtyards, cafes, public art, and storefronts.

Since things would evolve as moving more slowly, Pacific and Lacey would be converted back to two-way streets, trading high-speed mobility for neighborhood character, retail prosperity, and a quieter pedestrian environment. Local employment would also be key, and this scenario imagines great conditions for community-owned businesses, and would encourage new development types like "maker spaces" and live-work developments to embrace a changing economy.



"Destination" Depot District

This scenario envisions getting people to and through an attraction-rich district. Capturing visitors from the commuting crowd, attracting spectators for sporting or cultural events (SMU, for instance), or visitors to a trailhead, the museum or farmers market, this scenario would make easy access a priority. There would be a strong need to move folks to it and through it quickly, reaching destinations both inside the district and beyond.

Elements in this scenario would include an enhanced wayfinding system to help folks navigate to target destinations, plus a pedestrian network that facilitates movement from parking areas to those places people visit, potentially including high-capacity crossings of Pacific Avenue for access to SMU events.

The Woodland Trail would become an increasingly important facility, with the district incorporating a trailhead of regional significance into the depot/museum complex, this to attract visitors from outside of town to use the trail and remain in the district for an extended time.

"College Town"

This scenario would really emphasize the district's relationship with the university, understanding that the school's growth presents development opportunity for housing, retail and entertainment space. This, the scenario envisioned, would particularly impact the area between College and Ruddell, but access to the rest of the planning area would be important too, as more and more

students and faculty would consider this part of town "home" as long as they're at SMU.

The central portion of this planning area would orient directly to the university, providing an opportunity for a mini "university district" that provides for the housing, shopping and cultural needs of SMU students and visitors. This would necessitate a new approach for pedestrian crossings of Pacific, making them more frequent and intuitive.

It would also invite SMU to reconsider the treatment of its Pacific Avenue edge, potentially opening it up for development of new classroom or campus retail space compatible with what else happens in the district.

Workshops

The studio days effort also integrated two evening workshops, asking attendees to review outcomes of the studio work and suggest ways the project might evolve in response. The following paragraphs summarize the process for each workshop:

Workshop 1

This workshop focused on overall district vision, community values and priorities. Participants, working in small groups, learned about and discussed the three scenarios, heard how folks had reacted to them during the studio, and how each could achieve the overall comprehensive plan vision for the district. Groups then assessed how well the district is doing today with respect to its long-range vision, prioritizing what would

need to be done to close the gap. Groups then recommended adjustments to the scenarios as they believed appropriate.

Workshop 2

The second workshop - conducted at the end of the studio's third day - focused on what had emerged as a draft "preferred" planning concept, plus ways in which it could best be implemented. Again, in small groups, participants reviewed the preferred concept and its key implementation actions, evaluating how well they perceived the concept would address district needs and community desires. Groups then determined relative urgency and importance of several implementation actions, presenting their findings to the rest of the room.

Issues Summary

Achieving specific, strategic outcomes requires effort, navigating the complexities of ownership, land use patterns, transportation needs, economic conditions and civic priorities. Participants in this process identified several issues this plan will need to address, ranging from managing rush-hour traffic, to improving walkability, to "opening up" visual and functional connections between SMU and the rest of the community. Table 3.01 lists those issues that were identified; these helped form the basis for the consultant team's efforts to refine scenarios for community consideration, and ultimately the preferred concepts offered in this plan. Notes in the "Discussion" column

Table 3.01 - District Issues

(continued on pg. 3•8)

Issues	Discussion
I.01 – The district’s land use complexity resists one-size, “blanket” redevelopment strategies, given that many existing uses remain viable and in some ways represent the variety of uses envisioned in the district’s future.	<ul style="list-style-type: none"> ▪ <i>Though there was general agreement among process participants that something should happen in the district to make it a livelier, more people-friendly space, folks also recognized that finding a good place for transformation to take root might be challenging. Many businesses are happy with their location in the district and see little reason to change. The community seems content with this, hoping to balance transformation with a desire to retain local employment and ownership, supporting a home-grown flavor in the district. New energies are welcomed, but an essential strength of this district is its heritage and its diversity. Fast-track, “formula” development patterns seem an unlikely option for this area.</i>
I.02 – Regional transportation patterns and demands may conflict with more localized desires, requiring careful study to achieve a balance that serves both regional and community needs along Lacey Boulevard and Pacific Avenue.	<ul style="list-style-type: none"> ▪ <i>Lacey Boulevard and Pacific Avenue are busy corridors. Speeds are limited to 35 miles-per-hour, but roadway design and objectives common to commuter (through-district) traffic is observed to result in speeds beyond posted limits. Existing volumes and speeds are seen to diminish the quality of the pedestrian environment on both roadways, limiting the ability of desired uses there to flourish (housing, specialty retail and service businesses), and for SMU to feel a more integrated part of Lacey.</i>
I.03 – Studies indicate that in general, one-way couplets – like along Lacey Boulevard and Pacific Avenue – are less conducive to the types of uses sought in the district than two-way traffic, presenting challenges for transformation. Because the couplet is almost certain to remain as the district evolves, implementation of this plan hinges on enhancing the street environment to accommodate desired land uses - including slowing traffic to make it more attractive for pedestrians and cyclists.	<ul style="list-style-type: none"> ▪ <i>Retail land use patterns along Lacey Boulevard were established when the street had two-way traffic. Conversion to three lanes of one-way traffic has tended to boost vehicle speeds and makes access to local retail less convenient – forcing drivers to make longer trips between local destinations due to one-way routing. To counter these issues, street design should be greatly enhanced where corresponding land use transformation is desired, and infill and future redevelopment may need more “destination-worthy” features and neighboring attractions to achieve viability.</i>
I.04 – Lot depths for parcels on the south side of Lacey Boulevard are shallow, limiting the ability for new development to provide economically-viable combinations of rentable space and parking.	<ul style="list-style-type: none"> ▪ <i>Lot conditions along the southern edge of Lacey Boulevard seem well-suited for the types of land uses envisioned by this plan, i.e., neighborhood-scale retail and businesses. Such uses, if well-designed and implemented, can provide valuable services within walking distance of many homes, while helping buffer quiet neighborhoods to the south from the busy corridor. This plan supports a gradual introduction of on-street parking along Lacey Boulevard, further reducing the need for such businesses to accommodate parking on-site.</i>

Table 3.01 - District Issues

(continued from pg. 3•7)

Issues	Discussion
I.05 – There is little sense of collective “identity” in today’s district, making it difficult to establish a single, compelling vision to drive branding, related policies and zoning regulations.	<ul style="list-style-type: none"> ▪ <i>Rapid development of key partnerships and the working relationships needed to sustain them may be the most critical measure prescribed by this plan. Because significant, district-wide “identity” is likely to take many years to realize, building relationships with key actors – and fostering district “champions” in the process – is imperative. In time, the district’s identity may become self-evident in the form of a unique land use mix, urban design, architectural and public realm features, but it must first begin as a widely-shared and supported concept. This plan offers a first-pass outline of something that, if successful, will grow and evolve from truly collective energies. As such, the City should act to convene, facilitate and foster ongoing dialogue and progress.</i>
I.06 – The regional transportation network offers few alternate east-west or north-south corridors. As a result, high traffic volumes are currently funneled through the district, serving trips to and from a wide variety of places.	<ul style="list-style-type: none"> ▪ <i>In all cases, transportation system design and land use patterns are tightly linked. In the study area, traffic patterns express the sense that movement of cars through the city is a very high priority, perhaps outweighing localized needs and objectives. This plan urges the City to approach the design and function of its transportation network strategically, ideally striking a balance that honors its role in the regional system, but also fosters the type of in-city vitality, livability and energy residents desire. Design shifts along Lacey Boulevard and Pacific Avenue can help achieve this, ensuring that regional traffic isn’t merely <u>funneled through</u> an anonymous district, but is provided passage and access to a highly attractive, vital area - the type of district the community envisions.</i>
I.07 – The Karen Frasier Woodland Trail (Woodland Trail) runs along the entirety of Pacific Avenue’s southern edge, eliminating the possibility of retail development fronting the south side of Pacific Avenue.	<ul style="list-style-type: none"> ▪ <i>Lacey’s Woodland Trail is an exciting new feature in the study area, connecting Woodland Creek Community Park on the east to the Chehalis-Western and Olympia Woodland Trails to the west. But the trail’s tight proximity to Pacific Avenue presents unique challenges. Because street-side development along Pacific’s southern edge is impossible, this plan recommends Pacific evolve as a type of “green street”, typified by landscaping and a pedestrian-rich environment on both sides of the avenue. Features fronting the trail’s southern edge should also evolve, transitioning from uses typical of those abutting railways to ones that embrace (and foster) the type of busy, active promenade the trail could one day become.</i>
I.08 – Saint Martin’s University’s athletic fields and parking lots occupy almost a half-mile of Pacific Avenue’s northern edge, restricting the ability of development along a significant portion of Pacific Avenue’s northern edge.	<ul style="list-style-type: none"> ▪ <i>Instead of transformation, this plan recommends an evolution of existing features along Pacific Avenue, including those on the SMU campus. Landscaping and tree canopies here should be fostered as part of a “green street” archetype, one that should, where appropriate, include on-street parking and intermittent attractions such as access points and terminal views of campus features, and (off-campus) tight integration of neighborhood-scale retail, services and housing.</i>

Table 3.01 - District Issues

(continued from pg. 3•8)

Issues	Discussion
I.09 – Property ownership in the subarea is fragmented, with many parcels and contiguous ownership less than 10,000 square feet – making it difficult to assemble enough land to accommodate transformative development projects.	<ul style="list-style-type: none"> ▪ <i>This plan recommends the City explore and implement strategies to consolidate ownership patterns where it makes the most sense. But especially critical and short-term, the City should closely examine ways to leverage existing public land (“Exempt” use category) in the district, fostering projects to solidify direction and catalyze private investment.</i>
I.10 – Single-family neighborhoods directly abut the entire southern edge of the planning area, increasing sensitivity to development intensification and impacts associated with traffic and building scale.	<ul style="list-style-type: none"> ▪ <i>The City will need to closely monitor and attenuate changes along this edge of the district, helping create a design dynamic that benefits all. Indeed, the district’s success will likely hinge on the many ways it may serve its southern neighbors, gaining their support and ongoing enthusiasm. Relating the district to southern neighborhoods will require finesse, but it’s one of the most important factors in making the Depot District a long-term success.</i>
I.11 – City resources are somewhat limited, constraining its ability to initiate transformation through street improvements or property acquisition.	<ul style="list-style-type: none"> ▪ <i>As noted above, district conditions are in some ways ripe for transformation but in many other ways – including limited City resources – demand a long-view, policy-oriented approach. This plan urges the City to pursue key “catalytic” projects, but acknowledges the fact that further change is likely to happen incrementally.</i>

relate background and process details, as well as opportunity descriptions/recommendations that are later reflected in plan policies and action items. Readers should note that many of the issued identified are interrelated - in other words, addressing some (if not most) issues will likely help address others.

Preferred Concept

The concept described and mapped here combines complementary features and priorities from the three draft scenarios presented and evaluated during the "studio days" effort. It also integrates attributes from direct SMU input, addresses neighborhood desires including improved access to the planning area, and embraces Lacey's depot/museum project. As envisioned in this plan, the district will transform into a place seen as strongly associated with the university; that benefits from calmer traffic along Pacific Avenue and Lacey Boulevard, and that supports a diverse mix of retail, services, townhomes and flats – all fostered by policies that welcome and guide incremental reinvestment to build district variety, home-grown character and overall vitality.

The preferred concept revolves around four key objectives:

- 1) Create a university-centered "district" between Franz and Ruddell, improving street environments and facilitating complementary investment, redevelopment and adaptive reuse.
- 2) Slow traffic on Pacific Avenue and Lacey Boulevard to create pedestrian-rich environments consistent with (according to context) a diverse mix of residential, retail, service and institutional uses.

- 3) Improve the pedestrian experience in the Carpenter Road and Pacific Avenue area, responding to expected increases in demand and effectively linking it to between-roundabout features and to community parkland to the east.
- 4) Facilitate incremental reinvestment along the length of the subarea, anticipating that change will take time and should evolve in concert with existing local businesses.

A plan-view sketch of the preferred concept is presented as Figure 3.08. Additional and related descriptions are also provided, numerically keyed to the concept exhibit by approximate location. The following paragraphs detail or expand on the concept map and describe envisioned transformation, categorized as "land uses", "transportation" or "strategies" -related efforts.

Land Uses

The Depot District is unlikely to change significantly in the near-term until improvements are made that accommodate multimodal travel, such as pedestrian and bicycle infrastructure - with commensurate "taming" of speeds and improved walkability. However, there are immediate opportunities on a number of fronts, enumerated below:

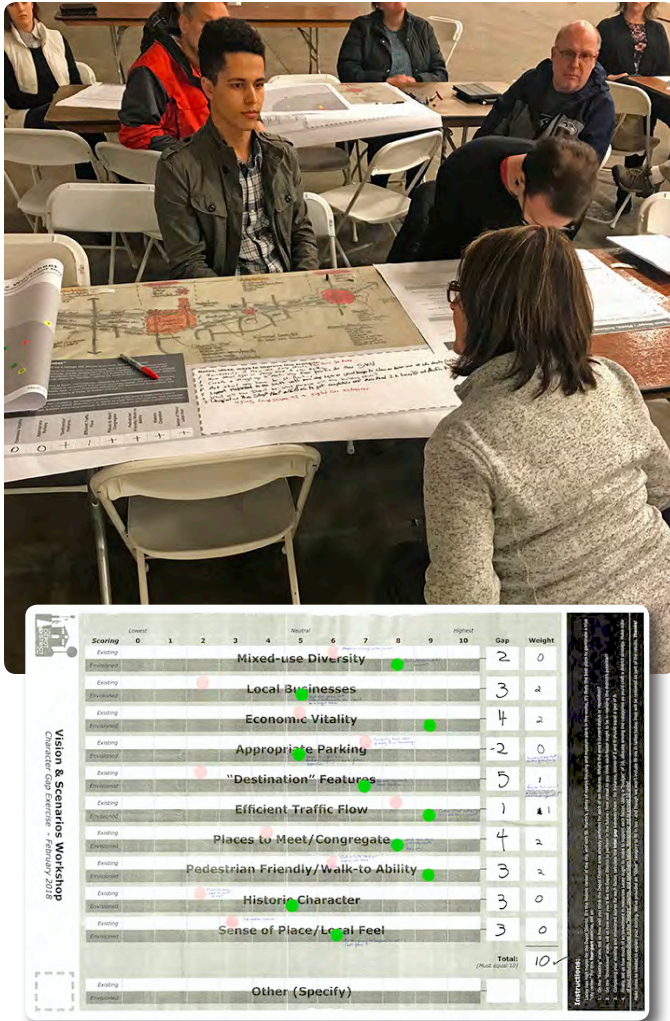


Figure 3.04 – Workshop participants evaluated the final studio outcomes, suggesting refinements to the overall concept, testing it against its ability to overcome the vision gap, and prioritizing implementation steps. (Source: Studio Cascade, Inc.)

Housing

Housing, especially in today's economic climate, is a great fit for the Depot District, particularly in the more walkable western section and the eastern section where new housing is already underway. New housing development should target the nearby student market and transient employees commuting to the base (JBLM), while leveraging nearby amenities such as parks, trails, transit, and retail services. There is a strong market for rental housing and new residents will do more to create vitality in the district than any other use.

Retail

New retail in the Depot District will likely remain as local-focus/neighborhood-serving, since other proximate locations are better equipped for large and/or national chain retail, such as Hawks Prairie. Food- and entertainment-based offerings ("experiential retail") are much more suitable and should be the primary target for the Depot District, particularly in proximity to SMU and wherever new housing is added. Where possible, these should be clustered to facilitate a sense of shared use and "place", particularly as an emerging university district or neighborhood center.

Office

As with chain retail, office development is better suited in other proximate areas such as the Woodland District. But opportunities in the Depot District do exist, though likely as small-scale medical

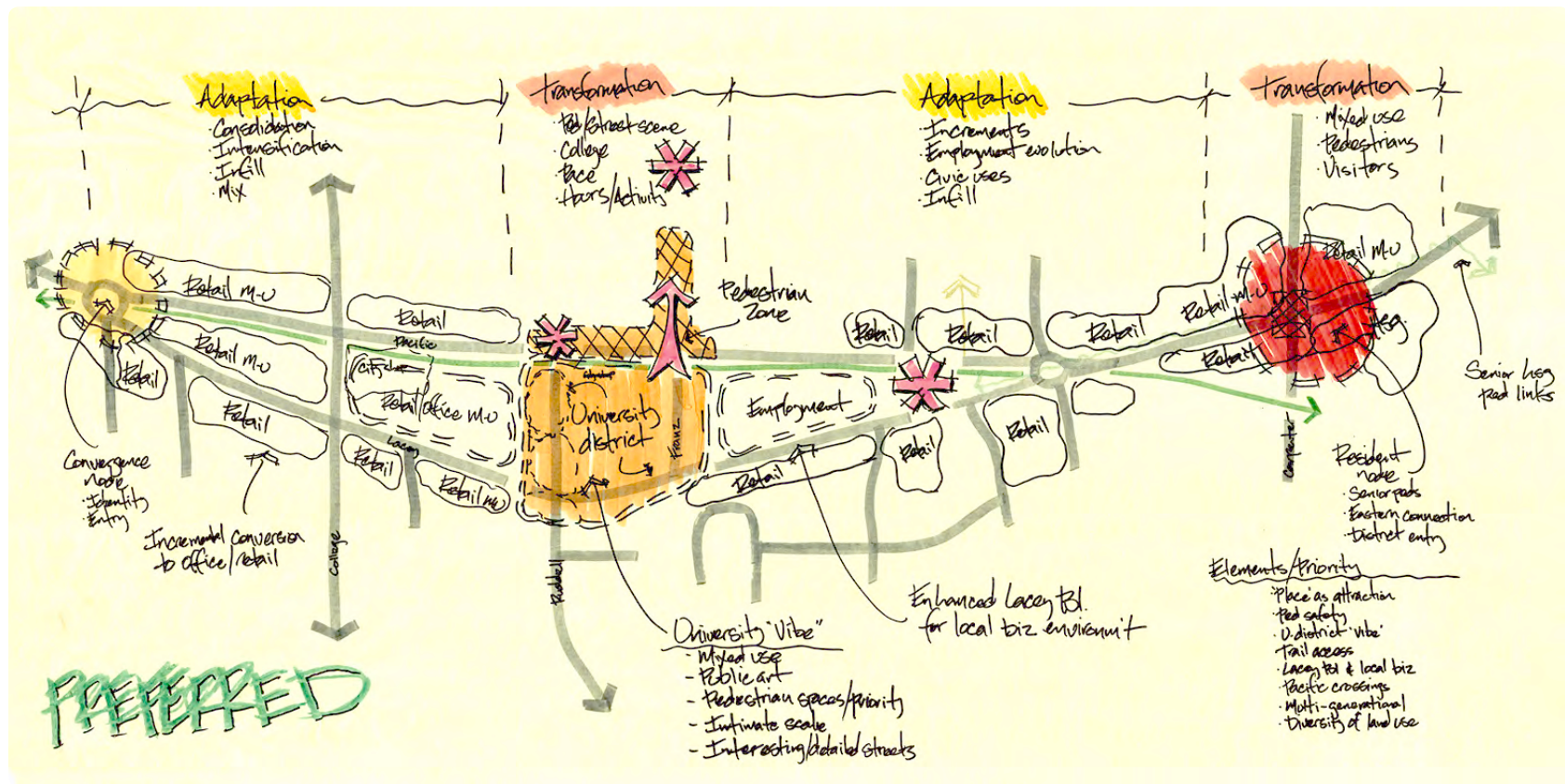


Figure 3.05 – The district concept developed in the studio process zeroed in on areas ripe for reinvestment and changes in overall character. It also identified places where the pace of change should be slower, encouraging local businesses and property owners to take part in the district's long-term evolution. (Source: Studio Cascade, Inc.)

uses, such as dental offices and small clinics, which could occupy transitional (former housing), strip commercial or infill locations within existing retail sites.

Parking

Parking plays a critical part in any urban dynamic, but in areas seeking transformation - like the Depot District - it's especially important. This plan recommends parking resources be more thoroughly

managed. As such, parking can become a powerful tool, creating land-use efficiencies (creating space for projects and amenities) and providing important aesthetic and safety-related improvements (provision of on-street parking, for example). The City's recent work in the Woodland District may provide an excellent template for managing parking in the Depot District, including shared parking strategies and location of on-street parking. More folks living in and near the Depot District means fewer visitors will need to drive to (and park) there; freeing land for exciting new features will help create a place more folks will want to live in or near - or drive to and visit. It's a dynamic that's never "solve-able", but very much worth managing.

Streetscapes

Land use shifts are expected to happen gradually in the Depot District, with public-realm work - primarily streetscape improvements - made to help catalyze them. Such improvements, illustrated in concept form in this plan, should establish and support land use transformations associated with an emerging university district. In particular, streetscape work referenced in Figure 3.08 includes:

- *Enhanced access to Saint Martin's, to and from the island crossing Pacific Avenue between Ruddell Road and Franz Streets, including a "Franz Street Promenade" will enable students to access restaurants, pubs, and shops in the Depot District.*
- *Enhanced streetscape and crossings along Lacey Boulevard, particularly between Ruddell Road*

and Franz Street, should make the District more accessible from existing neighborhoods to the south.

- *Creation of a "Green Street Corridor" design template, guiding public realm and land use improvements along Pacific Avenue. This would take advantage of the extensive, existing landscaping already fronting the Woodland Trail and along the SMU campus, and help create a more contiguous, beautiful (and very walkable) streetscape environment.*
- *Creation of an "Urban Boulevard" design template for Lacey Boulevard. Further research will need to guide this, but features are envisioned to include an improved bike lane and on-street parking (where appropriate and beneficial). As with Pacific Avenue, the streetscape here should seek a better balance between in-district/neighborhood needs and through-district commuter traffic, helping make the district feel far less isolated from surrounding neighborhoods.*

Transportation

Over the long term, enhanced city-wide connectivity will open a number of opportunities to make more transformative changes in the Depot District. Mid to short-term, several interventions are recommended to advance the plan's character, safety, and mobility goals. The following were prepared and are presented as preliminary concepts. Most or all would evolve as part of a



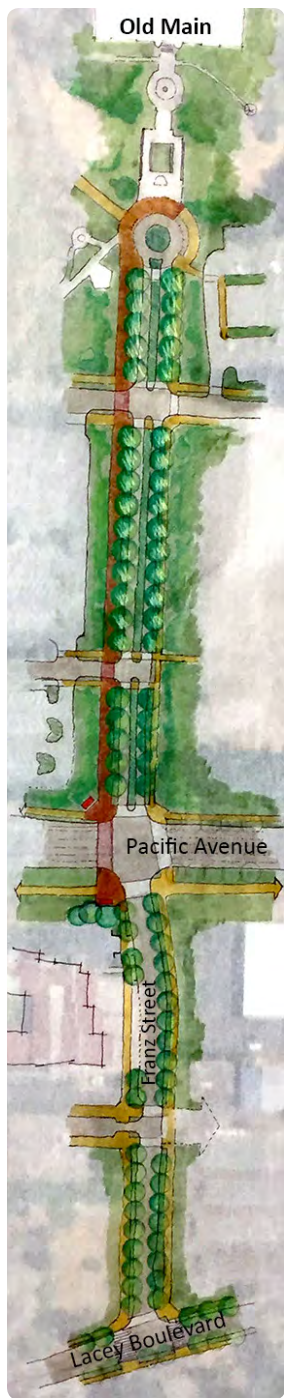


Figure 3.06 – Transformation of Franz Street into a gateway and promenade gained popular support in the studio and met with enthusiastic support from Saint Martin's University, providing a strong, identity-rich connection to the district's commercial core. (Source: Walker|Macy)



recommended right-of-way study for the district, leading actual implementation.

Pacific Avenue

Integrated with the streetscape considerations described earlier, consider removing one lane and the bike lane (as a stripe-only feature, this is currently seen as a "high stress" facility) and re-purpose the right of way to include enhanced pedestrian facilities, on-street parking, street trees, art, enhanced lighting, and other character building elements. Regardless, the City should work with Intercity Transit to ensure that fixed-route transit service is fully integrated into street design and function.

Lacey Boulevard

As part of the "Urban Boulevard" concept described in Figure 3.08, reallocate the 60-foot right of way to include narrowed eastbound lanes, parallel parking (likely on north side) and a 10-11 foot combined sidewalk/amenity zone on each side of the street. This option would examine removal of the bike lane in favor of directing cyclists to use the Woodland Trail, or (alternatively) sharrows, assuming actual speeds along Lacey Boulevard are reduced to 25 or 30 miles per hour.

North-South Connections

Look for ways to add north-south connections in the district to improve access to the couplet and the connection between SMU and uses along Lacey

Boulevard. Such concepts described in Figure 3.08 range from the Franz Street Promenade, to the neighborhood "access routes" that would prioritize locations where the district's visual look and feel would touch, as a type of entrance or gateway, bordering neighborhoods.

Interchanges

Better I-5 connections are already prioritized by the City, but these will also improve conditions the Depot District. The city has completed Interchange Justification Reports for Marvin Road and Martin Way. Ultimately, the city would also like to see an interchange at Carpenter Road, although they have not yet received much traction with the state and FHWA.

Couplet Considerations

Long-term, enhanced citywide connectivity will reduce pressure on the one-way couplet to facilitate regional traffic demands, allowing for consideration of more transformative change, such as the potential to re-establish two-way operations on Lacey Boulevard and Pacific Avenue. Such improvements may include future I-5 interchanges; north-south routes such as the concept of extending Bowker Street to Martin Way; and east-west connections perhaps facilitated by improvements to the 37th Avenue SE/Mullen Road corridor.

Transit Service

Some in City leadership have expressed an interest in a future trolley service to support in-district or intra-district (Depot District to Woodland District, for example) trips. This service could run along a widened Woodland Trail or perhaps along a new route from Franz Street crossing the SMU campus to 7th Avenue at College Street.

On a more regional scale, the City of Olympia's transit master plan envisions high-frequency transit service (every 15 minutes, 16 hours per weekday and 14 hours on weekends) along Pacific Avenue. The City of Lacey could partner with Intercity Transit to help make this a reality. To be a great host (and enhance the viability) of better transit, the Depot District should include strong pedestrian amenities and easy access to transit routes, as well as high quality transit shelters (especially at the major SMU campus stop). Other considerations may include amenities like off-board transit fare payment and transit signal priority.

Strategies

Fostering change in the Depot District will involve work on multiple fronts, including things that don't involve large investments for infrastructure. The following highlights strategies listed in Table 3.02, listed in no particular order:

Branding

Though it's very early in development, the Depot District has a unique and authentic history that





Figure 3.07 – *The vision and action items provided in this plan helps set the stage for district transformation, conveying expectations for public and private investment as need and opportunity arise. (Source: Studio Cascade, Inc.)*

cannot be replicated elsewhere. The area's rail, horse racing, lake recreation and educational history are all worthy factors in considering how to actively distinguish the district as a unique and compelling place within Lacey. Such work ("branding") will almost certainly begin with a district logo or identifying iconography, extended to signage, banners, and other features in the public realm. Over time (if successful), expressed branding efforts

will become less necessary, as public knowledge, land uses and a cohesive overall look and feel of the district convey the area's true identity.

Opportunity Sites

Figure 3.08 highlights areas identified as "Project Potential" sites, differentiated as existing on public or private land. Some, including the Franz Street Promenade concept, the Reserve at Lacey development and the site for the new Lacey Historic Museum are described elsewhere. Other key opportunity sites are:

City-Owned Properties

With so much of the district split into relatively small lots held by dozens of entities, it's important to capitalize on sites that are larger and well-placed to catalyze transformation. Such sites already owned and managed by the City are even more compelling. One such site that may be transformed in the short term includes the proposed museum site (discussed elsewhere) and potential food truck or other ad-hoc uses at the triangular eastern end of the island. The City's Public Works ("City Shops") facility at College Street and Pacific Avenue is a longer-term opportunity. At 5.7 acres in size, this site would be well-situated to create a critical mass of residential and neighborhood-serving commercial activity in the heart of the Depot District. To realize this opportunity, further examination including financial feasibility would be necessary. Projects like these would demonstrate the market potential for district housing and serve as a catalyst for nearby properties to redevelop. This

plan recommends the City examine all publicly-owned properties in the district, considering other locations for current uses, and use public lands to spur district transformation.

Lacey Downs Plaza

This private development, located along Lacey Boulevard near the eastern roundabout, seems far less vital and compelling than its location might otherwise provide. As the Reserve at Lacey takes shape, and as district improvements including streetscape work, the Woodland Trail and the museum/multi-purpose area (including the triangle facing the roundabout) are realized, re-shaping Lacey Downs seems an attractive opportunity. Anticipating this, the City should work to encourage developers to create a more urbanized look and feel for the site, coordinating private success with public (district) benefits.

Collaboration

Implementation efforts should include work with private property owners to help redevelop their properties. Many parcels throughout the district are small and are owned by families, small business owners and others who are not developers by trade. Proactive outreach to owners will help build consensus for the district's vision and identify opportunities for property consolidation - allowing multiple properties to join forces and enable more efficient/powerful outcomes than would be possible individually. This will require the dedication of City staff to serve as a business liaison, possibly in collaboration with real estate brokers and other resources.

Policy & Strategy Framework

The following presents a working vision, policy and strategy (actions) framework to guide plan implementation. These three tiers are successively more specific and detailed, and approximate an approach typical of comprehensive plans – which, like this subarea plan, are crafted to provide long-term guidance. This structure also aids in relating this plan to foundational policies adopted in the City's comprehensive plan. The City will consider these policy additions as part of its annual comprehensive plan update, using information here to modify the City's global policy as appropriate and inform capital facilities planning, transportation planning, zoning updates and other citywide actions.

Specific development and transportation objectives and features key to the strategy are incorporated into the policy framework and list of implementing actions.

Vision

Provided on (page 3.2), this indicates the general aim or purpose to be achieved. The vision is a direction setter – an ideal future end, condition, or state toward which planning and implementation measures are directed.



Policies

These are topic-specific statements providing guidelines for current and future decision-making. Policies do not regulate (as with code), but indicate a clear commitment by those implementing the plan. Policies help detail the vision through the addition of topical nuance and reflecting current conditions.

This plan provides policies in numbered form and are loosely organized by topic. In some cases, policies may reference specific areas of the district. The order in which they appear in no way implies timing or relative urgency.

Programs (Actions)

These are more specific, often budgetable steps envisioned or undertaken to implement subarea plan policy. Programs may include the development of more detailed or localized plans, work to implement policies, development of formal agreements, adoption of regulations or other strategies. Recommended strategies are provided in the Strategic Matrix (Table 3.02), numbered and arranged in topical fashion without respect to timing or urgency. Columns list each action, color-categorized by topic and recommended sequence - simply as "primary", "secondary" or "tertiary." Further columns provide rough timeframe recommendations for implementation and associated notes to aid implementation. Note that many of the programs reference other programs, or specific Catalyst or Right-of-Way items described on the plan concept map (Figure 3.08).

■ Depot District Policies

P.01 “Tame” Lacey Boulevard and Pacific Avenue with designs that:

- *Lower speeds.*
- *Improve the pedestrian environment.*
- *Improve the cycling environment.*
- *Create safe, comfortable pedestrian crossings.*
- *Create on-street parking where appropriate.*
- *Improves experience and service for transit users.*
- *Clarify navigability and turning lane assignments, aiding traffic flow.*

P.02 Create a Pacific Avenue that complements the district, including improvements that:

- *Help connect SMU and the study area, encouraging safe and convenient bike and pedestrian travel between the two.*
- *Help accommodate significant increases in pedestrian use in the Carpenter Road/Pacific Avenue area, linking this area to the district, to the Karen Fraser Woodland Trail and other nearby recreational assets.*

P.03 Improve motorized and non-motorized connectivity in all portions of the study area, facilitating:

- *Increased pedestrian use.*
- *Reduced congestion.*
- *Improved access and functional relationships within and between the study area and surrounding uses.*
- *Reduced scale of current “superblocks,” adding pedestrian and/or vehicular north-south connections between Pacific Avenue and Lacey Boulevard.*

P.04 Take the long view in assessing the City’s transportation network, improving system connectivity at a regional level to alleviate the need for Lacey Boulevard and Pacific Avenue to accommodate high peak hour volumes, providing for additional flexibility in street design.

P.05 Support actions that:

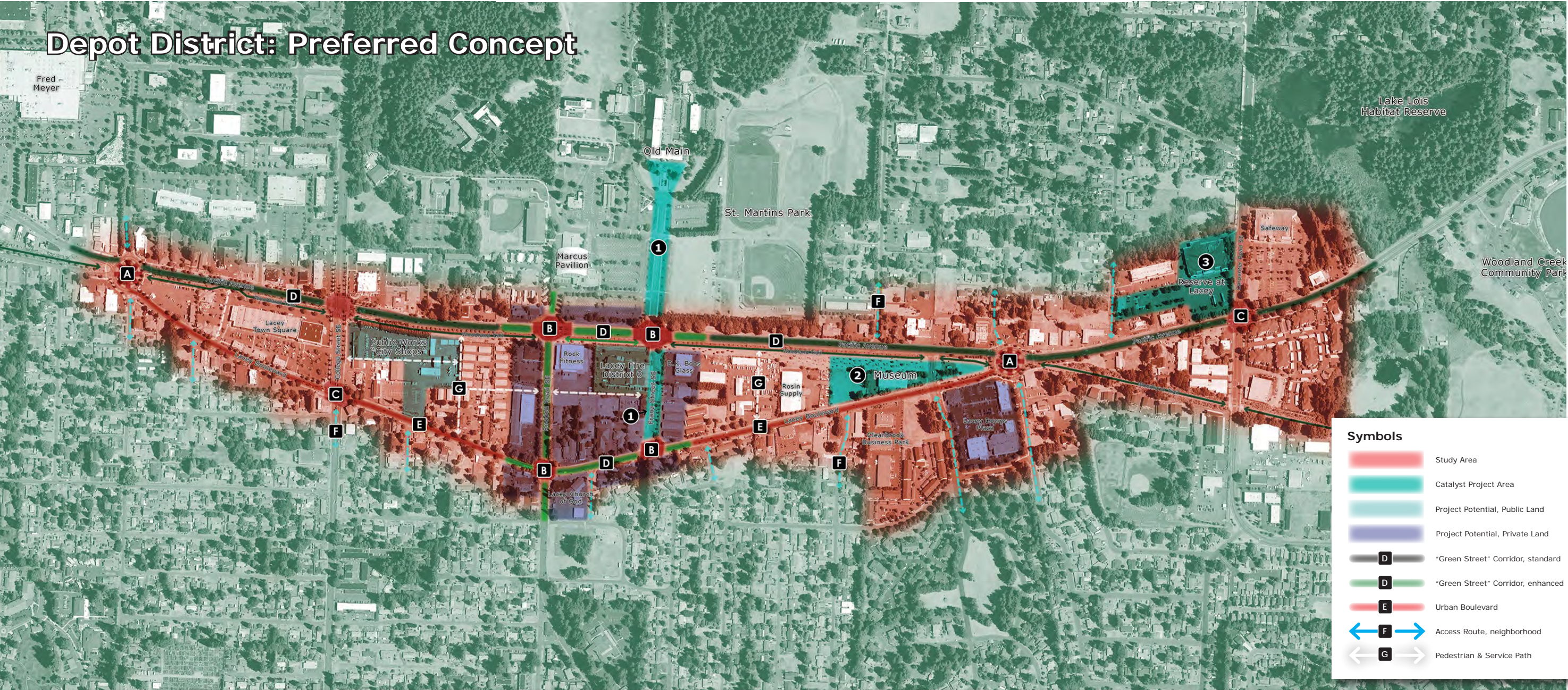
- *Optimize building frontage along public rights-of-way.*

- *Reduce surface parking, especially directly fronting public rights-of-way.*
- *Establish or preserve form and land use buffering between corridor and abutting uses.*
- *Identify and support compatible land uses within the district, especially at catalyst locations.*

P.06 Use corridor improvements to stimulate incremental reinvestment, facilitating:

- *Retention of locally-owned businesses.*
- *Diversity of land use.*
- *Partial or complete redevelopment of warehousing and storage sites into a mix of commercial, institutional, or residential uses.*
- *Blending of university and local activities, increasing the porosity of the campus edge.*

P.07 Coordinate district objectives with all related future plans, including the City’s Comprehensive Plan, corridor plans, transportation plans, transit plans and master plans for Saint Martin’s University.



Catalyst Projects

- 1 Franz Street Promenade** - This concept would greatly enhance visual and functional ties between SMU and the study area, creating a pedestrian-friendly promenade along Franz between Lacey Boulevard and the Old Main building on campus. Over time, land uses along the promenade would begin to change, taking advantage of this centerpiece feature.
- 2 Historic Museum Site** - This publicly-owned site is slated to house the new Lacey Historic Museum, but with so much potential, it's likely to become a multi-purpose "anchor" feature for the entire district. Options to consider include an indoor/outdoor farmers market, rentals for trail users, event space, catering facilities, a food truck park and more.
- 3 Reserve at Lacey** - This mixed-use project, located on the former "Old Lacey Square" site, is already underway. By 2019, 280 units will be ready for occupation, housing four hundred or more residents. Open exclusively to "active" seniors, the Reserve should greatly energize the district, the trail network and adjacent parks.

Right-of-Way Projects








- A "Gateway" Improvements** - The district's two roundabouts serve a number of functions, but to enhance their role as landmarks that really "frame" the district, this project would develop signature, centerpiece features closely associated with the district's emerging identity (Ref. A. 10, Table 3.02)

- B Intersection Improvements, Enhanced** - Long-term, this plan envisions the block between Ruddell and Franz, Lacey Boulevard and Pacific as an active, college/community hub - the centerpiece of the entire district. To begin the transformation, it's recommended these intersections get a major upgrade, helping frame the block, calm traffic, and giving students, residents and visitors the ability to cross Lacey Boulevard and Pacific easily and safely. Design specifics are to be determined, but it's imagined these would be top-tier crossings, including surface treatments, enhanced signage, landscaping and lighting. (Ref. A. 12, Table 3.02)
- C Intersection Improvements, Standard** - As above, these intersections present important opportunities to "frame" the district and signal to drivers they're in a very special part of Lacey. These locations would be designed to give cars and pedestrians equal priority - as well as offering district-specific visual cues - but with less district-specific design intensity than the "enhanced" variant above. (Ref. A. 12, Table 3.02)
- D Green Street Corridor (standard and enhanced)** - This design archetype, envisioned to apply to the length of Pacific Avenue, takes advantage of the extensive, existing landscaping already fronting the Woodland Trail and along the SMU campus. Other existing land uses, like the retail and service features to the east and west of the study area, would remain - and most likely benefit from this lush, very walkable pedestrian/vehicle environment. (Ref. A. 08, A. 12, Table 3.02)

- E Urban Boulevard** - This design archetype, envisioned along the length of Lacey Boulevard, would likely include an improved bike lane, on-street parking (where appropriate and beneficial). Designs would seek a better balance between in-district/neighborhood needs and through-district commuter traffic - and help make the district feel far less isolated from surrounding neighborhoods than it does today.
- F Access Route, Neighborhood** - The success of the district will in many ways depend on how well it relates to and is energized by folks that live nearby. These arrows indicate places where the City would strive to ensure there's well-designed and maintained sidewalks, landscaping, lighting and crosswalks, helping residents access the district and providing a sense of transition from quiet neighborhood to busier, more active district. (Ref. A. 10, Table 3.02)
- G Pedestrian & Service Path** - These are envisioned as narrow, alley-like routes through and between areas in the district, supporting things like small shops and restaurants - and making walking inside the "island" an easier, more pleasurable experience.

Figure 3.08 – This subarea plan map and strategy matrix (Table 3.02) identifies priority areas where investment and energies should be directed, stimulating change where appropriate and leveraging partners' efforts.








Table 3.02 - Strategic Matrix

Programs		Short 	Medium 	Long 	Notes
A	<p>(P.01) Streetscape Study: Coordinated with P.09, develop or refine streetscape standards for the study area, creating detailed guidelines that:</p> <ul style="list-style-type: none"> A. Reduce width and frequency of curb cuts, improving the visual and functional continuity of sidewalks. B. Provide continuous sidewalks of adequate width, encouraging pedestrian activity and storefront retail prosperity. C. Support sidewalk setbacks with landscape buffering, beautifying the corridor and improving pedestrian safety and comfort. D. Direct provision of pedestrian-scale lighting. E. Direct provision of street furnishings, including benches and trash bins. F. Improve delineation for bike lanes, improving user safety and comfort. G. Direct crosswalk design, improving pedestrian safety, calming traffic, reinforcing district extents and supporting access to key district features. H. Direct transit stop/shelter location and design, improving user safety and comfort. <p>(Ref. Catalyst Projects 1, 2; ROW Projects B -F, Figure 3.08)</p>				<p>C. Examples: fronting Meconi's; along College Street; fronting South Sound Bank/Papa John's.</p> <p>D. Prioritize areas shown as Catalyst Projects 1 and 2, ROW Projects B, C, D (enhanced), F in Figure 3.08; approximately one block west of east roundabout; one block west of east roundabout; between College Street and Franz.</p> <p>F. Surface treatment or physical separation, as viable/ appropriate.</p> <p>G. Per ROW Projects B and C, Figure 3.08, category designs for pedestrian crossings of Lacey Boulevard and Pacific Avenue.</p> <p>H. Designs should seek opportunities to incorporate and reinforce district branding.</p>
	<p>(P.02) Wayfinding Guidelines: Develop wayfinding guidelines for the district, including work that:</p> <ul style="list-style-type: none"> A. Identifies key destinations. B. Designs and locates wayfinding elements. C. Reflects or advances district iconography or "branding". <p>(Coordinate with P.16)</p>				<p>A. Examples: Museum; SMU sports pavilion and play fields; Karen Fraser Woodland Trail (Woodland Trail); Lake Lois; possible farmers market.</p>
A	<p>(P.03) Parking Management: Develop and enact parking standards that:</p> <ul style="list-style-type: none"> A. Establish tiered/location-specific requirements to reduce parking oversupply. B. Reduce or eliminate parking minimums. C. Establish sharing incentives for complementary or reciprocal parking. D. Incorporates available on-street parking. E. Reduce surface parking on private property, especially directly fronting public rights-of-way. 				

Key: "A" = Primary; "B" = Secondary; "C" = Tertiary;  = Streetscape;  = Mobility;  = City Policy;  = Land Use;  = Other

Table 3.02 - Strategic Matrix






(continued from pg. 3•23)

Programs		Short 	Medium 	Long 	Notes
B	(P.04) On-Street Parking: Coordinated with P.09 , locate and add on-street parking where feasible, supporting district land uses, calming traffic, buffering sidewalks from vehicular lanes and reducing parking impacts on adjoining neighborhoods. (Ref. ROW Project E, Figure 3.08)				Due to bike lane on south side of Lacey Boulevard, recommend parallel parking on north side of ROW.
A	(P.05) Land Use Policy: Evaluate and revise Lacey's Future Land Use Map, reinforcing policies that: A. Support mixed-use development compatible with educational staff and student populations. B. Encourage uses most compatible with the Karen Fraser Woodland Trail (Woodland Trail), SMU and higher-density housing. C. Improve compatibility with existing neighborhoods, selecting uses most likely to serve nearby residents and are well-suited to neighborhood-scale building envelopes. D. Help activate transformation in key areas.				A. Prioritize areas fronting Ruddell Road and Franz Street. B. Coordinate with P.08 . D. Prioritize areas fronting Ruddell Road and Franz Street; areas surrounding the eastern roundabout.
A	(P.06) Building Standards: Evaluate/update building standards that: A. Establish building frontage requirements that optimize building frontage, reinforcing the street edge and creating a distinct public realm "envelope." B. Update setback requirements to reinforce the pedestrian environment. C. Locate on-site parking in coordination with building frontage and setbacks, minimizing lot presence along the street edge. D. Restricts drive-through features for retail or service use.				D. Consider restrictions along all public rights-of-way in the study area. Review Woodland District restrictions as model.
B	(P.07) Gateway Features: Design and add "gateway" features that help define and signal entry to the district at the following locations: A. East and west roundabouts. (Ref. ROW Project A, Figure 3.08) B. Key entries to north and south neighborhoods. (Ref. ROW Project F, Figure 3.08) (Coordinate designs with P.16 , as appropriate)				B. Feature set may include elements that slow traffic into and from neighborhoods, offering aesthetic benefit and preventing excessive through-neighborhood traffic.

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Table 3.02 - Strategic Matrix

(continued from pg. 3•24)

Programs		Short 	Medium 	Long 	Notes
B	(P.08) Karen Fraser Woodland Trail: Review/update plans for the Woodland Trail, incorporating work with ROW Project "Green Street Corridor" (Item D, Figure 3.08) and including: A. Addition of pedestrian-scale lighting between roundabouts. B. Improved (mid-block) access between the Pacific Avenue right-of-way and the trail. C. Access, land use and build-to guidelines for features and land uses abutting the trail, especially between the east and west roundabouts. D. Strategies that relate the trail to its rail history, including passenger and freight destinations. E. Improvements to delineate, connect improve continuity and crossing conditions at the east and west roundabouts.				C. Consider land uses fronting the Woodland Trail that foster dynamic use patterns including mixed-use buildings, pubs and restaurants, active wear retailers, bike shops and coffee bars. E. Address disruptions of the trail's visual and functional continuity at these locations.
	(P.09) Transportation Design: Coordinated with P.01, study and implement transportation modeling and design work that: A. Reduces the width or number of travel lanes on Lacey Boulevard and Pacific Avenue. (Ref. ROW Projects D, E, Figure 3.08) B. Establishes strategies to alleviate regional peak hour flow on the couplet, enhancing the regional network and access to Interstate 5. C. Evaluates and recommends strategies for improved connectivity, district-wide. D. Evaluates and recommends long-term strategies to realize an east/west mid-block "alley" feature between the museum site and College Street. (Ref. ROW Project G, Figure 3.08) E. Evaluates development of a dedicated bus lane along Pacific Avenue. F. Simplifies lane configuration and orientation on Lacey Boulevard, making through-travel more efficient and intuitive. (Ref. ROW Project E, Figure 3.08) G. Seeks and locates opportunities for landscaped "refuge islands", helping beautify the district, calming traffic and improving crossing conditions for pedestrians. (Ref. ROW Projects B, C, D, E, Figure 3.08) H. Examines and specifies design enhancements implementing intersection improvements described in the Preferred Concept Map (Ref. ROW Projects B, C, Figure 3.08)				G. Potential along College Street and Franz Street between Pacific Avenue and Lacey Boulevard; as feasible at key pedestrian crossings.

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Table 3.02 - Strategic Matrix

(continued from pg. 3•25)

Programs		Short	Medium	Long	Notes
B	<p>(P.10) Franz Street Promenade: With Saint Martin's University (SMU), design and implement streetscape improvements that:</p> <p>A. Establish a major north-south pedestrian and vehicular axis ("promenade") along Franz Street, and crossing Pacific Avenue.</p> <p>B. Highlight terminal views of SMU's Old Main building.</p> <p>C. Provide significant landscape improvements along Fr. Mienrad Gaul Drive and Franz Street between Pacific Avenue and Lacey Boulevard.</p> <p>D. Compliment land use shifts that may emerge along Franz Street.</p> <p>E. Establish a distinct "U-district" look and feel along SMU's Pacific Avenue frontage and along Franz Street.</p> <p>(Ref. Catalyst Project 1; ROW Project B, Figure 3.08)</p>				See Figure 3.14, accessory materials packet for conceptual illustration of the Franz promenade.
A	<p>(P.11) Market Development: Identify and implement programs and strategies that:</p> <p>A. Identify key opportunities for the City and partner agencies to acquire and consolidate land for eventual redevelopment.</p> <p>B. Support collaboration with SMU for staff and student housing, and for compatible commercial and business uses.</p> <p>C. Create incentives for development replacing existing surface lots.</p> <p>D. Identify opportunity sites for development of priority land uses, including senior, workforce, student and market-rate housing types, live/work "maker space" and neighborhood-scale retail.</p> <p>E. Provide guidance and explore incentives supporting redevelopment of existing and older shopping centers, transforming these into walkable, feature-rich assets.</p> <p>F. Spur redevelopment coordinated with community objectives, potentially including tax deferrals, impact fee waivers, or transfer of development rights subject to detailed fiscal analysis and determination of effectiveness.</p>				D. Consider options for D.K. Boos Glass facility, retaining existing use while adding other beneficial uses.

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Table 3.02 - Strategic Matrix

Programs		Short 	Medium 	Long 	Notes
B	<p>(P.12) Public Properties: Evaluate potential to re-purpose or modify functions on all City-owned properties within the study area, supporting redevelopment coordinated with district objectives (i.e., mixed-use housing, food-based and experiential retail).</p> <p><i>(Coordinate with P.15)</i></p>				<p><i>Alternative uses for the City's shop facility at College Street and Pacific Avenue are opportune, but studies including a market study, site analysis, a Level One Environmental Assessment, and request for development proposal with development agreement are advised. Further examination would be necessary to relocate the shop facilities, including a feasibility/needs analysis prior to conducting the steps noted above. The City of Olympia spent approximately \$200K for similar analysis of their PW Operations facility. Based on cost estimates for local WSDOT and City of Olympia facilities, shops relocation could cost \$50M - \$60M.</i></p>
C	<p>(P.13) Development Assistance: Create a development assistance program to help property and business owners:</p> <p><i>A. Assemble a redevelopment proposal.</i></p> <p><i>B. Find resources to design and finance their plans.</i></p> <p><i>C. Remain in business during the transition.</i></p>				
A	<p>(P.14) SMU Partnership: Elevate Saint Martin's University's role and relationship with the City by:</p> <p><i>A. Creating a City/SMU coordinating committee.</i></p> <p><i>B. Encouraging/working with SMU to update its long-range master plan.</i></p>				
A	<p>(P.15) Depot Museum Site: With the Lacey Historic Society and Commission, work to identify and promote use options at the new museum facility and grounds, expanding its draw and overall value to the larger community.</p> <p><i>(Ref. Catalyst Project 2; coordinate with Catalyst Project 3, coordinate with ROW Projects A-G, Figure 3.08)</i></p>				<p><i>Options to consider include train-themed playground; trailhead; community events; indoor or outdoor farmers market; concession sales (outside or depot); bike rentals; event space rental; catering facilities; food truck park.</i></p>
C	<p>(P.16) Branding: Develop, create and implement a district "brand", with an emphasis on:</p> <p><i>A. Saint Martin's University.</i></p> <p><i>B. Lacey's history.</i></p> <p><i>C. Other key features.</i></p> <p><i>(Coordinate with P.02)</i></p>				

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