8.2 Land Use Alternatives Memo

Memorandum

Date: May 31, 2022

To: Martin Way Corridor Study Steering Committee

From: Allison Osterberg, Michael Ambrogi, Katrina Van Every, Thurston Regional Planning Council

Subject: Martin Way Corridor Study Land Use Alternatives Documentation - FINAL

As part of the Martin Way Corridor Study, staff from Thurston Regional Planning Council evaluated future conditions in the Martin Way Corridor related to land use. This memorandum documents the methods, assumptions, and results of that land use analysis. This analysis is intended to be used in combination with other sources of information created through this study to develop a preferred alternative for the Martin Way Corridor:

- Market Study and Pro Forma Analysis completed by Leland Consulting Group (2021)
- Transportation Operations Analysis completed by Transpo Group (2022)

The land use alternatives analysis was completed with input from the Martin Way Corridor Steering Committee, which includes staff representatives from Thurston County, City of Lacey, City of Olympia, and Intercity Transit, in addition to a project team that included staff from Thurston Regional Planning Council.

1. Goals, Objectives, and Performance Measures

During a previous task of the study, the Steering Committee identified a set of goals for the Martin Way Corridor, three of which are addressed by the land use analysis. TRPC worked with the Steering Committee to identify objectives and performance measures tied to those goals and the data sources available to assess those measures.

TABLE 1. LAND USE GOALS, OBJECTIVES, AND PERFORMANCE MEASURES FOR THE MARTIN WAY CORRIDOR STUDY

Goal	Objective	Performance Measures	Data Source
Support inclusive growth			
	Housing: Increase the number of people living in the corridor.		
		Total number of housing units	TRPC Land Capacity Model
		Residential density	TRPC Land Capacity Model
	Affordability: Increase housing affordability in the corridor.		
		Number of new income-restricted housing units	TRPC Land Capacity Model, Pro Forma Analysis
		Proportion of new income-restricted housing units compared to all new housing units	Percent

	Vibrancy: Increase investment and vibrancy in the corridor.		
		Activity density (jobs + residents)	TRPC Population & Employment Forecast
		Acres of redeveloped land	TRPC Land Capacity Model
		Proportion of developed land that is likely to redevelop.	TRPC Land Capacity Model
Improve continuity across jurisdictions.			
	Continuity: Improve continuity across the jurisdictions.		
		Consistent development permit requirements	Estimate, based on scenario description
		Consistent fees	Estimate, based on scenario description
Build a sense of place and ownership.			
	Aesthetics: Improve Martin Way's visual appeal.		
		Proportion of Martin Way with street trees, landscaped buffer between sidewalk and street	Transportation Alternatives Analysis
		Number of art installations visible on Martin Way	Estimate, based on scenario description
	Public space: Increase access to public space and amenities.		
		Average distance of residents to a public amenity (park, trailhead, or node)	TRPC Population & Employment Forecast
	Engagement: Increase corridor engagement/ownership.		
		District or corridor groups created	Estimate, based on scenario description

Other project goals and performance measures will be addressed through the transportation operations analysis.

2. Land Use Alternatives

TRPC staff and the Steering Committee developed several alternative scenarios to address different approaches to future land use in the corridor:

- **A – Existing Future:** Allow existing standards and market forces to drive development patterns on Martin Way.
- **B – Transportation Investments Only:** Use transportation investments and improvements to drive development patterns along the corridor.
- **C – Nodal Development with Maximum Affordable Housing:** Maximize retention and development of affordable housing at key nodes on Martin Way Corridor.
- **D – Nodal Development with Maximum Redevelopment:** Maximize opportunities for development and redevelopment at key nodes on Martin Way Corridor.
- **E – Corridor-wide Continuity:** Apply policies and tools that enhance consistency at a corridor-wide scale.

Staff identified a variety of land use tools that jurisdictions could use to address the goals and objectives of the corridor. These include changes to zoning and development codes, changes to permitting processes, financial tools available to jurisdictions, civic investments, and public/private partnerships. The land use tools considered by the project team, and how they fit into the different land use scenarios are shown below. Full descriptions of the land use scenarios and tools are included in Appendix A.

TABLE 2. LAND USE TOOLS ASSESSED FOR THE MARTIN WAY CORRIDOR

		A – Existing Future	B - Transportation Investments Only	C – Nodal (Affordable Housing)	D – Nodal (Redevelopment)	E - Corridor-wide Continuity
Zoning & Development Changes	Transit-Oriented Development (TOD) district or overlay	X	X	✓	✓	X
	Consistent standards across Lacey, Olympia, and Thurston County	X	✓	X	X	✓
	Establish/Revise incentives for desired development	X	X	✓	✓	✓
	Reduce parking requirements	X	✓	✓	✓	✓
	Update permitted uses	X	X	✓	✓	✓
	Require/Increase minimum residential densities	X	X	X	X	✓
	Require/Encourage parks and open space dedications for commercial and residential developments	X	X	X	X	✓
	Require/Encourage affordable housing in new developments	X	X	✓	X	X
	Establish anti-displacement policies for conversions or redevelopment of existing affordable housing, including Manufactured Home Parks	X	X	✓	X	✓
Permitting Process	Complete environmental review prior to any permits being filed	X	X	✓	✓	✓
Financial Tools	Expand Multifamily Tax Exemption (MFTE) for developments in the corridor	X	X	✓	✓	✓
	Streamline development costs and fees	X	X	X	X	✓
	Establish a Tax Increment Financing Area	X	✓	✓	✓	✓
Civic Investme	Develop an infrastructure investment strategy	X	✓	✓	✓	✓
	Construct placemaking elements	X	✓	✓	✓	✓
	Acquire and aggregate land for future development	X	X	✓	✓	✓

		A – Existing Future	B - Transportation Investments Only	C – Nodal (Affordable Housing)	D – Nodal (Redevelopment)	E - Corridor-wide Continuity
	Set aside targeted funds for affordable housing development in the corridor	X	X	✓	X	✓
Public/Private Partnerships	Establish a corridor partnership or business improvement area	X	X	✓	✓	✓
	Provide land for residential and mixed-use development	X	X	✓	✓	✓
	Fund or construct project-based infrastructure improvements	X	✓	✓	✓	✓
	Recruit anchor institutions to site in nodes or along corridor	X	X	✓	✓	X

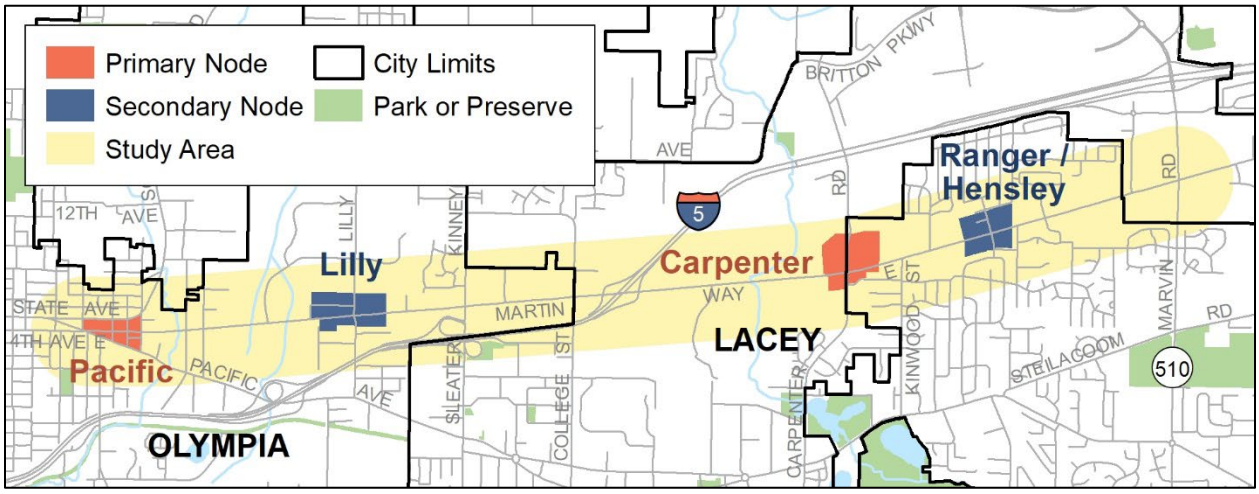
3. Methods and Assumptions

TRPC's Land Capacity Model was the primary tool used for the analysis. TRPC's land capacity model estimates each parcel's "capacity" for future development, including the amount of developable and redevelopable land and the potential number of new dwelling units. Estimates take into account existing development and land use, observed development trends, zoning and development regulations, and critical area constraints.

This analysis looked at land use and development changes within a quarter mile of Martin Way, extending from Pacific Avenue to Marvin Road – it excluded the section of Martin Way east of Marvin Road, which was not included in the original scope for the project. For the two nodal scenarios (C and D), the analysis assessed changes within a quarter mile of the identified nodal intersection. Staff ran two versions of these scenarios: one showing changes to two primary nodes and a second showing changes to both primary and secondary nodes. Primary and secondary nodes were selected by the Steering Committee:

- *Primary nodes:* Pacific Triangle, Carpenter Road
- *Secondary nodes:* Lilly Road, Ranger/Hensley

MAP 1. IDENTIFIED NODES IN THE MARTIN WAY CORRIDOR



In the analysis, staff assumed the different land use tools included in the scenarios would lead to changes in the likelihood that a property will develop or redevelop, as well as changes in housing density and affordability, and the availability of public space and landscaping. Detailed assumptions for each of the scenarios are listed in Appendix B.

4. Alternative Scenario Results

TRPC staff used the objectives and performance measures listed in Section 1 to evaluate and compare alternatives. The Existing Future scenario (A) served as a baseline, and the performance of other alternatives were compared to that baseline and to each other to create a relative ranking score. Table 3 summarizes the results of the alternatives evaluation. A detailed summary of the evaluation results is available in Appendix D.

TABLE 3. MARTIN WAY CORRIDOR LAND USE ALTERNATIVES, SCORES

Least effective					Most effective

			Existing Future	Transportation Investments	Nodal (2) Affordable	Nodal (4) Affordable	Nodal (2) Redevelopment	Nodal (4) Redevelopment	Corridor-wide Continuity
			A	B	C1	C2	D1	D2	E
Support inclusive growth	**Housing**	Total housing units							
		Residential density							
	Affordability	Total new income-restricted housing							
		Proportion new housing that is income-restricted							
	Vibrancy	Activity density							
		Total redeveloped land							
		Proportion of developed land likely to redevelop							
Improve continuity	**Continuity**	Consistent development permit requirements							
		Consistent fees							
Build a sense of place and ownership	**Aesthetics**	Change in street trees/ landscaping							
		Visible art installations							
	Public space	Average distance to a public amenity							
	Engagement	District or corridor groups created							

4.1 Housing

As discussed in the Martin Way Corridor Current Conditions Report (2021), the number of housing units in the corridor is projected to increase considerably under existing regulations and

market conditions over the next 25 years, but this growth is likely not sufficient to meet regional goals for concentrating growth in high density urban corridors identified in Sustainable Thurston. Transportation improvements alone (Alternative B) are unlikely to result in any significant difference from the Existing Future Alternative.

A nodal approach that emphasizes incentives for affordable housing (Alternative C) has the potential to dramatically increase housing in the corridor, even though its impact is more concentrated than the corridor-wide changes (Alternative E). The option creating four nodes resulted in the most housing corridor-wide, even greater than a corridor-wide approach (Alternative E). This result is due in part to the large increase in housing potential in the Lilly Road node, which was identified as a secondary node and only included in alternative C2 and D2 (see discussion of nodal results below). Achieving such a result would entail changes to some existing low-density residential and commercial areas that are near these nodes, as well as significant use of financial tools, public investment, and creative partnerships with the private sector.

A nodal approach that emphasizes redevelopment of all kinds (Alternative E) also would result in an overall increase in housing compared to the existing future baseline, but with a greater mix of residential and commercial development in addition to housing.

FIGURE 1. CHANGE IN HOUSING UNITS AMONG MARTIN WAY CORRIDOR ALTERNATIVES

Source: TRPC Land Capacity Model

Alternatives

A = Existing Future
B = Transportation Investments Only
C1 = Nodal (2) Affordable
C2 = Nodal (4) Affordable
D1 = Nodal (2) Redevelopment
D2 = Nodal (4) Redevelopment
E = Corridor-wide Continuity

4.2 Affordability

A nodal approach that focuses on maintaining and creating affordable housing (Alternative C), performs best for creating affordable housing options. Such an approach would apply several financial and regulatory tools to directly increase income-restricted housing, with the added benefit of concentrating this housing at locations likely to have easy transit access and other transportation connections.

Other alternatives (D and E) apply tools to increase housing in the corridor, but without specific affordability requirements in place, these investments may result in generally higher housing costs than are seen under existing market patterns, or with only transportation investments (Alternative A and B).

4.3 Vibrancy

A corridor-wide approach (Alternative E) performs best for this objective, with improvements throughout the corridor leading to maximum growth and redevelopment. Nodal approaches (Alternative C and D) also perform well for this goal –concentrating development within the corridor at strategic locations can result in the significant growth in activity and investment at key nodes. With four nodes, rather than two, the benefits are nearly as great as a corridor-wide approach.

4.4 Continuity

Alternative E, with its emphasis on harmonizing standards across the length of the corridor, results in the greatest continuity across jurisdictions. The nodal approaches (Alternatives C and D) would create new sets of standards and approaches for specific areas of the corridor, and nodes may be managed differently in different jurisdictions. A node at Carpenter, which sits at the current boundary of the Lacey UGA, would need to be carefully planned to ensure consistency within the county- and city-managed areas of that node.

4.5 Aesthetics

Alternative E ranks at the top for aesthetics, due to investments in landscaping and placemaking along the length of the corridor, but the two nodal alternatives come close (Alternatives C and D) when four nodes are created. Transportation investments alone (Alternative B) will improve the look of the corridor over the existing future (Alternative A).

4.6 Public Space

A nodal approach concentrates both housing and amenities into key activity areas, and can bring those amenities within an easy walking distance (less than a quarter mile) of most corridor residents. With four designated nodes, Alternatives C and D outperform the corridor-wide approach (Alternative E), which disperses people and public space at greater distances along the corridor. Though not as strong as the other alternatives, transportation investments (Alternative B) will provide additional public amenities – an improvement over the existing future scenario.

4.7 Engagement

There are minimal differences among the alternatives for this objective. Existing Future and Transportation investments alone (Alternative A and B) are unlikely to bring community members together in any sustained way that can inform future changes on Martin Way. Other alternatives are likely to include formation of new groups or organizations that focus on corridor conditions and improvements, bringing more lasting engagement with the corridor.

5. Nodal Results

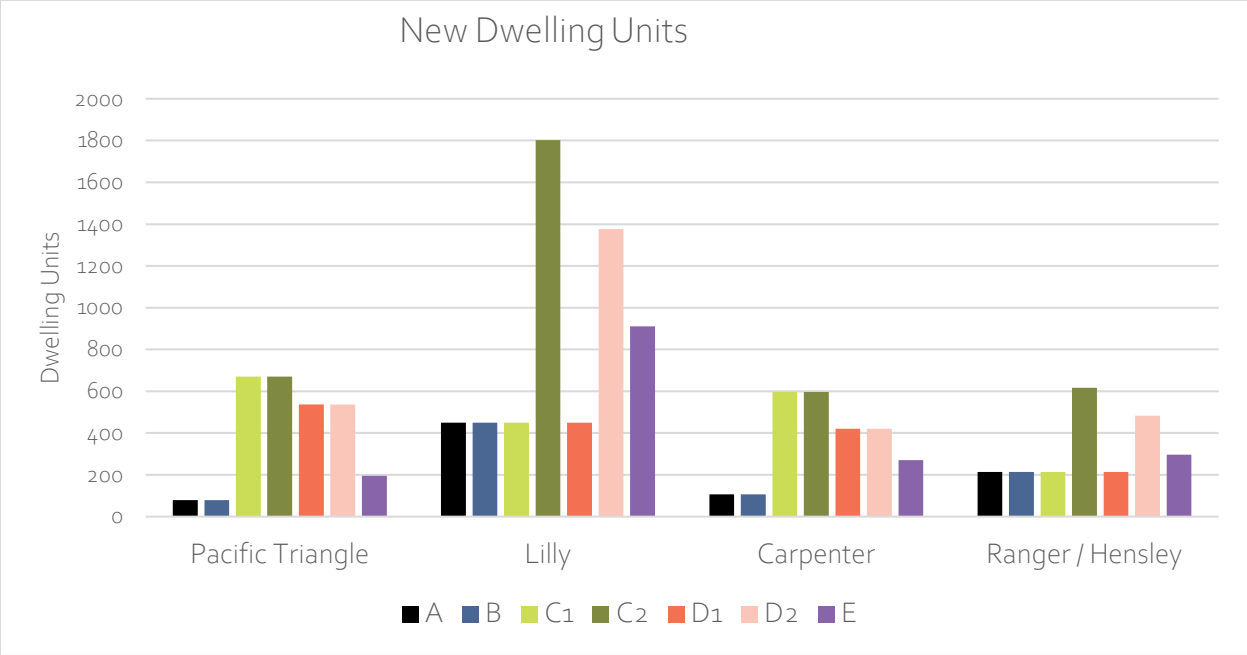
TRPC's analysis also included estimates of housing and redevelopable land within the primary and secondary nodes identified in Alternatives C and D. The same changes were applied to the Pacific Triangle and Carpenter nodes for the two versions of alternatives C and D; changes were only applied to the secondary nodes at Lilly Road and Ranger/Hensley for C2 and D2.

5.1 Housing

In all nodes, focusing on maximizing affordable housing (Alternative C) resulted in more housing overall than focusing on redevelopment generally (Alternative D).

The change in housing is most dramatic for the Lilly Road node, which has the potential to more than double new dwelling units with a focused regulatory and financing strategy.

FIGURE 2. INCREASE IN NEW DWELLING UNITS FOR NODES IN THE MARTIN WAY CORRIDOR, COMPARED TO A 2017 BASELINE



Source: TRPC Land Capacity Model

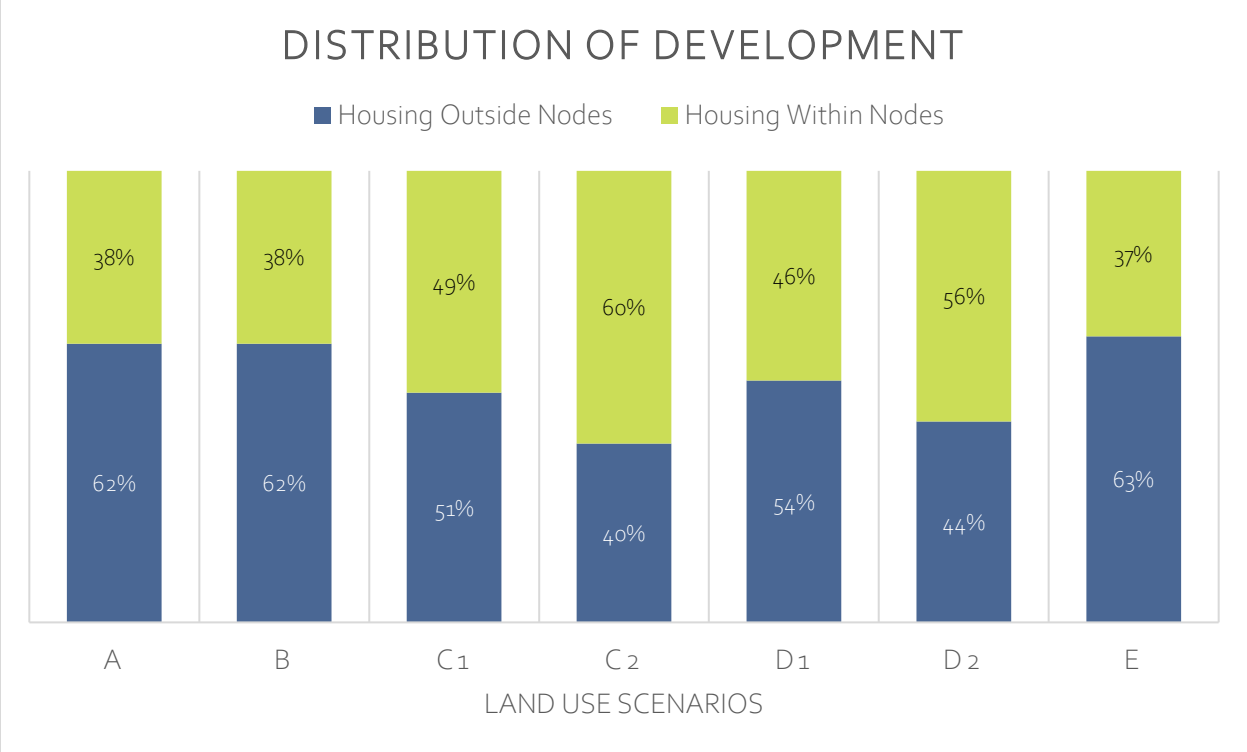
Alternatives

A = Existing Future
B = Transportation Investments Only
C1 = Nodal (2) Affordable
C2 = Nodal (4) Affordable
D1 = Nodal (2) Redevelopment
D2 = Nodal (4) Redevelopment
E = Corridor-wide Continuity

A nodal approach would alter the distribution of housing and residents along the Martin Way Corridor. Under existing future conditions, some segments of the corridor may have more residents than others (similar to patterns that exist today), but only about a third of the corridor's population will be located near key intersections, while the bulk of housing will be distributed relatively evenly along the rest of the corridor. Under the nodal alternatives, this development pattern reverses, with half or more of housing concentrating near key intersections. This alternative pattern is strongest under Alternative C2, which creates the most housing overall,

and would see 60 percent of all housing on the corridor located at one of the four identified nodes. This outcome would have wider impacts on traffic patterns, and the need for transportation options and services than can be modeled through this analysis. These implications should be considered by jurisdictions if they choose to move toward a nodal pattern of development.

FIGURE 3. DISTRIBUTION OF HOUSING IN THE MARTIN WAY CORRIDOR UNDER LAND USE ALTERNATIVES



Source: TRPC Land Capacity Model

Alternatives

A = Existing Future
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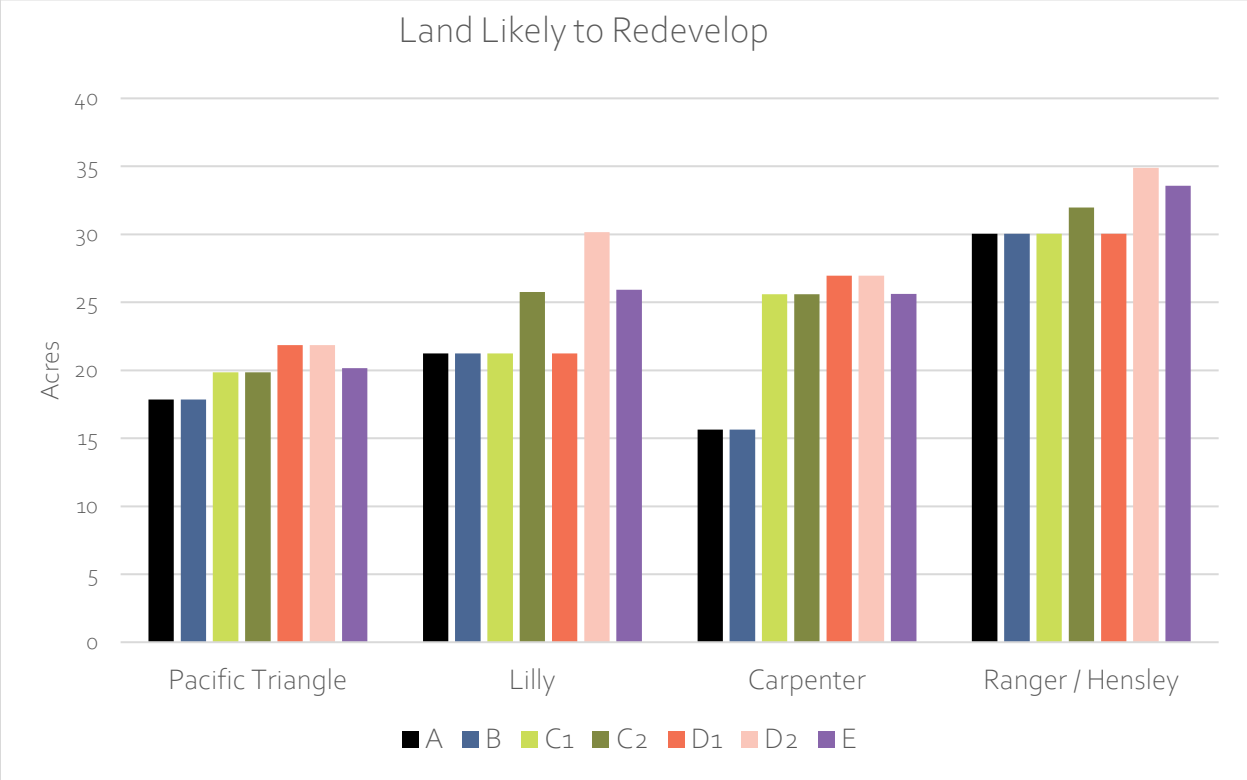
5.2 Redevelopment Potential

The alternatives show a less pronounced effect on redevelopment patterns than on housing. The secondary node at Ranger/Hensley has the greatest amount of redevelopable land of the four areas, but is less affected by the different policy and financing approaches included in the scenarios. The node at Carpenter Road is the location where policy tools identified in the scenarios can make the biggest difference in increasing redevelopment compared to existing conditions. The Lilly Road area also has a greater potential for redevelopment in alternatives C, D, and E, especially with the mix of tools contained in the Alternative D.

FIGURE 4. INCREASE IN LAND CONSIDERED "LIKELY TO DEVELOP" WITHIN NODES IN THE MARTIN WAY CORRIDOR, COMPARED TO A 2017 BASELINE



Source: TRPC Land Capacity Model

Alternatives

A = Existing Future
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C1 = Nodal (2) Affordable
C2 = Nodal (4) Affordable
D1 = Nodal (2) Redevelopment
D2 = Nodal (4) Redevelopment
E = Corridor-wide Continuity

6. Conclusions

The land use alternatives analysis found significant differences among the proposed alternatives in meeting the goals for the Martin Way Corridor. While a corridorwide approach will have the broadest impact, focusing land use tools and financing at strategic nodes within the corridor can achieve many of the same objectives with more focused investment of policy tools and financial resources. The findings for each alternative are summarized below:

A – Existing Future: Allow existing standards and market forces to drive development patterns on Martin Way.

- **Vision:** Martin Way will have a similar look and feel to what it does today, with a higher density of housing than exists currently. Although the corridor will change over time, the market will drive what gets built and when.
- **Housing:** The number of housing units will increase by 85 percent (+2,330 units) compared to current conditions.

- **Affordability:** Approximately one-sixth of new units (17 percent) are likely to be affordable, or restricted to lower-income residents.
- **Vibrancy:** Approximately 230 acres are likely to redevelop across the corridor, but overall activity levels remain relatively low and dispersed.
- **Visual Appeal, Public Spaces:** Increased housing will bring more people to the corridor, and a quarter of developed land is likely to redevelop, but this will likely bring limited additional landscaping or public space.
- **Community Engagement:** Without any sustained focus through a corridor or district group, there will likely be little change in the level of community engagement.

B – Transportation Investments Only: Use transportation investments and improvements to drive development patterns along the corridor.

- **Vision:** Transportation improvements will improve the aesthetics and function of the corridor with the introduction of additional public amenities and landscaping. These improvements may spur some additional investment in the corridor over the long term, but on their own are not likely to significantly change the type and look of development on Martin Way.
- **Housing:** Same as Alternative A – Existing Future. The number of housing units will increase by 85 percent compared to current conditions (+2,330 units).
- **Affordability:** Same as Alternative A – Existing Future: Approximately one-sixth of new units (17 percent) are likely to be affordable, or restricted to lower-income residents.
- **Vibrancy:** Same as Alternative A – Existing Future.
- **Visual Appeal, Public Spaces:** Depending on the design chosen, transportation improvements may incorporate some additional landscaping and artistic elements that can moderately improve the aesthetics of the Martin Way Corridor, but these changes are not likely to drive redevelopment that is significantly different from Alternative A – Existing Future.
- **Engagement:** Same as Alternative A – Existing Future: Without any sustained focus through a corridor or district group, there will likely be little change in the level of community engagement.

C – Nodal, Affordable Housing Focus: Maximize retention and development of affordable housing at key nodes on the Martin Way Corridor.

- **Vision:** Martin Way will cultivate distinct, dense hubs of population and activity at key nodes, connected by lower-activity stretches of less intense land uses and open space. These nodes will boast a high concentration of affordable housing with convenient access to attractive gathering places and services that help build community, as well as transportation options that connect residents and travelers to other parts of the corridor and region.
- **Housing:** Depending on the number of nodes developed, available housing units in the corridor could double or nearly triple compared to current conditions (+3,410 units with two nodes and +5,160 for four nodes). This is 20-60 percent more housing in the corridor compared to a future under existing conditions (Alternative A). Of the nodes considered, new housing potential will be greatest around the intersection of Martin Way and Lilly Road.

- **Affordability:** With extensive use of incentives and policies, up to one-fifth of new housing units may be affordable, or restricted to lower-income residents (2 nodes = 18 percent; 4 nodes = 20 percent). This is the highest proportion among all alternatives.
- **Vibrancy:** Incentives will drive redevelopment of more land than is likely under existing conditions (240-250 acres), and increased population will drive high activity density within nodes. Connecting segments of the corridor (areas outside nodes) will look like Alternative A – Existing Future, but over time, increased economic activity within nodes may drive investment throughout the corridor.
- **Visual Appeal, Public Spaces:** An improved streetscape, and the addition of thoughtful urban design elements at nodes (including art and landscaping) will make these areas more vibrant and appealing.
- **Community Engagement:** The increased population at nodes combined with the establishment of community groups focused on corridor needs will help develop a greater sense of identity and avenues for community engagement.

TABLE 4. PERFORMANCE SUMMARY OF MARTIN WAY LAND USE ALTERNATIVES

Alternative	Effectiveness at Increasing: ○ = least effective ● = most effective						
	Housing	Affordability	Vibrancy	Continuity	Visual Appeal	Public Spaces	Engagement
A - Existing Future	○	◑	○	◔	○	○	○
B - Transportation Investments Only	○	◑	○	◔	◔	◔	○
C - Nodes – Affordable Housing Focused	◕	●	◑	○	◑	◕	◑
D - Nodes – Maximized Redevelopment	◑	◔	◑	○	◑	◑	◑
E - Corridor-wide Continuity	◕	◑	●	●	●	◑	◑

D – Nodal, Redevelopment Focus: Maximize opportunities for development and redevelopment at key nodes on the Martin Way Corridor.

- **Vision:** Martin Way will cultivate distinct, dense hubs of population and activity at key nodes, connected by lower-activity stretches with less intense land uses and open

space. These nodes will feature a vibrant mix of mostly market-rate housing, shops, offices, services, and public spaces with convenient access to transportation options connecting travelers to other parts of the corridor and region.

- **Housing:** Available housing units in the corridor could more than double compared to current conditions (+3,100 units with two nodes and +4,300 for four nodes). This is 25-40 percent more housing in the corridor compared to a future under existing conditions (Alternative A), but less housing than is projected under Alternative C (Affordable Nodes). Of the nodes considered, new housing potential is greatest around the intersection of Martin Way and Lilly Road.
- **Affordability:** More housing in the corridor will bring more affordable units than would be expected under existing conditions, but at a smaller proportion of total housing (2 nodes = 16 percent; 4 nodes = 13 percent). Existing affordable housing will be more likely to convert or increase in price, and as nodes become more desirable (increasing the price of land), new affordable units may be more likely to locate in the sections of the corridors between nodes, or at the outskirts of the corridor, placing them further from convenient services and transportation connections.
- **Vibrancy:** Slightly more land will redevelop compared to Alternative C (250-260 acres), especially around the Carpenter and Lilly nodes. New projects are likely to be more diverse, with commercial uses in addition to housing, and the overall increase in population will generate more activity within nodes. Over time, increased economic activity within nodes may drive investment out to other stretches of the corridor.
- **Visual Appeal, Public Spaces:** An improved streetscape, and the addition of thoughtful urban design elements at nodes (including art and landscaping) will make these areas more inviting and appealing.
- **Community Engagement:** The increased population and commercial activity at nodes combined with the establishment of community groups focused on corridor needs will help develop a greater sense of identity and provide avenues for community engagement.

E – Corridor-wide Continuity: Apply policies and tools that enhance consistency at a corridor-wide scale.

- **Vision:** Martin Way will continue to serve as a primary east-west throughway, bordered by a dense mix of housing and businesses, interspersed with open space around critical areas, and access to public institutions and amenities.
- **Housing:** Housing in the corridor could nearly triple compared to current conditions (+4,800 units). This is 50 percent more housing compared to a future under existing conditions (Alternative A). This housing would be distributed across the corridor, rather than concentrated near any specific services, amenities, and transportation options.
- **Affordability:** Affordable housing will increase in the corridor, but could make up a smaller proportion of total housing (15 percent), compared to existing conditions. These units may not be concentrated as close to services, amenities, and transportation options.
- **Vibrancy:** Extensive use of financial incentives and other tools create the opportunity for more redevelopment across the corridor than seen in other alternatives (280 acres). While there is greater activity across the corridor, it does not reach the levels of activity density within nodes seen in Alternatives C and D.

- **Visual Appeal, Public Spaces:** With complementary standards applied across jurisdictions and greater investment in the streetscape, the look and feel of the corridor will improve; however, without clear areas of focus, the corridor will maintain some of the feel of a strip throughway.
- **Community Engagement:** Establishing a business improvement district or other groups focused on corridor needs will provide an outlet to help develop a greater sense of identity for the corridor, though this engagement will be dispersed across the length of Martin Way.

These results can help inform the next steps in developing a vision and action plan for the Martin Way Corridor.

Appendix A: Land Use Alternatives and Land Use Tools

Alternative	A	B	C	D	E
	Existing Future	**Transportation Investments Only**	**Nodal Development with Max Affordable Housing**	**Nodal Development with Max Redevelopment**	**Corridor-wide Continuity**
Purpose Statement	Allow existing standards and market forces to drive development patterns on Martin Way.	Use transportation investments and improvements to drive development patterns along the corridor.	Maximize retention and development of affordable housing along Martin Way Corridor.	Maximize opportunities for development and redevelopment along Martin Way Corridor.	Apply policies and tools that enhance consistency at a corridor-wide scale.
Transportation improvements	None (aside from what is already planned)	Preferred alternative implemented (Min/mod/max)	Preferred alternative implemented (Min/mod/max)	Preferred alternative implemented (Min/mod/max)	Preferred alternative implemented (Min/mod/max)
Zoning & Development Standards	None	Minimal changes to support multimodal and transit use ✓ Consistent standards for street, transit, trail connections ✓ Reduced parking requirements	Changes focused on streamlining and supporting affordable housing development and antidisplacement in nodes ✓ TOD zoning/overlay ✓ Zoning incentives ✓ Reduced parking requirements ✓ Affordable housing incentive/requirement ✓ Anti-displacement policies	Changes focused on streamlining and supporting redevelopment in nodes ✓ TOD zoning/overlay ✓ Zoning incentives ✓ Reduced parking requirements	Changes focused on tying corridor-wide development to the corridor vision within existing mixed-use zoning districts. ✓ Consistent standards for street, transit, trail connections, design, uses, densities, etc. ✓ Reduced parking requirements ✓ Zoning requirements or incentives, including mixed-use developments, higher minimum densities, parks/open space requirements, changes specific to commercial renovations or residential developments ✓ Anti-displacement policies

Permitting Process	None	None	✓ Planned Action SEPA (nodes)	✓ Planned Action SEPA (nodes)	✓ Planned Action SEPA
Financial Tools	None	✓ Tax Increment Financing	✓ MFTE (Lacey + Olympia) – tied to nodes with affordable housing emphasis ✓	✓ MFTE (Lacey + Olympia) – tied to nodes ✓ Tax Increment Financing	✓ MFTE (Lacey) ✓ Streamline development costs and fees ✓ Tax Increment Financing
Civic Investments	None	✓ Infrastructure investment strategy ✓ Placemaking improvements tied to transportation investments	✓ Infrastructure investment strategy ✓ Placemaking (nodes) ✓ Acquire and aggregate land for future low-income and affordable housing (nodes) ✓ Direct dedicated housing funds to financing affordable housing projects in nodes ✓ Targeted funds – affordable housing	✓ Infrastructure investment strategy ✓ Placemaking (nodes) ✓ Acquire and aggregate land for redevelopment opportunities (nodes)	✓ Infrastructure investment strategy ✓ Placemaking (corridor) ✓ Acquire and aggregate land (corridor)
Public/Private Partnerships	None	✓ Project infrastructure improvements (corridor)	✓ Corridor Partnership or Business Improvement Area ✓ Provide land (nodes) ✓ Project infrastructure improvements (nodes) ✓ Anchor institutions (nodes)	✓ Corridor Partnership or Business Improvement Area ✓ Provide land (nodes) ✓ Project infrastructure improvements (nodes) ✓ Anchor institutions (nodes)	✓ Corridor Partnership or Business Improvement Area ✓ Provide land (corridor) ✓ Project infrastructure improvements (corridor)

.

What types of land use policy interventions will help achieve the vision for the Martin Way Corridor?

Zoning & Development Code Changes

- **Establish a Transit-Oriented Development (TOD) zoning district or overlay**
  - **Why:** Transit-Oriented Development (TOD) is designed to increase the number of residents, employees, and potential transit riders that have convenient access to transit. A TOD zoning district or overlay would apply specific standards and incentives within a ¼-mile (approximately 10-minute walk) of defined transit nodes, such as allowing taller structures and greater densities, reduced parking ratios, permitted uses, and development and design standards.
  - **Needs:** Comprehensive Plan and Code change through public process
  - **Issues:** TOD may be complicated to develop and implement. May drive up cost of housing near transit without anti-displacement safeguards that promote development of affordable housing. Some existing neighborhoods within nodes have poor street connectivity and lack of sidewalks that make it more challenging for pedestrians to access corridor.
  - **Alternative Applicability:**
    - **B –** No
    - **C –** Yes, district/overlay includes standards requiring (inclusionary zoning) and/or incentivizing affordable housing options.
    - **D –** Yes, district/overlay includes extra incentives for developers
    - **E –** No

- **Establish consistent standards among the jurisdictions.**
  - **Why:** Consistency in regulations and how they are administered provide predictability for developers, and ensures jurisdictions are acting on their common vision for the corridor. Most relevant for street cross sections, stormwater treatment, and transit improvements. Zoning, development regulations, open space, and design guidelines are more likely to be differentiated between Lacey and Olympia, with greater consistency for the Lacey and Lacey UGA areas.
  - **Needs:** Code change through public process, interlocal agreement for updating, interpretations, etc.
  - **Issues:** Maintaining consistency when jurisdictions have different resources, priorities, and staff that may interpret the same language differently. Despite existing joint planning agreements, Urban Growth Area updates often lag changes to city standards, due to lack of capacity at County. Olympia and Lacey may wish to maintain different zoning, development, and design standards that meet their individual jurisdictional needs. Another issue is that some portions of the corridor are in critical areas and there will be no adjacent development to build the street improvements, such as curb/gutter/sidewalk, bike lanes, planter strips and street lighting.
  - **Alternative Applicability:**
    - **B –** Yes, consistent standards for street, transit, trail connections
    - **C –** No
    - **D –** No

    - **E –** Yes, consistent standards for street, transit, trail connections, design, uses, densities, etc.

- **Establish or revise zoning incentives**
    - **Why:** The right incentives can encourage development that creates public benefit consistent with the corridor vision. Currently, Lacey's Mixed-Use High Density Corridor (MHDC) zoning district allows development to increase building and development coverage if they offer benefits such as mixed uses, greater densities, or pedestrian amenities. These provisions could be reviewed and adapted to better meet the corridor vision, and such incentives could be applied to other zoning districts in the corridor. *Note: zoning incentives overlap with some specific tools listed below and could be incorporated into a TOD zone (above).*
        - Potential Incentives for Development
            - Density bonuses
            - Reduced parking requirements
            - Reduced open space requirements
            - Flexible development regulations (i.e., setbacks, coverage, stormwater or other requirements)
        - Potential Public Benefit Required in Exchange for Incentives
            - Affordable housing units
            - Mixed-use development
            - Green building techniques (ie, development meets net zero standard or includes elements consistent with climate mitigation strategies, such as installation of solar panels, electric vehicle charging infrastructure, or other green building techniques that go above and beyond existing code requirements)
            - Pedestrian amenities
            - Parks and open space dedication
            - Design and form elements consistent with corridor vision
    - **Needs:** Code change through public process
    - **Issues:** Challenging to find the right balance of incentives – requires the ability to adapt as market conditions change, which can be difficult when in code. Market conditions vary across the corridor, and incentives may be more viable in some parts of the corridor than other. Flexible code provisions can be more complicated to administer, challenging to maintain consistency between city and UGA areas.
    - **Alternative Applicability:**
        - **B –** No
        - **C –** Yes, within nodes, supporting affordable housing
        - **D –** Yes, within nodes
        - **E –** Yes, corridor-wide

- **Reduce parking requirements**
    - **Why:** Parking uses a lot of space and is a significant cost for development projects, especially residential ones. With Martin Way serving as a major public transportation corridor with frequent transit service, land should be prioritized for uses other than car storage. Consider strategies such as shared parking, charging for parking, and other means to reduce the need for large amounts of land used for parking.

- **Needs:** Code change through public process
- **Issues:** Public perception may be that parking reductions will exacerbate traffic and parking issues. While parking reductions may be attractive for multifamily developments, they are less so for townhouse and commercial developments.
- **Alternative Applicability:**
  - **B –** Yes, to support multimodal and transit use
  - **C –** Yes, within nodes
  - **D –** Yes, within nodes
  - **E –** Yes, corridor-wide

- **Review and update permitted uses**
  - **Why:** Not all development occurring in the corridor is consistent with the vision (an attractive mixed-use, high density residential and commercial area) and market study. Explicitly permit horizontal mixed use, rather than limiting to vertical, and scale regulations to be appropriate to the different market conditions along the corridor. Explicit regulations supporting mixed-use development may stave off further private Covenants, Conditions, and Restrictions (CC&Rs) that restrict residential uses on commercial property. Consider limiting uses that lock up land in low-density, low activity patterns, such as mini-storage units.
  - **Needs:** code change through public process
  - **Issues:** may not result in the desired outcome (achieving the vision) but rather dampen desire to develop/redevelop the corridor because of costs involved
  - **Alternatives:**
    - **B –** No
    - **C –** Yes, within nodes
    - **D –** Yes, within nodes
    - **E –** Yes, in corridor zoning districts

- **Require or increase minimum residential densities**
  - **Why:** Tie requirements directly to the vision for the corridor (an attractive mixed-use, high density residential and commercial area). Tier density and heights to nodes to encourage concentrated development in those areas.
  - **Needs:** Code change through public process
  - **Issues:** Without pairing this with other public interventions (ex: parking reduction, reduced tree tracts and open space requirements, stormwater), could stifle development because it becomes too expensive.
  - **Alternatives:**
    - **B –** No
    - **C –** No
    - **D –** No
    - **E –** Yes, in mixed use corridor zoning districts

- **Require or encourage the dedication of publicly accessible space or a fee-in-lieu for commercial and residential developments**
  - **Why:** There are few parks and public spaces on the corridor. Well-designed public spaces, including trails, are an amenity that can make an area more pedestrian-friendly, improve quality of life for residents, and have economic benefits. These spaces also

provide the opportunity for more landscaping, softening the impact of the built environment. This action can include spaces that are small in scale and consistent with an urban corridor (i.e., parklets, plazas, short off-street trails), and that are either publicly owned or managed by an agreement with a private entity as part of a development agreement. Alternatively, applicants could be given the option to pay a fee-in-lieu of developing open space requirements that could be applied to other corridor improvements, such as plazas and pocket parks or sidewalks and landscaping where development is unlikely to pay for such improvements. *Note: jurisdictions already have open space requirements for new development, especially residential and multifamily, and Olympia charges Park Impact Fees.*

- **Needs:** Code change through public process
- **Issues:** Increases the cost of development and could discourage desired redevelopment on the corridor. Required open space may not be a priority for developer, and unless well designed, may not provide much of a public amenity. Costs and challenges with ongoing maintenance and management of park and open space areas. Different jurisdictions have different approaches to providing open space, due to the funding tools at their disposal: Olympia focuses on acquisition of property for public use; Lacey focuses on private agreements.
- **Alternatives:**
  - **B –** No
  - **C –** No
  - **D –** No
  - **E –** Yes

- **Require or encourage affordable housing in new development**
  - **Why:** As the corridor redevelops, it is important to ensure there are sufficient affordable housing options where low- and moderate-income residents can benefit from increased access to transportation options and amenities. Inclusionary zoning requires (mandatory) or offers incentives (voluntary) to developers to set aside a share of units in new developments to be rented or sold at below-market rates. Such an approach could include allowing developers to pay a fee in lieu of developing affordable units or to build the units in a separate location from the main development. In cities that have adopted mandatory inclusionary zoning, Washington State offers a 20-year property tax exemption for development that rents 20% of dwelling units to low-income households and is within a mile of high-capacity transit with 15-minute frequency (RCW 84.14.020).
  - **Needs:** Comprehensive Plan and Code change through public process
  - **Issues:** May not result in the desired outcome (increase affordable housing) but rather dampen desire to develop/redevelop the corridor because of costs involved.
  - **Alternative Applicability:**
    - **B –** No
    - **C –** Yes, in nodes
    - **D –** No
    - **E –** No

- **Establish anti-displacement policies for conversions or redevelopment of existing affordable housing, including Manufactured Home Parks**

- **Why:** Low-income residents along the corridor, including residents of manufactured and mobile homes, could be vulnerable to displacement as Martin Way develops. Anti-displacement policies could include offering first right of purchase to a community land bank or affordable housing organization (in combination with actions listed below) or requiring developers to include a commensurate number of affordable housing units within a development and offering first right to purchase to existing residents.
- **Needs:** Comprehensive Plan amendment and code change through public process
- **Issues:** Additional requirements could limit the flexibility of redeveloping these areas into higher density and mixed use consistent with the corridor vision. May need to be paired with other programs, such as establishing a community housing bank or offering support to existing residents in making purchases.
- **Alternative Applicability:**
  - **B** – No
  - **C** – Yes
  - **D** – No
  - **E** – Yes

Permitting Process

- **Planned Action SEPA**
  - **Why:** Under SEPA, a planned action ordinance is a way to have environmental review of a specific geographic area completed prior to any permits being filed. Projects that qualify as a planned action may use a streamlined permitting process. A project being designated a planned action is voluntary and can provide predictability and time-savings for projects, because planned actions do not require additional processing under SEPA. This reduces time and costs for projects looking to locate in the area.
  - **Needs:** Corridor or District plan with enough detail for an EIS
  - **Issues:** Limits ability to adjust development based on changes that come to light or are adopted after ordinance is adopted; may be expensive to develop depending on the area subject to the planned action SEPA.
  - **Alternatives:**
    - **B –** No
    - **C –** Yes, tied to plan for specific nodes/overlay districts
    - **D –** Yes, tied to plan for specific nodes/overlay districts
    - **E –** Yes, as specific areas identified for redevelopment

Financial Tools

- **Expand Multifamily Tax Exemption (MFTE) for developments in the corridor**
  - **Why:** This is one of the easiest ways for jurisdictions to impact housing affordability and cost. When paired with land provision and parking reductions, more dense residential projects – the type desired for the corridor – become feasible. *Note: Olympia has already established an MFTE for lots that front Martin Way between Downtown and Lilly Road.*
  - **Needs:** code change for Lacey, state legislative change for UGA
  - **Issues:** Does not apply in the UGA portions of the corridor – cities only. May not increase the supply of affordable housing, unless limited – if limited to only affordable

housing exemption (12-year and 20-year), may not be a sufficient incentive to developers. (See Leland analysis) Some types of MFTE require inclusionary zoning.

- **Alternatives:**
  - **B –** No
  - **C –** Yes, tie to nodes and with affordable housing emphasis; create in Lacey, amend in Olympia
  - **D –** Yes, tie to nodes; create in Lacey, amend in Olympia
  - **E –** create in Lacey (potentially amend in Olympia)

- **Streamline development costs and fees**
  - **Why:** Establishing a common fee structure across corridor will help ensure no one entity is preferred over others
  - **Needs:** Code change, fee study
  - **Issues:** Development and Impact fees are set by different entities for different purposes; changing them would be hard to coordinate across different entities.
  - **Alternatives:**
    - **B –** No
    - **C –** No
    - **D –** No
    - **E –** Yes

- **Establish Tax Increment Financing Area**
  - **Why:** Tax increment financing (TIF) is a method of redistributing property tax collections within designated areas to finance infrastructure improvements within these areas. Under TIF, the taxing district establishes a geographic area that is expected to benefit most from the proposed new infrastructure (Increment Area) and then utilizes the increased tax revenues from that Increment Area to pay for the new infrastructure**.** Local government often issue bonds to raise funds to pay for infrastructure and use the tax increment to pay the bond debt service, allowing new private development to pay for new public improvements without burdening the existing tax base. Existing tax increment financing tools available to local governments include Community Revitalization Financing (CRF), Local Infrastructure Financing (LIFT), and Local Revitalization Financing (LRF). In 2021, the state legislature expanded the use of TIF for cities and counties in the state. Eligible improvements include:
    - Streets and roads
    - Water and sewer systems
    - Sidewalks and streetlights
    - Parking, terminal, and dock facilities
    - Park and community facilities
    - Electric, broadband or rail service
  - **Needs:** Required project analysis, Ordinance designating an increment area and identified improvements
  - **Issues:** TIF relies on improvements bringing increased property values, which could lead to displacement of existing lower-income residents and businesses
  - **Alternatives:**
    - **B –** Yes
    - **C –** Yes, tied to nodes and affordable housing provisions

- **D –** Yes, tied to nodes
- **E –** Yes

Civic Investments

- **Develop an infrastructure investment strategy**
  - **Why:** Create an investment strategy for critical infrastructure and place-making amenities (e.g., street trees, sidewalks, bike lanes, traffic-calming devices, open space). A focus could be on strategies for funding improvements in sections of the corridor with extensive critical areas and infrastructure gaps, where adjoining development will never pay for frontage improvements.
  - **Needs:** Develop strategy
  - **Issues:**
  - **Alternatives:**
    - **B –** Yes
    - **C –** Yes
    - **D –** Yes
    - **E –** Yes

- **Construct placemaking elements**
  - **Why:** Public space, plazas, art, trails, and sidewalks are critical public investments for mixed-use environments.
  - **Needs:** Identify locations, design, funding
  - **Issues:** Ongoing maintenance needs, may be aided by establishment of a business improvement district
  - **Alternatives:**
    - **B –** Tied to transportation investments (plazas, stations, etc.)
    - **C –** In nodes
    - **D –** In nodes
    - **E –** Corridor-wide

- **Acquire and aggregate land for future development**
  - **Why:** As land prices increase, rent growth may not be enough to cover the feasibility gap of higher density development types. Land banking involves purchasing and holding land in order to preserve it for desired development types that might not yet be feasible. Strategy would be combined with providing land as an incentive.
  - **Needs:** Funding to acquire land; available land in desired locations
  - **Issues:** Identifying and securing sources of funding and maintaining political will
  - **Alternatives:**
    - **B –** No
    - **C –** Yes, to fund affordable housing development in nodes
    - **D –** Yes, to fund development and redevelopment in nodes
    - **E –** Yes, corridor wide

- **Set aside targeted funds for affordable housing development in the corridor**
  - **Why:** Local jurisdictions have established or are considering establishing dedicated funds for creating affordable housing. Under this policy intervention, jurisdictions would set aside a target amount or percentage to fund affordable housing on the Martin Way

Corridor. Doing so would help ensure that the housing created is within easy access of transit and services, and would support the region and the corridor's vision.

- **Needs:** Establish a dedicated fund (Thurston County, Lacey); modify conditions for existing funds (Olympia)
- **Issues:** Less funding available for other locations, may tie up funds if land/projects in identified areas are not immediately available
- **Alternatives:**
  - **B –** No
  - **C –** Yes, in nodes
  - **D –** No
  - **E –** Yes, corridor wide

Public/Private Partnerships

- **Establish a corridor partnership or business improvement area**
  - **Why:** The corridor can benefit from private and nonprofit champions to foster conditions that attract investments in center and corridor projects. This could take the form of a multiagency partnership or a business improvement district. Under state law (RCW 35.87A), business improvement areas provide the ability to collect a special tax assessment from businesses, multifamily residential, and mixed-use projects within their boundary to pay for economic development and revitalization projects to benefit the district.
  - **Needs:** Identify potential champions and host entity, identify purpose and goals of group. To establish a business improvement area, establish geographic boundaries – owners of businesses within corridor boundary could petition the local legislative body or a local jurisdiction could pass an initiation resolution creating the area.
  - **Issues:** Motivation and funding for sustainable and meaningful participation; for a business improvement area, additional assessment cost could pose a burden to existing businesses, and it could be challenging to establish a business improvement area that extends corridor-wide, crossing jurisdictional boundaries
  - **Alternatives:**
    - **B –** No
    - **C –** Yes, focus on stakeholders and agencies engaged in developing affordable housing
    - **D –** Yes, focus on stakeholders and agencies engaged in economic development and redevelopment
    - **E –** Yes, focus on businesses

- **Provide land for residential and mixed-use development**
  - **Why:** Land costs are a major factor that drive private development decisions, and removing this barrier is one of the clearest ways for jurisdictions to ensure that development meets the vision of the corridor. The economic feasibility analysis (Leland) shows that when land is provided for free, and paired with the MFTE and parking reductions, more dense residential projects – the type desired for the corridor – become feasible. This approach would be tied to land banking (above) to form an overall approach to acquiring and aggregating land for use to meet the corridor vision. It could include swapping public lands that are underused and that could be developed more strategically by another government agency or private interest. This could also include

amassing parcels in strategic locations and reselling them to a private development partner, or participating in a public-private development opportunity within the bounds of existing law.
  - **Needs:** land, funding for land acquisition, development agreement in place between purchaser and jurisdiction
  - **Issues:** Providing land that is not tied directly to providing affordable housing has been criticized in the community. Can be costly to acquire land, and moving existing functions on land already in public ownership could be logistically problematic.
  - **Alternatives:**
    - **B –** No
    - **C –** Yes, in nodes and for affordable housing
    - **D –** Yes, in nodes
    - **E –** Yes, corridor-wide

- **Fund or construct project-based infrastructure improvements**
  - **Why:** The cost of frontage and stormwater improvements pose a financial barrier to private and public investment in the types of development desired along the corridor. Jurisdictions can agree to fund or construct infrastructure improvements that may be prohibitively expensive for developers as part of development agreements.
  - **Needs:** Steady funding sourceIdentifying and programprioritizing specific improvements that are barriers, add to implement neededCapitol Facilities Plans
  - **Issues:Issues:** Identifying and securing funding sources. Funding construction that benefits a private developer can be perceived by some stakeholders as an undesirable use of public funds, even if it helps achieve other community benefits. Agreements need to be carefully thought through, negotiated, and communicated to ensure the public sees a net benefit.
  - **Alternatives:**
    - **B –** Yes, corridor wide
    - **C –** Yes, in nodes
    - **D –** Yes, in nodes
    - **E –** Yes, corridor wide

- **Recruit anchor institutions to site in nodes or along corridor**
  - **Why:** Anchor institutions include a region's schools, community centers, libraries, museums, cultural centers, hospitals, large employers, and government offices. Anchors are deeply embedded in their location and unlikely to move, and so can be an asset in driving community and economic development through their decisions in developing, employing, and purchasing. Public buildings with a walk-in function can also enhance the quality of life for people who live or work near them.
  - **Needs:** Identify major employers, foundations, and other anchor institutions that will fund specific redevelopment projects.
  - **Issues:** Cost and availability of land, public buy-in for use of funds
  - **Alternatives:**
    - **B –** No
    - **C –** Yes, in nodes
    - **D –** Yes, in nodes
    - **E –** No

Appendix B: Assumptions

The table below details the full assumptions included in the land use alternatives analysis for the Martin Way Corridor Study.

All Alternatives

- Corridor extent: ¼ mile buffer from Martin Way, extending from Pacific Ave to Marvin Road (extra area to Meridian/Dutterow excluded from Alternatives analysis, as it is out of scope)
- Affordable housing: Units restricted to households making 80% or less of area median income (AMI).
- Low-income housing: Units restricted to households making 30% or less of area median income (AMI).

	A – Existing Future B – Transportation Investments Only	**C – Nodal Development with Maximum Affordable Housing**	**D – Nodal Development with Maximum Redevelopment**	**E – Corridor-wide Continuity**
TRPC land capacity model run	BS2	MW1, MW2	MW3, MW4	MW5
Purpose	Alternative A: Allow existing standards and market forces to drive development patterns on Martin Way. Alternative B: Use transportation investments and improvements to drive development patterns along the corridor.	Maximize retention and development of affordable housing in concentrated nodes along Martin Way Corridor.	Maximize opportunities for development and redevelopment in concentrated nodes along Martin Way Corridor.	Apply policies and tools that enhance consistency at a corridor-wide scale.

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Pro Forma Analysis Crosswalk *How the alternative relates to scenarios developed by Leland Consulting Group for the Pro Forma analysis. The Pro Forma looked at a range of inputs to calculate the financial feasibility of different types of development.*	Under existing conditions, the Pro Forma suggested the following types of development would be most feasible: - Commercial retail renovation and adaptive reuse - Horizontal mixed use - Garden apartments (2-3 stories, surface parking) Vertical mixed use, urban garden apartments, wrap and podium style would be unfeasible.	No exact match with the Pro Forma scenarios, but closest proxy: - Free land (public investment) - 12-year MFTA - 0% rent premium - 33% parking reduction Given what we learned in the other scenarios, some types of mixed use may be marginally feasible, but would require public investment.	Scenario 8, which included: - Redeveloped commercial land - 8-year MFTA (no affordable housing requirement) - 20% rent premium - 33% parking reduction Under these conditions, Urban Garden Apartments (3-4-story, tuck under parking), Wrap and Podium style housing (4-5 stories) all become feasible.	Scenario 5C, which included: - Free land - 8-year MFTA (no affordable housing requirement) - 10% rent premium - 33% parking reduction Under these conditions, Urban Garden Apartments (3-4-story, tuck under parking), Wrap and Podium style housing all become feasible.

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Nodes *Assume a ¼ mile buffer of nodes, as mapped.*	No nodes	Show a range for 2-4 nodes. • Pacific Triangle (Priority) • Carpenter Rd (Priority) • Lilly Rd • Ranger/Hensley	Show a range for 2-4 nodes. • Pacific Triangle (Priority) • Carpenter Rd (Priority) • Lilly Rd • Ranger/Hensley	No particular emphasis on certain nodes / Changes apply corridorwide
Zoning/Development Regulations Assumptions *These assumptions are expressed in the model as changes to % residential land and housing density discussed below.*	No changes from existing	New, transit-oriented development zoning overlay applies to area within ¼-mile of nodal intersections, including existing residential zoning districts within that area. Has reduced parking requirements, increased building heights, and minimum densities, incentives. etc.	New, transit-oriented development zoning overlay applies to area within ¼-mile of nodal intersections, including existing residential zoning districts within that area. Includes reduced parking requirements, higher permitted densities and building heights, and minimum densities, incentives. etc.	Modified existing corridor zones (or overlay), to reduce parking requirements, raise minimum densities and buildings heights, increase incentives for mixed use development and/or corridor amenities.

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Percent of developable land that will be residential **Residential/commercial factor** *This is an assumption in TRPC's land capacity model to account for competing residential and commercial demands for land in mixed-use zones.*	Olympia • HDC 2, 3 – 5% • HDC 4 – 15% Lacey/UGA • MHDC – 50% • CBD 6, 7 – 10% • GC – 0% • LD 0-4 – 100% • LD 3-6 – 100% • HD – 100% Source: Baseline Forecast, Buildable Lands Report, Appendix III	• Within nodes: minimum 75% • Outside nodes: Same as Scenario A/B	• Within nodes: minimum 50% • Outside nodes: Same as Alternative A/B	Olympia • HDC 2, 3, 4 – 40% (up from 5-15% in Existing) Lacey/UGA • MHDC – 50% • CBD 6, 7 – 20% (up from 10% in Existing) • GC – 0% • LD 0-4 – 100% • LD 3-6 – 100% • HD – 100% Source: Land Use Alternative Forecast, Buildable Lands Report, Appendix III

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Housing density assumption (units per acre)	Olympia • HDC 2, 3 – 8.3 • HDC 4 – 100 • MS – 20 Lacey/UGA • MHDC – 20 • CBD 6, 7 – 20 • GC – n/a • LD 0-4 – 6.3 • LD 3-6 – 8.3 • HD – 20 Source: Baseline Forecast, Buildable Lands Report, Appendix III	• Within nodes: Minimum 25 units/acre ○ Includes areas in residential zones within nodes (i.e., Olympia R 4-8 and Lacey LD 0-4) • Outside nodes: Same as Alternative A/B	• Within nodes: Minimum 25 units/acre ○ Includes areas in residential zones within nodes (i.e., Olympia R 4-8 and Lacey LD 0-4) • Outside nodes: Same as Alternative A/B	Olympia • HDC 2, 3 – 8.3 • HDC 4 – 100 • MS – 20 Lacey/UGA • MHDC – 20 • CBD 6, 7 – 20 • GC – n/a • LD 0-4 – 8 (up from 6.3 in Existing) • LD 3-6 – 10 (up from 8.3 in Existing • HD – 20 Source: Land Use Alternative Forecast, Buildable Lands Report, Appendix III

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Redevelopment *TRPC's land capacity model includes assumptions on how much developed land will redevelop based on building to land value ratios.*	No change to redevelopment assumptions. • Current model: 10-100% of developed land redevelops, depending on building to land value.	Redevelopment in nodes somewhat more likely due to financial incentives and public investment, including on publicly owned land. Moderate redevelopment • 20%-100% of developed area redevelops (nodes only)	Redevelopment in nodes much more likely due to financial incentives and public investment, including on publicly owned land. Maximum redevelopment • 30%-100% of developed area redevelops (nodes only)	Financial incentives mean improvement ratio makes redevelopment somewhat more likely Moderate redevelopment • 20%-100% of developed area redevelops (corridorwide) Sites identified as Opportunity Sites in the market study will redevelop. • 30-100% of developed area in opportunity sites will redevelop. Source: Martin Way Corridor Market Study (2020), pages 51-54

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Affordable Housing	17% of new units will be priced to be affordable[1] Source: Martin Way Corridor Pro Forma analysis	20% of new units in nodes are required to be affordable (80% AMI)[2]	13% of new units in nodes will be priced to be affordable[3] Source: Martin Way Corridor Pro Forma analysis	15%[4] of new units will be priced to be affordable, as prices along the corridor increase with other improvements Source: Martin Way Corridor Pro Forma analysis

[1] Source: Martin Way Corridor Pro Forma analysis: "Specifically, 17% of the rental units (558 total units over the past five years) surveyed by LCG in the Lacey-Olympia area are regulated affordable units, and LCG expects that Low Income Housing Tax Credit (LIHTC) and other programs should continue to result in a similar proportion of regulated affordable housing in the future."
[2] Based on Shoreline, Washington's inclusionary zoning program.
[3] Source: Martin Way Pro Forma analysis, Scenario 8 included a 20% rent premium. This scenario assumes 20% of homes that would have been affordable under Existing Conditions (Scenario A) are now Market Rate. "A rent premium (or 10% or 20%) can be viewed in at least two ways. The first is to see a rent premium as a theoretical test of how an increase in rents would impact feasibility. The second is as the potential outcome of public investments in the land acquisition, enabling other nearby development, higher quality streetscapes, place making, transit, and/or other corridor improvements that make living, shopping, or working in the corridor more desirable. As shown above, if housing rents on the corridor increased by 20%, they would be similar to, but still less than, the Downtown Olympia and Shoreline markets."
[4] Source: Martin Way Corridor Pro Forma Analysis, Scenario 5C included a 10% rent premium. This scenario assumes 10% of homes that would have been affordable under Existing Conditions (Scenario A) are now Market Rate: "A rent premium (or 10% or 20%) can be viewed in at least two ways. The first is to see a rent premium as a theoretical test of how an increase in rents would impact feasibility. The second is as the potential outcome of public investments in the land acquisition, enabling other nearby development, higher quality streetscapes, place making, transit, and/or other corridor improvements that make living, shopping, or working in the corridor more desirable. As shown above, if housing rents on the corridor increased by 20%, they would be similar to, but still less than, the Downtown Olympia and Shoreline markets."

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Consistent development permit requirements	No change to development permit requirements	Some increased consistency across jurisdictions in development requirements	Some increased consistency across jurisdictions in development requirements	Increased consistency across jurisdictions in development requirements
Consistent fees	No change to fees	Some increased consistency among fees across jurisdictions	Some increased consistency among fees across jurisdictions	Some increased consistency among fees across jurisdictions
Public Space	No new public space/amenities	A public space or amenity is located in 2-4 nodes	A public space or amenity is located in 2-4 nodes	A public space or amenity is at roughly every ¼ mile along the corridor
Landscaping	A – No change from existing B – Minimal change from existing, consistent with the Minimal transportation alternative Source: Martin Way Transportation Alternatives Operations Analysis	Moderate addition of street trees and landscaped areas within nodes, consistent with Moderate transportation alternative. • 2 nodes = 25% increase in landscaping • 4 nodes = 50% increase in landscaping Source: Martin Way Transportation Alternatives Operations Analysis	Transformation of corridor with introduction of street trees and landscaped median throughout extent of the corridor, consistent with the Aggressive transportation alternative scenario. Source: Martin Way Transportation Alternatives Operations Analysis	

	A – Existing Future B – Transportation Investments Only	C – Nodal Development with Maximum Affordable Housing	D – Nodal Development with Maximum Redevelopment	E – Corridor-wide Continuity
Public Art	No new public art installations	A piece of public art is located in 2-4 nodes	A piece of public art is located in 2-4 nodes	A piece of public art is located at roughly every ¼ mile along the corridor
District/Corridor Groups	No new district/corridor groups	One or more new district groups created	One or more new district groups created	One or more new district groups created

Appendix C: Land Use Analysis Results

The tables below detail the results of the land use alternatives analysis for the Martin Way Corridor Study.

TABLE 5. MARTIN WAY CORRIDOR LAND USE ALTERNATIVES, RAW VALUES

			Unit	2017 Baseline	A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Support Inclusive Growth	**Housing**	Total housing units	Dwelling units	2,750	5,080	5,080	6,160	7,910	5,850	7,050	7,550
		Residential density	Dwelling units per acre	1.6	2.9	2.9	3.5	4.5	3.3	4.0	4.3
	Affordability	New income-restricted housing	Dwelling units	n/a	400	400	620	1,030	490	560	720
		New income-restricted housing/ all new housing	Percent	n/a	17%	17%	18%	20%	16%	13%	15%
	Vibrancy	Activity density	Jobs + Residents per acre	9.9	14.9	14.9	16.0	17.8	15.7	16.9	17.5
		Redeveloped land	Acres	n/a	230	230	240	250	250	260	280
		Proportion of developed land that is likely to redevelop	Percent	n/a	26%	26%	27%	29%	28%	30%	32%

			Unit	2017 Baseline	A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Improve continuity	**Continuity**	Consistent development permit requirements	n/a	n/a	No change	Minimal	Mixed	Mixed	Mixed	Mixed	Max
		Consistent fees	n/a	n/a	No change	Minimal	Mixed	Mixed	Mixed	Mixed	Max
Build a sense of place and ownership	**Aesthetics**	Change in street trees/ landscaped buffer between sidewalk and street	Percent	n/a	+5%	Min scenario, +10%	Mod scenario, +25%	Mod scenario, +50%	Mod scenario, +25%	Mod scenario, +50%	Agg scenario, +75%
		Visible art installations	Art Installs	0	0	0	2	4	2	4	4
	Public space	Average distance of residents to a public amenity	Miles	0.41	0.41	0.41	0.32	0.21	0.33	0.21	0.22
	Engagement	District or corridor groups created	Groups	0	0	0	2	4	2	4	1

TABLE 6. MARTIN WAY CORRIDOR LAND USE ALTERNATIVES, PERCENT CHANGE FROM EXISTING FUTURE (SCENARIO A)

			A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Support Inclusive Growth	Housing	Total housing units	n/a	0%	21%	56%	15%	39%	49%
		Residential density	n/a	0%	21%	56%	15%	39%	49%
	Affordability	New income-restricted housing	n/a	0%	56%	161%	23%	41%	82%
		New income-restricted housing/ all new housing	n/a	0%	7%	18%	-7%	-24%	-12%
	Vibrancy	Activity density	n/a	0%	5%	8%	7%	13%	20%
		Redeveloped land	n/a	0%	5%	11%	8%	16%	23%
		Proportion of developed land that is likely to redevelop	n/a	0%	8%	20%	5%	14%	17%

			A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Improve continuity across jurisdictions	Continuity	Consistent development permit requirements	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		Consistent fees	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Build a sense of place and ownership	Aesthetics	Change in street trees/ landscaped buffer between sidewalk and street	n/a	0%	25%	50%	25%	50%	75%
		Visible art installations	n/a	0%	200%	400%	200%	400%	400%
	Public space	Average distance of residents to a public amenity	n/a	0%	-21%	-50%	-19%	-48%	-46%
	Engagement	District or corridor groups created	n/a	0%	200%	400%	200%	400%	100%

TABLE 7. MARTIN WAY CORRIDOR LAND USE ALTERNATIVES, SCORES

Least effective					Most effective
Rank	1	2,3	4	5,6	

			A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Support inclusive growth	Housing	Total housing units	n/a	1	3	6	2	4	5
		Residential density	n/a	1	3	6	2	4	5
	Affordability	New income-restricted housing	n/a	1	4	6	2	3	5
		New income-restricted housing/ all new housing	n/a	4	5	6	3	1	2
	Vibrancy	Activity density	n/a	1	2	4	3	5	6

			A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
		Redeveloped land	n/a	1	2	4	3	5	6
		Proportion of developed land that is likely to redevelop	n/a	1	3	6	2	4	5
Improve continuity	Continuity	Consistent development permit requirements	n/a	3	2	2	2	2	5
		Consistent fees	n/a	3	2	2	2	2	5
Build a sense of place and ownership	Aesthetics	Change in street trees/ landscaped buffer between sidewalk and street	n/a	1	3	4	3	4	6
		Visible art installations	n/a	1	3	6	3	6	6
	Public space	Average distance of	n/a	1	3	6	2	5	4

			A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
		residents to a public amenity							
	Engagement	District or corridor groups created	n/a	1	4	5	4	5	3

TABLE 8. MARTIN WAY NODES - TOTAL DWELLING UNITS

NODES	2017 Baseline	A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Pacific Triangle	280	360	360	950	950	820	820	480
Lilly	340	790	790	790	2,140	790	1,710	1,250
Carpenter	180	280	280	770	770	600	600	450
Ranger/Hensley	300	510	510	510	910	510	780	590

Corridor Outside Nodes	1650	3,130	3,130	3,130	3,130	3,130	3,130	4,780
TOTAL	**2,750**	**5,080**	**5,080**	**6,160**	**7,910**	**5,850**	**7,050**	**7,550**

TABLE 9. MARTIN WAY NODES - NEW DWELLING UNITS, COMPARED TO 2017 BASELINE

NODES	A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Pacific Triangle	80	80	670	670	540	540	200
Lilly	450	450	450	1,800	450	1,380	910
Carpenter	110	110	600	600	420	420	270
Ranger/Hensley	210	210	210	600	210	480	300
Corridor Outside Nodes	1,480	1,480	1,480	1,480	1,480	1,480	3,130
TOTAL	**2,330**	**2,330**	**3,410**	**5,170**	**3,100**	**4,300**	**4,800**

TABLE 10. MARTIN WAY NODES - REDEVELOPABLE LAND (ACRES)

NODES	A – Existing Future	B - Transportation Investments Only	C1 – Nodal (2) Development with Affordable Housing	C2 – Nodal (4) Development with Affordable Housing	D1 – Nodal (2) Development with Max Redevelopment	D2 – Nodal (4) Development with Max Redevelopment	E - Corridor-wide Continuity
Pacific Triangle	18	18	20	20	22	22	20
Lilly	21	21	21	26	21	30	26
Carpenter	16	16	26	26	27	27	26
Ranger/Hensley	30	30	30	32	30	35	34
Corridor Outside Nodes	146	146	146	146	146	146	173
TOTAL	**231**	**231**	**243**	**249**	**246**	**260**	**278**