

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING  
MINUTES OF MEETING  
November 3, 2011 Page 1**

**CONVENE:** 5:35 p.m.

**PRESENT:** **Focus Group Members:** Marcus Glasper, Planning Commission; Tom Oliva, Councilmember; Michael Cade, Thurston EDC; Mike Reid, Port of Olympia; Marjorie Price, Tumwater Chamber of Commerce; Troy Dana, Brewery Representative; and Citizens Rob Kirkwood, David Read, Mike Crowe, Gary Wilburn, Walter Jorgenson, and Eric Kjesbu.

**Client Oversight Group:** Mayor Pete Kmet, City Administrator John Doan, Community Development Director Mike Matlock, Planning Manager Tim Smith, and Thurston Regional Planning Council Senior Planners Veena Tabbutt and Kathy McCormick.

**Others:** Marcia Kjesbu, Citizen, and Recording Secretary Tom Gow.

**WELCOME:** Manager Smith welcomed everyone to the meeting. Everyone present provided self-introductions.

**STAFF PRESENTATION AND FOCUS GROUP DISCUSSION OF ACTION PLAN:** Manager Smith briefed the Focus Group on the status of the Brewery Visioning Project. In October, the City Council formally accepted the Brewery Visioning Report. Staff and the Council developed a 20-year action plan to implement the vision of the Brewery Visioning project and to ensure the same level of energy continues and because of the level of community interest in the project. The Council is requesting feedback on the action plan from the public and subsequently staff convened this meeting to obtain feedback from Focus Group members.

Next steps include providing the feedback to the City Council in December for formal action on the action plan to enable the City to move forward in 2012 on implementing some of the actions.

Manager Smith reviewed some of the findings from the Final Report, which created the basis and direction for the development of the Brewery Action Plan.

Goals for the project included:

- Ensure broad and specific participation
- Develop a community vision that incorporates the realities of market, site, and structural analysis to help develop the framework for redevelopment of the property
- Build momentum and excitement for possible future development

The brewery site is comprised of 175 acres representing 700,000 to 800,000 square feet of building space. The project site was designated as three sites comprised of the Knoll, Valley, and the Bluff.

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING  
MINUTES OF MEETING  
November 3, 2011 Page 2**

Manager Smith reviewed the consultant findings and conclusions, which involved two public meetings and public outreach efforts:

- Development should serve as an asset and focus for the community. There is strong desire and agreement for a mixture of uses on the site. Many community residents want residential, retail, and commercial uses on the Knoll, and opportunities for public recreation and continuation of industrial uses in the Valley.
- There was support for community leaders to work on achieving the vision.
- Strong support for City to take urgent and assertive steps to make redevelopment happen.
- Most of the buildings can be physically adapted to many future uses.
- Buildings have significant assets for future redevelopment.
- Lack of market demand, rent rates, floodplain, and construction costs pose significant financial impediments to future private redevelopment.
- Property is viewed as very special place
- Many challenges can be overcome through private/public partnerships.
- Work with partners to clarify and simplify ownership.
- City, Port and LOTT = public ownership of the Valley.
- Site needs public advocate.
- Keep community informed in next steps through Action Plan and Brewery Neighborhood planning process scheduled to begin in 2012.

At the last public meeting, attendees were asked to provide feedback on the type of involvement the City should undertake to help redevelopment occur on a continuum of passive to aggressive options. The range of options from the passive end was letting the market decide to mid-level options of the City pursuing zoning and regulatory changes, conducting a master plan development, prioritizing infrastructure improvements to developing tax incentives for preferred development, and considering business development funding with the most aggressive options of property acquisition, political action, and increasing public funding assistance. Most of the public response was for the City to pursue an aggressive response.

**NEXT STEPS:**

Manager Smith reviewed next steps. The Council accepted the Final Report from Lorig Associates. Staff developed the 20-year action plan, which included many recommendations from the Final Report. The Action Plan was expanded to include the Belle Torre property, Old Brewhouse, and the Brewery Neighborhood. The Council is scheduled to approve the Brewery Visioning Action Plan on December 6.

Manager Smith outlined the boundaries of the brewery property, the Belle Torre property currently owned by South Sound Bank, and the Brewery Neighborhood of approximately 500 acres on an aerial map. The brewery properties are central to the Brewery Neighborhood planning area. The work

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 3**

on the action plan will fold into the neighborhood planning process.

Mr. Wilburn asked about the ownership of the Knoll properties and the Valley properties. He noted that the report references Capital Salvage as the owner. He asked if there was a recent change in ownership, as he understood that both parcels were owned by the same owner. Manager Smith affirmed Capital Salvage owns both properties except for properties north of Custer Way.

Mr. Dana explained that Capital Salvage as an entity formed in conjunction with Wells Fargo through Real Estate Loans USA, which foreclosed on the mortgage, which foreclosed on All American Water Bottle. Capital Salvage is essentially a partnership between Real Estate Loans USA and Wells Fargo. The company is comprised of creditors who have taken ownership of the property. Capital Salvage also recently filed for bankruptcy.

City Administrator Doan asked whether there is some attempt to either resolve the ownership or sell the properties. Mr. Dana said the owners are interested in divesting the property. However, the ability of conveying the property is under question and has been for some time, especially in lieu of the recent bankruptcy filing. The owner was successful in having the court give tentative approval for acquisition of a portion of the property by LOTT Clean Water Alliance if the transaction can materialize. That action is a positive indication that future transactions could occur.

Mr. Wilburn asked whether the bankruptcy action controls the brewery assets. Mr. Dana confirmed the property is an asset of Capital Salvage that was listed in the bankruptcy. Any action occurring with the asset must be approved by the bankruptcy court. The case was filed in Texas.

Mayor Kmet asked about the timeline associated with the case. Mr. Dana indicated that the timeframe is unclear. It may be a six to 12-month process. It is one of 45 properties involved in the case. It's a complicated bankruptcy. Mr. Dana said the property can be conveyed and there are resources available to maintain the property.

Manager Smith reviewed the Brewery Action Plan, which is prioritized. If members believe some issues should be higher on the list, it's important to convey that information.

- *A.1, Hiring of Brewery Project Manager* – new position in City or as a consultant. Responsible for carrying forward the action plan on the redevelopment of the brewery properties. The proposed 2012 budget includes funding for the position.
- *A.2, Interim Zoning* – currently the property is zoned Light Industrial allowing for a wide range of uses some of which some within the community would not view as compatible with the vision. Interim zoning would apply for six months to a year until the City has sufficient time to

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 4**

complete comprehensive plan zoning controls on the property.

- *A.3, Creation of an Advisory Committee* – a long-standing group with bylaws and rules to guide the activities of the Project Manager and staff on the work program.
- *A.4, Transportation Plan* – an overall Transportation Plan is needed to address many access and parking concerns for the brewery properties as well as the Old Brewhouse area. Work may be in conjunction with the Brewery Neighborhood planning next year.
- *A.5, “Chunk” out the Project* – need to define “chunks of property for planning and marketing that may redevelop quicker than some of the other areas.
- *A.6, Lift/Modify Alcohol Covenant* – Work on efforts to lift the current covenant restricting the use and sale of alcohol to assist in prompting redevelopment.
- *A.9, Comprehensive Plan and Zoning Changes* – permanent comprehensive plan zoning changes through the annual adoption process.
- *A.10, Total Maximum Daily Load (TMDL) Study for Deschutes River and Capitol Lake* – currently underway by the Department of Ecology (DOE) in conjunction with the City to examine the health of the Deschutes River and Percival Creek. The City plays an important role in the study.
- *A.12, LOTT Credit Question* – review LOTT/Miller agreement allowing for 1 million gallons a day of discharge for future uses without incurring additional connection fees. The agreement stipulates first come, first serve, which may be impactful to future developers. The City will explore whether there is another way to allocate the threshold for future uses of the property.
- *A.13, Transportation Impact Fee Credit Question* – the issue includes a credit because the site was previously used. A new user would receive credit for vehicles generated by the use of the property. The issue is the impacts generated by uses beyond what the brewery generated, which needs to be addressed
- *A.15, Artist Housing* – one of the many uses called out by the Council.
- *A.20, Public Development Authority* – evaluate whether to establish an authority to oversee the property for redevelopment.
- *A.21, Wayfinding Signage* – City adopted a Wayfinding Master Plan for guiding the public through the area.

Manager Smith referred members to a copy of an email from Nancy Stevenson, who provided some recommendations for consideration on interim zoning, advisory committee, regional partners, artist housing, and inclusion of other land uses that are included within the Final Report, such as hotels, schools, and corporate campus.

Mr. Reid expressed some concerns that interim zoning might discourage some from moving forward who may have expressed interest in redevelopment. Mr. Dana affirmed that if there are specific zoning changes relative to the

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 5**

warehouse buildings and the Valley where primary interest exists in the market, it may have impacts. The reverse exists for the Knoll site, which requires a zoning change to prompt development conversations in the community.

Mr. Wilburn commented on the importance of the City to focus on one document as an indication of its commitment to work with present and future owners to move the action plan forward. The action plan should be more than a list of 'to do's' and should reflect the City's commitment and goals for redeveloping those uses important to the community. Something more than objectives within the action plan would be useful.

Mr. Cade questioned whether other uses other than artist housing that were high on the Council's list should also be considered. Manager Smith said the discussion didn't address specific uses but focused more on comprehensive plan zoning. Councilmember Oliva said the Council reviewed the same list and reprioritized the options. However, his concern with the action plan is the intermingling of strategies with tasks. It might be valuable to include distinct strategies that include different tasks. Mr. Cade offered that by identifying one distinctive use within the action plan, it elevates the entire process to focus only on one use to the exclusion of others. He asked if there was a specific reason for the inclusion. Manager Smith replied that artist housing was on the list provided to the Council that surfaced through the process. It is not certainly intended to exclude other uses.

Mr. Jorgensen asked about the criteria the City is using for prioritizing the list because in some cases the item appears as a preference. In some instances, some actions may involve critical paths or are chronological in nature. Many of the items are not in order of what needs to be accomplished. Manager Smith replied that the first page of the action plan includes key items that surfaced throughout the project. For example, for transportation planning, there is a need to break out the properties and address the alcohol covenants and implement interim zoning. After completion of the comprehensive planning and zoning, order of items may be of less importance. As progression occurs on the list, many of the priorities can be interchanged. It may entail including a note that after a specific action, the items are no longer prioritized because it may involve opportunities that may surface at different times.

Mr. Dana pointed out that many of the items are fluid dependent upon the opportunities that may arise. Manager Smith agreed, especially with page 2 of the action plan.

City Administrator Doan added that from his perspective, priority pertains to available City resources devoted to specific priorities that are necessary to prompt action before moving on to address subsequent priorities. For example, interim zoning, advisory committee, and addressing transportation

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 6**

issues should move forward prior to conversations pertaining to the alcohol covenant.

Mr. Kirkwood suggested A.20 Public Development Authority, should be included within A.8 Regional Partnerships, and moved higher on the priority list.

Mr. Glasper commented that the City's Economic Development Plan (EDP) speaks to the City hiring an Economic Development Coordinator. He asked about the factors considered for hiring a brewery manager because realistically, the process will take time and the City may have other priorities that may include activities that could be incorporated within a broader position, particularly since the City expanded the plan to focus on the entire brewery area. Manager Smith affirmed the EDP recommends including a position to focus efforts on economic development within the City.

Mr. Dana added that the brewery property is a dynamic property because of the different and varied factors impacting the property dependent upon the time of year. For example, efforts are currently focused on potential flooding and how to mitigate potential impacts. There are also issues with the buildings because of the amount of square footage, issues surrounding the Belle Torre property, and Custer Way. Conversations with potential investors, buyers, and developers also include discussions concerning those areas even though they are not considered part of a future transaction. The area has many moving parts and having one point of contact is important and would be beneficial.

Councilmember Oliva agreed with all the comments and suggested the advisory committee could serve as the economic development committee and consider all the opportunities with the immediate focus on the brewery. Mr. Glasper said the comment pertained to the overall bigger picture in terms of the City's economic development goals and how the brewery factors into the overall picture as there could be synergies that could be created outside of the brewery property. It's important for the process to consider the bigger picture of economic development.

Councilmember Oliva asked if current marketing efforts include the Belle Torre property. Mr. Dana replied that at one point, efforts included both properties. However, there are different ownership interests and different priorities. To some extent there is also some internal conflict. With access to capital so limited at this time, there is an internalized conflict of interest of where to direct potential investors. It's dependent upon the conversation and investor, but his efforts are concentrated on the brewery property.

Discussion followed on whether the LOTT credit and transportation concurrency includes a sunset. City Administrator Doan said the LOTT credit is included in a contract between Miller Brewery and LOTT Clean Water Alliance. The City has never documented the framework for the transportation

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 7**

credit. The issue is somewhat complicated based on the passage of time and general increase in overall traffic.

Mr. Kirkwood suggested including the adjacent cities and the county under Regional Partnerships.

Mr. Cade asked why the University of Washington (UW) was specifically named under Regional Partnerships. Councilmember Oliva said UW was included as a frame of reference for higher education as well as recognition of the potential for future expansion opportunities of the UW campus at some time in the future. Mr. Cade suggested including other educational institutions because of the unlimited potential.

Mr. Dana commented on inquires from some subcontractors at Joint Base Lewis McChord (JBLM) regarding the brewery site. There has been some interest in moving corporate headquarters or satellite offices to serve the JBLM area.

Councilmember Oliva asked whether the brewery manager position will focus on marketing or planning efforts. City Administrator Doan said the scope of the position is on project management with the primary task of moving forward on the implementation plan. The position includes some elements of marketing, coordinating, and moving forward with different aspects of the plan.

Manager Smith reviewed section B of the Action Plan focusing on the Historic Brewhouse.

- *B.1, Research Grant Opportunities* – work with TRPC to research any opportunities for redevelopment of the Old Brewhouse.
- *B.3, Review Shoreline Master Program Update* – work with DOE to ensure objectives of the Shoreline Management Act are met as well as ensuring opportunities for the use of the site.
- *B.4, Pursue a Planned Action Project under the State Environmental Policy Act (SEPA)* – Prepare an Environmental Impact Statement (EIS) and adopt a Planned Action Ordinance. A number of communities have completed an EIS to help encourage development. Many communities are using the process as a way to encourage economic development in certain areas.
- *B.5, Research Bridge Concept (to connect Old Brewhouse to Historical Park)* - The Old Brewhouse ownership group is considering an auto bridge between the Old Brewhouse and Historical Park as part of the master plan. The City needs to work with the owners to determine whether it's feasible.
- *B.7, Review Critical Areas regulations* – review all regulations pertaining to wetlands, steep slopes, and fish and wildlife habitat to determine if there

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING  
MINUTES OF MEETING  
November 3, 2011 Page 8**

are conflicts with development proposals.

- *B.8, Research Infrastructure Assistance Opportunities* – review previously completed Parametrix Infrastructure report to determine how the City can assist with infrastructure.
- *B.10, Trail Connection across Deschutes River* – continue work on implementing the Regional Trail Plan across the Valley.

Mr. Cade complimented the City for including the Planned Action Project and EIS. He asked if there is any consideration for pursuing a Planned Action Project and EIS for the entire brewery complex. Manager Smith said the action also applies to the brewery complex. Mr. Read suggested adding the Belle Torre property as well.

Mr. Jorgensen asked about the current plans for redevelopment of the historic brewhouse. Manager Smith advised that staff is meeting with the owners in the next several weeks. The owners were provided with a copy of the Action Plan. City Administrator Doan added that the owners have discussed some of the same issues associated with zoning and the parks plan in terms of activities associated with a broad mix of retail, commercial, office, and hotel uses.

Mr. Kirkwood questioned whether activities of the old brewhouse should be coordinated with actions occurring on the isthmus in Olympia because of the natural connection. Mayor Kmet questioned the connection because of the distance. Mr. Kirkwood said the area is connected by a waterway, road, and a potential trail. Mayor Kmet advised that the trail is part of the Regional Trail Plan. Mr. Kirkwood commented that the study pertaining to converting Capitol Lake to an estuary would have a substantial impact. Manager Smith replied that the owners have discussed restoration and public access to the site, which is consistent with issues surrounding Capitol Lake.

Mayor Kmet commented on the City's Historic Preservation Commission's role in terms of historic tax credits. It's an important step that is missing in the plan.

Mr. Cade referred to EB5 financing and indicated that the City is part of the regional center for EB5 financing applicable to infrastructure development. There are options available and there could be a unique opportunity for the City.

Councilmember Oliva referred to the City of Olympia's work on the Community Reinvestment Act to purchase property for redevelopment. He asked if there is any application of that act on any of the brewery properties. Mr. Reid said the program pertains to community renewal and that his understanding is that it's applicable to downtown urban areas. Mr. Cade said the brewery property could be incorporated within the urban downtown area within the City.

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 9**

Mr. Glasper inquired about the cost associated with completing an EIS for a project of this magnitude. Manager Smith said it can range from \$50,000 to \$250,000. The City of Kent completed an EIS for its Kent Station that cost \$250,000. However, it helped move the project forward. Mayor Kmet commented on the costs associated with many of the elements that could entail hundreds of thousands of dollars, which is why the City must be careful in its focus as well as applying for grants.

Manager Smith responded to questions about the access bridge, which is included in the conceptual plan for the Old Brewhouse. Parking access to the site is difficult and the owners are considering alternatives because the access point is challenging. Mayor Kmet said the Historic District plan calls for a pedestrian bridge that could provide emergency vehicle access, if necessary. The area is challenging in terms of vehicle access and parking. Mr. Kirkwood added that the Parametrix Study also considered similar options.

Mayor Kmet noted that environmental contamination on old brewhouse property is missing from the plan that must be resolved as it impacts future uses of the property.

Mr. Kirkwood asked whether there are some floodplain issues impacting the Old Brewhouse. Manager Smith acknowledged that there are some issues. The new FEMA flood maps reflect a reduced floodplain area near the Old Brewhouse. However, there are critical areas, such as wetlands and habitat buffers. The environmental constraints are substantial.

Councilmember Oliva asked whether an economic assessment has been completed for the Old Brewhouse area. He offered the consideration of including an economic feasibility plan at some point to determine uses prior to completing any transportation planning for the site.

Manager Smith reviewed the section of the plan focusing on the Knoll and the Valley:

*C.1, LOTT Acquisition for Reclaimed Water Facility.*

*C.2, Grant for Cleanup or Brownfields – work with DOE for potential grant opportunities for cleanup or completing an analysis assessment.*

*C.3, Resolve Access across the Railroad – determine legal standing of crossing. Pursue crossing authorization.*

*C.4, Study Ways to Reduce Flooding Impact – determine if property owners want to participate.*

*C.5, Port Use of Valley Buildings – have discussions with Port for potential use of Valley buildings.*

*C.6, Develop an “Approved” List of Land Uses – addressed in comprehensive plan amendments and zoning changes, which will result in a list of uses approved by the City.*

*C.8, Pursue a Planned Action project under SEPA.*

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 10**

*C.10, Develop Fish Hatchery in Existing Brewery Buildings* – continue discussions on an option of locating the fish hatchery within existing brewery buildings instead of at Pioneer Park.

Mr. Kjesbu suggested developing a list of all the uses offered during the visioning process to ensure the City's zoning process doesn't arbitrarily preempt some uses from a marketing perspective.

Mr. Reid asked about the reasons for failure of some of the development proposals. Mr. Dana said it pertained to environmental factors, price, other unknowns, and needs of the particular client. One of the most amazing ideas was from a buyer from Moses Lake who asked for unescorted access to the complex for two days. He later learned the client was interested in salvaging scrap and tearing down the warehouses. The client was interested in red cedar car decking in the warehouse and Douglas fir beams, as well as the steel. The value of scrap metal is so high, that the tanks may have more value as scrap metal. The idea was not feasible because there was too much speculation. Another group contacted him about an indoor ski slope. A go cart vendor in Chicago contacted him about a large go cart complex. There have been many ideas. The conversations vary and the stopping point really depends on the perspective client. He cited a contact from a group of Seattle investors who considered using capital from the property as the primary driver for redevelopment of the brewery through creation of a business center designed to cater to capital investors for convention space, condos, retail, restaurants, and meeting space. The conversation ended abruptly because of the unknowns associated with environmental limitations and because zoning was not quantified. If the zoning was in place and the environmental limitations were quantified, it might be possible to have another conversation with the group. However, the interest pertained to the Old Brewhouse area and not the Valley.

Mr. Dana said the process involves attaining a comfort level and well as having someone who has the economic resources and the ability to manage all the dynamics of the property. It's possible to find users and parties interested in portions of the property. However, as a whole, the project can be overwhelming. The LOTT transaction will help to solve some of that problem.

City Administrator Doan commented that a property tax credit is available to encourage multi-family housing. It's a ten-year property tax credit deferral in areas that are designated for multi-family development or redevelopment. The City of Olympia provided the credit in the downtown area. The City of Tacoma has successfully implemented the credit as well. He asked for feedback on whether that option should be considered by the City as well.

Mr. Reid said the credit was also offered in the City of Vancouver. In Olympia, most of the downtown area qualifies for the credit for multi-family housing, such as condos. There has been some success in some markets.

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 11**

However, in some markets it hasn't had an impact.

Ms. McCormick said the credit can be used for both ownership and rental units. The city forgives the added increment only for the housing. The minimum is four units and no displacement of existing tenants is allowed. The credit was enacted because of limited tools in the state to attract housing in desired areas.

Mr. Read asked about the financial impact to the City. Ms. McCormick said the credit is targeted to those areas where housing is desired. She added that infrastructure is built to support the project, which equates to additional investment in the project.

Mr. Read asked about the inclusion of the "E" Street bridge extension and whether the City addresses it within the transportation plan.

Mr. Kirkwood asked about a potential entity or umbrella organization that could organize investors that may want only a component of the property. Mr. Dana said that based on the current level of ownership, that option is not practical. Resolving the ownership situation could entail a possibility. It speaks to the need for a single point of contact for coordination. He added that there is available multi-housing in areas near the brewery complex.

City Administrator Doan commented on the difficulty of engaging smaller users because each user must contend with resolving issues related to water, sewer, and transportation. There are larger developers employing business models of securing larger properties and then allocating parcels for specific uses. The Port of Olympia is an example of a public entity that has a variety of different kinds of facilities and users.

Manager Smith reviewed the section of the plan focusing on the Belle Torre property:

- *D.1, Acquire Lower Property for Stormwater Treatment, Wetlands, and Trail* – includes the City's acquisition of some property for stormwater treatment, wetlands, and the trail through a purchase/sale agreement with South Sound Bank
- *D.2, Develop Upper Land for Hotel* – there is interest in the site for a hotel. The City would partner with the owner to recruit that type of use.
- *D.3, Research Use Limits on Property* – City to review zoning regulations, density, and other regulations that might limit redevelopment options for the property.
- *D.4, Lodge Developed as Private School* – the lodge has been redeveloped as a private school.
- *D.5, Transportation Plan* – the City will coordinate transportation planning efforts for transportation solutions for the network.

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 12**

- *D.6, Tail Connection.*

Mr. Reid asked whether there is any consideration for pursuing a residential complex on the property versus a hotel. City Administrator Doan said the property owner received some contacts interested in the property for other uses other than residential. The prior development proposal was based on a condo development.

Mr. Read asked about limiting environmental factors associated with the property. Manager Smith affirmed there are some limitations associated with the property. Mr. Read reiterated his request to add the property to the Planned Action development.

Councilmember Oliva commented on the relationship between housing and golf courses. It was noted the lodge property was acquired by the school and should be designated under a different ownership.

Mr. Reid asked about the vesting timeline for the Belle Torre property. Director Matlock said the property is currently vested. City Administrator Doan said the piece that is likely nearing expiration is the conditional use permit for the ninth story of the building. Mr. Reid asked whether current zoning allows for residential and hotel uses. Manager Smith affirmed the property is zoned Mixed Use.

Mr. Kirkwood asked whether any of the transportation plans includes the potential for Sounder service. City Administrator Doan replied that there have been some regional conversations with Sound Transit about the possibility. However, it would be in the long-term future and involve many hurdles in terms of political, funding, and technical issues.

Mayor Kmet commented on the high cost associated with providing rail service and positioning efforts by the region for future service.

Mr. Glasper referred to D.2 and efforts for recruiting a hotel. Existing hotels along Tumwater Boulevard complained through the City's economic development process about the lack of infrastructure support to attract business. He cautioned about actively pursuing a new hotel that would be in competition to those hotels.

Manager Smith reviewed the section of the plan focusing on the Brewery Neighborhood. The area encompasses approximately 500 acres and focuses on the brewery properties, Custer Way, and Cleveland Avenue areas. The plan is dependent upon securing a federal grant through TRPC early next year and includes:

- *E.1, Develop Neighborhood Plan* – work with consultant team to develop plan and implementing regulations.

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING**  
**MINUTES OF MEETING**  
**November 3, 2011 Page 13**

- *E.2, Engage Community* – incorporate into neighborhood work plan.
- *E.3, Transportation Plan.*

Mr. Wilburn asked about including the neighborhood planning effort in the EIS planned action as well. Manager Smith replied that it's dependent upon the cost. The effort could include target areas within the neighborhood to include the brewery. Mayor Kmet added that expanding the area adds to the difficulty inherent in the process of analyzing different uses. The planned action is generally focused on specific areas with specific uses. Deviating from that can be very difficult and can conflict with the purpose of developing the plan.

Discussion followed on the status of the federal grant. Ms. Tabbutt advised that TRPC should receive notification prior to the end of the year on the status of the grant.

Mr. Read asked how the boundary was defined. Manager Smith said the boundary of the neighborhood was developed through the economic development process. The entire City has designated neighborhood areas. The areas with the most potential are the brewery properties, Old Brewhouse, and commercial areas north of Custer Way. The City requested a \$250,000 grant through TRPC for both the transportation element and land use. The process will include a detailed package of a summary plan and zoning regulations.

Mr. Jorgensen asked about the incentive behind defining the Brewery Neighborhood. Manager Smith responded that it was a culmination of different issues associated with the brewery properties as well as the potential for the north end of the City. When City Administrator Doan first arrived at the City he pointed out the importance of the area to the City. The area has a vitality that many cities would like in a downtown area.

City Administrator Doan spoke to the need to consider both the brewery property as well as what could occur to the neighborhood if the brewery property were to redevelop. The area has some undeveloped parcels and the area could be revitalized to prompt more activity and increase customer traffic.

Mr. Kjesbu spoke to the desire of any developer attracted to the brewery property to consider quality development and its impact to the surrounding community.

Manager Smith asked members to provide feedback to him on the action plan. The next step is presenting the plan to the Council at a worksession on November 22. The draft plan will be presented to the Council on December 6 for adoption.

Manager Smith expressed appreciation to members for attending and

**BREWERY VISIONING PROJECT FOCUS GROUP MEETING  
MINUTES OF MEETING  
November 3, 2011 Page 14**

providing input.

**ADJOURNMENT: With there being no further business, the meeting was adjourned at 7:19 p.m.**

Prepared by Valerie L. Gow, Recording Secretary/President  
Puget Sound Meeting Services, [psmsoly@earthlink.net](mailto:psmsoly@earthlink.net)