



OWNER & OCCUPANT SURVEY RESULTS AND SUMMARY

LACEY | NEIGHBORHOOD COMMERCIAL DISTRICTS

CITY OF LACEY, WASHINGTON

June, 2023



DISTRICT BACKGROUND

First adopted in 1980, Neighborhood Commercial Districts were created to allow for convenience stores and gas stations with a limited number of pumping nozzles.

In the years since, these districts have been reviewed and updated to reflect changing needs and community priorities.

Major reviews and updates over the last 35 years:

- 1995: *Dimensional and design requirements*
- 2004: *Landscaping and parking standards*
- 2008: *Lacey Comprehensive Plan Update*
- 2013: *Sustainable Thurston Plan*
- 2015: *Community Market Study*
- 2016: *Pedestrian accessibility and access*

Each of these reviews and updates included significant participation and guidance from the Lacey community.

Based on this community guidance, the Neighborhood Commercial Districts have evolved into the districts we see today.

Intent section of the Neighborhood Commercial Districts (LMC 16.36.010):

- A) Provide opportunity for commercial uses in residential areas catering to day to day needs of consumers for a limited range of convenience goods and services;
- B) Limit commercial facilities size, bulk, and locations as to serve a large number of persons in a relatively small geographic area.
 - *Pedestrian accessibility shall be a major criterion in the location of neighborhood commercial facilities;*
- C) Limit such development to areas where local economic demand, citizen acceptance and appropriate design solutions assure compatibility with the neighborhood.

OWNER/OCCUPANT QUESTIONS

A successful engagement process harnesses the community's energy and promotes ownership, while adapting to new insights and feedback. Stakeholders and community members supply the local knowledge, context, and information necessary to make informed project decisions. Engagement of the residents and businesses who regularly visit and operate within these districts is a key factor in the success of this update.

Thirty-six businesses, property managers, and land owners were identified as operating within one of the existing Neighborhood Commercial Districts within the City of Lacey. To gain a stronger understanding of what it takes to operate a business within these districts, city staff conducted door-to-door outreach, encouraging tenants to share their experiences and perspectives with the project team. Two follow-up emails were sent to all registered businesses, encouraging them to participate in this update via an online survey.

In total, over 36% of those business that were contacted, shared feedback through the survey. The project team will use the collected input to inform and drive project tasks moving forward.

Online Survey

The survey consisted of both multiple-choice (MC) and open-ended (OE) questions focusing on community characteristics and the role of Neighborhood Commercial Districts within the community. A total of 12 participants provided feedback within the survey. The survey questions are listed below, with a summary of the responses to each question provided on the following pages.

PROXIMITY & ACCESS

1. What Neighborhood Commercial District is closest to where you own, operate, work, or primarily conduct business? (MC)
2. Please estimate the percent of customers who drive to your location (OE)

SUPPORT & VALUES

3. In what ways can Neighborhood Commercial Districts support and strengthen neighborhood communities and businesses (OE)
4. Please identify your level of agreement with the following statements as they relate to Neighborhood Commercial Districts? (MC)
5. Can you think of any example areas or districts that you would like to see our Neighborhood Commercial Districts modeled after? (OE)

BARRIERS & NEEDS

6. What do you see as the barriers to neighborhood commercial development in Lacey? (OE)
 - What suggestions do you have for achieving the community vision within these areas? (OE)

OTHER IDEAS & COMMENTS

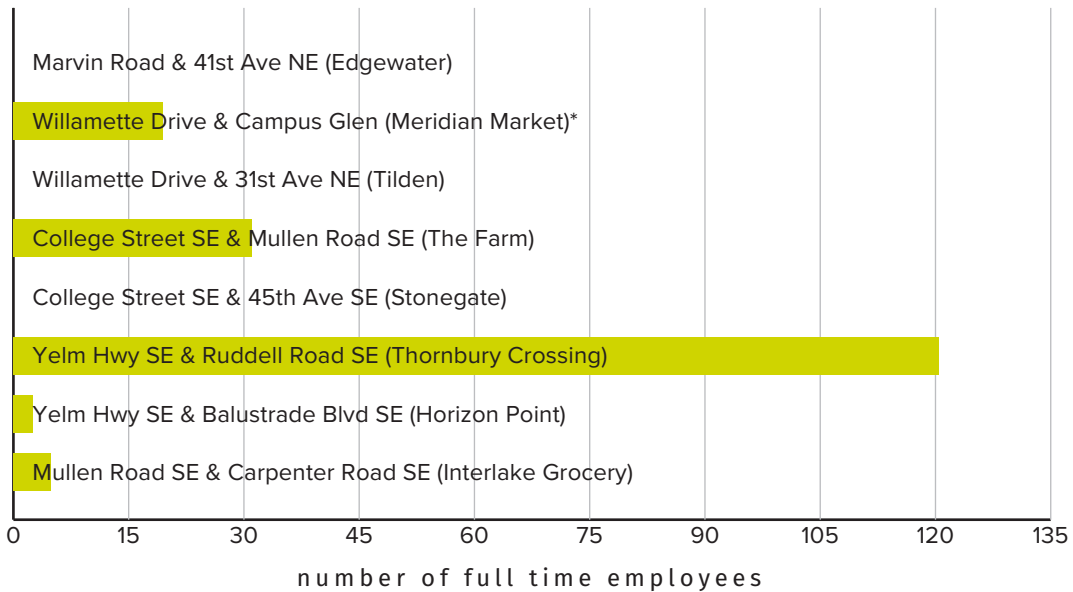
7. An open field for anything else participants may wish to share with the project team? (OE)

COMMERCIAL DISTRICT CHARACTERISTICS

DISTRICT LOCATIONS & EMPLOYMENT

Of the 36 businesses contacted as part of this outreach, the greatest number of them were located within the Thornbury Crossing District (17 in total). Businesses at this location include restaurants and coffee shops, medical clinics and dentists, financial institutions, personal care services, and a gas station.

Approximately 157 full time employees (FTE) work within these districts, with an estimated 97% of employees and patrons electing to drive to each destination over alternative modes of transportation.

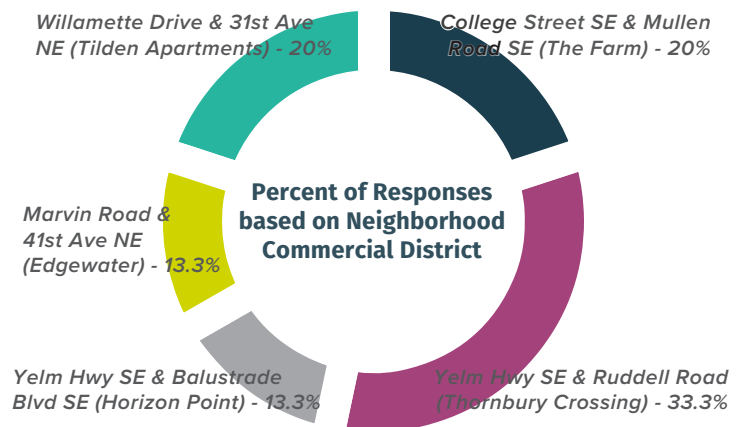


It is worth noting that some of these locations are currently undeveloped, or partially developed, with only two locations (The Farm & Thornbury Crossing) representing more than a 50% build-out of the available land within the district. On average, businesses estimate approximately 94% of customers drive to their location.

**While still in review, Meridian Market FTE numbers were estimated based on the proposed uses submitted at the time of this report.*

While the survey was widely distributed (in a range of printed and digital formats), districts with a greater number of businesses had higher participation rates than those districts with a fewer number of businesses.

Stonegate, Meridian, and Interlake did not receive location specific feedback as part of this outreach effort.



NEIGHBORHOOD COMMERCIAL DISTRICT VALUES

SUPPORTING NEIGHBORHOOD COMMUNITIES

Respondents were asked, “In what ways can Neighborhood Commercial Districts support and strengthen neighborhood communities and businesses?” A snapshot of responses that represent the greater sentiment is captured in the word cloud below; the relative size of each word indicates how frequently those words showed up in open-ended responses. Below the word cloud are some representative quotations from the pool of responses that illustrate the range of sentiments expressed.



REPRESENTATIVE RESPONSE THEMES

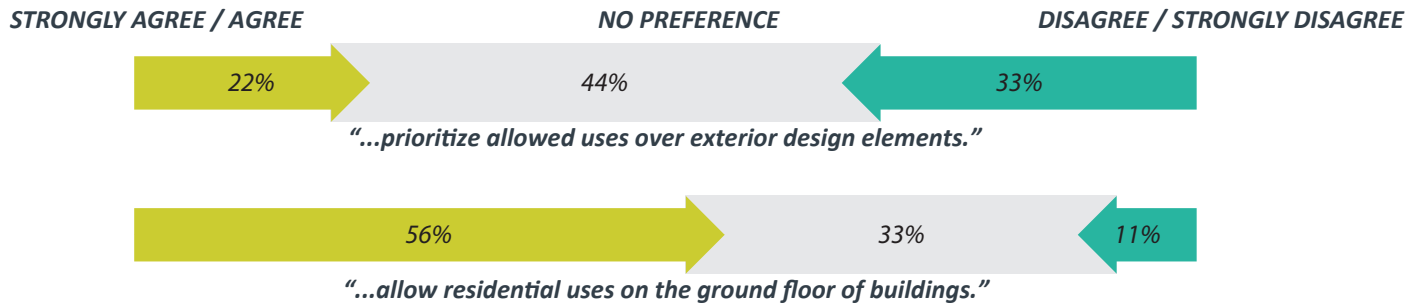
- Neighborhood Commercial districts should allow greater flexibility for housing options to support neighborhood communities and businesses.
- There is a need for safe and clean environments, with a focus on cleaning up unsightly trash and litter.
- Heightened vehicle/shipping traffic concerns (modal conflicts in neighborhood settings: walkers, bikers, cars, trucks, etc.)
- Increased density in housing within walking distance of commercial areas can cater to the needs of communities.
- Neighborhood Commercial zones should be assessed individually, as each potential site varies greatly in terms of suitability for other commercial zones or multifamily locations.

**Full comment results can be found starting on page 3 of Appendix B*

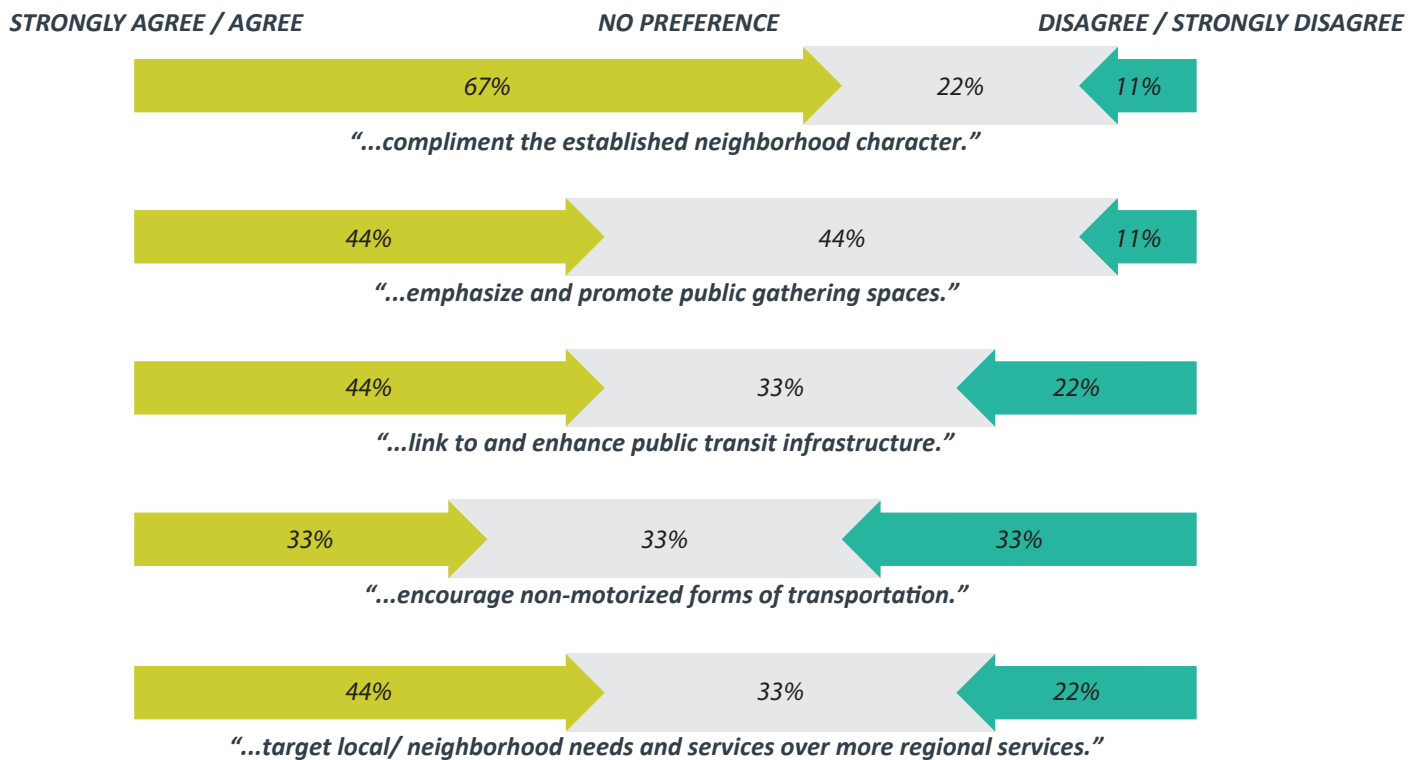
NEIGHBORHOOD COMMERCIAL DISTRICT VALUES

EXISTING CODE ELEMENTS

Respondents were asked to “Identify their level of agreement with the following statements as they relate to Neighborhood Commercial Districts.” Participants could select from “Strongly Agree”, “Agree”, “No Preference”, “Disagree”, or “Strongly Disagree”.



Results from the first two questions within this section were less balanced than they were within the community wide survey. Participants in the commercial tenants survey prioritized exterior design elements over allowed uses. For residential uses on the ground floor, a majority of respondents expressed a preference for making this an allowed use.



Results from the remaining questions within this section (although sometimes less emphatic) generally align with existing themes as written within the Neighborhood Commercial District Code.

NEIGHBORHOOD COMMERCIAL DISTRICT VALUES

EXAMPLE/MODEL DISTRICTS

Respondents were asked, “Can you think of any example areas or districts that you would like to see our Neighborhood Commercial Districts modeled after?” A snapshot of responses that represent the greater sentiment is captured in the word cloud below; the relative size of each word indicates how frequently those words showed up in open-ended responses.

Below the word cloud are some representative sentiments from the pool of responses that illustrate the range of sentiments expressed.



REPRESENTATIVE RESPONSE THEMES

- The Main Apartments in Sumner serve as a model for flexible infrastructure, where residential spaces are leased out with small home-based businesses.
- Live/work spaces for low- to mid-density neighborhoods allow for a balance between housing concerns and access to amenities.
- Site capacity and scale limitations increase the need for more site specific approaches.
- Ruston Way, in Tacoma.
- Briggs Village in Olympia increased housing to better support commercial uses within a compact area.

**Full comment results can be found starting on page 8 of Appendix B*



Appendix B

OWNER & OCCUPANT SURVEY RESULTS

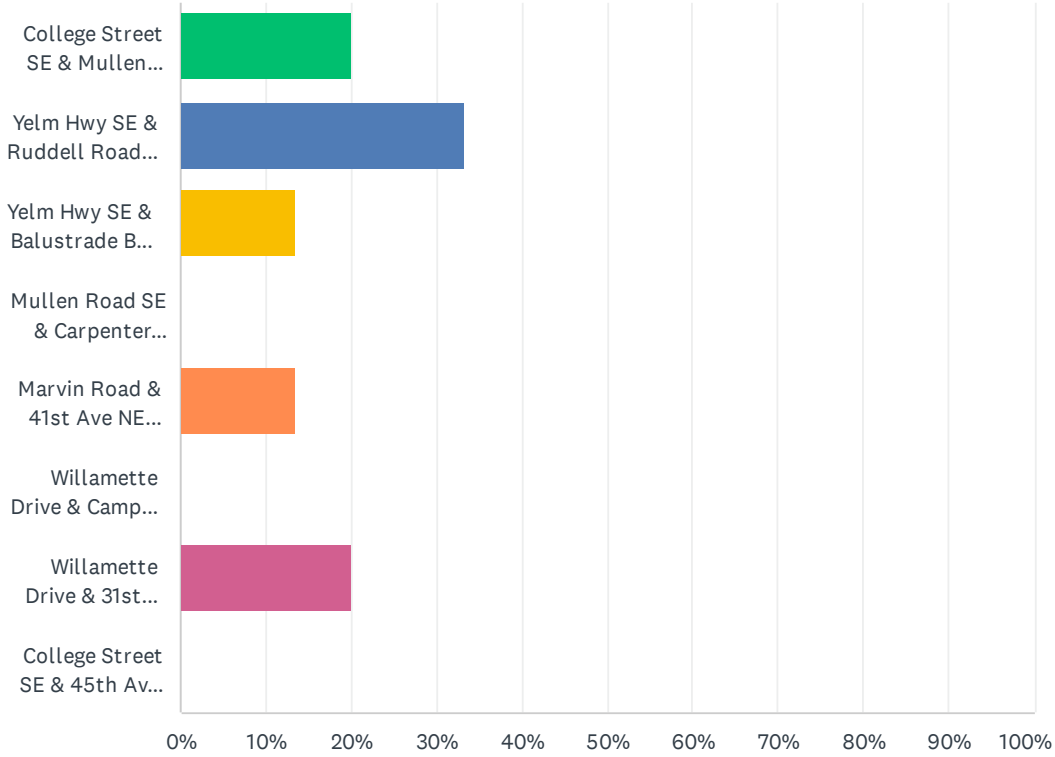
Q1 What is the name of the business or company you work for, represent, or are affiliated with?

Answered: 15 Skipped: 0

#	RESPONSES	DATE
1		5/31/2023 3:35 PM
2		5/26/2023 9:54 AM
3		5/22/2023 1:56 PM
4		5/10/2023 3:35 PM
5		5/10/2023 2:52 PM
6		5/2/2023 8:14 AM
7		5/2/2023 7:57 AM
8		5/1/2023 9:14 PM
9		5/1/2023 7:21 PM
10		4/26/2023 3:45 PM
11		4/26/2023 2:00 PM
12		3/30/2023 4:29 PM
13		3/27/2023 3:27 PM
14		3/27/2023 3:05 PM
15		3/21/2023 10:28 AM

Q2 Which of these locations is closest to where you own, operate, work, or primarily conduct business?

Answered: 15 Skipped: 0



ANSWER CHOICES	RESPONSES	
College Street SE & Mullen Road SE (The Farm)	20.00%	3
Yelm Hwy SE & Ruddell Road SE (Thornbury Crossing)	33.33%	5
Yelm Hwy SE & Balustrade Blvd SE (Horizon Point)	13.33%	2
Mullen Road SE & Carpenter Road SE (Interlake Grocery)	0.00%	0
Marvin Road & 41st Ave NE (Edgewater)	13.33%	2
Willamette Drive & Campus Glen (Meridian Market)	0.00%	0
Willamette Drive & 31st Ave NE (Tilden Apartments)	20.00%	3
College Street SE & 45th Ave SE (Stonegate)	0.00%	0
TOTAL		15

Q3 In what ways can Neighborhood Commercial Districts support and strengthen our neighborhood communities and businesses?

Answered: 7 Skipped: 8

#	RESPONSES	DATE
1	The City of Lacey is pro-housing as outlined in the Lacey Comprehensive Plan, advocating for high-density with "diverse" housing options like townhouses, accessory dwelling units, duplexes, triplexes, tiny homes, condominiums, and multi-family buildings. Neighborhood Commercial districts need to allow greater flexibility for diverse housing options to address this priority. Residential housing is critical in supporting our neighborhood communities and current businesses.	5/31/2023 3:38 PM
2	Provide safe environs and clean up of unsightly trash and litter.	5/10/2023 3:42 PM
3	The intersection of College and Mullen is the site of too many car crashes. Also students need another location to wait for papick up than the Farm's parking lot.	5/2/2023 8:18 AM
4	My experience has been an failed to produce positive results. I was required to build a building that has been 100% vacant for about two years now	5/2/2023 8:06 AM
5	Nothing	5/1/2023 9:15 PM
6	They can provide increased density in housing located within walking distance of commercial components that fit the needs within the communities they are located in.	3/27/2023 3:54 PM
7	Neighborhood Commercial zones should not be blanket zones - each potential neighborhood commercial site varies greatly from location to location. Some do have potential for other commercial zones and some do not. Some have buffer requirements that do not allow retail to be visible, present or easily accessible and should be considered as multifamily locations or comparable.	3/27/2023 3:10 PM

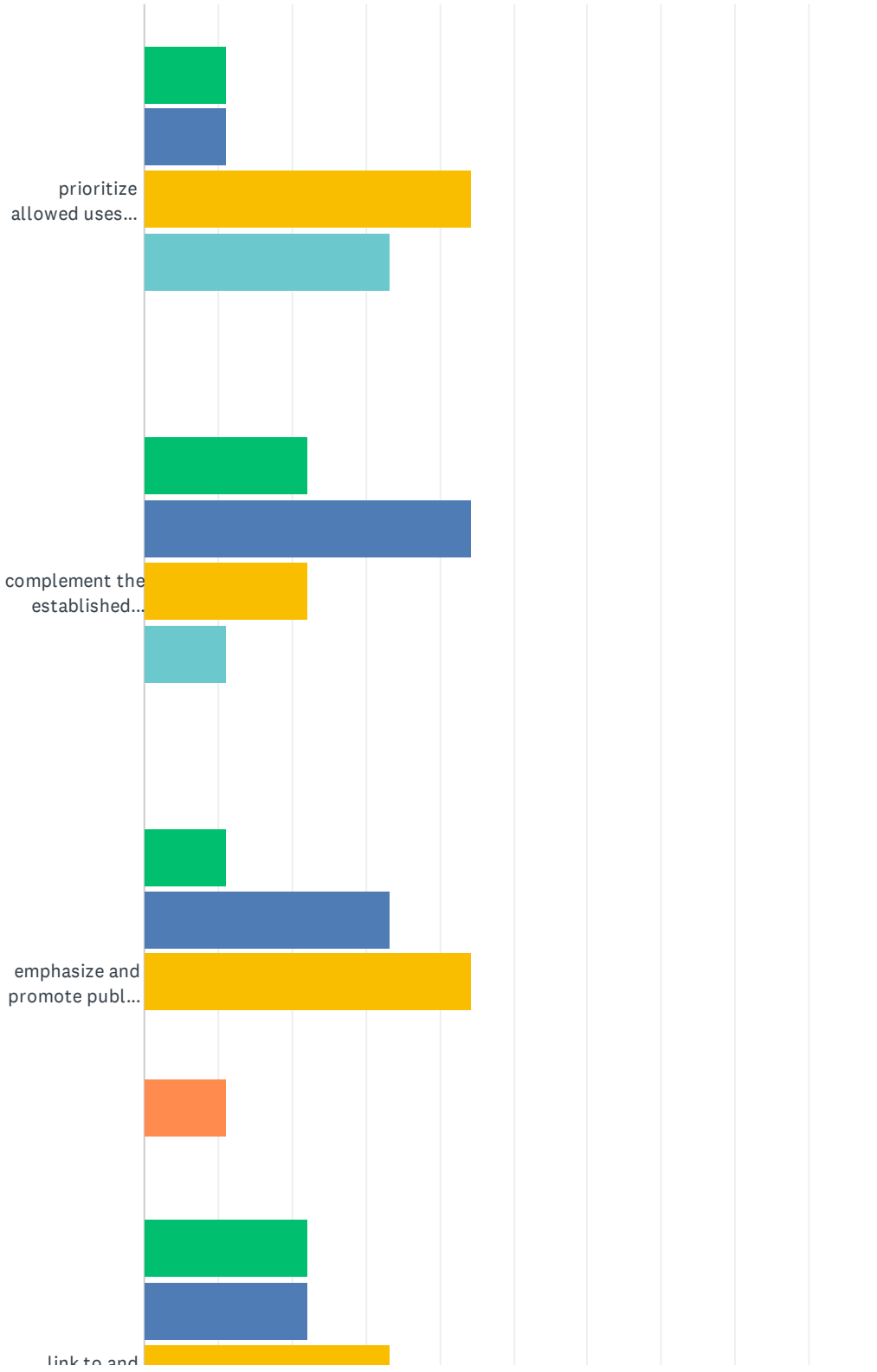
Q4 What do you see as the barriers to neighborhood commercial development in Lacey? What suggestions do you have for achieving the community vision within these areas?

Answered: 8 Skipped: 7

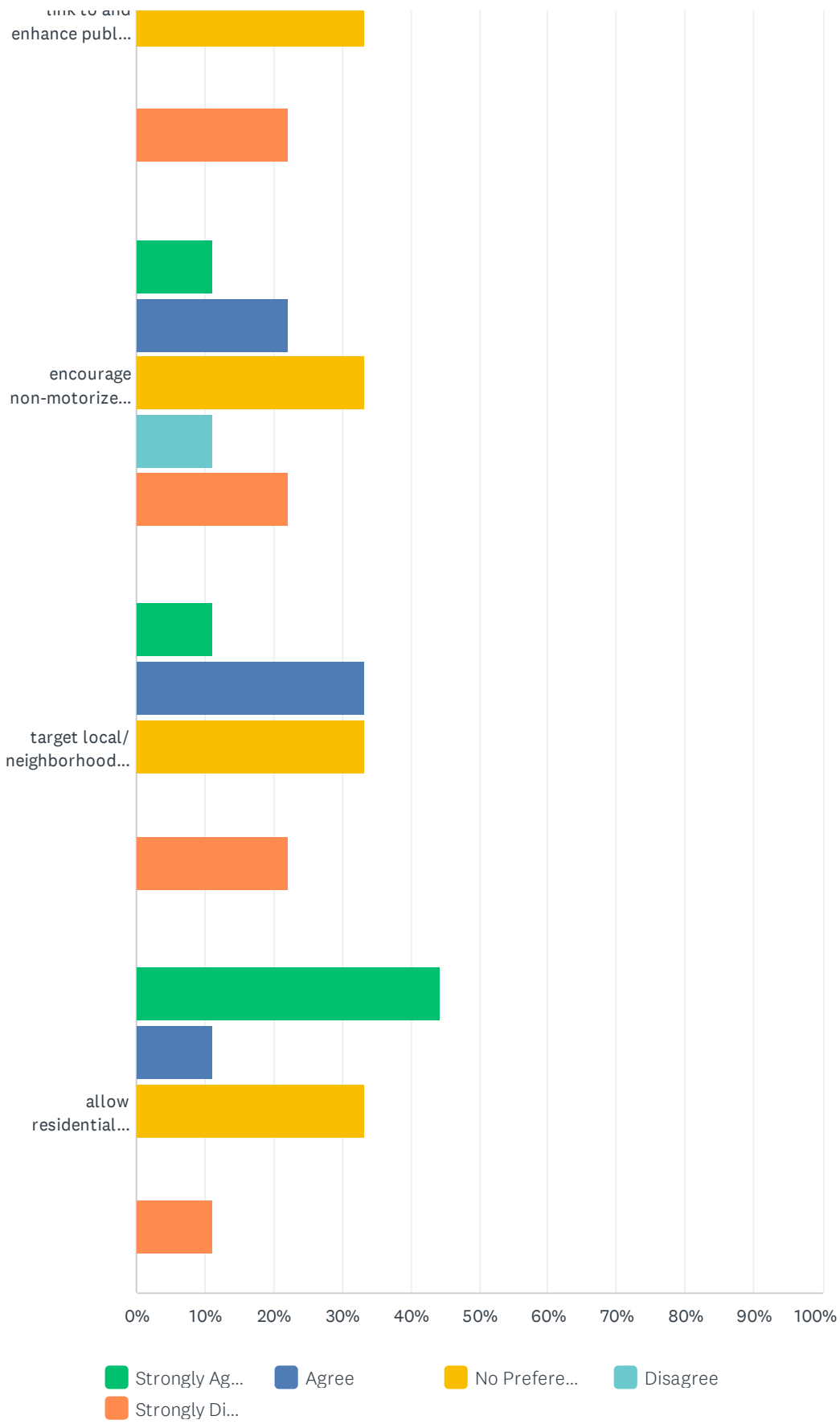
#	RESPONSES	DATE
1	There is already existing commercial in these areas, and without the market demand the economic feasibility of this neighborhood type is difficult at best for developers to move forward. Proving more opportunities for additional diverse housing types will help strengthen the existing neighborhood commercial and support the local businesses.	5/31/2023 3:38 PM
2	Traffic Patterns	5/26/2023 9:57 AM
3	Primarily individuals who live outside the areas in which proposed developments. Tax dollars and appropriate non-wasteful spending.	5/10/2023 3:42 PM
4	Homeless settlements. Lack of consistency in the care and quality of housing. Need for more bike lanes and paths.	5/2/2023 8:18 AM
5	My project lacks enough parking to draw viable tenants while my adjacent project (a self storage business) needs to expand to meet the community's demand.	5/2/2023 8:06 AM
6	Nothing	5/1/2023 9:15 PM
7	The location of the 41st and Marvin (edgewater site) is very challenging to attract a commercial component. The Marvin property is particularly challenging for retail as we are not allowed to directly access either 41st or Marvin Rd due to a required 50-foot tree tract along Marvin Rd and transportation saying we can't access the site off 41st and will need to use Edgewater Blvd for site access. Retail needs to be on the 41st and Marvin roundabout side for visibility, however, due to the tree tract requirements and access, we must push retail to the "soft corner" making this site particularly challenging to get end users. This particular site is unique to the commercial challenge, removing the ground floor commercial requirement for all buildings and having the market drive the tenancy would be better. For example, only one building might end up with ground floor commercial within the development based on what the market can sustain for this location.	3/27/2023 3:54 PM
8	The footprint of buildings and requirement for mixed use projects in areas they should not be seems counterproductive to the City of Lacey's proactive involvement in development. The zone as it reads today appears much more restrictive and 'stuck' in a dream world that is not economically viable or physically attractive to the neighboring communities.	3/27/2023 3:10 PM

Q5 Please identify your level of agreement with the following statements as they relate to Neighborhood Commercial Districts: Neighborhood Commercial Districts should ...

Answered: 9 Skipped: 6



Neighborhood Commercial District Tenants



Neighborhood Commercial District Tenants

	STRONGLY AGREE	AGREE	NO PREFERENCE	DISAGREE	STRONGLY DISAGREE	TOTAL
prioritize allowed uses over exterior design elements	11.11% 1	11.11% 1	44.44% 4	33.33% 3	0.00% 0	9
complement the established neighborhood character	22.22% 2	44.44% 4	22.22% 2	11.11% 1	0.00% 0	9
emphasize and promote public gathering spaces	11.11% 1	33.33% 3	44.44% 4	0.00% 0	11.11% 1	9
link to and enhance public transit infrastructure	22.22% 2	22.22% 2	33.33% 3	0.00% 0	22.22% 2	9
encourage non-motorized forms of transportation	11.11% 1	22.22% 2	33.33% 3	11.11% 1	22.22% 2	9
target local/ neighborhood needs and services over more regional services	11.11% 1	33.33% 3	33.33% 3	0.00% 0	22.22% 2	9
allow residential uses on the ground floor of buildings	44.44% 4	11.11% 1	33.33% 3	0.00% 0	11.11% 1	9

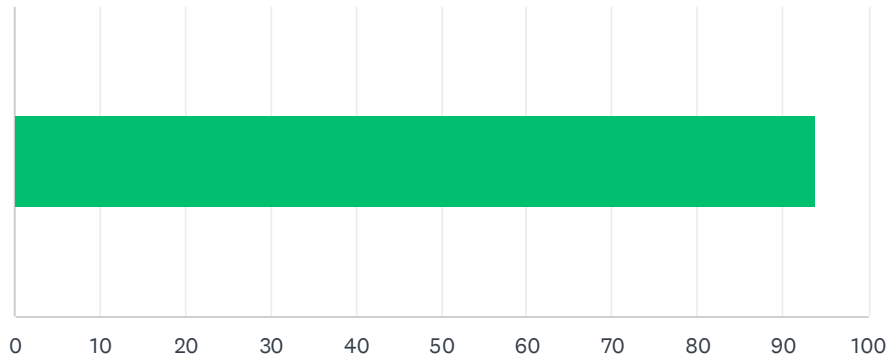
Q6 Can you think of any example areas or locations that you would like to see our Neighborhood Commercial Districts modeled after? (please identify locations and what you like about them)

Answered: 5 Skipped: 10

#	RESPONSES	DATE
1	Projects like The Main Apartments in Sumner were built to commercial standards. The same scale isn't feasible in every neighborhood, but the design intent provides a great framework for flexible infrastructure. They're leased out as residential spaces with the option to operate small businesses from home. They're a good middle ground for low- to mid-density neighborhoods that have a need for both commercial space and housing. We can still address growing housing concerns without compromising access to amenities. Flexibility is critical in these transitional periods.	5/31/2023 3:38 PM
2	No	5/10/2023 3:42 PM
3	Ruston Way in Tacoma. Henderson and Yelm Hwy	5/2/2023 8:18 AM
4	I would plead for you to abandon the social engineering, it's not working. I expect to be forced to terminate the utilities and board this building up any day now.....	5/2/2023 8:06 AM
5	Briggs Village in Olympia - initially was not to have residential on the ground floor but after significant struggles and a stagnant project the developer was able to get some adjustments to the previous requirements as well as modify other uses on site to be complimentary to the additional residential onsite.	3/27/2023 3:10 PM

Q7 Please estimate the percent of customers who drive to your location

Answered: 8 Skipped: 7



ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
	94	750	8
Total Respondents: 8			

#		DATE
1	80	5/31/2023 3:38 PM
2	90	5/26/2023 9:57 AM
3	100	5/10/2023 3:42 PM
4	90	5/2/2023 8:18 AM
5	100	5/2/2023 8:06 AM
6	100	5/1/2023 9:15 PM
7	100	4/26/2023 3:51 PM
8	90	3/27/2023 3:10 PM

Q8 This space is available for anything else you would like to share with the project team.

Answered: 6 Skipped: 9

#	RESPONSES	DATE
1	Lacey is neighborly. We should be tasteful in our approach toward commercial zoning and try to integrate the nature of our existing neighborhoods into our next steps. Ground floor, hybrid, mixed-use, resident-driven, local businesses. Let the community drive its own growth and culture, that's the most sustainable way to grow and stay true to the roots and values of these communities. Let's build some housing that funds the retail and really give the projects a chance to thrive.	5/31/2023 3:39 PM
2	Avoid whimsical or politically charged ordinances.	5/10/2023 3:43 PM
3	Parking structures over parking lots.	5/2/2023 8:19 AM
4	My location is not feasible for this use.....	5/2/2023 8:08 AM
5	The requirement for all free standing multifamily buildings to be capped at 10,000 sf. This is very challenging to provide a three story walk up with this limiting of a square footage, which is the tradition apartment style. The building ends up being around 10 units and we would have to construct more free-standing buildings to get density needed to make the site pencil. It would be very helpful to add language that all buildings can be up to 40,000 sf and the market should drive how much retail would be required and in which building. All buildings of that size should not have the retail required.	3/27/2023 3:55 PM
6	City of Lacey has won awards related to the missing middle housing crisis - why wouldn't they want to utilize any note amendment to also champion this aware in making more residential units available to the community?	3/27/2023 3:11 PM

Q9 As we move forward with this update, we will be reaching back out with additional opportunities to participate. Feel free to share your email if you would like to receive project updates directly.

Answered: 4 Skipped: 11

ANSWER CHOICES	RESPONSES
Name	0.00% 0
Company	0.00% 0
Address	0.00% 0
Address 2	0.00% 0
City/Town	0.00% 0
State/Province	0.00% 0
ZIP/Postal Code	0.00% 0
Country	0.00% 0
Email Address (not required)	100.00% 4
Phone Number	0.00% 0

#	NAME	DATE
	There are no responses.	
#	COMPANY	DATE
	There are no responses.	
#	ADDRESS	DATE
	There are no responses.	
#	ADDRESS 2	DATE
	There are no responses.	
#	CITY/TOWN	DATE
	There are no responses.	
#	STATE/PROVINCE	DATE
	There are no responses.	
#	ZIP/POSTAL CODE	DATE
	There are no responses.	
#	COUNTRY	DATE
	There are no responses.	
#	EMAIL ADDRESS (NOT REQUIRED)	DATE
1	mfarrell@tarragon.com	5/31/2023 3:39 PM
2	tswanson@laceyautobody.com	5/2/2023 8:08 AM

Neighborhood Commercial District Tenants

3	tbradley@ldccorp.com	3/27/2023 3:55 PM
4	ryan.haddock@kidder.com	3/27/2023 3:11 PM
#	PHONE NUMBER	DATE
	There are no responses.	