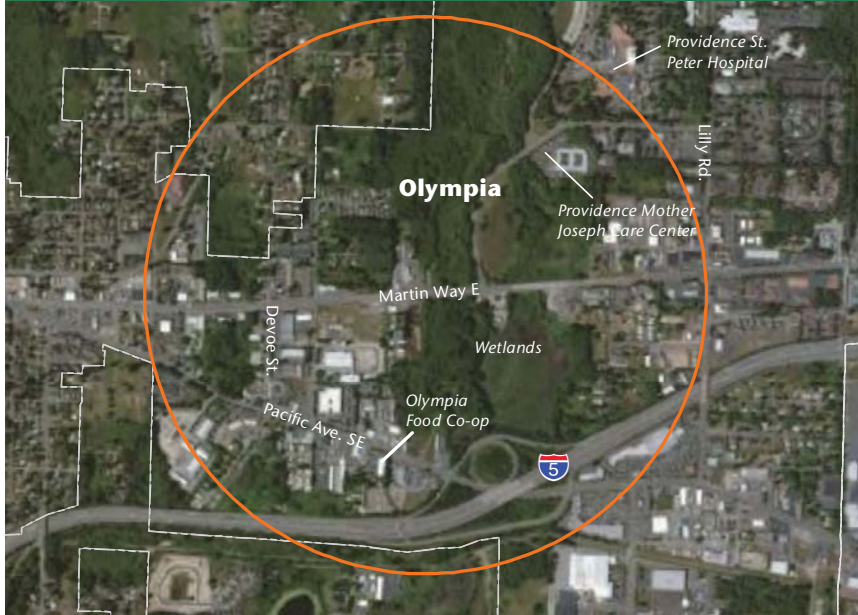


# Headwaters District



## Overall Development Attractiveness

**CITY**  
Olympia

## CORRIDOR LOCATION

Southwest of Providence St. Peter Hospital, along Martin Way E with I-5 and Pacific Ave. SE cutting through the southern part of the district

The Headwaters District gets its name from a large wetland complex that includes the headwaters of Indian Creek and Woodard Creek. The district is located on one of the last unimproved stretches of Martin Way, with original concrete roads and old utility infrastructure. It includes connections to the parallel Pacific Avenue corridor with its I-5 access.

While it is adjacent to the region's large medical care complex which is anchored by Providence St. Peter Hospital, the district itself has no distinct business or commercial center. A number of small retail shops, old highway-oriented businesses, offices, and old motor inns are located here, as well as a few small eateries. Vacant or underutilized lots are abundant, and provide a number of opportunities for redevelopment. Recent infill and redevelopment includes two new office buildings along Pacific Avenue and a new transitional housing project on Devoe Street. Amenities to support district redevelopment include fifteen-minute bus service along Martin Way and thirty minute service along Pacific Avenue, views of Mount Rainier and the nearby wetlands, and proximity to the Olympia Food Co-op. The Intercity Transit maintenance and administrative facility is located in this district. Intercity Transit will rebuild part of the Martin Way street edge when it expands its maintenance facility in the next few years.

The Headwater District has a few promising characteristics that could support future development and density, including a large employment base and high amount of commercial office development, proximity to the medical care complex, and the amenities listed above. However, the district faces significant challenges in that it currently has the least number of housing units and lowest land values of all the urban districts, as well as old roads and utility infrastructure.

## AMENITIES



- **Parks:** 8th Avenue Neighborhood Park,
- **Water/Views:** Indian and Woodard Creeks and associated wetlands
- **Shopping:** Olympia Food Co-op
- **Other:** Easy access to health care (Providence St. Peter Hospital)

The Headwaters District has the 8th Avenue Neighborhood Park. The Indian and Woodard Creeks, along with associated wetlands, are also located within the district. The district includes the Olympia Food Co-op, and has easy access to health care, with the Providence St. Peter Hospital and Providence Mother Joseph Care Center.

## Wetlands and Forested Areas



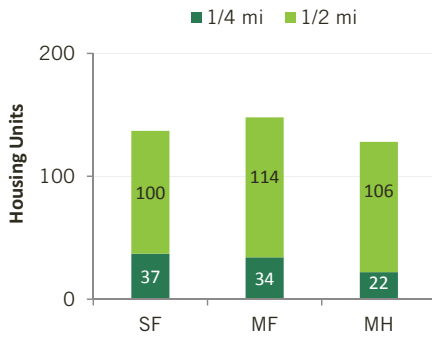
# Headwaters District

## MARKET FACTORS



### Housing Units/Population

■ Total Population: 1,010



The Headwaters District has the least number of housing units of all the urban districts, with 413. Multi-family, single-family, and manufacture housing are about equally concentrated within the district.

### Employment

■ Total Jobs: 3,152

- Commercial/Service: 2,095
- Government: 717
- Industrial: 340

■ Major Employers/Businesses:

- Intercity Transit Headquarters
- Close to Providence St. Peter Hospital
- State Patrol and State Liquor Control Board

Relative to other urban districts, the Headwaters District has the third highest total number of jobs. The majority of jobs are in the commercial/service sector, although there are also a substantial number of government and industrial jobs.

### Commercial Rents (per SF)

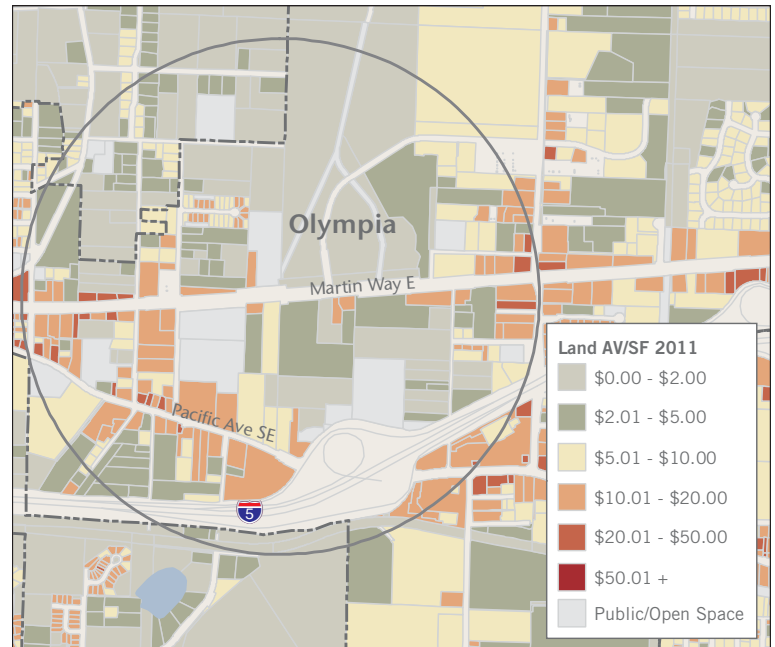
	Quoted Rates	Vacancy Rates
<b>Retail</b>		
General Retail	\$14.72	2.0%
General Retail (Avg.)	\$12.73	3.3%
Shopping Center	\$14.68	13.0%
Shopping Center (Avg.)	\$17.22	10.8%
<b>Office</b>		
All Classes	\$18.52	7.5%
All Classes (Avg.)	\$17.02	10.6%

Source: CoStar Property, Year-end 2011

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

With the exception of shopping centers, the Eastside Olympia market, which the Headwaters District is located within, has above average retail and office rents. Vacancy rates are also below the countywide average, except for shopping centers.

### Land Values



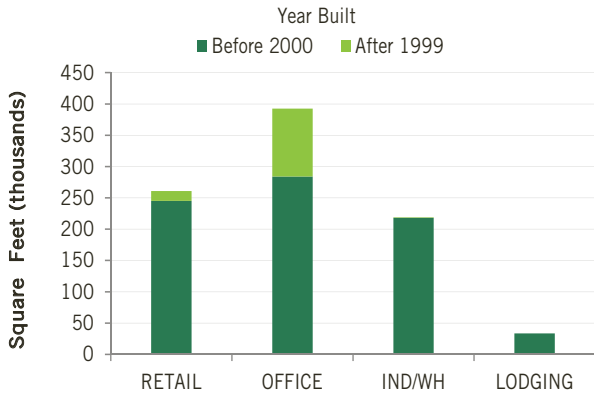
Average land value within the district is \$5.03 per square foot, the lowest value of all the urban districts. The highest average land value is \$23.66 per square foot, in Downtown Olympia, while the average land value for all districts is \$6.02 per square foot.

# Headwaters District

## DEVELOPMENT CHARACTER

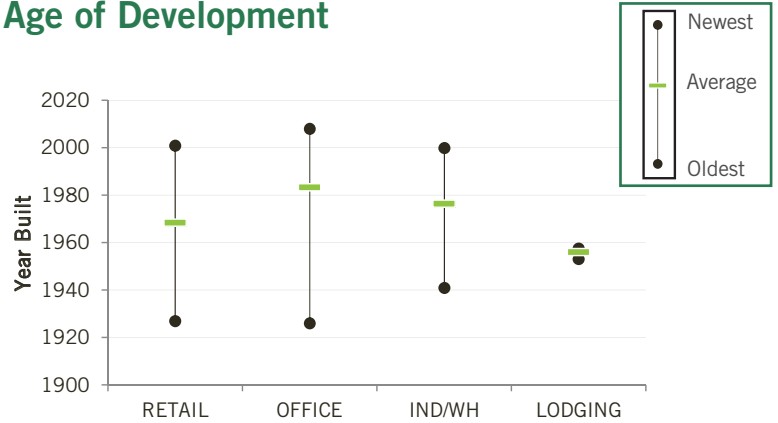


### Commercial Development Inventory



Relative to other districts, the Headwaters District has a higher than average amount of commercial development. Office use is most prevalent, with a substantial amount of retail and industrial use as well. There is also a small amount of lodging use.

### Age of Development

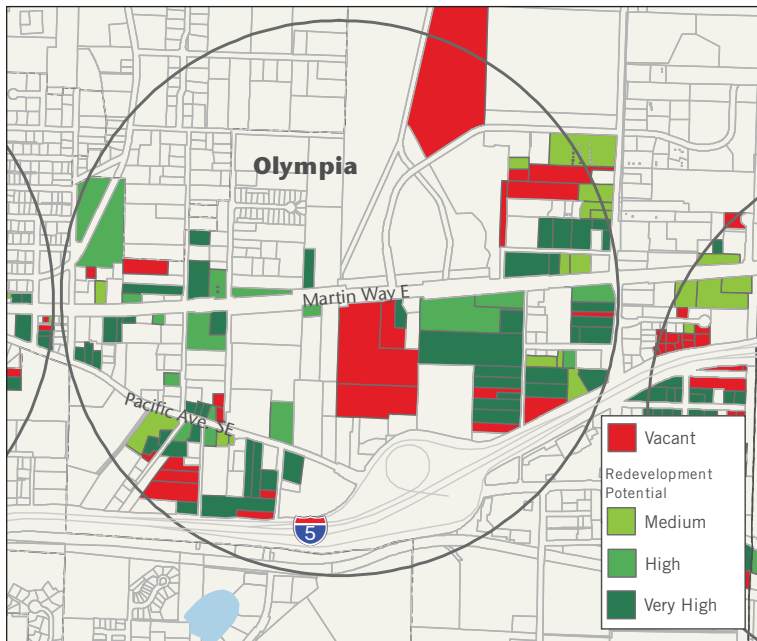


The majority of the building inventory in the Headwaters District was built before 2000, although approximately one quarter of the office space was built after 1999. Average year built for office use is highest, at 1982, with retail use at 1967, industrial use at 1975, and lodging use at 1955.

## POTENTIAL DEVELOPMENT SITES



### Map of Vacant and Redevelopable Sites



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

### Vacant and Redevelopable Sites (Acres)

Use	Vacant	Redevelopment Potential		
		Very High	High	Medium
Industrial	0.0	0.0	5.3	0.0
Mixed Use *	19.3	31.3	11.2	12.5

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

\*\* Redev. potential estimated based on size of bldg. and bldg to land value ratio:  
 Very High - Less than 3000 building SF per acre or building to land value ratio <0.5  
 High - More than 3000 building SF per acre and building to land value between 0.5 and 1  
 Medium - More than 3000 building SF per acre and building to land value between 1 and 2

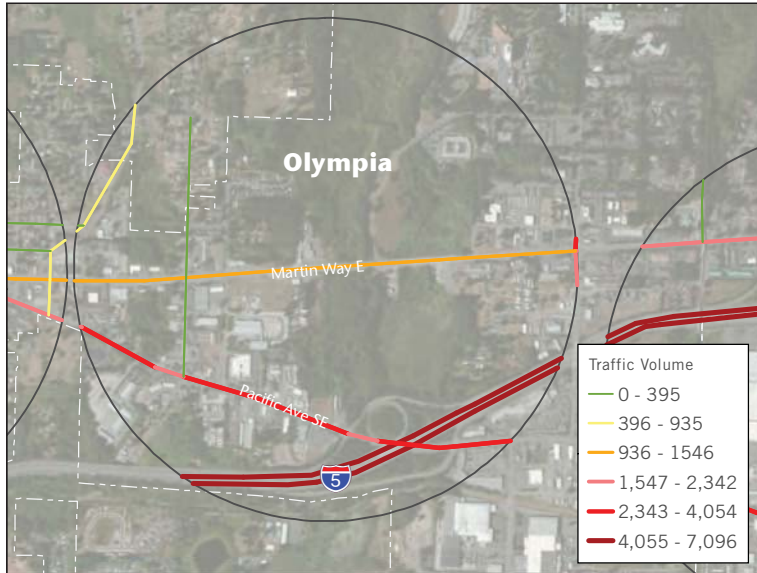
The Headwaters District has the third highest redevelopment capacity of all the districts. There are several clusters of vacant and redevelopable lands along Martin Way E and Pacific Ave SE, as well as a large vacant lot on the north edge of the district.

# Headwaters District

## TRANSPORTATION



### Traffic Volumes



The Headwaters District has good accessibility to I-5, with an on-ramp within the district (although there is significant congestion near the on-ramp). The City is planning an extension of Ensign Road to Pacific to improve access to I-5. Traffic volumes are relatively high along Martin Way and heavier along Pacific Ave SE. The district has 543 transit boardings per day, the 6th highest amongst the nine districts served by public transit. Staggered routes allow for fifteen minute bus service along Martin Way.

### Transit Routes

Focus Area	Route	Peak Frequency (Min.)	Total Boardings (On and Off) per Weekday	Destinations
Headwaters District	60	30	50	Olympia and Lacey Transit Centers, Lion's Park, Group Health, South Sound Center, Panorama City
Headwaters District	62A	30	164	Olympia and Lacey Transit Centers, Martin Way, South Sound Center, Hawks Prairie
Headwaters District	62B	30	172	Olympia and Lacey Transit Centers, Martin Way, South Sound Center, Hawks Prairie
Headwaters District	66	30	157	Olympia and Lacey Transit Centers, Lacey Corporate Center

■ 2010 Boardings per Day in District: 543

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



Founded in 1988, BERK is an interdisciplinary strategy and analysis firm providing integrated, creative, and analytically rigorous approaches to complex policy and planning decisions. BERK's team of strategic planners, policy and financial analysts, economists, cartographers, information designers, and facilitators work together to bring new ideas, clarity, and robust frameworks to the development of analytically-based and action-oriented plans.