

THURSTON REGIONAL PLANNING COUNCIL



Regional Commercial Market Study

MARCH 2012



“Helping Communities and Organizations Create Their Best Futures”

Founded in 1988, we are an interdisciplinary strategy and analysis firm providing integrated, creative and analytically rigorous approaches to complex policy and planning decisions. Our 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.

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Introduction

The Thurston Regional Planning Council (TRPC) is embarking on a three-year process to develop a Regional Plan for Sustainable Development (also known as “Sustainable Thurston”) for the Thurston County region. As part of this process, the TRPC commissioned BERK to complete a commercial market study to support the Regional Plan. In January 2012, findings from the market study were presented to the Sustainable Thurston Task Force, a group of policymakers and community members involved in the regional planning process.

STUDY PURPOSE

A challenge TRPC and regional policymakers are wrestling with is the disconnect between adopted plans for future growth and the way the region is actually growing. Much of the County’s recent growth has been occurring in rural areas, with less than expected growth occurring in urban activity centers and corridors. The purpose of this study is to help policymakers address this challenge and understand what can and cannot be done to promote dense commercial development. It addresses three key questions:

- What is the current market situation in Thurston County?
- What can be learned from experiences elsewhere?
- What can the public sector do to influence future development?

COMPONENTS OF STUDY

Included in this compilation are the final products of the study:

- Copies of two presentations given to the Sustainable Thurston Task Force in August 2011 and January 2012.
- Profiles for 13 urban districts and rural community hubs across Thurston County.
- Summaries of three case studies from other jurisdictions in Washington facing similar issues.

Presentations to the Sustainable Thurston Task Force

The August 2011 presentation presents a high-level overview of the study's purpose and focus, followed by a discussion of underlying drivers of commercial development and factors that typically lead developers to build dense. The presentation then provides a situation assessment for Thurston County's urban corridors, using maps to highlight land values and pre- and post-2000 development patterns for retail, office, and industrial/warehouse development.

The January 2012 presentation highlights key findings and presents a series of policy considerations and strategies for decision makers in Thurston County aiming to increase density. It begins with a general review of the underlying drivers of commercial development, followed by summaries of key market indicators in the thirteen Thurston County districts selected for analysis. The market indicators are used to estimate the relative attractiveness and future development potential for each of the 13 districts. The presentation then provides high-level summaries of the case studies of other communities in Washington that have put forth major efforts to promote density and economic development. Finally, the presentation concludes with a series of policy considerations and suggested strategies for Thurston County policy makers to better assess their opportunities and promote denser development.



District Profiles

Profiles each of the thirteen districts were created to highlight the unique character of each district and assess the market potential within each district for commercial development and additional density. The profiles rely on a data-driven market perspective to make meaningful comparisons of key market indicators and identify the strengths, opportunities, and challenges in each district. The profiles are designed to be graphically-rich, easy-to-understand handouts to support the regional planning process. A more detailed description and explanation of the profiles and rating system used is provided later in this document.

Case Study Summaries

This compilation concludes with the case study summaries of other communities in Washington that have wrestled with, and had some success, in promoting more dense development through various initiatives. Each of the case studies (Renton, Shoreline, and Burien) provides a different example of how a municipality can attempt to attract developers to increase density and promote economic development. We chose these three cities because all of them have had success while facing challenges similar to those facing Thurston County. For each case study we provide the history and context of selected initiatives; highlight the strategies and tools used; discuss key market forces, successes, and challenges; and provide a series of policy considerations and key takeaways for Thurston County. The content of the case studies is based on interviews with key staff at each City.