

AGENDA
LACEY PLANNING COMMISSION MEETING
Tuesday, June 16, 2020 – 4:00 p.m.

MEETING WILL BE CONDUCTED REMOTELY, NOT IN-PERSON.
TO ATTEND THE MEETING REGISTER AT:

<https://us02web.zoom.us/j/89432381251?pwd=amVleno5VWtaeGIyMXJvdTZBeFNFUT09>

Call to Order: 4:00 p.m.

- A. Roll Call
- B. Approval of Agenda & Consent Agenda Items

Public Comments: 4:01 p.m.

Commission Members Reports: 4:03 p.m.

Director's Report: 4:05 p.m.

New Business: 4:10 p.m.

2020 Private Comprehensive Plan Amendments/Rezoning Introduction: Ryan Andrews, Planning Manager; Jessica Brandt, Associate Planner. Staff will provide an introduction to the two private applicant-initiated Comprehensive Plan Amendment and Rezone applications. The applicants will also be present to provide additional information and answer any questions from the Planning Commission. The applications will be packaged with the other Comprehensive Plan Amendments and scheduled for a public hearing later in the year.

Communications and Announcements: 4:55 p.m.

Next Meeting: July 7, 2020.

Adjournment: 5:00 p.m.

6/8/20

CITY OF LACEY PLANNING COMMISSION WORK SCHEDULE

**Planning Commission Meeting
June 16, 2020**

1. Work Session: 2020 Private CPA/Rezone Applications Introduction

Packets due: June 11, 2020

**Planning Commission Meeting
July 7, 2020**

1. Work Session: Light Industrial Commercial Zoning Text Amendment Introduction

Packets due: July 2, 2020

**Planning Commission Meeting
July 21, 2020**

1. Work Session: Urban Forest Management Plan

Packets due: July 16, 2020

Pending Items: UFMP Open House Webinar, Date TBD
 LD Consolidation Comp Plan Amendment
 Climate Change Presentation
 SMP briefing July

MINUTES

Lacey Planning Commission Meeting
Tuesday, May 19, 2020 – 4:00 p.m.
Conducted remotely via videoconference

Meeting was called to order at 4 p.m. by Sharon Kophs.

Planning Commission members present: Sharon Kophs, Peg Evans-Brown, David Wasson, Mark Miner, Gail Madden, and Daphne Retzlaff. Staff present: Rick Walk, Martin Hoppe, George Smith, Jessica Brandt, and Ryan Andrews.

Sharon Kophs noted a quorum present.

David Wasson made a motion, seconded by Eddie Bishop, to approve the agenda for tonight's meeting. All were in favor, the motion carried.

Daphne Retzlaff made a motion, seconded by Peg Evans-Brown, to approve the March 3 meeting minutes. All were in favor, the motion carried.

1. **Public Comments:** None.

2. **Commission Members Reports:** None.

3. **Director's Report:** Rick Walk said he will share information on project updates as part of Old Business.

4. **Public Hearing:**

6-Year Transportation Improvement Plan: Martin Hoppe, Transportation Manager.

- Martin Hoppe gave some background information and noted that the City is required to submit the TIP to the State and TRPC.
- Martin went over the summary, followed by a brief discussion.
- No public testimony was given.
- **David Wasson made a motion, seconded by Peg Evans-Brown, to refer the 6-Year TIP to Council for approval. All were in favor, the motion carried.**

5. **Old Business:**

Project Updates: Community and Economic Development Staff.

- Rick gave an overview and updated Planning Commission on City activity and response to Covid-19 since the last meeting.
- George Smith introduced himself and went over some of the ways the City has been supporting local businesses and the community.
- George answered questions from Commissioners.
- Rick gave some more information regarding the small business grant program.
- Jessica Brandt gave an update on the Regional Climate Mitigation Plan. She noted that the first public event will be a virtual open house on June 24
- Ryan Andrews gave an update on the Shoreline Master Program and noted that a virtual open house was held recently. A consultant has been hired and is preparing a draft that will be available to staff soon.

- Ryan gave an update on the Low Density Residential Zone Consolidation. The item has not gone before Council yet.
- Ryan also discussed the Martin Way Corridor Study, Water Comp Plan, Stormwater Comp Plan, and the Regional Housing Action Plan.
- Jessica gave an update on the Urban Forest Management Plan. The task force has held a few virtual meetings and should have something for Commission soon.
- Ryan noted that the Capital Facilities Plan most likely won't occur this year, and the Joint Planning will be moved to 2021.
- Ryan noted that the Emergency Housing Regulations code amendment is on hold for now and gave an update on the private applicant request to increase building size in Light Industrial zone.
- Ryan answered questions from Planning Commission.
- Rick gave an update on the Council ad hoc committee on homelessness.

6. **Communications and Announcements:** None.

7. **Next meeting:** June 2, 2020.

8. **Adjournment:** 5:08 p.m.



PLANNING COMMISSION STAFF REPORT

June 16, 2020

SUBJECT: Ever Success Inc./Richard E. Cobb Comprehensive Plan Amendment and Rezone Application. Project no. 20-54.

RECOMMENDATION: Call for a public hearing to consider the Ever Success Inc. Comprehensive Plan and Rezone Application from Community Commercial to High Density Residential and Neighborhood Commercial.

TO: Lacey Planning Commission

STAFF CONTACTS: Rick Walk, Director of Community and Economic Development
Ryan Andrews, Planning Manager *RA*
Jessica Brandt, Associate Planner *JB*

ATTACHMENT(S):

1. Ever Success Inc. CPA and Rezone Application
2. Map of Existing Zoning
3. Aerial Photo and Map of Proposed Zoning
4. Project Narrative
5. Heartland Retail Assessment Study, December 20, 2019
6. SCJ Traffic Analysis, Feb. 28, 2020

**PRIOR COUNCIL/
COMMISSION/**

COMMITTEE REVIEW: Joint Worksession, January 23, 2020

BACKGROUND:

The Growth Management Act requires that the City's Comprehensive Plan be amended only once a year. As part of the annual cycle of comprehensive plan amendments for 2020, the City received two private applicant-initiated requests—one request for property on Carpenter Road NE between Interstate 5 and Britton Parkway and this request, submitted by Richard E. Cobb for property on the northeast corner of 31st Ave NE and Willamette Drive NE. The requests were added to the Comprehensive Plan Amendment Docket at the joint worksession with the Planning Commission and City Council held on January 23rd.

This parcel is owned by Ever Success Inc. The application is a rezone request from Community Commercial to High Density Residential and Neighborhood Commercial. Of the total 11.51 acres of the property, 9.51 acres is proposed to be designated as High Density Residential and the remaining 2 acres on the SW corner is proposed to be designated as Neighborhood Commercial.

The properties to the north are zoned High Density Residential and is developed. To the east is open space owned by Meridian Campus Commercial Owners Association. Three single-family parcels are adjacent to the northeast corner of the subject property, separated by the 50 foot wide open space tract. To the south is developed Moderate Density Residential and Community Office. To the west is a mix of undeveloped and developed land zoned Community Office.

The purpose of the docketing request is to consider re-designating rezoning the property to High Density Residential and Neighborhood Commercial and concurrently amend the zoning classification to allow multi-family residential development, small-scale convenience center and mixed-use residential units. It would decrease the amount of commercially zoned land in the Hawks Prairie area and increase the amount of High Density Residentially zoned land.

With the changes made to the High Density Residential zoning district in 2016 associated with the 2016 Comprehensive Plan update to allow 12+ units per acre, the property could accommodate a minimum of 114 units with no maximum number of units required. As there is no maximum density within this zone, the maximum number of units are controlled by other standards including maximum height standards, parking requirements, and compatibility requirements when adjacent to existing single-family residential areas. This would apply specifically to the northeast corner of the parcel in this instance.

Compatibility with adjacent parcels is address through project permit review through the following standards. The maximum height allowed within the High Density zone is eighty feet provided that where building height is greater than forty feet and within eighty feet of an existing single-family residence (measured from the foundation walls) and not separated by a street or alley the following design elements are required:

- A fifteen-foot buffer of Type 1 landscaping is required between the building wall and any abutting single-family residential property line and shall include a six-foot sight obscuring wall or fence.
- Buildings over forty feet shall step back one foot for each one foot of additional building height above forty feet.
- Upper-story balconies facing existing single-family residential uses on buildings exceeding forty feet shall be constructed with opaque sides a minimum of forty-two inches high.
- Design review

In the application materials, Mr. Cobb has stated that the purpose of the rezone request is to accommodate the high need for residential development and address the decreasing demand for large-scale commercial development by providing multi-family housing and neighborhood-scale commercial development. Two recent market studies support this request. Heartland, a consulting firm, conducted a retail assessment study in December 2019 (Attachment 4) of the property to help determine the suitability of retail at the site both from the site layout and market demand perspective. That study referenced and reviewed a 2016 project feasibility study that assessed the market for supported uses on the site.

MARKET STUDIES

Key Findings of the 2019 study, focusing on the retail market of the area were:

- There are over 800 acres of commercially zoned land in the Focused Trade Area.
- 70% of all commercially zoned land in this Focused Trade Area is vacant.
- The prevalence of vacant commercially zoned land within this Focused Trade Area indicates the potential presence of large amounts of unrealized commercial development capacity.
- The property is not freeway adjacent, therefore it is less likely to draw visitors from outside the Focused Trade Area as previously discussed. Alternatively, the property is convenient in terms of access for households to the north.
- The existing cluster of on-market and undeveloped freeway adjacent retail land (78 acres not including Lacey Gateway) impacts the viability of a larger retail development at this location.
- Overall the retail market in Lacey has low vacancy with relative few deliveries of new retail space over the last five years. New retail has largely been built to suit, with some smaller scale speculative development in the form of neighborhood retail and pad sites.
- The property is likely not a desirable location for an anchored neighborhood or community retail center but could be a suitable location for a small-scale retail convenience center, providing amenities and services for the Focused Trade Area.

Building on the findings, the report states that the following are the key attributes that support a convenience center of some sort at this location.

- Site location and lack of proximity to an Interstate 5 access point mean the site is less attractive for larger format retailers dependent on drawing customers from outside the Focused Trade Area.
- The existing supply of retail in the Focused Trade Area as well as to the south of Interstate 5 currently meets the demands of current residents. In fact, there is a surplus of retail supply in the area, meaning the area draws customers from throughout the region.
- The existing supply of both planned and available retail lands within the Focused Trade Area, with relatively better proximity to both the residential population to the north and Interstate 5 entrance/exit, also impacts the viability of a larger format retail typology at this location.
- The convenience center format and associated land would also accommodate a mixed-use format in the future, with retail as a ground use and multifamily or office uses located above, assuming market support of this type of development.

Key findings of the 2016 study, referenced in the above 2019 Study were:

The Property would have difficulty developing as a competitive retail site within that trade area. The Study recommended that the site be developed with a mix of uses including apartments and retail. The Study recommended focusing on convenience retail while recommending against trying to compete with larger retail development planned along I-5. The Study evaluated the potential for a larger neighborhood center development type and concluded that a smaller scale version of this type of development could be feasible, although it would be impacted by the development of other nearby retail sites. The Study found that the site is neither a destination nor community shopping center (grocery anchor site), rather, it is suitable for a Neighborhood Community Convenience Site with potential for mixed use.

The City's Economic Development Coordinator reviewed the 2019 study, which includes the 2016 study recommendations, and concurs with its findings and recommendations.

TRANSPORTATION AND UTILITIES

SCJ Alliance completed a traffic analysis using the existing zoning and proposed zoning scenarios. Trip generation calculations were performed using rates contained in the 10th edition of the Trip Generation Manual by the Institute of Transportation Engineers (ITE) for the AM peak hour, PM peak hour and daily. The estimated trip generation for the proposed zoning change shows a decrease in trips for the PM peak hour and daily new-to-network volumes. The AM peak hour shows a slight increase in total new-to network trips (Attachment 5). The City analyzes transportation impacts and concurrency based on PM trips. A new bus route, Route 65 Hawks Prairie, was to begin on March 22, 2020. The route heads outbound on Martin Way and uses Carpenter Road to access north Lacey. The route continues outbound on Willamette Drive. It will provide 30 minute service seven days a week.

A 12" gravity main sewer line currently runs along Willamette Dr NE along the west side of the property. City water and stormwater lines run on the south, west, and the northwest corner of the property. The City has capital projects in the planning and/or design phases that will create enough capacity to mitigate impacts related to this proposal.

LAND USE ELEMENT

The 2016 Land Use Element focuses on the need for more diverse housing types to support an aging population. The following discussion summarizes the need for more diverse housing types:

“Changing demographics are showing that the aging baby boomer (born between 1946 and 1964) population and the millennial (born early 1980's to 2000's) population are increasingly seeking walkable, urban neighborhoods with smaller homes. Changing demographics will most likely lead to an increase in demand for housing in infill areas and in areas with access to convenient and frequent transit service found along the urban corridor areas. As shifts in demographics and housing preferences occur over the long term, providing a diverse mix of residential housing options will better serve the community as a whole.

The intensity and form of infill permitted in the growth area will have a significant impact on the way housing is provided, the cost and efficiency of utilities and services, as well as the overall character of our growth area. Attention will need to be given when integrating higher density and mixed-use development into existing suburban areas. Input and meaningful public participation will be required to successfully implement infill and redevelopment goals. The intent is to improve opportunities for residents while increasing the quality of life as new development and infill occurs.” Land Use Element, page 3-7.

The 2016 Land Use Element of the Comprehensive Plan also contains several goals and policies to support the request:

Residential, Goal 1: Ensure sustainable and wise use of land resources to provide an adequate amount and mix of housing types for the anticipated increase in population.

Policy A: Assign land use designations that will provide for adequate opportunity for increased densities and a diversity of housing types.

Infill, Goal 1: Adopt zoning strategies that will promote the intensification, densification, and evolution of Lacey's land use distribution and form into a sustainable pattern of high quality urban development

Policy A: Identify areas to focus infill density and mixed-use concepts based upon potential capacity, built condition, and infrastructure.

Commercial and Industrial Goal 1: Designate an adequate supply of land for high quality commercial uses based on appropriate site characteristics, community needs, and adequacy of facilities and services.

Commercial and Industrial, Goal 2: Create vibrant, integrated and well-designed commercial districts in designated areas in the community.

Staff will provide an introductory briefing at the Planning Commission meeting related to the request. The full staff analysis will be presented at the Planning Commission public hearing scheduled for later this year. Public notice of the hearing will be published in *The Olympian* and directly mailed to all property owners within 300 feet of the subject property. The applicant will also be available at the meeting to provide their insight and answer any questions.



CITY OF LACEY
Community & Economic Development Department
420 College Street SE
Lacey, WA 98503
(360) 491-5642

OFFICIAL USE ONLY

Case Number: _____

Date Received: _____

By: _____

Related Case Numbers:

COMPREHENSIVE PLAN AMENDMENT GENERAL APPLICATION

OWNER NAME: Ever Success Inc. / Richard E. Cobb

MAILING ADDRESS: 1401 Marvin Rd NE, Suite 304 #561

CITY, STATE, ZIP: Lacey WA 98516

TELEPHONE: (360) 456-7071

APPLICANT NAME: * Dan Penrose, SCJ Alliance

MAILING ADDRESS: 8730 Tallon Lane NE

CITY, STATE, ZIP: Lacey WA 98516

TELEPHONE: (360) 352-1465

ADDRESS OF PROPOSAL: 31st Ave NE at Willamette Dr NE (northeast corner of intersection)

* The applicant is the person whom staff will contact regarding the application, and to whom all notices, and reports shall be sent, unless otherwise stipulated by the applicant.

GENERAL DESCRIPTION OF PROPOSAL

Redesignate the 11.51-acre parcel at the corner of 31st Ave NE and Willamette Dr NE from Community Commercial District (CCD) to High Density Residential (HD) and Neighborhood Commercial (NC). Of the total 11.51 acres of the property, 9.51 acres is proposed to be designated as HD, which would allow future multi-family development. The remaining 2 acres on the southwest corner of the property is proposed to be designated as NC, which would allow future small scale convenience center and mixed-use residential units.

GENERAL LOCATION OF PROJECT (Give street address or, if vacant, indicate lot(s), block and subdivision; or tax lot number, access street, and nearest intersection.)

Northeast corner of 31st Ave NE and Willamette Dr NE

SECTION: 01

TOWNSHIP: 18

RANGE: 1W

ASSESSOR'S TAX PARCEL NUMBER: 11801240100

FULL LEGAL DESCRIPTION OF SUBJECT PROPERTY (attach additional sheet if necessary):

Section 01 Township 18 Range 1W Quarter SE NW & NE NW com at NW cor of SW NE thence alg W ln of said sub S01-40-54W 279.25F to N ROW ln of 31 Ave NE thence alg said ROW ln S60-16-33W 58.58F to POB.

COMPREHENSIVE PLAN, ZONING, AND LAND USE ISSUES

CURRENT ZONE CLASSIFICATION: CCD

COMPREHENSIVE DESIGNATION: CCD

CURRENT LAND USE AND IMPROVEMENTS: None - vacant land

PAST LAND USE OR HISTORY: None - vacant land

CURRENT COMPREHENSIVE PLAN LANGUAGE (if applicable): Supporting Comprehensive Plan language can be found in the attached project narrative. No change to Comprehensive Plan text is requested.

REQUESTED NEW COMPREHENSIVE PLAN LANGUAGE (if applicable): No change to Comprehensive Plan text is requested.

DOES THE PROPOSED AMENDMENT AFFECT BOTH THE CITY AND THURSTON COUNTY?
(PLEASE EXPLAIN): _____

The property is within the City of Lacey incorporated city limits, so the proposed amendment affects only the City.

WAS THIS ISSUE, OR PROPERTY AND ITS DESIGNATION, DISCUSSED DURING THE COMPREHENSIVE PLAN DEVELOPMENT, REVIEW, AND ADOPTION PROCESS? IF SO, PLEASE EXPLAIN: _____

Not known.

IS THE PRESENT COMPREHENSIVE PLAN LANGUAGE, OR DESIGNATION AND ITS RELATED ZONING, THE RESULT OF A MISTAKE? WHAT KIND OF MISTAKE (i.e., mapping, typographic)? PLEASE EXPLAIN:
No.

IF THE AMENDMENT IS A MAP AMENDMENT, HOW MANY ACRES OF DEVELOPED AND UNDEVELOPED PROPERTY IN THE LACEY GROWTH AREA ALREADY EXIST IN THIS DESIGNATION?

DEVELOPED: HD: 263 acres; NC: 14 acres

UNDEVELOPED: HD: 115 acres; NC: 22 acres

HOW WILL THE AMENDMENT CHANGE THIS? Increase of 9.51 acres HD and 2 acres NC, bringing the City's undeveloped HD supply to 125 acres and undeveloped NC supply to 24 acres. Decrease of 11.51 total acres from the CCD zone (120 to 108 acres).

IS THERE A DEMONSTRATED NEED FOR THIS CHANGE AND IS IT A WISE ALLOCATION OF LAND RESOURCES? PLEASE EXPLAIN: _____

See attached project narrative

EXPLAIN THE NEED FOR CHANGE AND HOW THE AMENDMENT IS CONSISTENT WITH THE FOLLOWING:

• **State Growth Management Act (GMA):** _____

See attached project narrative

• **County-Wide Planning Policies (CWPP):** _____

See attached project narrative

• **Lacey Comprehensive Plan:** _____

See attached project narrative

• **Regional Transportation Plan (RTP):** _____

See attached project narrative

• **Other Applicable City Plans or Documents:** _____

See attached project narrative

• **Neighboring Jurisdictions' Comprehensive Plan (where your proposal affects multiple jurisdictions, for example; Olympia or Tumwater).** _____

See attached project narrative

UTILITIES AND ROADS

WATER SUPPLY (name of utility if applicable): City of Lacey (existing)

☐ EXISTING ☐ PROPOSED

SEWAGE DISPOSAL (name of utility if applicable): City of Lacey (existing)

☐ EXISTING ☐ PROPOSED

ACCESS (name of street(s) from which access will be gained): 31st Ave NE and Willamette Dr NE

SUPPLEMENTAL INFORMATION

THIS APPLICATION MUST BE ACCOMPANIED BY THE FOLLOWING INFORMATION:

- 1- A complete list of all property owners and addresses as listed of the Thurston County Assessor within a 300-foot radius of the external boundaries of the subject property.
- 2- A site plan drawing or drawings at a scale of not less than one inch for each two hundred feet which shall include or show:
 - a. The boundaries of the property;
 - b. Size of property impacted by amendment;
 - c. Location of existing natural features, such as trees, streams, or lake frontages.
- 3- Environmental checklist.
- 4- Supplemental information and/or special reports may be required including:
 - a. Environmental sensitive areas and issues;
 - b. Traffic impacts;
 - c. Other.

INITIATED BY:

☐ Planning Commission. Date of Initiation: _____

☐ City Council. Date of Initiation: _____

☐ Property owners as follows:

I (We) understand and agree with the above explained need for the map change and are current owners of the property within the City of Lacey.

Richard E. Cobb
Signature

Richard E. Cobb
Printed Name

ADDRESS: 1401 Marvin Rd. NE, Suite 304 #561, Lacey, WA 98516

Signature

Printed Name

ADDRESS: _____

Signature

Printed Name

ADDRESS: _____

Signature

Printed Name

ADDRESS: _____

**CITY OF LACEY**

Community & Economic Development Department
420 College Street SE
Lacey, WA 98503
(360) 491-5642

OFFICIAL USE ONLY

Case Number: _____

Date Received: _____

By: _____

Related Case Numbers:

REZONE APPLICATION

OWNER NAME: Ever Success Inc. / Richard E. CobbMAILING ADDRESS: 1401 Marvin Rd NE, Suite 304 #561CITY, STATE, ZIP: Lacey WA 98516TELEPHONE: (360) 456-7071Richard E. Cobb DATE: 3/2/2020

DATE: _____

DATE: _____

DATE: _____

SIGNATURE(S)

I (We), the above-signed, do hereby affirm and certify, under penalty of perjury, that I/we am/are one (or more) of the owner(s) under contract of the below described property and that the following statements and answers are in all respects, true and correct on my information and belief as to those matters.

APPLICANT NAME: Ever Success Inc. / Richard E. CobbMAILING ADDRESS: 1401 Marvin Rd NE, Suite 304 #561CITY, STATE, ZIP: Lacey WA 98516TELEPHONE: (360) 456-7071**SIGNATURE:** Richard E. Cobb **DATE:** 03/02/2020**ENGINEER/ARCHITECT NAME:** N/A (proposal is a non-project action)

MAILING ADDRESS: _____

CITY, STATE, ZIP: _____

TELEPHONE: _____

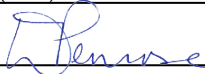
SIGNATURE: _____ **DATE:** _____

AUTHORIZED REPRESENTATIVE: Dan Penrose, SCJ Alliance

MAILING ADDRESS: 8730 Tallon Lane NE

CITY, STATE, ZIP: Lacey, WA 98516

TELEPHONE: (360) 352-1465

SIGNATURE:  **DATE:** 03/02/2020

NAME OF PROJECT: Ever Success Property – Rezone and Comprehensive Plan Amendment

SUMMARY OF REQUEST (List Type of Uses): The applicant is seeking a Rezone and concurrent Comprehensive Plan Amendment of the subject property from the current designation of Community Commercial District (CCD) to High Density Residential (HD) and Neighborhood Commercial (NC).

PROPERTY LOCATION

☐ North ☐ South ☒ East ☐ West Side of Willamette Dr NE between 31st Ave NE
(ROAD NAME)
and Deni Dr NE
(ROAD NAME)

Property Address: Intersection of Willamette Dr NE and 31st Ave NE (property not addressed)

Section: 01 **Township:** 18 **Range:** 1W **Assessor's Parcel Number:** 11801240100

Full legal description of subject property: Section 01 Township 18 Range 1W Quarter SE NW & NE NW com at NW cor of SW NE thence alg W ln of said sub S01-40-54W 279.25F to N ROW ln of 31 Ave NE thence alg said ROW ln S60-16-33W 58.58F to POB.

TOTAL SQUARE FOOTAGE OF THE REZONE AREA: 501,375.6 sq ft (11.51 acres)

How does the rezone request conform to the Comprehensive Plan? The rezone is consistent with the community vision articulated in the Comprehensive Plan, and with the intent of early planning efforts for the Hawks Prairie Planning Area (originally conveyed in the 1992 Northeast Area Planning Element, one of the City's first subarea plans). It is also reflective of a number of Comprehensive Plan goals and their associated policies (see more on compatibility with Lacey's Comprehensive Plan in the attached Project Narrative).

ACCURATE SITE PLAN DRAWN IN INK TO SCALE WITH DIMENSIONS MUST BE SUBMITTED ALONG WITH THE APPLICATION. PLEASE SHOW THE FOLLOWING:

1. Location of proposed uses, buildings, parking areas, landscaping areas, ingress, egress, etc.
2. Location of all existing uses and structures on the property, with distances from property lines.
3. Major physical features of the property to be rezoned.
4. Barscale and north arrow.

PLEASE ANSWER THE FOLLOWING QUESTIONS

What is the relationship between the proposed use of the land to be rezoned and the surrounding land use? (i.e., Is your proposed use of land significantly different than existing land uses surrounding your property?) Please Explain: The Current Zoning map included with this application shows existing zoning for the site and surrounding parcels (Attachment D). Currently the site is vacant; current uses on the adjacent properties include low-density residential to the east, high-density residential to the north, and moderate-density residential and office uses across 31st Ave to the south. Across Willamette Dr to the west are some office uses, as well as properties that are zoned Community Office (CO) but as yet undeveloped. The proposal will be compatible with surrounding land uses and will not affect the current land uses on nearby properties.

Why is the property not usable as presently zoned, including the events that led you to this conclusion? Lacey's Hawks Prairie Planning Area contains over 800 acres of commercially zoned land, over 70% of which is currently vacant. This particular property has sat vacant for over a decade, unable to feasibly be developed under the current zoning. The prevalence of vacant commercially zoned land in this area indicates a limited demand for new retail space. The current supply of retail land clustered closer to I-5 on Marvin Road has yet to be absorbed, and the distance from this corridor limits the customer draw at the subject property to local traffic and residents. In this same context, the current housing supply has not kept up with demand pressures from new residents to Lacey and the greater Thurston County region. This property is well situated to meet this need as it is adjacent to similarly zoned HD properties to the north.

How would the proposed zone change be in the interests of not only the applicant but also the surrounding properties and the public as a whole? Based on OFM's 20-year population projections, it is estimated that the Hawks Prairie Planning Area will need to accommodate 4,690 housing units by 2035 – nearly double the 2,420 units that existed in the planning area in 2010. The City's Comprehensive Plan indicates the planning area currently has capacity to accommodate 3,042 single-family homes but only 91 multifamily units. Additionally, housing vacancy rates in Lacey were less than 4% in 2018, and only 115 acres of vacant land zoned as High Density Residential (HD) is available in the City. This proposal would add 9.51 acres to that total, an 8% increase. Growth in the Hawks Prairie area and changing nationwide trends in retail shopping have lessened the need for more retail space and increased the need for residential units. The proposed 2-acre section of NC zoning would provide local small-scale convenience retail for local residents without adding to the glut of large-scale commercial space that already exists in the area.

ADJACENT PROPERTY OWNERS LIST

PROJECT: Ever Success Property – Rezone and Comprehensive Plan Amendment

PLEASE SUBMIT AN ADJACENT PROPERTY OWNERS MAILING LIST

**Include all property owners within 300 feet of exterior boundary
of the property involved.**

Addresses are to be obtained from:

Office of County Assessor, Bldg #1, First Floor. Phone: 786-5410

*** * * Please be sure to also include the mailing information for the:
OWNER, APPLICANT, ENGINEER/ARCHITECT & REPRESENTATIVE.**

SEE EXAMPLE BELOW

SAMPLE Joe Jones PO Box 1900 Lacev. WA. 98503
--

Ever Success Property

Project Narrative & Responses

Applicant:

Richard E. Cobb
Ever Success Inc.
1401 Marvin Rd NW, Suite 304 #561
Lacey, WA 98516
Phone: (360) 456-7071

Contact Person:

Dan Penrose
SCJ Alliance
8730 Tallon Ln NE, Suite 200
Lacey, WA 98516
Phone: (360) 352-1465

General Description of Proposal:

The applicant is seeking a Comprehensive Plan Map Amendment and concurrent Rezone of the subject property from the current designation of Community Commercial District (CCD) to High Density Residential (HD) and Neighborhood Commercial (NC). Of the subject property's 11.51 acres, 9.51 acres would be designated HD and the remaining 2 acres would be designated NC.

Subject Property:

The 11.51-acre site is located at the northwest corner of the intersection of Willamette Dr NE and 31st Ave NE, parcel number 11801240100. The site is currently vacant. A site map is included with this submittal to assist in identifying the subject parcel. The assessor's simplified legal description is as follows: Section 01 Township 18 Range 1W Quarter SE.

Comprehensive Plan Amendment General Application Questions:

Is there a demonstrated need for this change and is it a wise allocation of land resources? Please explain:

Lacey's Hawks Prairie Planning Area contains over 800 acres of commercially zoned land, over 70% of which is currently vacant¹. The prevalence of vacant commercially zoned land in this area indicates a limited demand for new retail space, with existing retail averaging 24 months on the market prior to occupancy. The current supply of retail land clustered closer to I-5 on Marvin Road has yet to be absorbed, and the distance from this corridor limits the customer draw at the subject property to local traffic and residents. In this same context, the current housing supply has not kept up with demand pressures from new residents to Lacey and the greater Thurston County region. Based on OFM's 20-year population projections, it is estimated that the Hawks Prairie Planning Area will need to accommodate 4,690 housing units by 2035 – nearly double the 2,420 units that existed in the planning area in 2010². The City's Comprehensive Plan indicates the planning area currently has capacity to accommodate 3,042 single-family homes but only 91 multifamily units. Additionally, housing vacancy rates in Lacey were less than 4% in 2018, and only 115 acres of vacant land zoned as High Density Residential (HD) is available in the City. This proposal would add 9.51 acres to that total, an 8% increase. Growth in the Hawks Prairie area and changing nationwide trends in retail shopping have lessened the need for more retail space and increased the need for residential units. This property is well situated to meet this need as it is adjacent to

¹ Retail Assessment – Ever Success Property, Heartland LLC, December 2019

² Housing Element, City of Lacey 2016 Comprehensive Plan

similarly zoned HD properties to the north. The proposed 2-acre section of NC zoning would provide local small-scale convenience retail for local residents without adding to the glut of large-scale commercial space that already exists in the area. Support for this proposal is found in the Community Vision chapter of Lacey's Comprehensive Plan, as well as the Housing Goals and Policies that support a diversity of housing types and infill development.

Explain the need for change and how the amendment is consistent with the following:

- **State Growth Management Act (GMA):** The proposed amendment is consistent with a number of the GMA's tenets, including:
 - *Urban growth: Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.* The amendment would encourage development in the heart of the Hawks Prairie Planning Area. Focused growth over time has been anticipated for decades in this planning area, and adequate public facilities and services have been provided or planned in this area in anticipation of this growth.
 - *Reduce sprawl: Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.* The amendment would encourage dense residential development, along with appropriately scaled convenience retail to serve local residents, in an area of the City that is planned to accommodate growth.
 - *Housing: Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.* The addition of HD zoning in this area would add to the variety of housing types and densities provided in this rapidly urbanizing area of Lacey.
 - *Environment: Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.* This proposal indirectly promotes the protection of natural resources by encouraging focused dense residential development within the city limits and in proximity to local services rather than sprawling out into undeveloped land.
- **County-Wide Planning Policies (CWPP):** Thurston County works closely with its cities and towns to develop and update the GMA-required CWPP, providing a flexible, yet accountable planning framework which promotes community individuality while ensuring regional consistency on strategic policy issues. On a basic level, then, a proposal consistent with Lacey's Comprehensive Plan would generally also be consistent with the CWPP. Specifically, this proposal is consistent with a number of countywide policies, particularly policies 3.1 ("*Concentrate development in urban growth areas and protect rural areas...*"), 3.2 ("*Coordinate urban services, planning, and development standards...*"), and 3.4 ("*Provide capacity to accommodate planned growth...*"), by encouraging concentrated development in an area already planned for growth.
- **Lacey Comprehensive Plan:** With the development of the Northeast Area Planning Element – one of the City's first subarea plans – in the early 1990s, the City of Lacey laid the groundwork for future growth in what's now known as the Hawks Prairie Planning Area. This subarea plan emphasized a desire to develop the area as "an aesthetically attractive, high quality employment center with a moderate mixture of other uses to complement the development," and today's planning efforts in the Hawks Prairie Planning Area are derived from this early statement of planning goals. Additionally, Lacey's

Comprehensive Plan establishes a community vision: “Provide a balance of land use activity that promotes the overall quality of life and protects environmentally sensitive areas to make Lacey a great place to live, work, learn, shop, and play.” By proposing a mix of land uses in an area already planned for development, and encouraging small-scale local retail that is integrated into the residential development, this proposal is consistent with the community vision and with the intent of the early Northeast Area planning efforts.

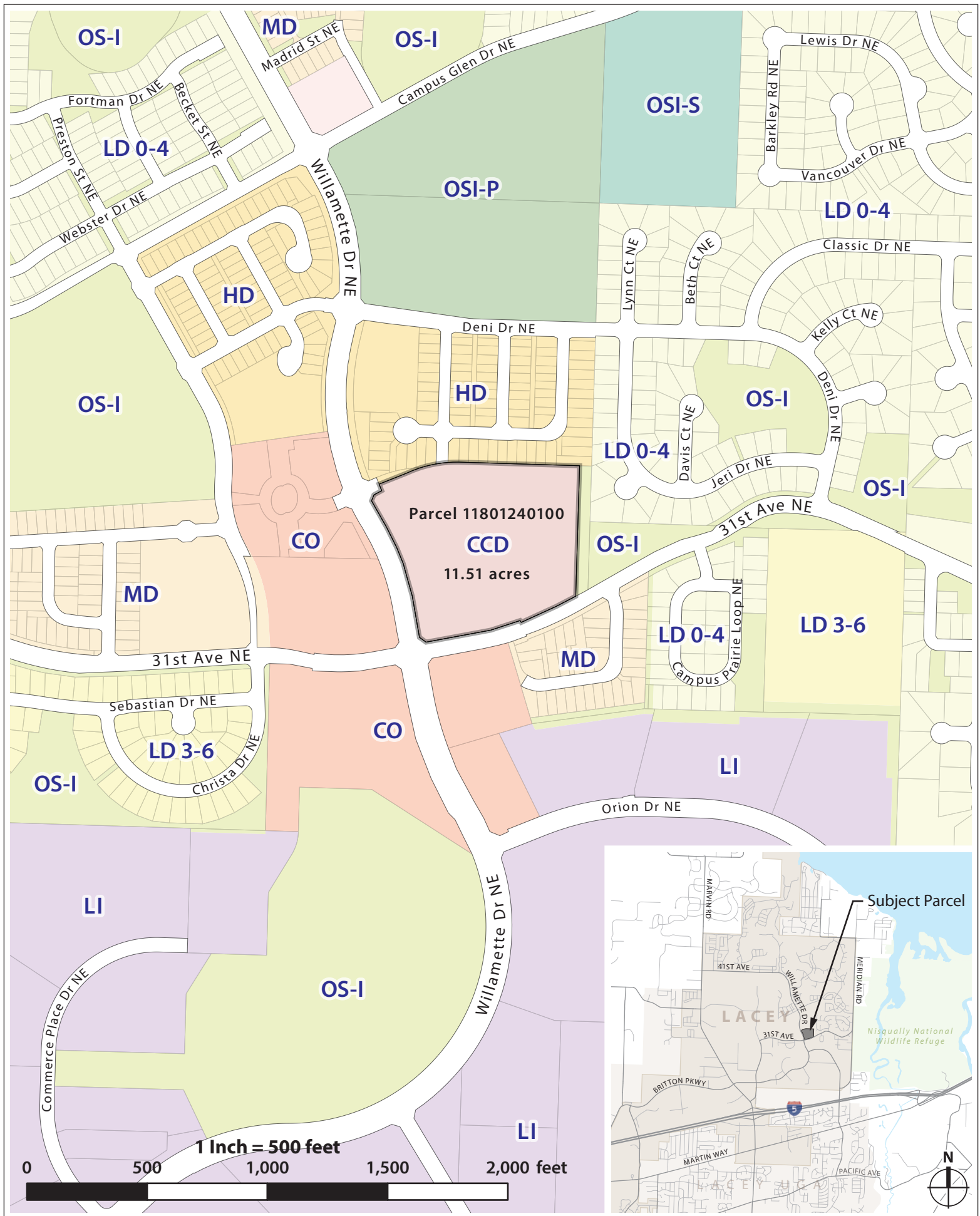
The proposal is particularly compatible with the following Comprehensive Plan goals and their associated policies:

- Housing Goals and Policies
 - » *Goal 1: Have a sufficient number of single-family dwelling units, multifamily units, and group and special need housing to provide a selection of rental and home ownership affordable housing opportunities for all persons.*
 - » *Goal 4: Achieve housing that is compatible and harmonious with existing neighborhood character while allowing infill and providing for environmental sensitivity.*
- Residential Goals and Policies
 - » *Goal 1, Residential: Ensure sustainable and wise use of land resources to provide an adequate amount and mix of housing types for the anticipated increase in population.*
 - » *Goal 1, Infill: Adopt zoning strategies that will promote the intensification, densification, and evolution of Lacey’s land use distribution and form into a sustainable pattern of high quality urban development.*
- Commercial & Industrial Goals and Policies
 - » *Goal 1: Designate an adequate supply of land for high quality commercial uses based on appropriate site characteristics, community needs, and adequacy of facilities and services.*
 - » *Goal 2: Create vibrant, integrated and well-designed commercial districts in designated areas in the community.*
- Hawks Prairie Planning Area Goals and Policies
 - » *Goal 1: The Hawks Prairie Planning Area shall develop consistent with the vision provided in Lacey’s Northeast Area Plan and associated design requirements.*
- **Regional Transportation Plan:** TRPC’s Regional Transportation Plan serves as a strategic blueprint for Thurston County’s transportation system and aims to coordinate transportation and land uses throughout the county. This proposal is consistent with the intent of the Regional Transportation Plan and its guiding principles; this is particularly evident in the following goals and their associated policies:
 - *Goal 1, Transportation and Land Use Consistency: Ensure the design and function of the transportation facilities are consistent with and support sustainable, healthy urban, suburban, and rural communities.*
 - *Goal 2, Multimodal Transportation System: Work toward an integrated, multimodal transportation system that supports the adopted land use plans, reduces overall need to drive, and encourages transit, walking, and cycling as choices.*
 - *Goal 10, Public Transportation: Provide a robust level of reliable, effective public transportation options to increase the share of all trips made by public transportation.*
 - *Goal 11, Bicycling: Increase the share of all trips made safely and conveniently by bicycling.*
 - *Goal 12, Walking: Increase the share of all trips made safely and conveniently by walking.*

This proposal links land use to transportation and supports Goals 1, 2 and 10 by encouraging concentrated residential development in an area with an established transportation network, near a transit stop, and close to local convenience retail. By encouraging residential development in proximity to services and retail, the proposal also encourages the use of non-motorized transportation modes for short trips in support of Goals 11 and 12.

- **Other Applicable Plans or Documents:** No additional plans or documents have been identified as being applicable to this proposal at this time.
- **Neighboring Jurisdictions' Comprehensive Plans:** The proposal site is located completely within Lacey's incorporated city limits, so no neighboring jurisdictions would affect or be affected by future site development.





CURRENT ZONING

Ever Success Property (Parcel 11801240100)
Comprehensive Plan Amendment General Application

Vicwood Development Group

Retail Assessment – Ever Success Property

December 20, 2019

H E A R T L A N D

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Introduction

Project Background

Vicwood Development Group (“Vicwood”) asked Heartland to provide an evaluation of the suitability of retail at its property located in Lacey, WA. Under the Ownership of Ever Success Inc, the property consists of 11.5 acres of land located within the Meridian Campus Master Planned Neighborhood at the intersection of Willamette Dr NE and 31st Ave NE and is identified as Parcel 11801240100 with the Thurston County Assessor (“the Property”). The following summarizes the parameters of Heartland’s analysis:

- > Vicwood is working with SCJ Alliance, a Thurston County based Civil Engineering and Planning Firm on a rezone application for the Property.
- > The subject property is currently zoned Community Commercial District (CCD) and Vicwood is pursuing a rezone to a high-density multifamily zoning designation to allow for multifamily development in the future. As part of the rezone application, the City has indicated that it desires a portion of the property to be zoned for future retail development under its Neighborhood Commercial zoning designation.
- > Vicwood seeks an analysis to help determine the suitability of retail at the site, both from a site layout and market demand perspective. Ultimately, Vicwood and SCJ will apply the analysis to inform the size and location of the Property area to be zoned for future retail use.

Project Approach and Methodology

Heartland analyzed the

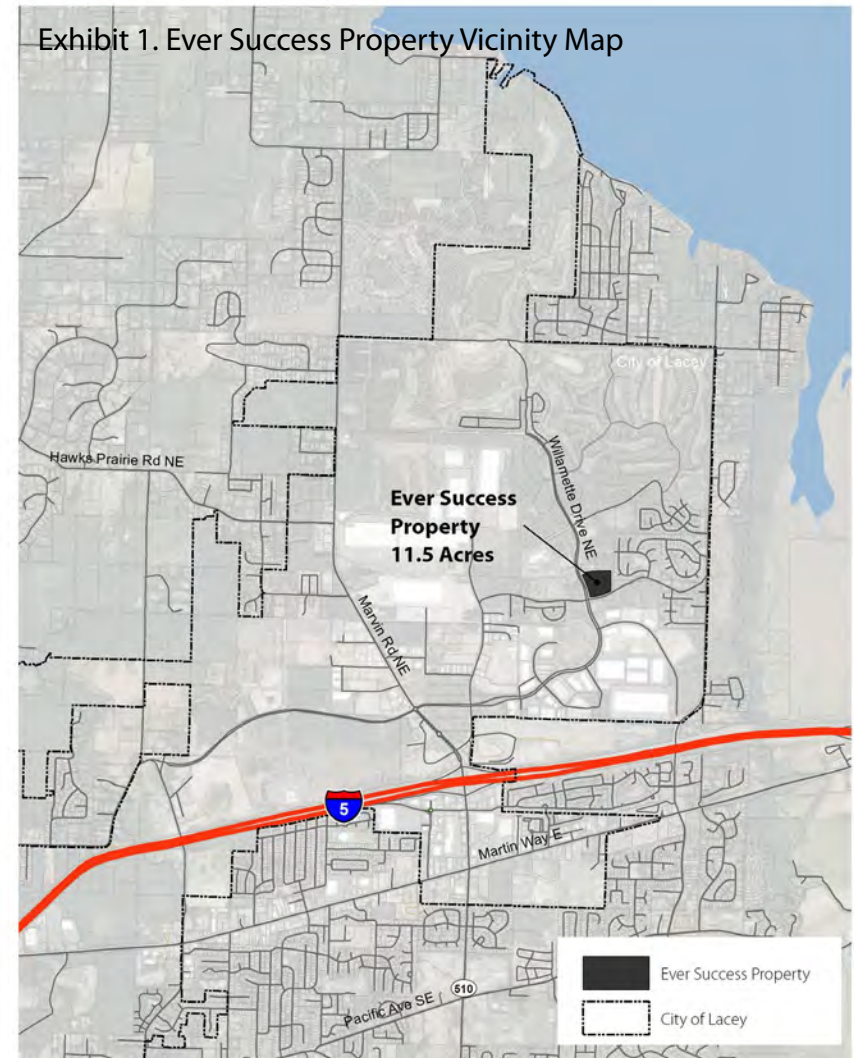
- > **Document Review.** Compilation and review of applicable reports and existing studies related to the Property.
- > **Market Assessment.** Assessment of applicable real estate market conditions and zoning requirements.
- > **Retail Typologies and Site Use.** Evaluate retail development typologies and site suitability.

Market Assessment

In order to inform the retail assessment, Heartland prepared a market assessment to provide context for the Property and the local real estate market with a targeted focus on retail supply and demand locally. The Market Assessment includes the following tasks:

- > Review of 2016 *Project Feasibility Report* by Fergan Research & Development Services, including synthesis of key findings and recommendations related to the Property.
- > Review of the Lacey Community Market Study from 2015 conducted by Wahlstrom & Associates on behalf of the City of Lacey.
- > Analysis of retail market data including both current and historical vacancy rates, absorption and lease rates as well as a review of household growth trends and future capacity.
- > Collection and analysis of retail supply and demand data to identify potential gaps in retail offerings in the Properties retail trade area (10 minute drivetime for the purposes of the analysis).
- > A review and inventory of current retail supply, including existing and proposed retail developments as well as commercial lands reserved for future retail development within the vicinity of the Property.

Exhibit 1. Ever Success Property Vicinity Map



Market Assessment

Findings – Project Feasibility Report, 2016

Fergan Research & Development Services

In 2016, Vicwood Development Group enlisted Fergan Research & Development Services to conduct a project feasibility study of the Meridian Campus Property. Their work included an assessment of market supported uses on the site. Applicable findings from that study are highlighted below.

- The Property is a large neighborhood commercial site located deep in the Hawk's Prairie Neighborhood that would have difficulty developing as a competitive retail site within that trade area.
- The Study recommended that the site be developed with a mix of uses including apartments and retail.
- The Study recommended focusing on convenience retail while recommending against trying to compete with larger retail development planned along I-5.
- The Study evaluated the potential for a larger neighborhood center development type and concluded that a smaller scale version of this type of development could be feasible, although it would be impacted by the development of other nearby retail sites.
- Study defined trade area as Tract 122.22 with a 2016 population of 9,511 and projected 2020 population of 10,826
- The Study found that the site is neither a destination or community shopping center (grocery anchor site), rather, it is suitable for a Neighborhood Community Convenience Site with potential for mixed use development
- Voids or gaps in services that the study cited included:
 - Gas stations
 - Banks
 - Police stations
 - A library
 - A post office
- At the time of the report there was:
 - 1.7 million square feet of industrial square feet north of I-5 in Northeast Lacey
 - 14,500 residents with an additional 6,000 residents projected to live in the area
- The study cited the Lacey Gateway planned development at Marvin Road and I-5 as a major pipeline project to consider.
- The Study cited 970 acres of undeveloped commercial land in the Hawks Prairie area of Lacey:
 - 670 acres of industrial land
 - 300 acres of commercial land (Hawks Prairie Business District, Community Commercial, Neighborhood Commercial, Business Park)
- The Study cited 660 acres of undeveloped or underdeveloped residential land in the Hawks Prairie area of Lacey:
 - 410 acres of lower density single family residential (Up to 6 units per acre)
 - 250 acres of high density (6-20 units per acre)

Market Assessment

Vacancy and Rent Growth

Heartland began with an examination of retail market trends to better understand market performance and trends. **Exhibits 2 and 3** illustrate vacancy and rent trends since 2015.

- The retail vacancy rate in both the Olympia Market and the Lacey Submarket have been compressed over the past five years, with the Lacey Submarket well below vacancy rates across the Olympia region.
- Retail vacancy, particularly in the Lacey Submarket, is well below the national average.
- Despite these low vacancies, rent growth has been relatively modest.

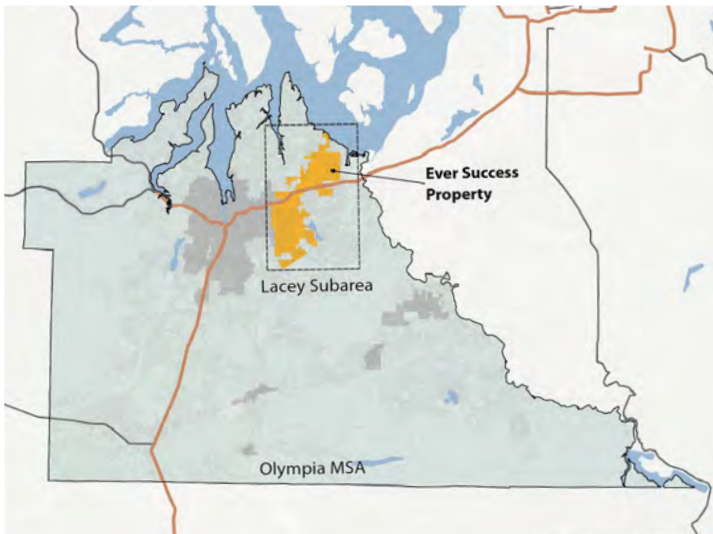
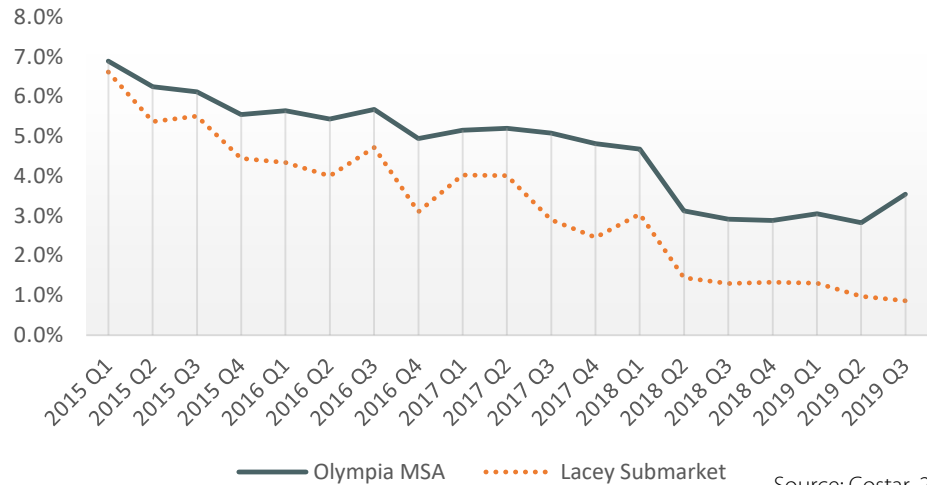
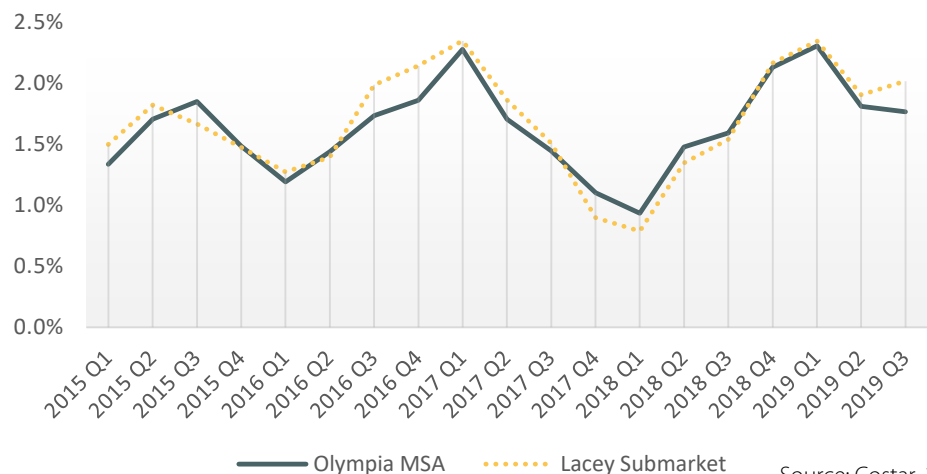


Exhibit 2. Vacancy Trends, Olympia MSA, 2015-2019



Source: Costar, 2019.

Exhibit 3. Rent Growth, Olympia MSA, 2015-2019



Source: Costar, 2019.

Market Assessment

Retail Development and Inventory

Lacey Submarket Past 5 Years

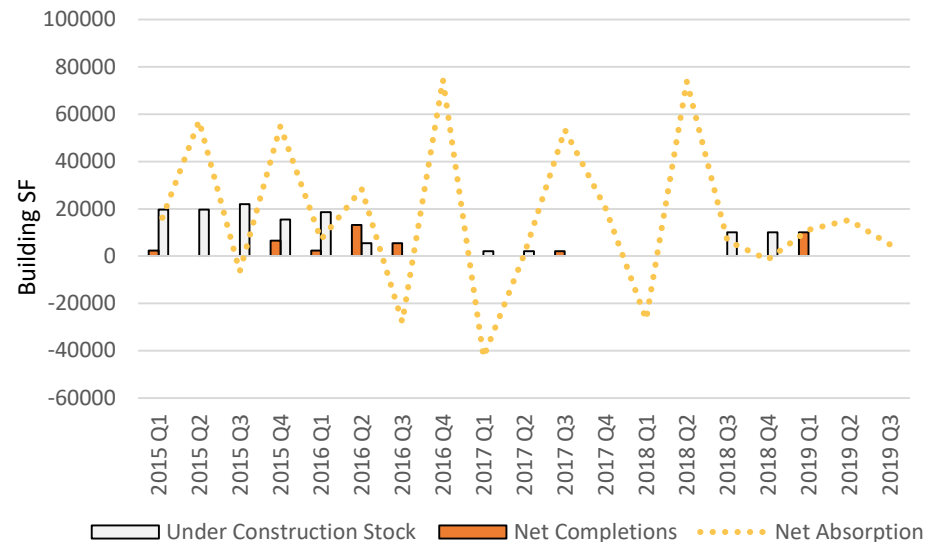
Exhibit 4 illustrates new deliveries and net absorption over the last five years in the Lacey Submarket.

- Over the Past 5 years, new retail construction and deliveries have continued to trend downward, and absorption largely remained positive.
- This trend could be an indication that much of the new construction is built to suit for a defined retail tenant.
- The observed low stock of retail space under construction in a market with such tight vacancy could indicate that speculative retail development is less common, especially given macro trends related to bricks and mortar retail.

Existing Inventory

Exhibits 5 and 6 on the following page provides greater detail on historical deliveries of retail square footage as well as a review of where retail is concentrated within Lacey by retail category. One of the larger retail clusters in Lacey and the Olympia MSA can be found south of Interstate 5 along Martin Way. This area serves as a retail hub for the region.

Exhibit 4. New Construction Deliveries and Absorption, Lacey Submarket, 2015-2019

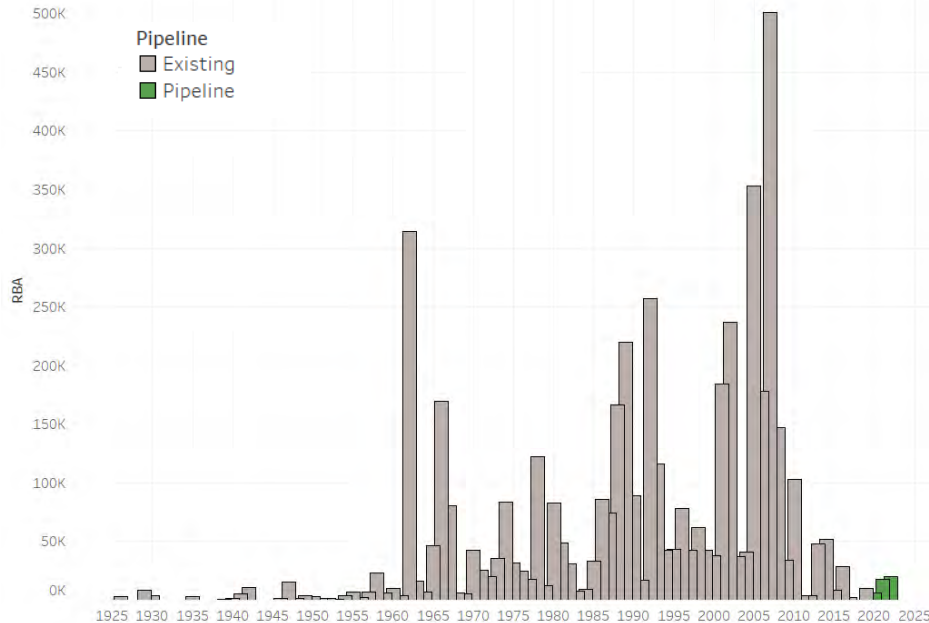


Source: Costar, 2019.

Market Assessment

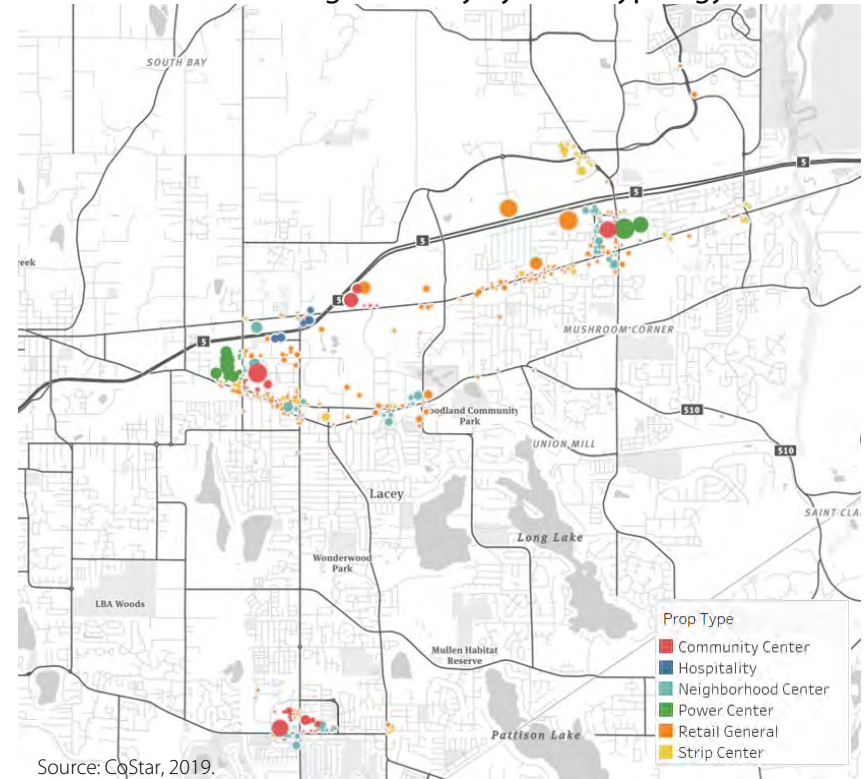
Lacey Submarket Existing Retail Inventory

Exhibit 5. Retail Building Inventory by Year Built



Retail Type	Total Land Area (Acres)	Building Area (SF)
Hospitality	7	180,446
General Retail	373	1,575,475
Community Center	166	1,014,797
Neighborhood Center	140	793,178
Power Center	121	1,023,026
Strip Center	122	412,248
TOTAL	929	4,999,170

Exhibit 6. Retail Building Inventory by Retail Typology



Source: CoStar, 2019.

Costars property database identifies the property type through multiple data sources including assessor data, listing data, and tenant data. Using these property type categories we can get a general idea of inventory, retail type, and location/clustering within the Lacey Retail Submarket.

Further analysis of the existing retail inventory is included in the appendix.

Source: Costar, 2019.

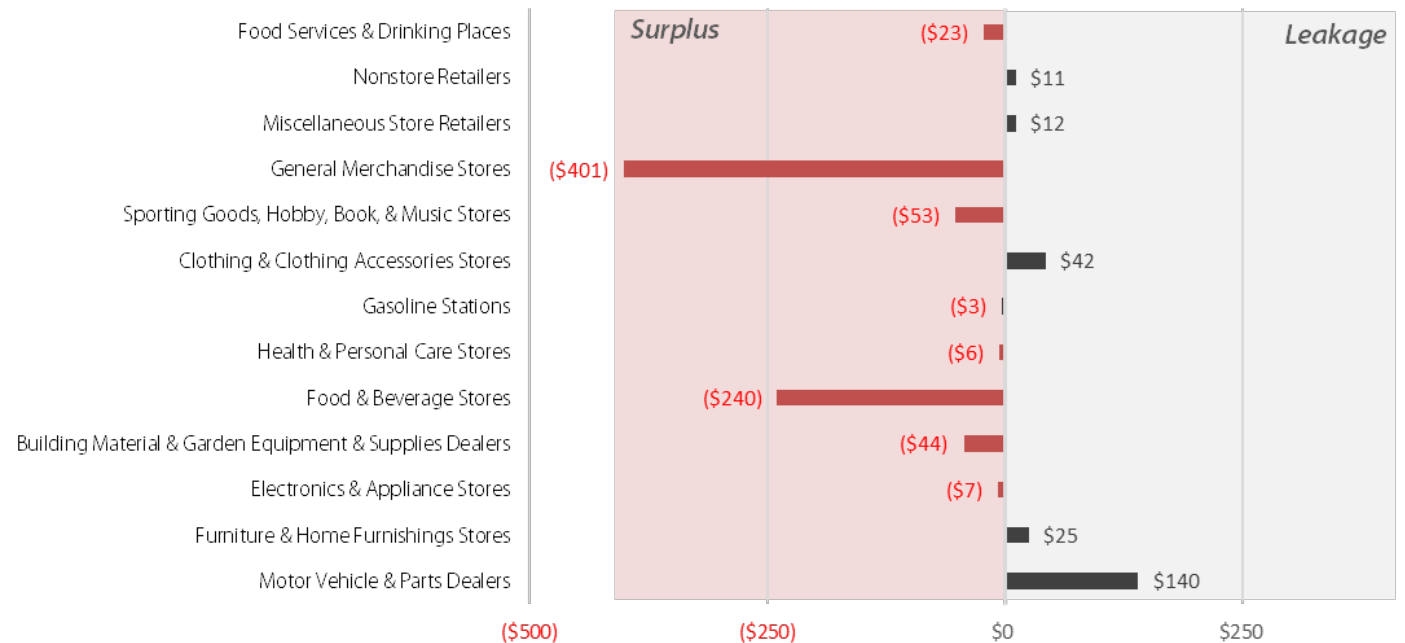
Market Assessment

Retail Supply and Demand

In order to better understand retail supply and demand, Heartland collected data on retail spending within a 10-minute drivetime of the Property. **Exhibit 7** illustrates the difference between retail demand/spending power and retail supply. Negative values illustrate where there is surplus of retail supply, meaning there is more retail spending occurring than there is demand for by residents with the area. Positive values indicate retail leakage, wherein residents are traveling outside the area to meet their needs for retail goods.

The exhibit illustrates that within 10 minutes of the Property, there is generally a surplus in retail offerings. This indicates that in terms of market capture, there are currently abundant retail offerings serving residents within 10-minute drivetime of the Property for most retail categories. This is an important factor to consider when evaluating retail suitability at the Property.

Exhibit 7. Retail Supply and Demand, 10-minute Drivetime from Property



Source: ESRI Business Analyst, 2019.

Market Assessment

Focused Trade Area

The area from which the Property is most likely to draw customers from is depicted in **Exhibit 8**. The area, dubbed the Property's Focused Trade Area, is defined by the following factors:

- > Generally the area north of I-5 within the Meridian Campus/Hawks Prairie community.
- > Supply of existing retail services to the south – Limited to area north of Interstate 5 as it is unlikely that customers will be drawn from south of here.
- > Drive time – limited to households within 10 minutes drive north of Interstate 5

This area can be used to inform the type of retail suitable for the site, as this is the area that the retail would likely serve. The area is also home to competing retail locations, discussed further in the following pages.

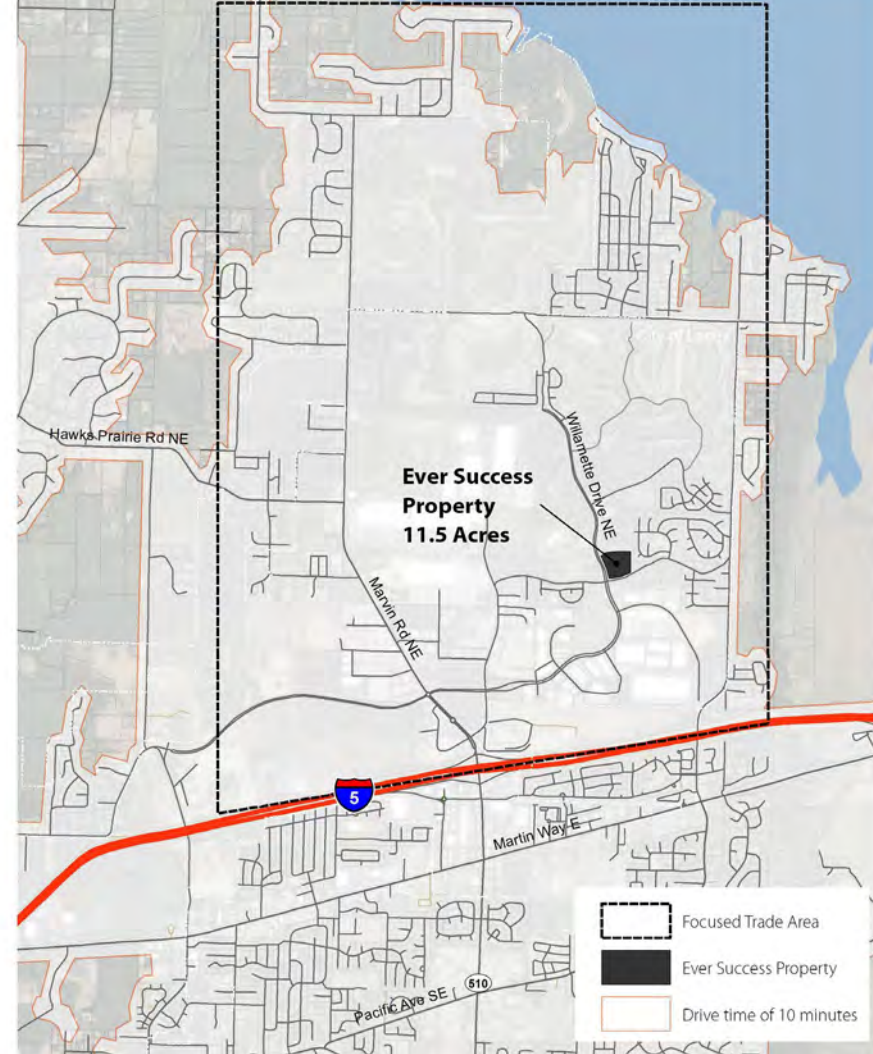
Ever Success Property Location Attributes

- > 1.5-2.0 Miles from I-5 freeway access
- > Zoned Community Commercial
- > Within the Meridian Campus Master Plan

Focused Trade Area Attributes:

- > 4,500 jobs
- > 16,000 people
- > Predominantly single-family housing
- > Mix of adjacent industrial, light industrial and retail uses
- > Currently served by major retail cluster directly south of I-5 via Marvin Rd NE

Exhibit 8. Focused Trade Area



Market Assessment

Commercial Land Supply

Exhibit 9 and 10 illustrate the existing supply of commercially zoned lands within the Focused Trade Area of the Property.

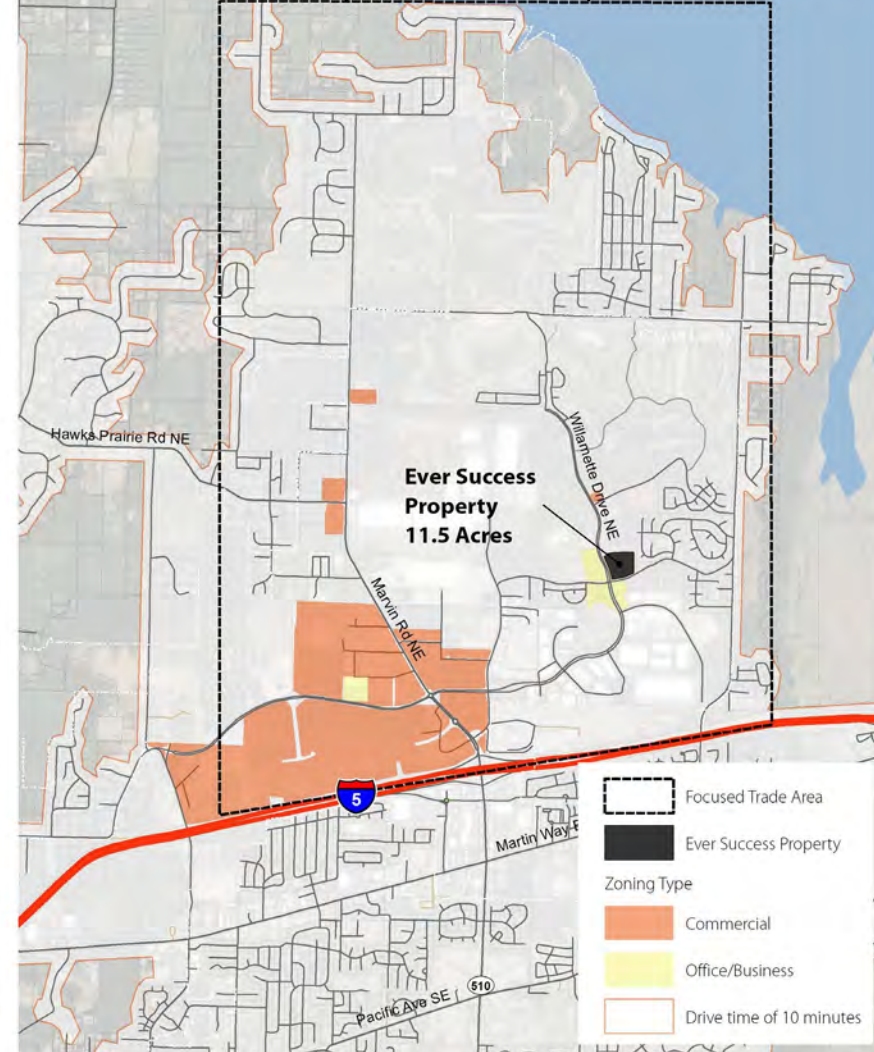
- There are over 800 acres of commercially zoned land in the Focused Trade Area.
- 70% of all commercially zoned land in this Focused Trade Area is vacant.
- At least 40% of each commercial zoning designation within this Focused Trade Area is vacant.
- The prevalence of vacant commercially zoned land within this Focused trade area indicates the potential presence of large amounts of unrealized commercial development capacity.

Exhibit 9. Commercially Zoned Land, Focused Trade Area, Summary

Commercial Zones	Total Acres	% Total Area	Vacant Acre	% of Comm Zones	% of Zone
COMMUNITY OFFICE	34.0	4.1%	15.4	1.9%	45.3%
COMMUNITY COMMERCIAL	29.7	3.6%	19.7	2.4%	66.4%
LIGHT INDUSTRIAL COMMERCIAL	150.1	18.2%	61.0	7.4%	40.6%
HAWKS PRAIRIE BUSINESS DISTRICT-BUSINESS/COMMERCIAL	519.7	63.1%	396.2	48.1%	76.2%
HAWKS PRAIRIE BUSINESS DISTRICT-COMMERCIAL	82.5	10.0%	75.3	9.1%	91.3%
NEIGHBORHOOD COMMERCIAL	7.9	1.0%	7.9	1.0%	100.0%
Focus Area Total	823.9		575.5		

Source: Thurston County, 2019.

Exhibit 10. Commercially Zoned Lands Map



Market Assessment

Retail Land on Market or Planned

To evaluate the current and future supply of retail lands in the Focused Trade Area, Heartland analyzed properties currently on market or planned (**Exhibit 11 and 12**). The inventory of such properties in the vicinity of the Ever Success Property provides context for evaluating future absorption and retail demand.

- Retail land that is currently available on market is generally clustered around Marvin Road and approximately 1.25 miles from the Ever Success Property.
- There are over 78 acres of retail land on market, not including the Lacey Gateway Town Center Master Plan.
- The average time on market for the properties in the table below is 24 months, with several properties having been market for significantly longer.

Exhibit 12. Retail Land Available or Planned Map

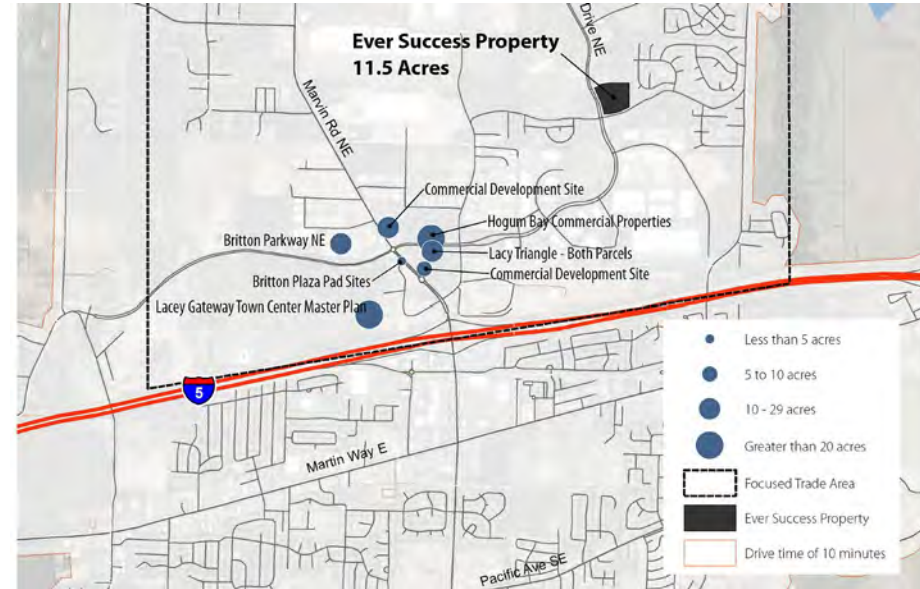


Exhibit 11. Retail Land Available or Planned Summary Table

What	Status	Where	Retail Center Typology	Distance	Acreage	Zoning	Commercial Planned SF	Time On market
Lacey Gateway Town Center Master Plan	Proposed	I-5 and Marvin Rd	Regional Lifestyle Center	1.25 Miles	250	HPBDBC	2,000,000	
Commercial Development Site	For Sale	2800 Marvin Rd NE	Neighborhood Retail Center	1 Mile	14	HPBD-BC/C	120,000	45 months
Britton Plaza Pad Sites	For Sale	Marvin Rd NE	Retail	1.2 Miles	4	HPBD-C	32,220	2 months
Commercial Development Site	For Sale	Marvin Rd NE	Retail/Commercial	1.25 Miles	9	HPBD-C	80,000	28 months
Hogum Bay Commercial Properties	For Sale	2563-2775 Hogum Bay Road NE	Retail/Commercial	1.2 Miles	22	LI-Commercial	-	24 months
Lacy Triangle - Both Parcels	For Sale	0 Willamette Drive NE	Retail/Commercial	1.2 Miles	18	HPBD-C	-	15 months
Britton Parkway NE	For Lease	Britton Pky & Marvin Rd NE	Retail/Commercial	1.25 Miles	11	HPBDBC	-	30 months

Retail Typologies and Recommendations

Retail Assessment Findings

Key site attributes affecting retail viability include:

- The Property is not freeway adjacent, therefore it is less likely to draw visitors from outside the Focused Trade Area as previously discussed. Alternatively, the Property is convenient in terms of access for households to the north.
- The existing cluster of on-market and undeveloped freeway adjacent retail land (78 acres not including Lacey Town Center) impacts the viability of a larger retail development at this location.
- Overall the retail market in Lacey has low vacancy with relative few deliveries of new retail space over the last five years. New retail has largely been built to suit, with some smaller scale speculative development in the form of neighborhood retail and pad sites.
- The Property is likely *not* a desirable location for an anchored neighborhood or community retail center but could be a suitable

location for a small-scale retail convenience center, providing amenities and services for the Focused Trade Area.

Retail Typologies

Exhibit 13 below illustrates several retail formats considered for the Property. The table includes the approximate land consumption typically associated with each format. For the Ever Success Property, the most suitable retail typology is a Convenience Center. These typically range from 10,000 sf to 30,000 sf. They can be in the form of a more typical strip center, or can include upper floors with office and professional services. Based on the analysis provided herein, it is recommended to plan for as much as 15,000 sf of retail at this site, likely requiring approximately 2 acres of land to accommodate the building footprint, parking and circulation. This size of development could accommodate a stand alone drugstore or a mix of smaller retail and restaurant uses.

Exhibit 13. Existing Development Types in Trade Area

Type	SqFt	Land Consumption	Uses
Community Center	125,000 +	12+ acres	Grocery anchored, specialty shops, discount stores and/or drug stores
Anchored Neighborhood Center	50,000 – 125,000	5 to 12+ acres	Grocery or drug store anchored, convenience and specialty retail
<i>Convenience Center</i>	<i>10,000 – 30,000</i>	<i>1 to 3 acres</i>	<i>Retail Pads and strip format retail for convenience-based retailers</i>

Retail Typologies and Recommendations

Building on the aforementioned findings on the previous page, the following are the key attributes that support a convenience center typology at this location.

- Site location and lack of proximity to an Interstate 5 access point mean the site is less attractive for larger format retailers dependent on drawing customers from outside the Focused Trade Area.
- The existing supply of retail in the Focused Trade Area as well as to the south of Interstate 5 currently meets the demands of current residents. In fact, there is a surplus of retail supply in the area, meaning the area draws customers from throughout the region.
- The existing supply of both planned and available retail lands within the Focused Trade Area, with relatively better proximity to both the residential population to the north and Interstate 5 entrance/exit, also impacts the viability of a larger format retail typology at this location.
- The convenience center format and associated land would also accommodate a mixed-use format in the future, with retail as a ground use and multifamily or office uses located above, assuming market support of this type of development.

Prototypical Convenience Center Examples

A wide variety of uses and building typologies fit within the convenience/strip center retail category. As previously discussed, the size of such facilities typically range anywhere from 10,000 square feet to 30,000 square feet. For the Ever Success Property, it is important to size the commercially zoned area to accommodate a variety of potential uses in the future, hence the recommendation to accommodate approximately 15,000 sf. This would allow for various retail building typologies and users that may include both ground floor and upper floor uses. In addition, if market conditions warrant consideration of denser development in the form of mixed-use multifamily housing, it is important for the site to be able to accommodate this in the future as well.

On the following pages are examples of existing retail developments that have been developed throughout the Puget Sound Region. They represent a variety of formats and site layouts that are similar to the typology recommended herein. They also illustrate the unique ways in which a retail site of this size can be developed and tailored to meet the needs of nearby residents.

Retail Typologies and Recommendations

Retail Typologies and Fit

Walgreens Drugstore

Standalone Pad Site
8333 Martin Way E
Lacey, WA
14,490 Square Feet
2.29 Acres
Built 2003



Steilacoom Blvd. Plaza

Mixed Use Strip Center
8520 Steilacoom Blvd SW
Lakewood, WA
23,972 Square Feet
1.7 Acres
Built 2007



Retail Typologies and Recommendations

Retail Typologies and Fit

McNeil Building

Standalone Mixed Use

1584 McNeil St

Dupont, WA

7,892 Square Feet

0.6 acres

Built 2005



Dupont Station

Storefront Retail Convenience Center

975 Ross Ave

Dupont, WA

10,991 Square Feet

1.24 Acres

Built 2006



Retail Typologies and Recommendations

Retail Typologies and Fit

Hilltop Center

Retail Strip/Convenience Center
15610 NE Woodinville-Duvall Rd
Woodinville, WA
14,896 Square Feet
1.6 acres
Built 2008



Gateway Plaza at Snoqualmie Ridge

Retail Strip/Convenience Center
8030 Douglas Ave SE
Snoqualmie, WA
10,949 Square Feet
1.7 Acres
Built 2008



A. Appendix

Retail Typologies and Recommendations

Retail Category Definitions

The following are definitions of the retail categories shown the following retail inventory maps. The definitions and associated data are used for the purposes of organizing and visualizing the retail data collected for this analysis. For the purposes of this analysis, the data and associated definitions were leveraged to profile the inventory of existing retail in the region.

Community Center. Typically offers a wider range of apparel and other soft goods than neighborhood centers. Among the more common anchors are supermarkets, super drugstores, and discount department stores. Community center tenants sometimes contain value-oriented big-box category dominant retailers selling such items as apparel, home improvement/furnishings, toys, electronics or sporting goods. The center is usually configured in a straight line as a strip, or may be laid out in an L or U shape, depending on the site and design. Of all the center types, community centers encompass the widest range of formats. For example, certain centers that are anchored by a large discount department store often have a discount focus. Others with a high percentage of square footage allocated to off-price retailers can be termed as off-price centers. The size of such a center ranges from 100,000 to 350,000 square feet.

Hospitality This type of property includes all types of lodging facilities including hotels and motels. Hotels are facilities that offer lodging accommodations and a wide range of other services, e.g., restaurants, casinos, convention facilities, meeting rooms, recreational facilities, and commercial shops. These facilities can be labeled Resort, Mixed Use, Luxury, Full Service, Extended Stay, Convention, Apartment, All Suite, etc

Neighborhood Center Provides for the sales of convenience goods (food, drugs, etc.) and personal services (laundry, dry cleaning, etc.) for day-to-day living needs of the immediate neighborhood with a supermarket being the principal tenant. In theory, the typical GLA is 50,000 square feet. In practice, the GLA may range from 30,000 to 100,000 square feet.

Power Center The center typically consists of several freestanding (unconnected) anchors and only a minimum amount of small specialty tenants. 250,000 -- 600,000 SF. A Power Center is dominated by several large anchors, including discount department stores, off-price stores, warehouse clubs, or "category killers," i.e., stores that offer tremendous selection in a particular merchandise category at low prices.

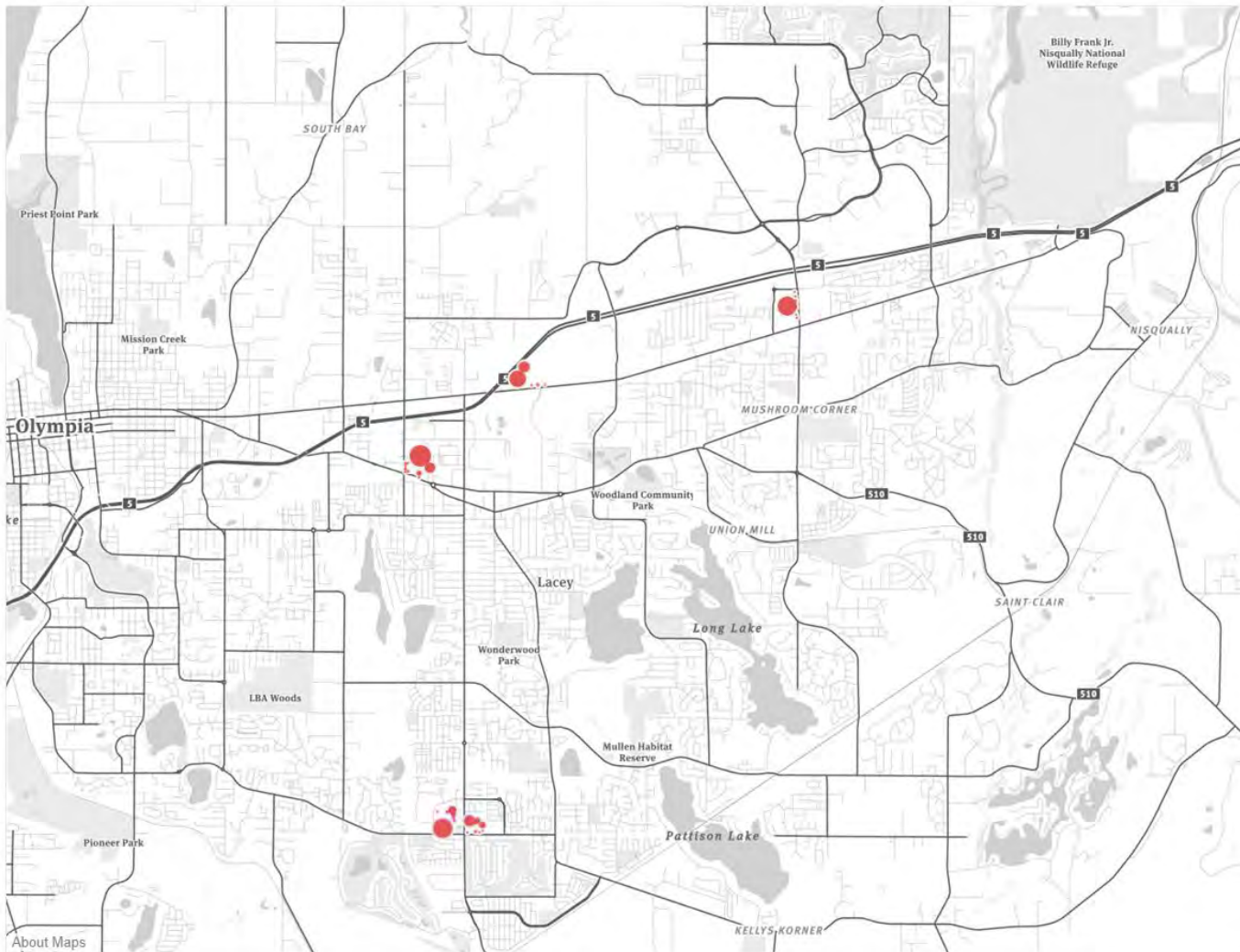
Retail General Representative of a diverse range of retail uses that are typically stand alone or secondary in nature to a primary use.

Strip Center A strip center is an attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the storefronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line or have an "L" or "U" shape.

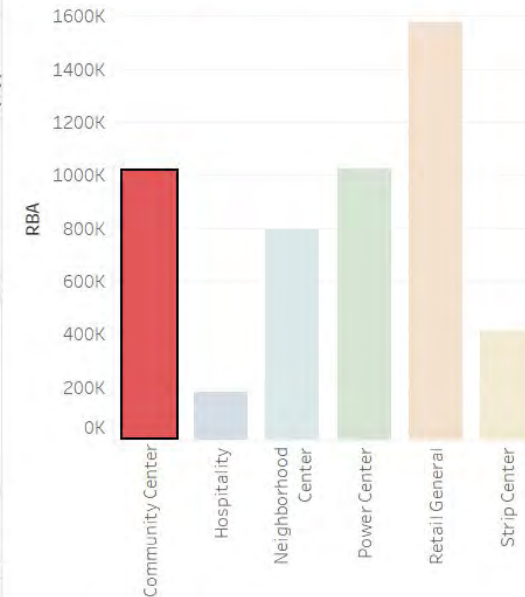
Source: Costar, 2019.

Market Assessment Refresh

Community Center



Retail Categories

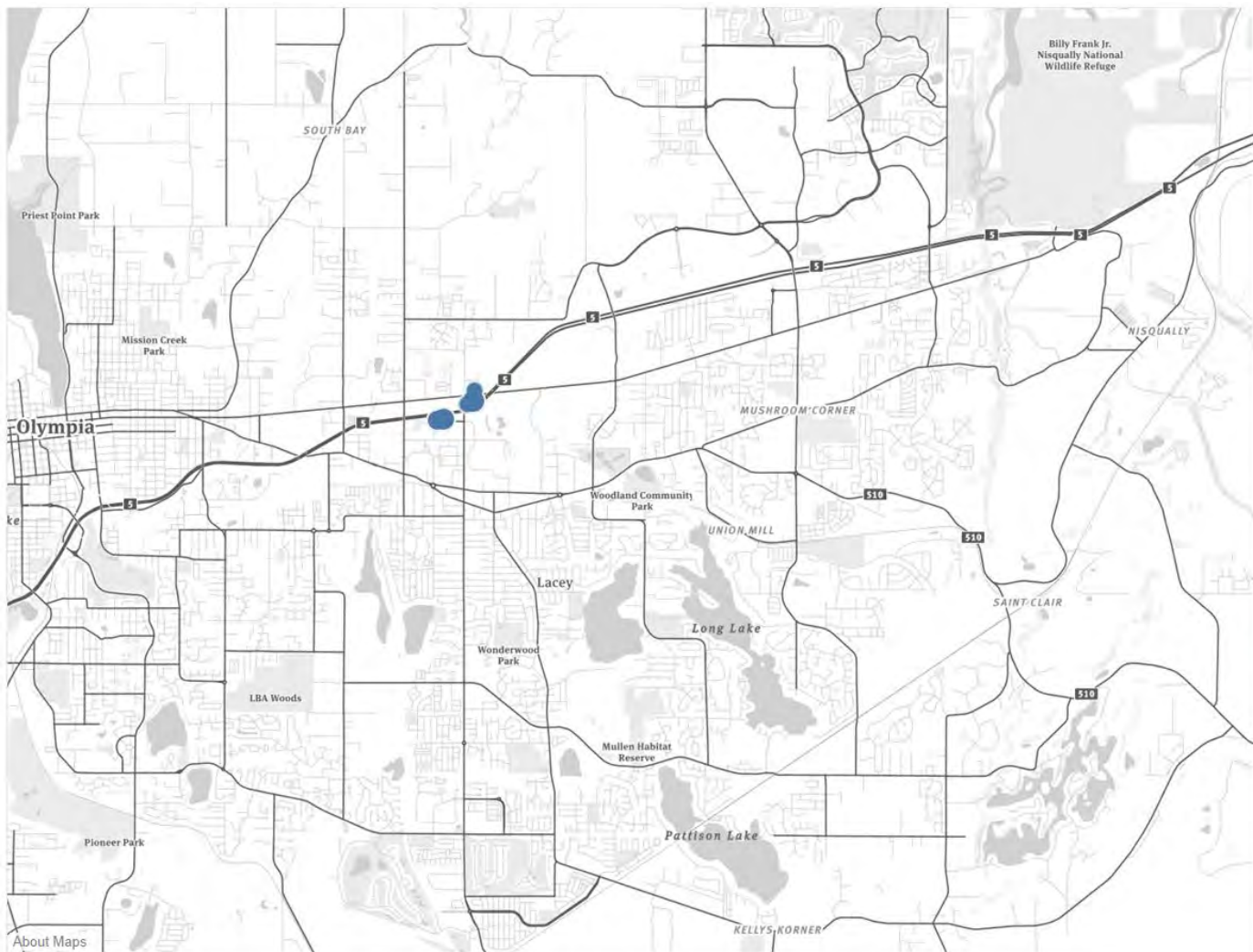


Inventory Table

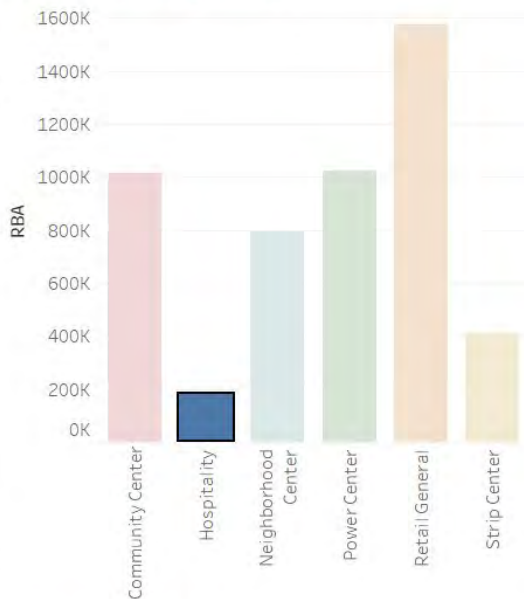
Decade Built	# Bldgs	RBA
1960-1969	2	9,337
1970-1979	2	9,829
1980-1989	5	429,518
1990-1999	16	316,630
2000-2009	5	214,059
2010-2019	2	3,709
Before 1960	1	1,300

Market Assessment Refresh

Hospitality



Retail Categories

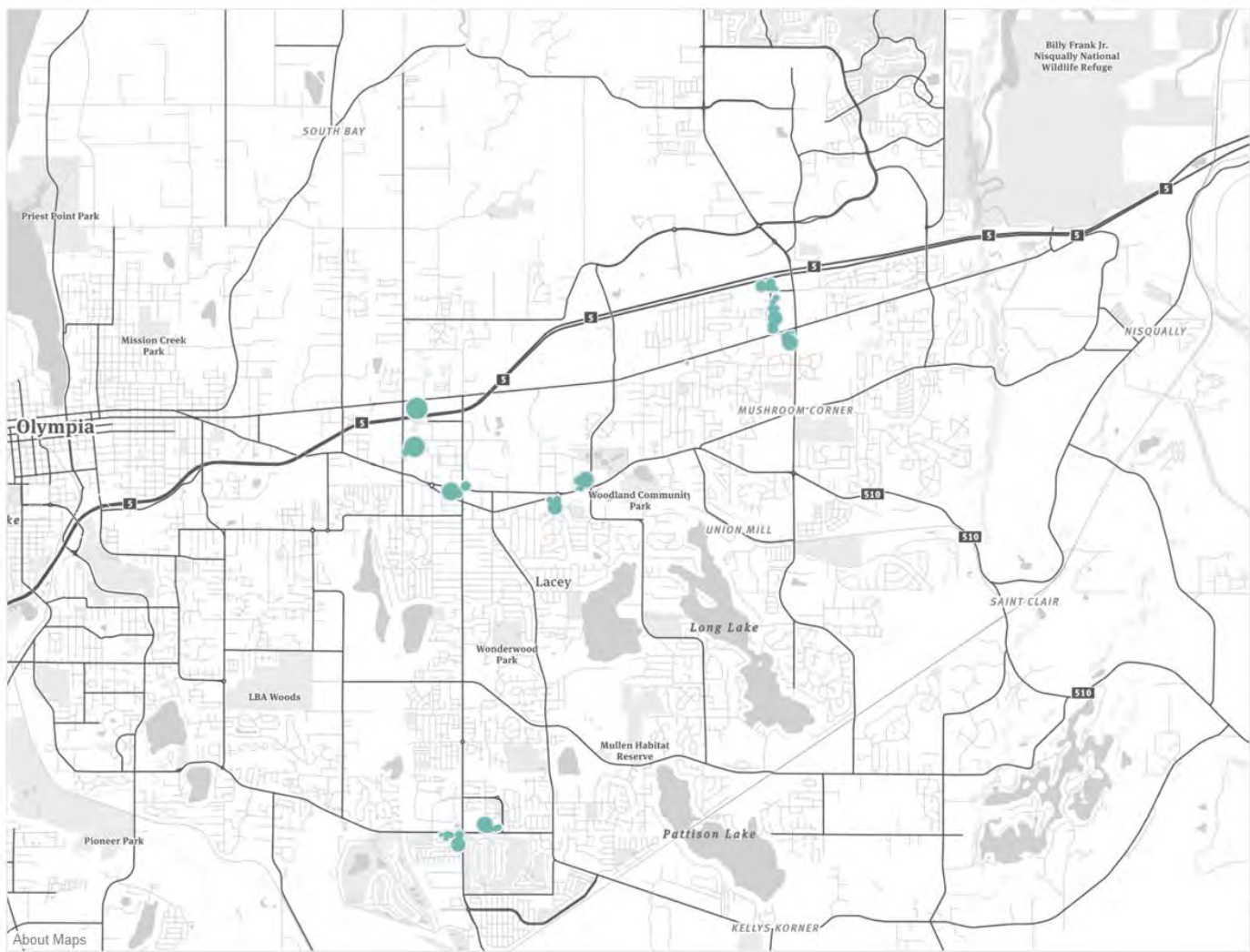


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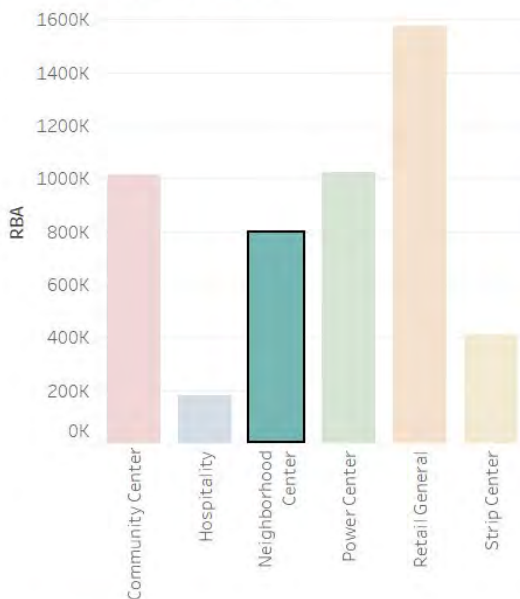
Decade Built	# Bldgs	RBA
1980-1989	1	47,139
1990-1999	2	51,608
2000-2009	2	81,699

Market Assessment Refresh

Neighborhood Center



Retail Categories

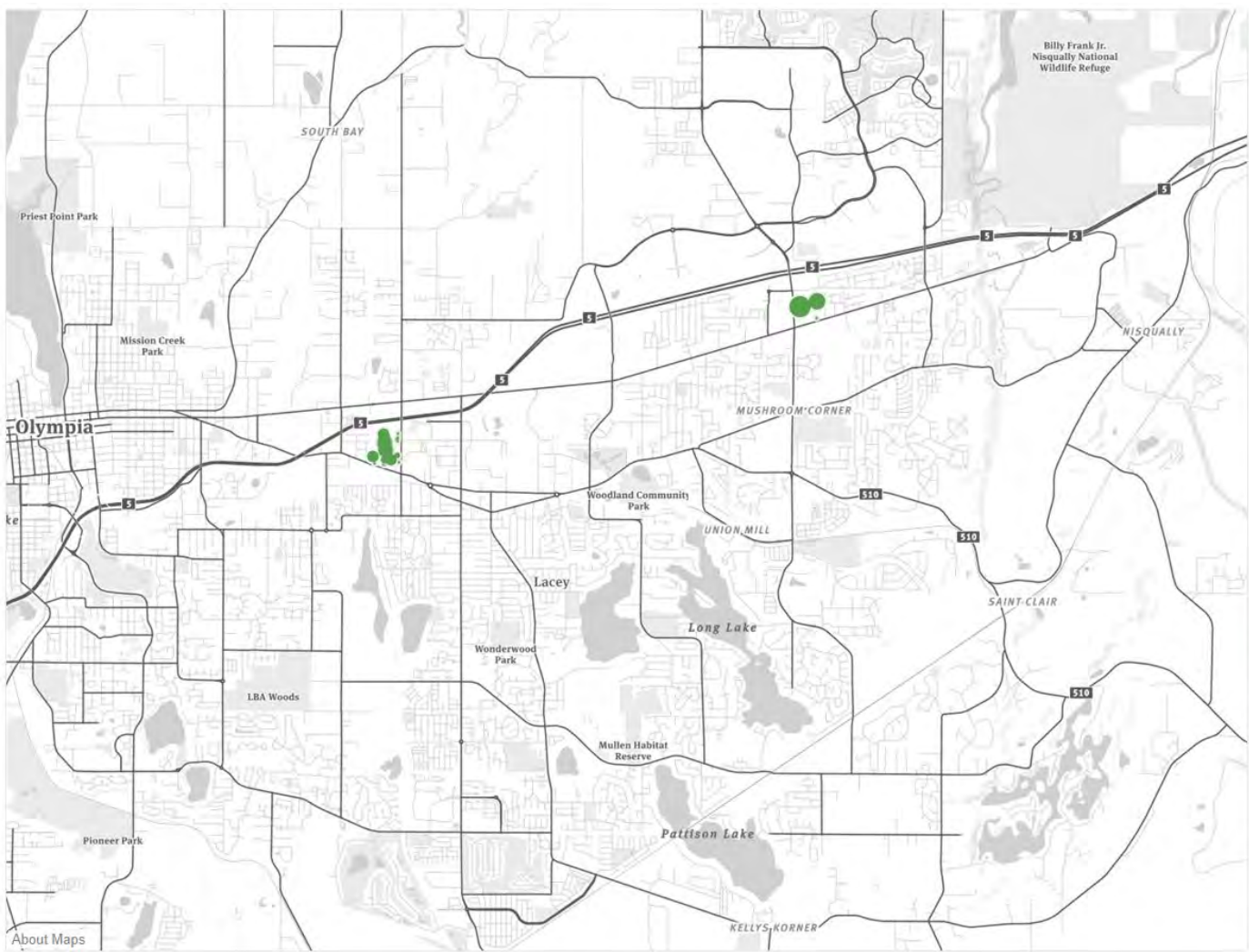


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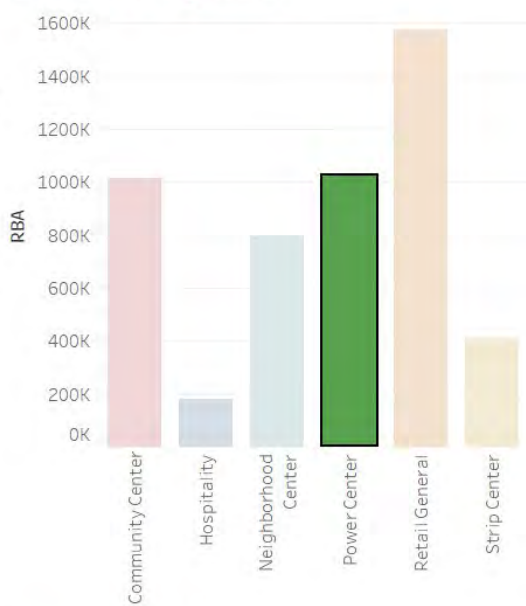
Decade Built	# Bldgs	RBA
1960-1969	5	72,445
1970-1979	3	161,087
1980-1989	7	130,416
1990-1999	8	126,451
2000-2009	17	186,775
2010-2019	10	108,404
Planned/Proposed	1	6,000

Market Assessment Refresh

Power Center



Retail Categories

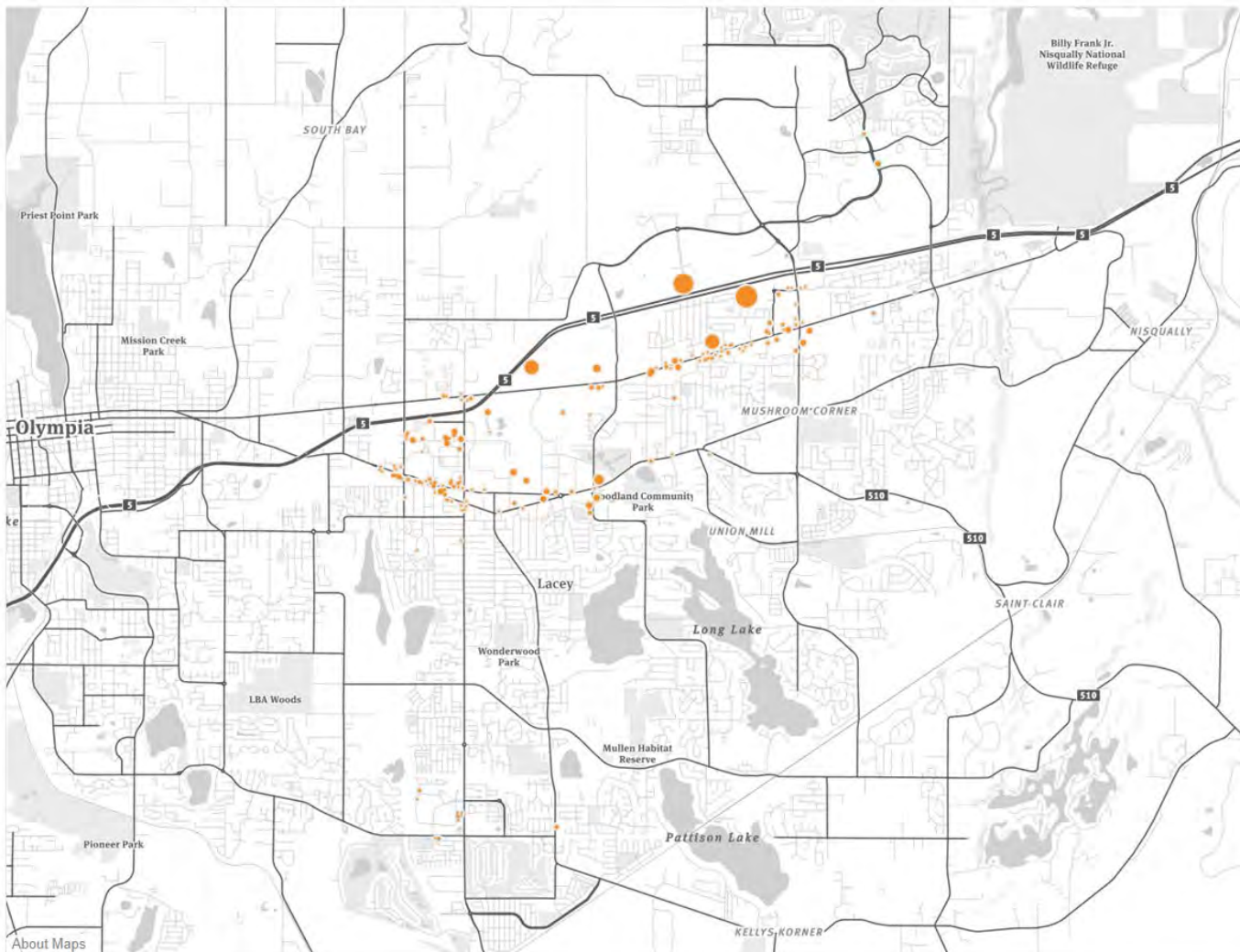


Inventory Table

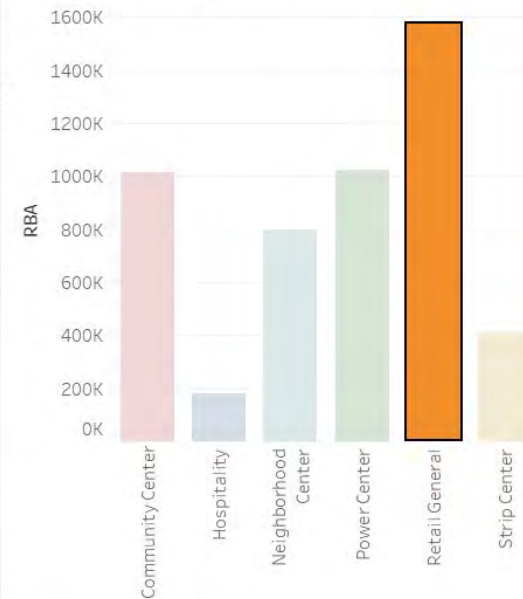
Decade Built	# Bldgs	RBA
1960-1969	8	449,265
1990-1999	2	1,110
2000-2009	10	558,247
Before 1960	1	5,359

Market Assessment Refresh

Retail - General



Retail Categories

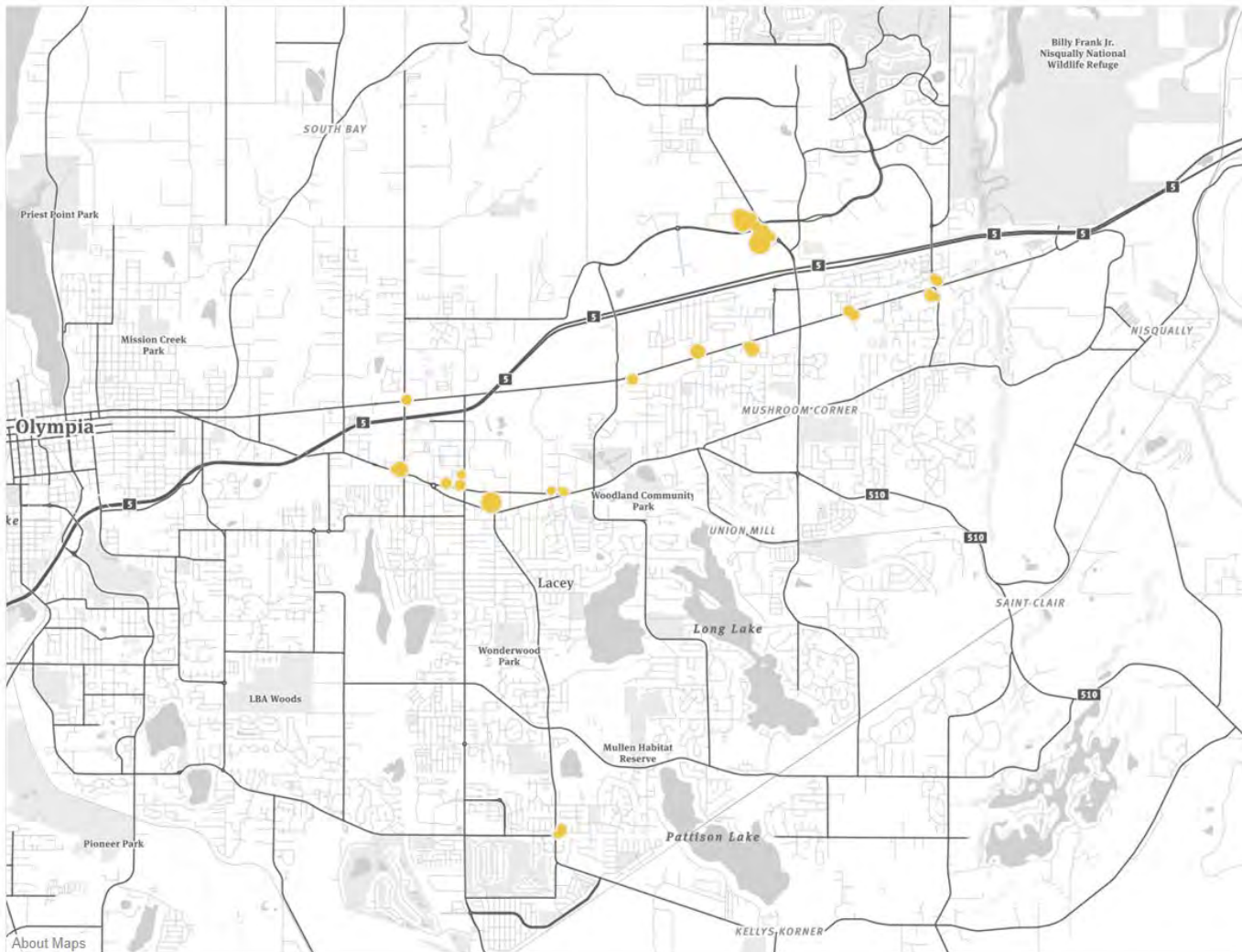


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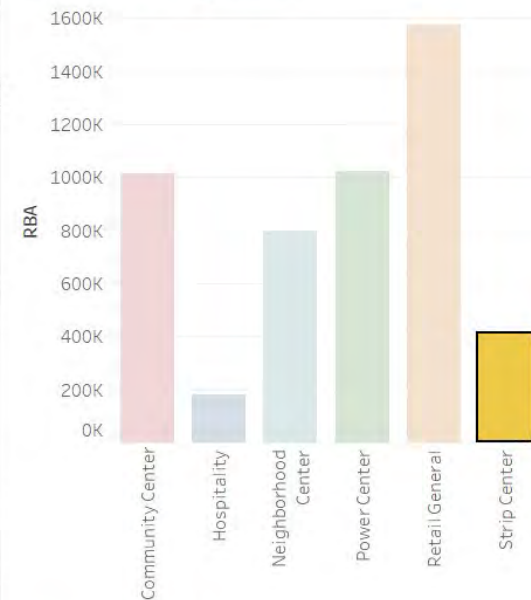
Decade Built	# Bldgs	RBA
1960-1969	23	110,574
1970-1979	38	184,755
1980-1989	30	132,528
1990-1999	25	262,744
2000-2009	31	631,021
2010-2019	8	123,807
Before 1960	28	74,784

Market Assessment Refresh

Strip Center



Retail Categories



Inventory Table

Decade Built	# Bldgs	RBA
1960-1969	1	18,348
1970-1979	4	61,369
1980-1989	4	20,467
1990-1999	4	31,549
2000-2009	9	78,297
2010-2019	3	23,885
Before 1960	6	32,978
Planned/Proposed	3	37,600



February 28, 2020

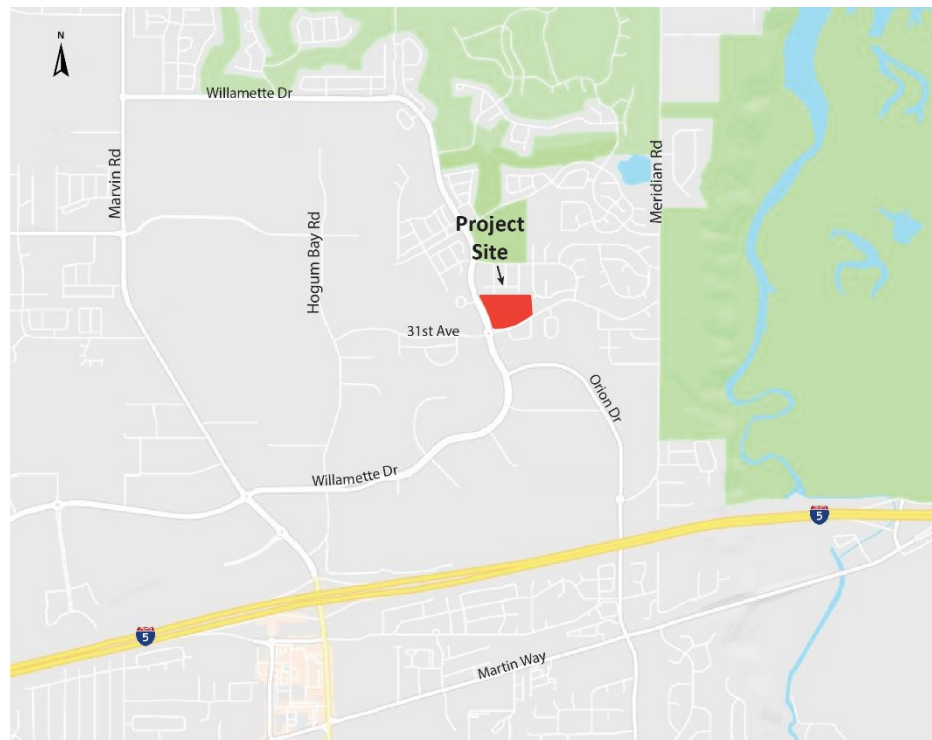
Jessica Brandt, Associate Planner
Community & Economic Development Department
City of Lacey
420 College St SE
Lacey WA 98503

Re: Vicwood Meridian Campus Comp Plan Amendment – Trip Generation Comparison
SCJ Project #3298.01

Dear Jessica,

Vicwood Development Corp and Ever Success Inc. are proposing to redesignate an 11.51 acre parcel at the corner of 31st Ave NE and Willamette Dr NE in Lacey, Wa. The following trip generation comparison was prepared for the existing zoning and proposed zoning as requested by the City of Lacey. **Figure 1** illustrates the proposed rezone site vicinity.

Figure 1. Site Vicinity Map





Project Description

The project includes redesignating an 11.51 acre parcel from Hawks Prairie Community Commercial District (CCD) to High Density (HD) Residential and Neighborhood Commercial (NC). Of the 11.51 acres of the property, 9.51 acres is proposed to be designated as HD residential, which would allow future multi-family development. The remaining 2 acres on the SW corner of the property is proposed to be designated as NC, which would allow future small scale convenience center and mixed-use residential units.

Project Trip Generation

Trip generation calculations were performed using rates contained in the 10th edition of the Trip Generation Manual by the *Institute of Transportation Engineers (ITE)* for the AM peak hour, PM peak hour and daily. The zoning designations and build out scenarios are described below. For the AM and PM peak periods Peak Hour of Adjacent Street was used. When available the fitted curve equations were used if, per ITE guidance, the fitted curve equation had an R^2 of at least 0.75.

Existing Zoning Scenario

The site is currently zoned Hawks Prairie Community Commercial District (CCD). The land use category “Shopping Center” (land-use code 820) was used to estimate the existing trip generation. This category was selected because it represents a wide range of commercial developments. The PM peak hour and daily trip generation rates used were calculated by applying the fitted curve equation provided in the Trip Generation Manual. The site was estimated with a 25% buildout.

It is anticipated that a shopping center land use designation will attract some traffic from people already driving on the area roadways. These trips are not new trips added to the local roadways (primary trips) but represent “pass-by” trips according to the following definition:

Pass-by trips: Pass-by trips are trips made as an intermediate stop from an origin to a primary destination (i.e., stopping to shop on the way home from work) by vehicles passing directly by the project driveway.

The pass-by percentages used are 34% for the PM peak hour, which was taken from the 3rd edition of the Trip Generation Handbook by ITE. The Trip Generation Handbook does not contain pass-by information for daily and 20% was used.

The AM peak hour, PM peak hour and daily trip generation calculations are attached.

Proposed Zoning Scenario

The proposed zoning for the site includes two separate zones: Neighborhood Commercial and High Density Residential.

A small portion of the site, totaling 2 acres, would be zoned Neighborhood Commercial. To be consistent with the existing zoning scenario the land use category “Shopping Center” was used for the 2 acres of neighborhood commercial. For this land use the PM peak hour and daily trip generation rates were calculated by applying the fitted curve equation provided in the Trip Generation Manual. This zoning scenario also estimated the site with a 25% buildout. As discussed above, the shopping center trip generation includes a pass-by percentage for the PM peak hour and daily volumes.



The remaining 9.51 acres of the site would be zoned High Density Residential. The land use category "Multifamily Housing Mid-Rise (land-use code 221) was used, which includes multifamily buildings between three and ten stories. For this land use the daily trip generation rate was calculated by applying the fitted curve equation provided in the Trip Generation Manual. The number of units assumed (288) was determined using 25 units per acre (238) for the high density portion and 50 units in the neighborhood commercial portion.

The AM peak hour, PM peak hour and daily trip generation calculations are attached.

Trip Generation Comparison

The existing and proposed zoning trip generation results are shown in tables 1, 2 and 3. **Table 1** shows the AM peak hour comparison, **Table 2** the PM peak hour comparison and **Table 3** the daily comparison.

Table 1. AM Peak Hour Trip Generation Comparison

Alternative	New-to-Network Volumes		
	Enter	Exit	Total
Existing Zoning	73	45	118
Proposed Zoning	39	85	6
Trip Change	-34	40	6

Table 2. PM Peak Hour Trip Generation Comparison

Alternative	New-to-Network Volumes		
	Enter	Exit	Total
Existing Zoning	204	220	424
Proposed Zoning	133	110	243
Trip Change	-71	-110	-181

Table 3. Daily Trip Generation Comparison

Alternative	New-to-Network Volumes		
	Enter	Exit	Total
Existing Zoning	2802	2803	5605
Proposed Zoning	1636	1637	3273
Trip Change	-1166	-1166	-2332



The estimated trip generation for the proposed zoning change shows a decrease in trips for the PM peak hour and daily new-to-network volumes. The AM peak hour shows a slight increase in total new-to-network trips.

If you have any questions or comments about the enclosed information, please contact me at (360) 352-1465.

Respectfully,
SCJ Alliance

Ryan Shea
Transportation Planner

Enclosures: Trip Generation Calculations



Vicwood Meridian Campus Comp Plan Amendment

Trip Generation

Existing Zoning

PM Peak Hour Trip Generation															
Site Plan Description	LUC	ITE Description	Variable	Value	Trip Rate	Distribution		Total Trips			Pass-By		New-to-Network Trips		
						In	Out	In	Out	Total	%	Total	In	Out	Total
Commercial	820	Shopping Center	1,000-sf gfa	125.235	5.13	48%	52%	308	334	642	34%	218	204	220	424

Fitted Curve Equation for LU 820: 5.13

AM Peak Hour Trip Generation															
Site Plan Description	LUC	ITE Description	Variable	Value	Trip Rate	Distribution		Total Trips			Pass-By		New-to-Network Trips		
						In	Out	In	Out	Total	%	Total	In	Out	Total
Commercial	820	Shopping Center	1,000-sf gfa	125.235	0.94	62%	38%	73	45	118	0%	0	73	45	118

Daily															
Site Plan Description	LUC	ITE Description	Variable	Value	Trip Rate	Distribution		Total Trips			Pass-By		New-to-Network Trips		
						In	Out	In	Out	Total	%	Total	In	Out	Total
Commercial	820	Shopping Center	1,000-sf gfa	125.235	55.94	50%	50%	3,503	3,503	7,006	20%	1401	2,802	2,803	5,605

Fitted Curve Equation for LU 820: 55.94

Proposed Zoning

PM Peak Hour Trip Generation															
Site Plan Description	LUC	ITE Description	Variable	Value	Trip Rate	Distribution		Total Trips			Pass-By		New-to-Network Trips		
						In	Out	In	Out	Total	%	Total	In	Out	Total
Residential	221	Multifamily Housing (Mid Rise)	Dwelling units	288	0.44	61%	39%	77	50	127	0%	0	77	50	127
Commercial	820	Shopping Center	1,000-sf gfa	21.780	8.08	48%	52%	84	92	176	34%	60	56	60	116
Total								161	142	303			133	110	243

Fitted Curve Equation for LU 820: 8.08

AM Peak Hour Trip Generation															
Site Plan Description	LUC	ITE Description	Variable	Value	Trip Rate	Distribution		Total Trips			Pass-By		New-to-Network Trips		
						In	Out	In	Out	Total	%	Total	In	Out	Total
Residential	221	Multifamily Housing (Mid Rise)	Dwelling units	288	0.36	26%	74%	27	77	104	0%	0	27	77	104
Commercial	820	Shopping Center	1,000-sf gfa	21.780	0.94	62%	38%	12	8	20	0%	0	12	8	20
Total								39	85	124			39	85	124

Daily															
Site Plan Description	LUC	ITE Description	Variable	Value	Trip Rate	Distribution		Total Trips			Pass-By		New-to-Network Trips		
						In	Out	In	Out	Total	%	Total	In	Out	Total
Residential	221	Multifamily Housing (Mid Rise)	Dwelling units	288	5.44	50%	50%	783	784	1,567	0%	0	783	784	1,567
Commercial	820	Shopping Center	1,000-sf gfa	21.780	97.91	50%	50%	1,066	1,066	2,132	20%	426	853	853	1,706
Total								1,849	1,850	3,699			1,636	1,637	3,273

Fitted Curve Equation for LU 820: 97.91

Fitted Curve Equation for LU 221: 5.44



PLANNING COMMISSION STAFF REPORT

June 16, 2020

SUBJECT: OSG Properties Comprehensive Plan Amendment and Rezone Application.
Project no. 19-370.

RECOMMENDATION: Call for a public hearing to consider the Comprehensive Plan Amendment and Rezone Application for approximately 60 acres located along Carpenter Road NE between Interstate 5 and Britton Parkway NE from Hawks Prairie Business District—Business Commercial, Mineral Extraction, and Low Density Residential 3-6 to Light Industrial/Commercial.

TO: Lacey Planning Commission

STAFF CONTACTS: Rick Walk, Director of Community and Economic Development
Ryan Andrews, Planning Manager *RA*

ATTACHMENT(S): 1. OSG Properties CPA and Rezone Application
2. Aerial Photo and Map of Existing Zoning

**PRIOR COUNCIL/
COMMISSION/**

COMMITTEE REVIEW: Joint Worksession, January 23, 2020

BACKGROUND

The Growth Management Act requires that the City's Comprehensive Plan be amended only once a year. As part of the annual cycle of comprehensive plan amendments for 2020, the City received a request from OSG Properties, Inc., Lakeside Industries, and Roy Slaybaugh for parcels located along Carpenter Road NE between Interstate 5 and Britton Parkway NE. The requests were added to the Comprehensive Plan Amendment Docket at the joint worksession with the Planning Commission and City Council held on January 23rd.

The application is for ten parcels totaling approximately 60 acres and are currently a mixture of undeveloped properties and small warehouses. The eastern side of Carpenter Road NE is currently zoned Hawks Prairie Business District Business Commercial and the parcels west of Carpenter Road are zoned both Mineral Extraction and Low Density Residential 3-6. The application is to rezone these parcels to Light Industrial Commercial.

The purpose of the request is to consider rezoning the property to Light Industrial Commercial to provide more flexibility for future development of the property as the Light Industrial Commercial zone allows for a broader variety of uses than the Hawks Prairie Business District zone. The existing Mineral Extraction zone is limited to uses only related to mining. Since the mining operations have ceased in this area, this would be an opportunity to establish a more appropriate zone for the area. A rezone of the property would also provide a transition between the existing Hawks Prairie Business District and the residential areas to the west.

The surrounding properties have a mixture of zoning with properties to the south of Interstate 5 are zoned Central Business District 6, properties to the west (owned by Miles Sand and Gravel) are zoned Hawks Prairie Business District Business Commercial, and the properties to the north and east are zoned residential.

TRANSPORTATION AND UTILITIES

Both Carpenter Road NE and Britton Parkway NE are designated as arterials by the “Functional Classification Map” within the *2030 Transportation Plan*. Carpenter Road NE is currently a two-lane road with very little improvement other than a two-lane paved section. As properties develop, they will be required to dedicate right-of-way and ultimately develop the improvements necessary for an arterial including additional travel lanes, bike lanes, planter strips, and sidewalk improvements. A City project to install these improvements are identified in the 2020 Six Year Transportation Improvement Program (TIP). Britton Parkway NE west of Carpenter Road has limited improvements outside of the two travel lanes. East of Carpenter Road, the street frontage includes travel lanes, bike lanes, grassy swale, and sidewalks. The ultimate improvement to this section of Britton Parkway will include an additional travel lanes and planter strips. A future roundabout is currently in design phase at the intersection of Britton Parkway and Carpenter Road.

The *Northeast Area Planning Element*, a sub-area plan completed in the early 1990’s for the Hawks Prairie Area, identifies a future interchange for Interstate 5 at Carpenter Road. The success of the existing Hawks Prairie Business District designation would depend largely on the construction of an interchange to support the types of commercial uses envisioned in the Plan. Because of the lack of an interchange, allowing a more flexible zoning designation would allow the properties to develop for more small scale industrial and commercial uses that would not depend on the regional traffic an interchange would provide. The transportation system in the area supports the proposed Light Industrial Commercial designation.

City utilities are adjacent to the site and will be extended to be served at the time of the development. Water lines are available within the right-of-way for both Carpenter Road and Britton Parkway and range from 12 to 16 inches in diameter. A sewer main ranging from 10 to 18 inches is located in Carpenter Road and the portion of Britton Parkway east of Carpenter. These utilities were installed as part of the utility local improvement district (ULID) that installed the infrastructure to service the future development of northeast Lacey in the mid-1990’s. The proposed rezone would be adequately served by the existing utilities.

LAND USE

The primary difference between the Hawks Prairie Business District and Light Industrial/Commercial zones is that the Light Industrial/Commercial zones is intended as a primarily industrial zone that allows commercial uses compatible with the industrial activities.

Therefore, the permitted uses within the Light Industrial/Commercial zone include activities such as the assembly of manufactured products and the processing of materials, warehousing and storage, as well as a full array of general commercial uses. Residential uses are not allowed within the Light Industrial/Commercial zone. The Hawks Prairie Business District zone does not allow for industrial uses but does allow for an array of commercial and service-related uses as well as allowing residential uses. The Hawks Prairie Business District also has distinct design review standards. The Light Industrial/Commercial district does not contain specific standards, however, any project is required to adhere to the design review provisions contained in Lacey Municipal Code 14.23.

Rezoning the area west of Carpenter Road would address the lack of flexibility of the existing Mineral Extraction zone. This area, the only Mineral Extraction zone in the city limits, only allows for uses related to mining. Since the mining resources have been exhausted, the zoning should reflect a higher use. The existing Low Density 3-6 zone on the western edge of the Mineral Extraction zone is not feasible due to slopes and the lack of access to this area. Approximately 12 of the 60 acres along the western edge of the area proposed for rezone has limited development capacity because of slope and access issues.

Rezoning these parcels to Light Industrial/Commercial will afford the property owner with flexibility of uses and will allow a full range of development options including both commercial and industrial uses. The 2016 Land Use Element focuses on the need for an adequate supply of land uses to support opportunities for economic development. Applicable policies of the Land Use Element of the *Comprehensive Plan* address the request:

Land Use Element Policies:

Goal 1: Designate an adequate supply of land for high quality commercial uses based on appropriate site characteristics, community needs, and adequacy of facilities and services.

Policy E: Review existing land use designations and standards and revise as necessary to provide for projected and desired job opportunities and uses.

Goal 3: Encourage and promote the development of high quality industrial development

Policy A: Designate an adequate supply of land for high quality industrial uses based on appropriate site characteristics, anticipated need, and adequacy of facilities and services.

Policy F: Industrial uses should be located, designed, built, landscaped, operated, and maintained to ensure compatibility with nearby land uses.

The Hawks Prairie Planning Area section of the Land Use Element also addresses the request by stating:

Goal 3: Support the Hawks Prairie Area as a local hub for light industrial development and employment center.

Policy A: Support building square footages that encourage a broad range of users provided that appropriate requirements for multiple building complexes, design review, and compatibility with adjacent residential areas are addressed.

The *Northeast Area Planning Element*, a sub-area plan completed in the early 1990's for the Hawks Prairie Area, contains several policies that address this request that support a mix of commercial and industrial uses:

Northeast Area Planning Element, Commercial Goals and Policies:

Goal: To encourage commercial uses which meet the everyday service and convenience needs of the study area and of the service area in eastern Thurston and southern Pierce Counties.

Policies:

4. Retail/commercial centers should incorporate and include a wide range of activities.

Northeast Area Planning Element, Industrial Goals and Policies:

Goal: To encourage industrial development and a diversified economic base by the location of industrial uses in areas where they can be adequately and efficiently served by circulation and utilities, and where they will create no significant adverse environmental impact.

Policies:

2. Traffic access should be designed to contain heavy traffic within the industrial and commercial areas and away from the residential areas.

3. Industrial areas should be located where they can be adequately and most efficiently served by necessary utilities.

The proposal is also consistent with the policies of the Economic Development Element which sets forth policies for diversification of sales tax base and employment opportunities to support this area of Lacey:

Goal 1: Lacey Values a Thriving and Sustainable Business Environment—Lacey believes that land uses, environmental stewardship, job creation, and a thriving economy are inextricably linked. By maintaining a high quality of life for citizens, Lacey attracts a skilled workforce, which attracts the quality job-creating businesses needed for a thriving economy.

Goal 2: Lacey is Business Ready—The economic needs of Lacey's citizens are met because Lacey is prepared to meet the needs of all of its business customers.

Policy A: Ensure an adequate supply of developable, appropriately-zoned land is available to meet the various uses needed by Lacey businesses now and in the future.

Staff will provide an introductory briefing at the Planning Commission meeting related to the request. The full staff analysis will be presented at the Planning Commission public hearing. Public notice of the hearing will be published in *The Olympian* and directly mailed to all property owners within 300 feet of the subject property. The applicant will also be available at the meeting to provide their insight and answer any questions.

**CITY OF LACEY**

Community & Economic Development Department
420 College Street SE
Lacey, WA 98503
(360) 491-5642

OFFICIAL USE ONLY

Case Number: _____

Date Received: _____

By: _____

Related Case Numbers:

COMPREHENSIVE PLAN AMENDMENT GENERAL APPLICATION

OWNER NAME: OSG Properties, LLC.; Lakeside Industries, Inc.; High Rimrock LLC**MAILING ADDRESS:** c/o OSG Properties LLC; 2514 South Bay Rd. NE**CITY, STATE, ZIP:** Olympia, WA 98506**TELEPHONE:** 360-789-9314**APPLICANT NAME: *** Brandy Willie**MAILING ADDRESS:** 2514 South Bay Rd. NE**CITY, STATE, ZIP:** Olympia, WA 98506**TELEPHONE:** 360-789-9314**ADDRESS OF PROPOSAL:** 1180, 1525, 1543, 1601, 1755 Carpenter Road, NE // 1387, 1311 Sandy Ln. NE,
and 6298 Gravel Lane NE

* The applicant is the person whom staff will contact regarding the application, and to whom all notices, and reports shall be sent, unless otherwise stipulated by the applicant.

GENERAL DESCRIPTION OF PROPOSAL

This proposal seeks an amendment to the Lacey Comprehensive Plan and Zoning Code to rezone multiple parcels totaling approximately 57.22 acres. The proposal seeks for the parcels (currently zoned as HPBDBC, ME, and LD 3-6) to be zoned as light industrial/commercial.

GENERAL LOCATION OF PROJECT (Give street address or, if vacant, indicate lot(s), block and subdivision; or tax lot number, access street, and nearest intersection.) Carpenter Road NE and Britton Parkway NE

SECTION: 9 / 10 **TOWNSHIP:** 18 **RANGE:** 1W

ASSESSOR'S TAX PARCEL NUMBER: 11809140300; 11810230101; 11810230103; 11810230102; 11810320200; 11810320104; 11810320103; 11810320102; 11810320100; 11810230100; 11810230105

FULL LEGAL DESCRIPTION OF SUBJECT PROPERTY (attach additional sheet if necessary): See attached sheet

COMPREHENSIVE PLAN, ZONING, AND LAND USE ISSUES

CURRENT ZONE CLASSIFICATION: HPBDBC, ME, and LD 3-6

COMPREHENSIVE DESIGNATION: HPBDBC, ME, and LD 3-6 in Hawks Prairie & Pleasant Glade Planning Areas

CURRENT LAND USE AND IMPROVEMENTS: Warehouses, mining, and gravel storage

PAST LAND USE OR HISTORY: Warehouses, mining, and gravel storage

CURRENT COMPREHENSIVE PLAN LANGUAGE (if applicable): See pages 5-1 to 5-9 of the Lacey Comprehensive Plan.

REQUESTED NEW COMPREHENSIVE PLAN LANGUAGE (if applicable): In the Acreage section on page 5-2 of the comprehensive plan, the acreage amounts for each zone will need to be amended to reflect this zoning amendment.

DOES THE PROPOSED AMENDMENT AFFECT BOTH THE CITY AND THURSTON COUNTY?

(PLEASE EXPLAIN): All of the applicable land has been annexed into the City of Lacey and is within the Thurston County Urban Growth Area. No specific project is proposed for these parcels. Therefore, this proposed amendment is not anticipated to affect Thurston County.

WAS THIS ISSUE, OR PROPERTY AND ITS DESIGNATION, DISCUSSED DURING THE COMPREHENSIVE PLAN DEVELOPMENT, REVIEW, AND ADOPTION PROCESS? IF SO, PLEASE EXPLAIN:

Unknown. No other comprehensive plan proposals have been identified for this property.

IS THE PRESENT COMPREHENSIVE PLAN LANGUAGE, OR DESIGNATION AND ITS RELATED ZONING, THE RESULT OF A MISTAKE? WHAT KIND OF MISTAKE (i.e., mapping, typographic)? PLEASE EXPLAIN:

To our knowledge, the present comprehensive plan language was not the result of a mistake.

IF THE AMENDMENT IS A MAP AMENDMENT, HOW MANY ACRES OF DEVELOPED AND UNDEVELOPED PROPERTY IN THE LACEY GROWTH AREA ALREADY EXIST IN THIS DESIGNATION?

DEVELOPED: approx 54-55 acres

UNDEVELOPED: approx 2-3 acres

HOW WILL THE AMENDMENT CHANGE THIS? The amendment will not change this because it does not propose any development

IS THERE A DEMONSTRATED NEED FOR THIS CHANGE AND IS IT A WISE ALLOCATION OF LAND RESOURCES? PLEASE EXPLAIN:

The City of Lacey has demonstrated a need for additional light industrial-commercial areas. This change is proposed to create more flexibility for this land to allow for further development consistent with the adjacent land.

EXPLAIN THE NEED FOR CHANGE AND HOW THE AMENDMENT IS CONSISTENT WITH THE FOLLOWING:

- **State Growth Management Act (GMA):**
- **County-Wide Planning Policies (CWPP):**
- **Lacey Comprehensive Plan:**
- **Regional Transportation Plan:**
- **Other Applicable City Plans or Documents:**
- **Neighboring Jurisdictions' Comprehensive Plan (where your proposal affects multiple jurisdictions, for example; Olympia or Tumwater).**

See attachment for responses to this question.

UTILITIES AND ROADS

WATER SUPPLY (name of utility if applicable): City of Lacey

☒ EXISTING ☐ PROPOSED

SEWAGE DISPOSAL (name of utility if applicable): Septic

☒ EXISTING ☐ PROPOSED

ACCESS (name of street(s) from which access will be gained): Carpenter Road

SUPPLEMENTAL INFORMATION

THIS APPLICATION MUST BE ACCOMPANIED BY THE FOLLOWING INFORMATION:

- 1- A complete list of all property owners and addresses as listed of the Thurston County Assessor within a 300-foot radius of the external boundaries of the subject property.
- 2- A site plan drawing or drawings at a scale of not less than one inch for each two hundred feet which shall include or show:
 - a. The boundaries of the property;
 - b. Size of property impacted by amendment;
 - c. Location of existing natural features, such as trees, streams, or lake frontages.
- 3- Environmental checklist.
- 4- Supplemental information and/or special reports may be required including:
 - a. Environmental sensitive areas and issues;
 - b. Traffic impacts;
 - c. Other.

INITIATED BY:

☐ Planning Commission. Date of Initiation: _____

☐ City Council. Date of Initiation: _____

☒ Property owners as follows:

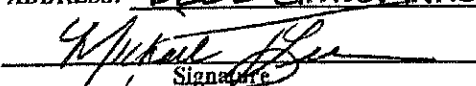
I (We) understand and agree with the above explained need for the map change and are current owners of the property within the City of Lacey.


Signature

Brandy Willie

Printed Name

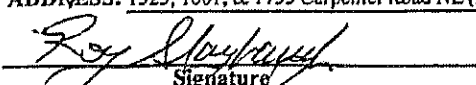
ADDRESS: 6282 Gravel Lane NE


Signature

Michael Lee

Printed Name

ADDRESS: 1525, 1601, & 1755 Carpenter Road NE (Parcels 11810320200, 11810230103, 11810230101, 11809140300)


Signature

Roy Slaybaugh

Printed Name

ADDRESS: 1547 Carpenter Road NE

Signature

Printed Name

ADDRESS: _____

ADJACENT PROPERTY OWNERS LIST

PROJECT: Carpenter Road Rezone

PLEASE SUBMIT AN ADJACENT PROPERTY OWNERS MAILING LIST

**Include all property owners within 300 feet of exterior boundary
of the property involved.**

Addresses are to be obtained from:

Office of County Assessor, Bldg #1, First Floor. Phone: 786-5410

*** * * Please be sure to also include the mailing information for the:
OWNER, APPLICANT, ENGINEER/ARCHITECT & REPRESENTATIVE.**

SEE EXAMPLE BELOW

SAMPLE Joe Jones PO Box 1900 Lacev. WA. 98503
--

EXPLAIN THE NEED FOR CHANGE AND HOW THE AMENDMENT IS CONSISTENT WITH THE FOLLOWING:

- **State Growth Management Act (GMA):**

- Under the Growth Management Act (GMA), any amendment or revision to a comprehensive land use plan (such as this non-project action) must conform to the GMA. See RCW 36.70A.040. Additionally, comprehensive plans of cities and counties must be consistent with the plans of other cities and counties. RCW 36.70A.100.

As explained below, this non-project proposal is in conformance with the Lacey Comprehensive Plan and the Countywide Planning Policies. This comprehensive plan amendment would ensure continued consistency with County plans. Additionally, by following the proper procedure in applying for this non-project action, this proposal is advancing in conformance with the GMA.

- Regarding natural resource lands, the GMA states: "...Such regulations shall assure that the use of lands adjacent to agricultural, forest, or mineral resource lands shall not interfere with the continued use, in the accustomed manner and in accordance with best management practices, of these designated lands for the production of food, agricultural products, or timber, or for the extraction of minerals." RCW 36.70A.060. The light industrial/commercial zone will allow the continued mining activity at the site, and ensure that adjacent activities will not interfere with the continued use. The Light Industrial/Commercial zone will also allow flexibility of uses in the area, while maintaining consistency with the current and future uses proposed for the site.
- The GMA states at RCW 36.70A.110(2): "(2) Based upon the growth management population projection made for the county by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period, except for those urban growth areas contained totally within a national historical reserve. As part of this planning process, each city within the county must include areas sufficient to accommodate the broad range of needs and uses that will accompany the projected urban growth including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses."

This non-project proposal will support the City's efforts to include areas that permit projected urban growth but that is also sufficient to accommodate the broad range of needs and uses that will accompany the projected growth. The Light Industrial/Commercial zone will allow flexibility in uses, which will provide property owners with greater opportunities to accommodate the local needs now and into the future.

The City of Lacey has a current need for limited light industrial and commercial uses to address existing and anticipated demand.

- **County-Wide Planning Policies (CWPP):**

Thurston County developed its County-Wide Planning Policies in coordination with seven cities and towns within Thurston County. This non-project proposal is particularly consistent with the CPPs because:

- General Policy 1.1 is to "Balance our needs today with those of future residents, protect and enhance quality of life and in recognition that each generation is a trustee of the environment for succeeding generations."

This non-project proposal allows for some continued similar uses at the site (mining and light industrial use), with the recognition that future needs in the area will require additional commercial uses. The Light Industrial/Commercial zone is the perfect example of allowing continued uses while also preparing for the future.

- Economic Development and Employment Policy 7.1 "Encourage an economy that is diverse, can adapt to changing conditions, and takes advantage of new opportunities."

As mentioned above, the Light Industrial/Commercial zone would provide more flexibility for the current property owners to adapt their sites to changing conditions in the area.

- Lacey Comprehensive Plan:
 - Page 5-1 of the Lacey Comprehensive Plan states: “Currently, [Hawks Prairies’] primary function could be characterized as a mix of residential and light industrial uses. Now that these areas have been largely constructed, the future land use trends will be for commercial services to serve these new residential areas and job centers.”
 - This proposal would change the zoning of properties to Light Industrial-Commercial, which will allow for some continuation of light industrial uses but also allow for commercial services which were anticipated to meet future trends.
- Regional Transportation Plan:
 - This non-project proposal is not seeking any changes to the uses of property at this time.
- Other Applicable City Plans or Documents:
 - No other applicable city plans or documents are relevant to this non-project review at this time.
- Neighboring Jurisdictions’ Comprehensive Plan (where your proposal affects multiple jurisdictions, for example; Olympia or Tumwater).
 - This proposal should not affect multiple jurisdictions. It is located wholly within the City of Lacey boundaries.



CITY OF LACEY
Community & Economic Development Department
420 College Street SE
Lacey, WA 98503
(360) 491-5642

OFFICIAL USE ONLY

Case Number: _____

Date Received: _____

By: _____

Related Case Numbers: _____

**REZONE
APPLICATION**

OWNER NAME: OSG Properties, LLC.; Lakeside Industries, Inc.; High Rimrock LLC

MAILING ADDRESS: c/o OSG Properties LLC; 2514 South Bay Rd. NE

CITY, STATE, ZIP: Olympia, WA 98506

TELEPHONE: 360-789-9314

DATE: _____
DATE: 3/5/2020
DATE: 3/6/2020
DATE: 3/6/2020

SIGNATURE(S)

I (We), the above-signed, do hereby affirm and certify, under penalty of perjury, that I/we am/are one (or more) of the owner(s) under contract of the below described property and that the following statements and answers are in all respects, true and correct on my information and belief as to those matters.

APPLICANT NAME: Brandy Willie

MAILING ADDRESS: 2514 South Bay Rd. NE

CITY, STATE, ZIP: Olympia, WA 98506

TELEPHONE: 360-789-9314

SIGNATURE: _____ DATE: _____

ENGINEER/ARCHITECT NAME: None

MAILING ADDRESS: _____

CITY, STATE, ZIP: _____

TELEPHONE: _____

SIGNATURE: _____ DATE: _____

AUTHORIZED REPRESENTATIVE: Brandy Willie

MAILING ADDRESS: See above

CITY, STATE, ZIP: See above

TELEPHONE: See above

SIGNATURE: _____ **DATE:** _____

NAME OF PROJECT: Carpenter Road Re-Zone

SUMMARY OF REQUEST (List Type of Uses): This proposal seeks an amendment to the Lacey Comprehensive Plan and Zoning Code to rezone multiple parcels totaling approximately 57.22 acres. The proposal seeks for the parcels (currently zoned as HPBDBC, ME, and LD 3-6) to be zoned as light industrial/commercial.

PROPERTY LOCATION

☐ North ☐ South ☒ East ☒ West Side of Carpenter Road NE between Interstate 5
(ROAD NAME)
and Britton Parkway NE
(ROAD NAME)

Property Address: 1180, 1525, 1543, 1601, 1755 Carpenter Road, NE // 1387, 1311 Sandy Ln, NE, and 6298 Gravel Lane NE

Section: 9 & 10 **Township:** 18 **Range:** 1W **Assessor's Parcel Number:** 11809140300; 11810230101; 11810230103; 11810230102; 11810320200; 11810320104; 11810320103; 11810320102; 11810320100; 11810230100; 11810230105

Full legal description of subject property: See Attached
(ATTACH SEPARATE SHEET IF NECESSARY)

TOTAL SQUARE FOOTAGE OF THE REZONE AREA: Approx. 57.22 acres or 2,492,503 sq. ft

How does the rezone request conform to the Comprehensive Plan?

According to the Lacey Comprehensive Plan, the Hawk's Prairie Planning Area's "primary function could be characterized as a mix of residential and light industrial uses. Now that these areas have been largely constructed, the future land use trends will be for commercial services to serve these new residential areas and job centers." (Lacey Comp. Plan, 5-1). This zoning amendment to light industrial/commercial would allow for existing uses to continue as light industrial (which is appropriate for the area), but it would also allow for those facilities to transition to commercial services when the opportunity presents itself.

Also, the comprehensive plan states: "There are gravel mining and processing activities in this planning area along Carpenter Road. As these pits are mined out, they will be converted to other uses." (Comp. Plan, 5-4). This zoning amendment to light industrial/commercial would allow for the gravel mining and processing activities in the Mineral Extraction zone to continue. However, it would also provide path forward for the site to transition to light industrial or commercial uses in the future, which is consistent with the comprehensive plan.

Finally, Goal 3 for the Hawks Prairie Planning Area is to support the Hawks Prairie Area as a local hub for light industrial development and employment center. The light industrial/commercial zone supports local light industrial and employment opportunities. (Comp Plan, 5-7)

ACCURATE SITE PLAN DRAWN IN INK TO SCALE WITH DIMENSIONS MUST BE SUBMITTED ALONG WITH THE APPLICATION. PLEASE SHOW THE FOLLOWING:

1. Location of proposed uses, buildings, parking areas, landscaping areas, ingress, egress, etc.
2. Location of all existing uses and structures on the property, with distances from property lines.
3. Major physical features of the property to be rezoned.
4. Barscale and north arrow.

PLEASE ANSWER THE FOLLOWING QUESTIONS

What is the relationship between the proposed use of the land to be rezoned and the surrounding land use? (i.e., Is your proposed use of land significantly different than existing land uses surrounding your property?) Please Explain:

Currently the area's zoning does not have an effective transition between residential uses, mineral extraction, and the Hawks Prairie Business District. This rezone will create an area of light industrial/commercial which will allow for light industrial activity to continue but also open opportunities for commercial uses as they present themselves. Additionally, the proposed use is similar to existing uses in the area.

Why is the property not usable as presently zoned, including the events that led you to this conclusion?

It is a challenge to develop retail businesses in this area because it does not have an accessible on/off ramp to the freeway. For this reason, it is difficult to develop consistent to the current Hawk's Prairie Business District zone.

Additionally, the mineral extraction zone does not allow for any other uses besides mineral extraction. The light industrial/commercial zone would provide more flexibility for uses that are appropriate for the area.

How would the proposed zone change be in the interests of not only the applicant but also the surrounding properties and the public as a whole?

The proposed zone change would provide more flexibility to allow for new development in the area. Future development will increase the opportunities for local employment. Public tax revenue and jobs could increase if the properties are put to greater, more appropriate use.

ADJACENT PROPERTY OWNERS LIST

PROJECT: Carpenter Road Rezone

PLEASE SUBMIT AN ADJACENT PROPERTY OWNERS MAILING LIST

**Include all property owners within 300 feet of exterior boundary
of the property involved.**

Addresses are to be obtained from:

Office of County Assessor, Bldg #1, First Floor. Phone: 786-5410

*** * * Please be sure to also include the mailing information for the:
OWNER, APPLICANT, ENGINEER/ARCHITECT & REPRESENTATIVE.**

SEE EXAMPLE BELOW

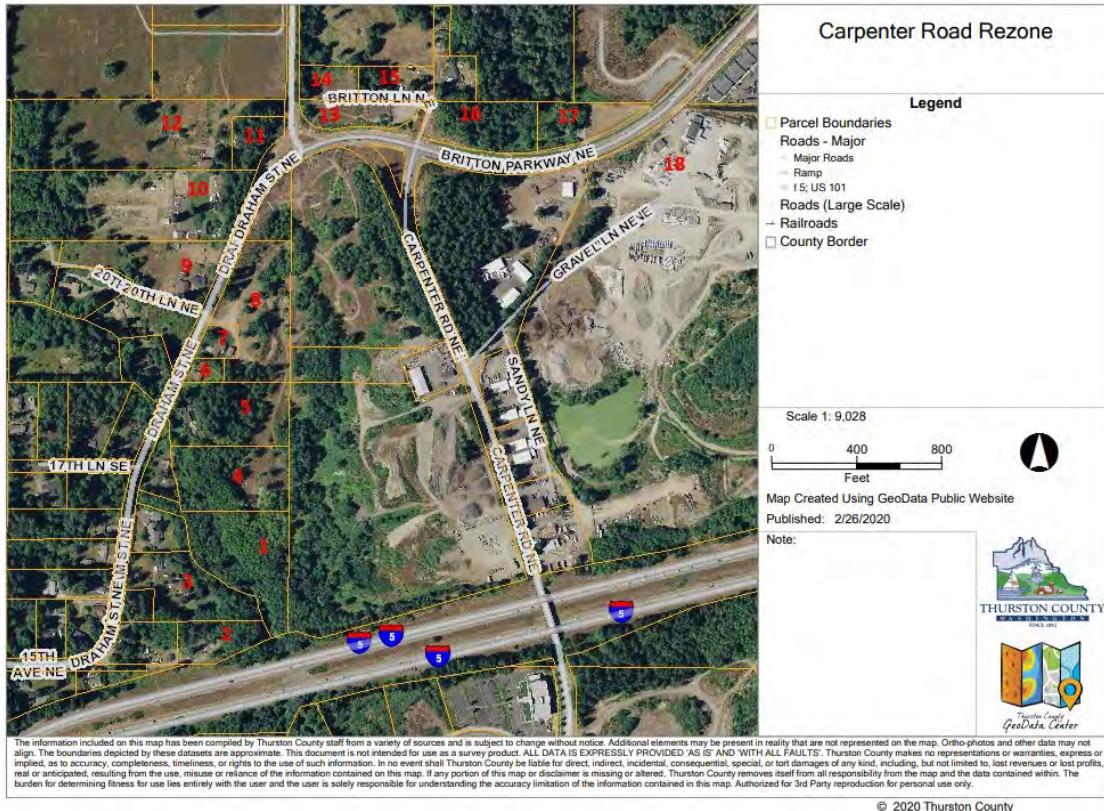
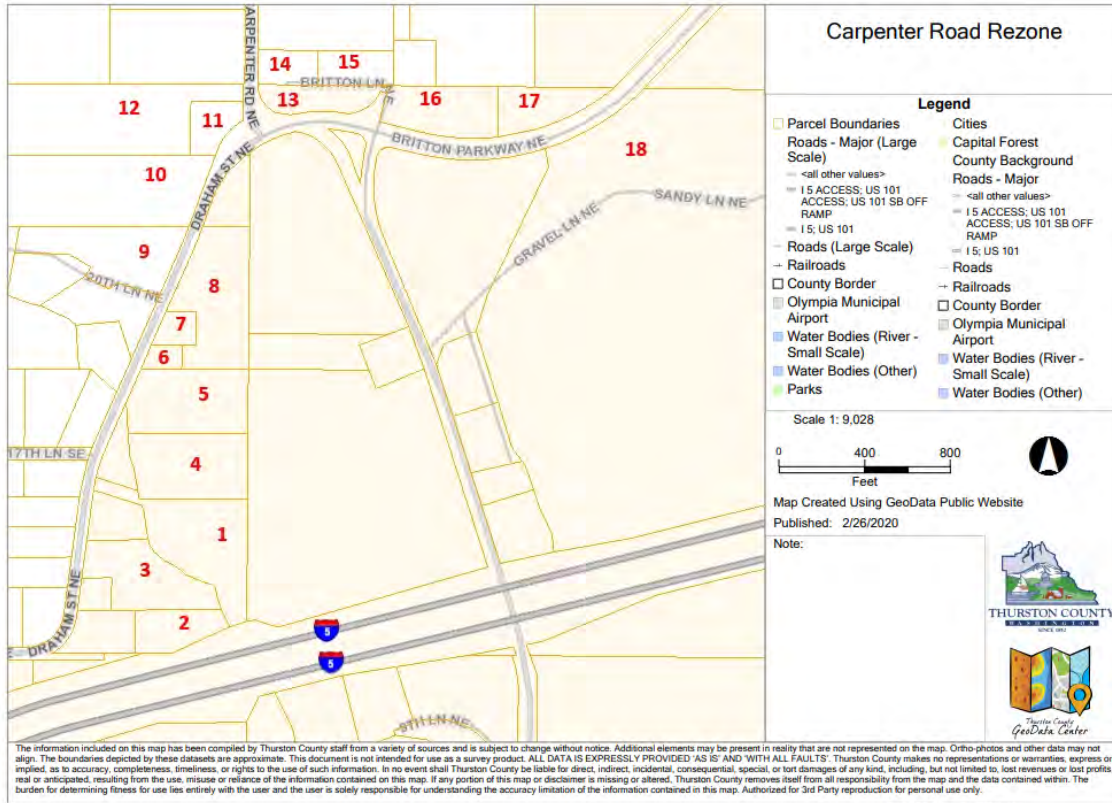
SAMPLE Joe Jones PO Box 1900 Lacev. WA. 98503
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ADJACENT PROPERTY OWNERS LIST

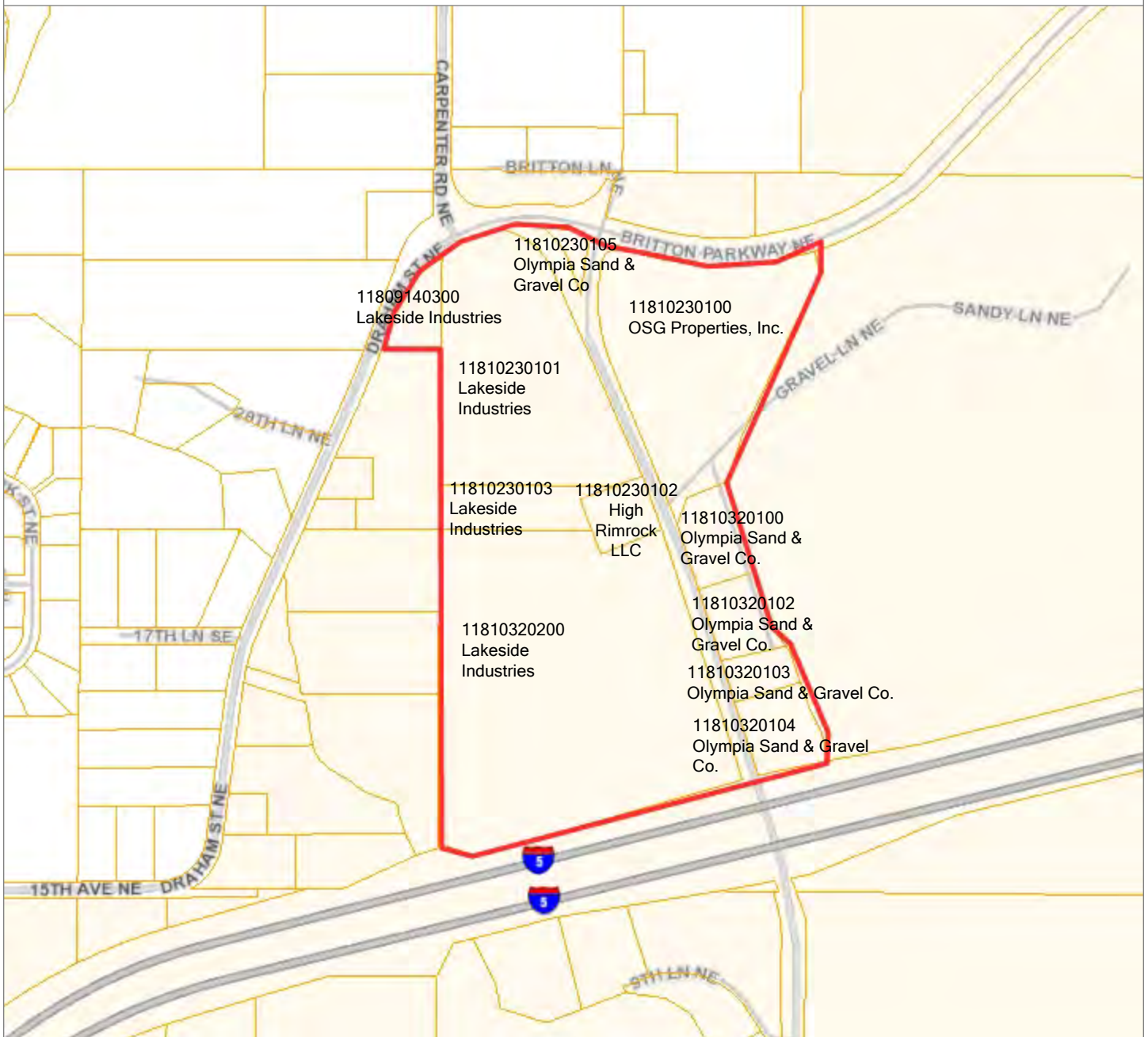
PLEASE SUBMIT AN ADJACENT PROPERTY OWNERS MAILING LIST

**Include all property owners within 300 feet of exterior boundary
of the property involved.**

# on Map	Owner	Parcel	Mailing Address
1	City of Lacey	11809410301	420 College St. SE; Lacey, WA 98503
2	Thomas Campbell	11809410600	1550 Draham Rd. NE; Lacey, WA 98516
3	Thomas Campbell	11809410800	1550 Draham Rd. NE; Lacey, WA 98516
4	Hiep Tran & Phuong Anh Bui	11809410300	7149 Radius Loop SE; Olympia, WA 98513
5	Dennis R. Ellison	11809410200	1824 Draham Rd. NE; Lacey, WA 98516
6	Gregory Boulet	11809140700	1834 Draham St. NE; Lacey, WA 98506
7	Aron & Teresa Wallace	11809140800	1910 Draham Rd. NE; Lacey, WA 98516
8	Tommy Martin Exempt Trust	11809140600	P.O. Box 275; Onalaska, WA 98570
9	Mark R & Mary Ann Silversten	11809140404	P.O. Box 28; Olympia, WA 98507
10	Frank & Andrea May	11809140200	2033 Draham St. NE; Lacey, WA 98506
11	Eldon & Joyce Standon Living Trust	11809140101	2201 Carpenter Rd. NE; Olympia, WA 98516
12	Eldon & Joyce Standon Living Trust	11809140101	2201 Carpenter Rd. NE; Olympia, WA 98516
13	Puget Sound Energy	11810230202	P.O. Box 97034; Bellevue, WA 98009-9734
14	Puget Sound Energy	11810220500	P.O. Box 97034; Bellevue, WA 98009-9734
15	Leo C. Roberts Trustees	11810220400	7626 Titan Dr. SE; Olympia, WA 98503
16	FM Lacey, LLC	11810230203	400 Valley Ave NE; Puyallup, WA 98372
17	FM Lacey, LLC	11810230204	400 Valley Ave NE; Puyallup, WA 98372
18	FM Lacey, LLC	11810230200	400 Valley Ave NE; Puyallup, WA 98372



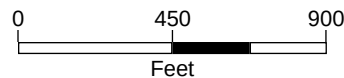
Site Plan



Legend

- Parcel Boundaries
- Parks
- Roads - Major (Large Scale)
- Cities
- = <all other values>
- = I 5 ACCESS; US 101 ACCESS; US 101 SB OFF RAMP
- = I 5; US 101
- Roads (Large Scale)
- Railroads
- County Border
- Olympia Municipal

Scale 1: 9,843



Map Created Using GeoData Public Website

Published: 3/6/2020

Note:



The information included on this map has been compiled by Thurston County staff from a variety of sources and is subject to change without notice. Additional elements may be present in reality that are not represented on the map. Ortho-photos and other data may not align. The boundaries depicted by these datasets are approximate. This document is not intended for use as a survey product. ALL DATA IS EXPRESSLY PROVIDED 'AS IS' AND 'WITH ALL FAULTS'. Thurston County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. In no event shall Thurston County be liable for direct, indirect, incidental, consequential, special, or tort damages of any kind, including, but not limited to, lost revenues or lost profits, real or anticipated, resulting from the use, misuse or reliance of the information contained on this map. If any portion of this map or disclaimer is missing or altered, Thurston County removes itself from all responsibility from the map and the data contained within. The burden for determining fitness for use lies entirely with the user and the user is solely responsible for understanding the accuracy limitation of the information contained in this map. Authorized for 3rd Party reproduction for personal use only.

Carpenter Road Rezone

Property Information and Signature Page

Comprehensive Plan Amendment and Rezone Application
City of Lacey, WA

Property Information:

Owner Name	Parcel No.	Zone	Site Address	Legal Description
Olympia Sand and Gravel Co.	11810320104	HPBD	1180 Carpenter Rd. SE	TRACT D OF BOUNDARY LINE ADJUSTMENT NO. BLA010013LA, AS RECORDED SEPTEMBER 11, 2001 UNDER AUDITOR'S FILE NO. 3378046; IN THURSTON COUNTY, WASHINGTON.
Olympia Sand and Gravel Co.	11810320103	HPBD	1311 Sandy Ln. NE	TRACT C OF BOUNDARY LINE ADJUSTMENT NO. BLA010013LA, AS RECORDED SEPTEMBER 11, 2001 UNDER AUDITOR'S FILE NO. 3378046; IN THURSTON COUNTY, WASHINGTON.
Olympia Sand & Gravel Co.	11810320102	HPBD	1387 Sandy Ln. NE	PARCEL B OF BLA-010013LA AS RECORDED SEPTEMBER 11, 2001, UNDER FILE NOS. 3378045 AND 3378046.
Olympia Sand & Gravel Co.	11810320100	HPBD	1451 Sandy Ln. NE	TRACT A OF BOUNDARY LINE ADJUSTMENT NO. BLA 010013LA AS RECORDED UNDER THURSTON COUNTY AUDITOR'S FILE NO. 3378046.
Olympia Sand & Gravel Co.	11810230100	HPBD	6282 Gravel Ln. NE	LOT E OF BLA 010013LA, AS RECORDED SEPTEMBER 11, 2001 UNDER AUDITOR'S FILE NO. 3378046.
Olympia Sand & Gravel Co.	11810230105	HPBD	N/A	Unknown at this time.
High Rimrock LLC	11810230102	ME	1543 Carpenter Rd NE	Tract C of BLA 030015LA recorded June 3, 2004, under Thurston County Auditor's File No. 3646681.
Lakeside Industries, Inc.	11809140300	LD 3-6	No address listed	THAT PART OF THE SOUTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER (S ½ N ½ SE ¼ NE ¼) OF SECTION 9, TOWNSHIP 18 NORTH, RANGE 1 WEST, W.M., LYING EASTERLY OF COUNTRY ROAD KNOWN AS DRAHAM ROAD LESS THAT PORTION DESCRIBED AS FOLLOWS: BEGINNING ON THE NORTH LINE OF SAID SOUTH HALF AT A POINT WHICH BEARS NORTH 88°18'02" WEST 22.62 FEET FROM THE NORTHEAST CORNER OF SAID SOUTH HALF; THENCE, ALONG SAID NORTH LINE, NORTH 88°WEST 80.09 FEET TO THE EASTERLY RIGHT OF WAY MARGIN OF DRAHAM ROAD; THENCE, ALONG SAID MARGIN, SOUTH 22°59'29" WEST 252.87 FEET TO A NON-TANGENT CURVE TO THE RIGHT THE RADIUS POINT OF WHICH BEARS SOUTH 67°00'31" EAST 570.00 FEET; THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 29°AN ARC DISTANCE OF 294.94 FEET TO THE POINT OF BEGINNING. SUBJECT TO AN EASEMENT FOR PURPOSES OF SLOPES AND FILLS GRANTED TO THE CITY OF LACEY RECORDED 9/13/99 UNDER RECORDING NUMBER 3254414 BY THURSTON COUNTY. SUBJECT TO AN EASEMENT FOR PURPOSES OF OVERHEAD/UNDERGROUND GAS AND ELECTRIC GRANTED TO PUGET SOUND ENERGY, INC. RECORDED 8/11/00 UNDER RECORDING NUMBER 3307689 BY THURSTON COUNTY.

Lakeside Industries, Inc.	11810230101	ME LD 3-6	1755 Carpenter Rd NE	TRACT A OF BOUNDARY LINE ADJUSTMENT NO. BLA030015LA, AS RECORDED JUNE 3, 2004 UNDER AUDITOR'S FILE NO. 3646681; IN THURSTON COUNTY, WASHINGTON.
Lakeside Industries, Inc.	11810230103	ME LD 3-6	1601 Carpenter Rd NE	TRACT B OF BOUNDARY LINE ADJUSTMENT NO. BLA030015LA AS RECORDED JUNE 3, 2004 UNDER AUDITOR'S FILE NO. 3646681; IN THURSTON COUNTY, WASHINGTON.
Lakeside Industries, Inc.	11810320200	ME LD 3-6	1525 Carpenter Rd NE	TRACT D OF BOUNDARY LINE ADJUSTMENT NO. BLA030015LA, AS RECORDED JUNE 3, 2004 UNDER AUDITOR'S FILE NO. 3646681; IN THURSTON COUNTY, WASHINGTON.

Signature Pages:

Olympia Sand & Gravel

c/o: Brandy Willie

360-789-9314 | brandy@osgdozing.com

2514 South Bay Rd. NE

Olympia, WA 98506

Parcel Nos. 11810320104, 11810320103, 11810320102, 11810320100, 11810230100, 11810230105

Owner Signature:  Date: 3/6/2020
Name: Brandy WILLIE

Lakeside Industries, Inc.

c/o Kyler Danielson, Land Use Project Manager (Kyler.danielson@lakesideind.com)
P.O. Box 7016 (425-313-2602)

Issaquah, WA 98027

Parcel Nos. 11809140300, 11810230101, 11810230103, 11810320200

Owner Signature: Michael Lee Date: 3/5/2020
Name: Michael Lee

High Rimrock LLC

c/o Roy E. Slaybaugh

360-789-5953 | Roys@everonasphalt.com

11238 Emily Lane SW

Olympia, WA 98512

Parcel No. 11810230102

Owner Signature: Roy Slaybaugh Date: 3/6/20
Name: Roy Slaybaugh

OSG Properties Rezone

PREPARED FOR:

City of Lacey Planning Commission

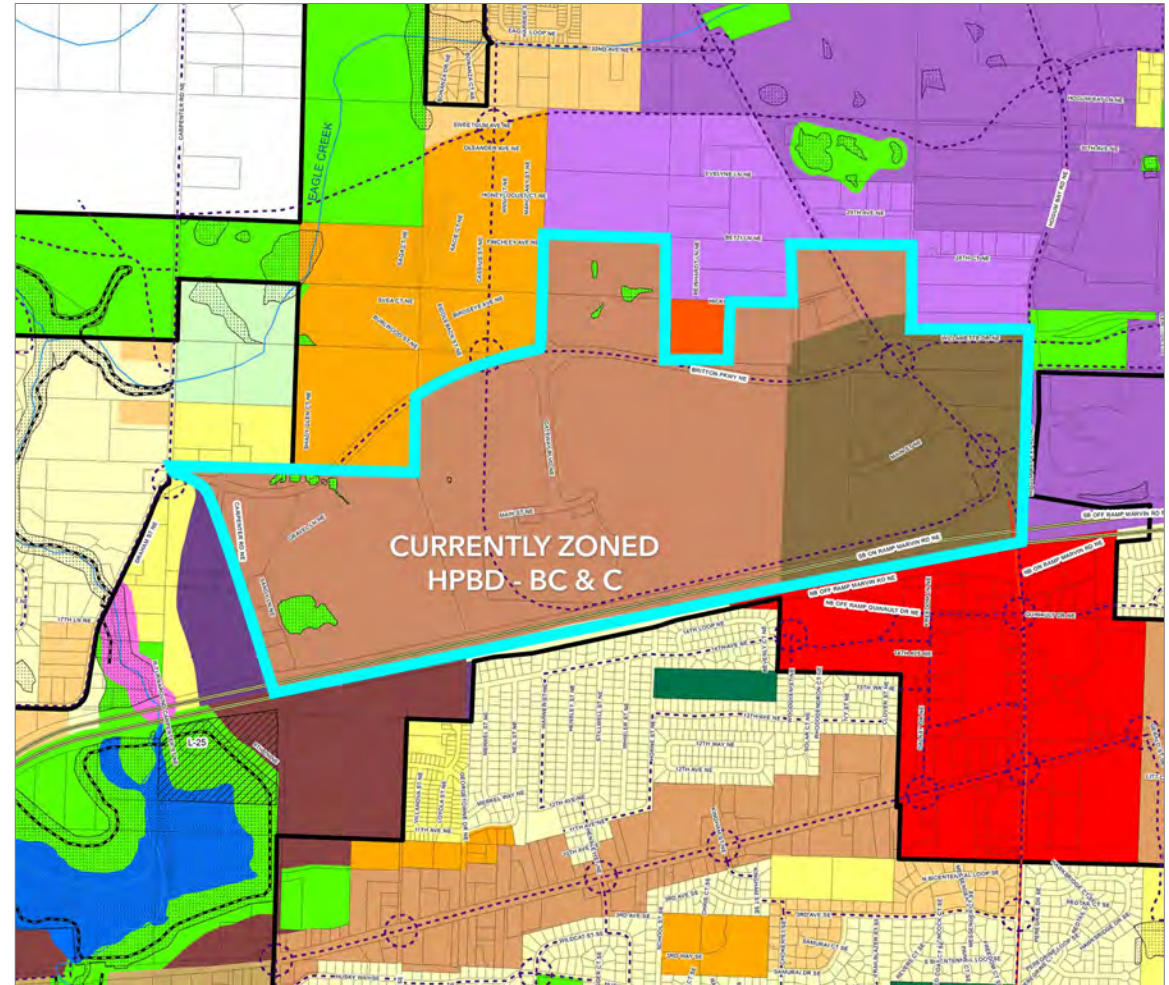


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CURRENTLY ZONED HPBD – BUSINESS COMMERCIAL AND COMMERCIAL PROPERTIES

Ownership	Vacant Land	Total Land
OSG Properties	6.42	11.08
Olympia Sand & Gravel	1.5	5.61
FM Lacey (Miles)	76.49	76.49
Wig Properties, LLC – Nisqually (Lacey Gateway)	110.75	110.75
Vereit Cab Portfolio, LLC (Cabela's)		27.72
Wig Properties LLC (Lacey Gateway)	150.06	150.06
TEC	13.73	13.73
HBBC, LLC	6.5	6.5
Econet	40.00	40.00
Kaufman	10.00	10.00
919, LLP	8.89	8.89
Thurston Commercial	9.00	9.00
Golden Nugget Investment Group	4.18	4.18
Britton Plaza	4.00	11.00
Total Acreage	441.52	484.56

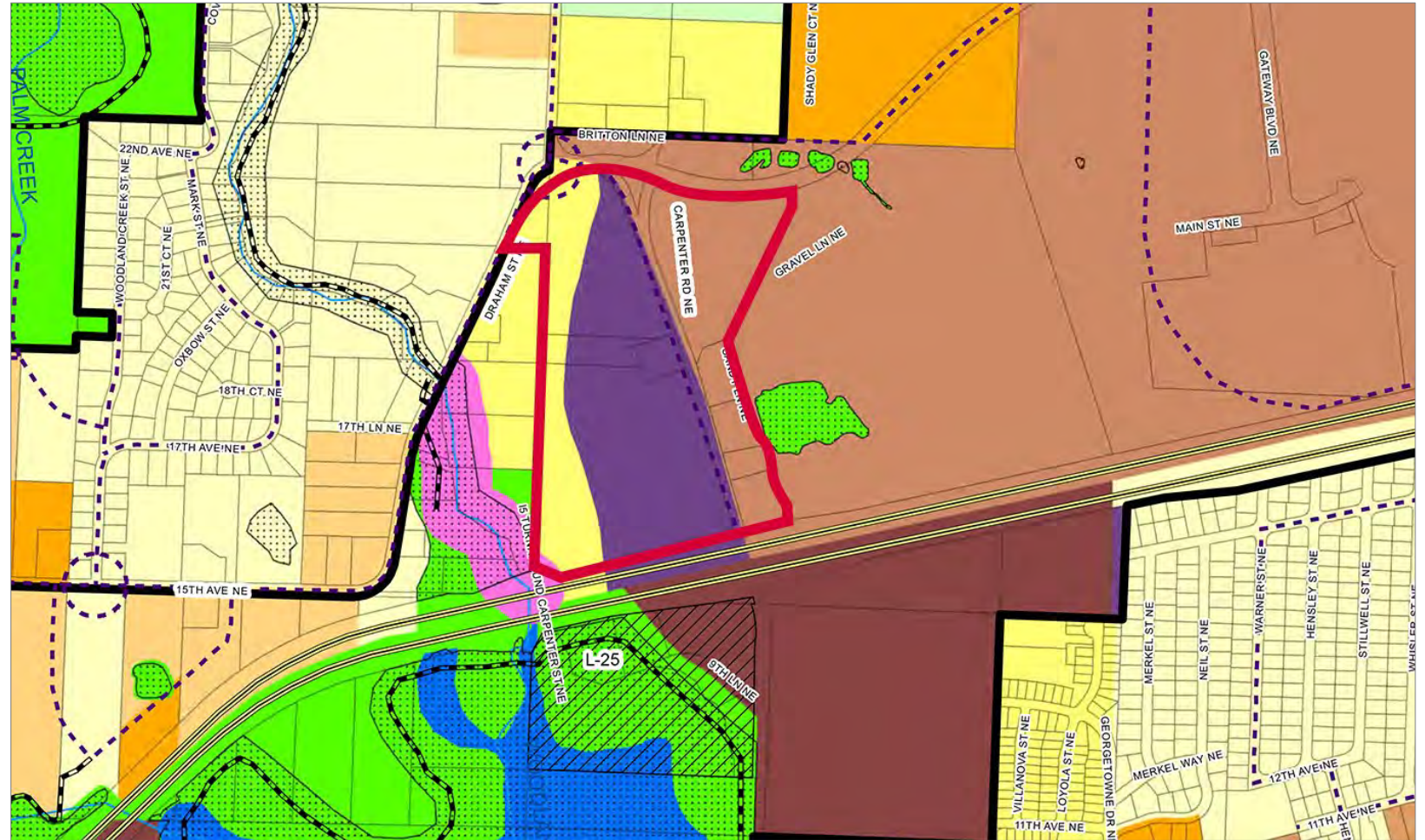


PROPOSED REZONE ACREAGE

Ownership

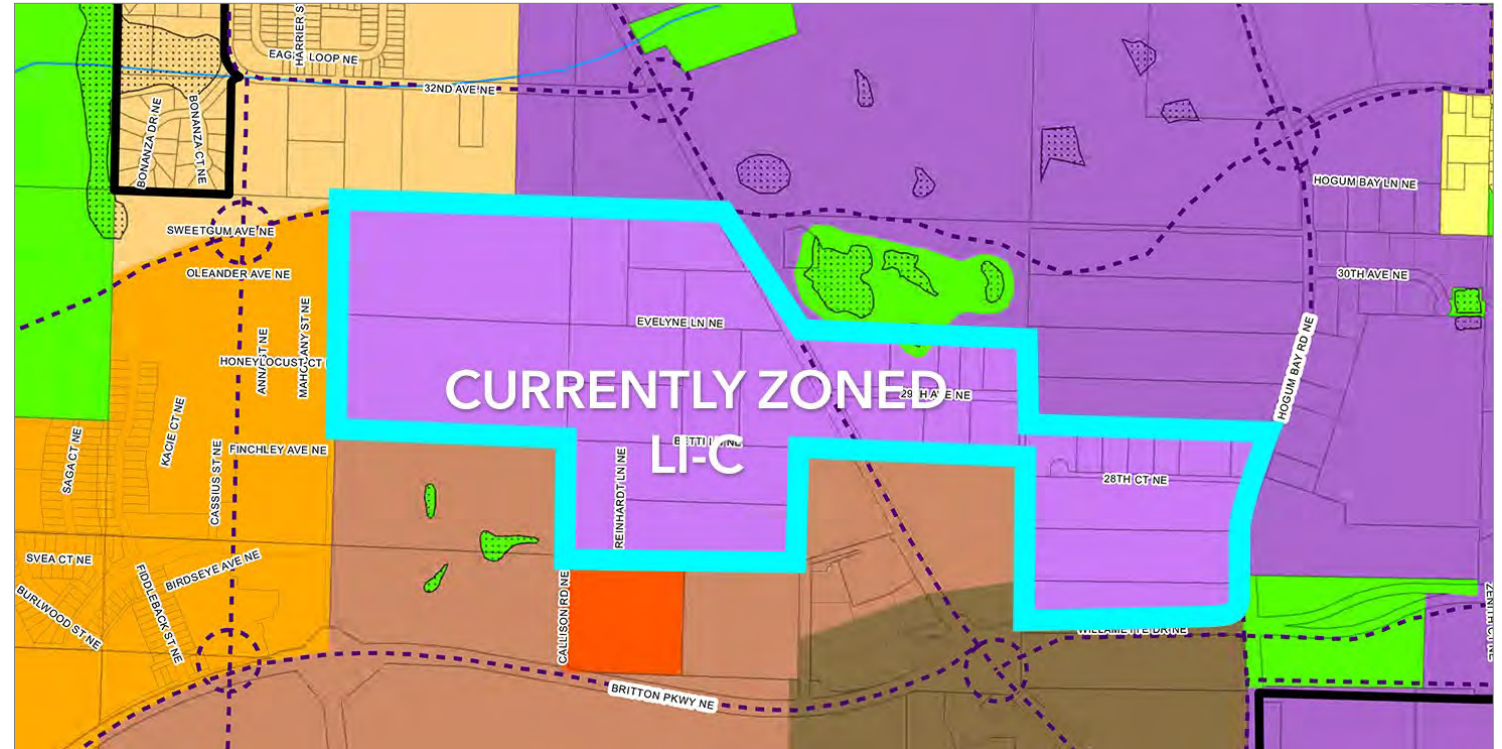
OSG Properties, LLC
Olympia Sand and Gravel
Lakeside Industries
High Rim Rock, LLC

Total Acreage 57.22



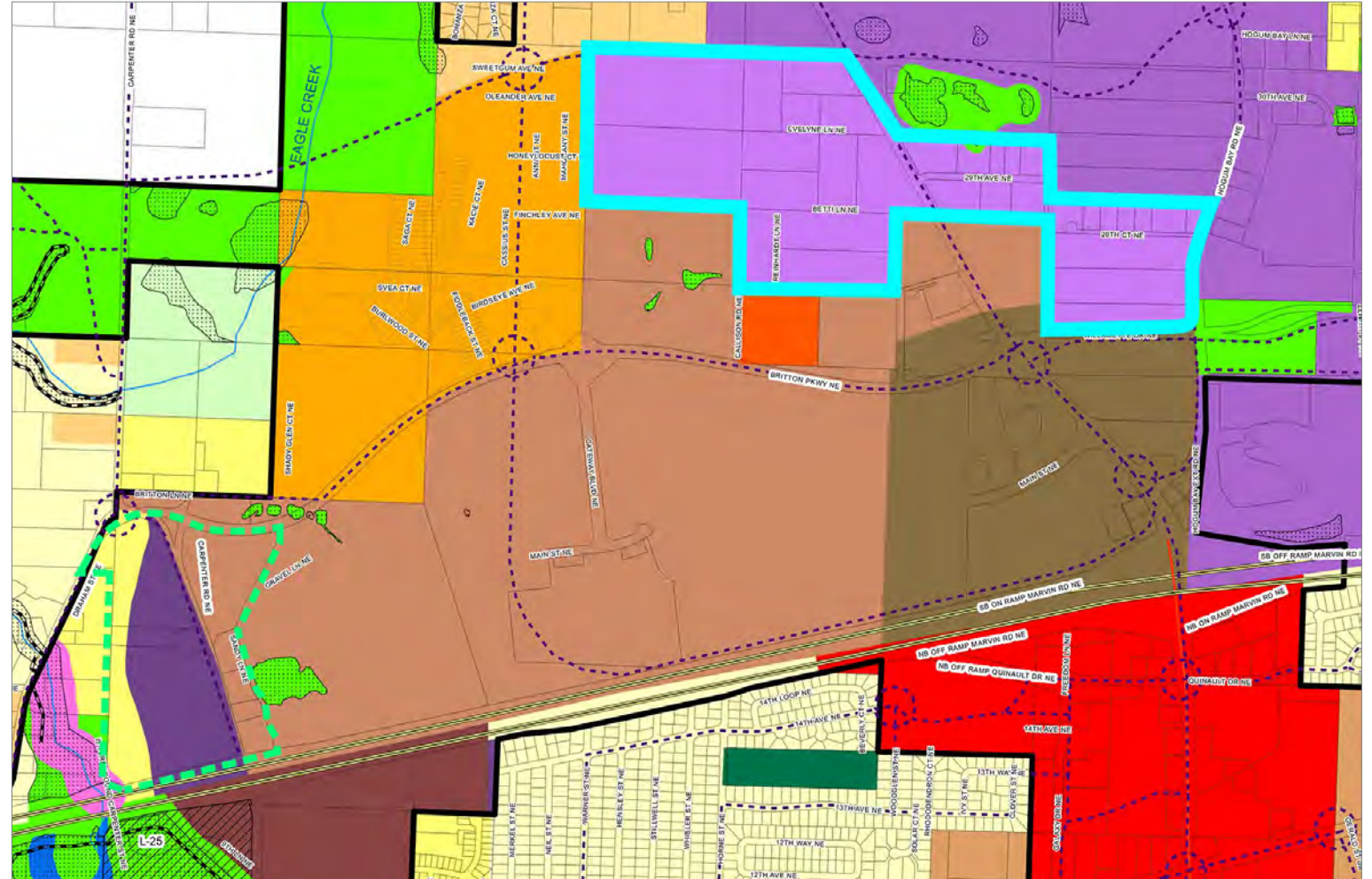
CURRENTLY ZONED LI-C ACREAGE

Ownership	Vacant Land	Total Land
WSDOT		20.00
LBA Development		12.76
PSP		9.82
Hill Betti Business Park	47.00	67.28
DE Legacy LLC		7.50
Kaufman Properties	3.35	10.01
Hogum Bay Business Park		10.00
O'Rear Family		4.43
Marvin Road mini-storage		3.63
Total Acreage		145.52
Vacant Acreage		50.35



TOTAL AMOUNT OF LI-C ZONED ACREAGE AFTER REZONE

	Total Acreage
 Pre-Rezone	145.52
 Post Rezone	202.74



LIGHT INDUSTRIAL / COMMERCIAL DISTRICT

Permitted Uses from Zoning Code LMC 16.39.020

- Mechanical, automotive, marine and contractors' or builders' equipment and supplies;
- Electrical and electronic equipment or products;
- Sheet metal, cans, cable;
- Cloth, paper;
- Commercial bakery goods;
- Cosmetics;
- Dairy products, and other agricultural commodity and processing, except slaughtering, and except where such activities generate nuisance characteristics likely to impact surrounding property;
- Scientific, medical and precision instruments and equipment;
- Laundry and dry cleaning plants;
- Warehousing and distribution facilities and storage of equipment, commodities and products;
- Mineral extraction subject to Chapter 16.45 LMC;
- Accessory uses clearly subordinate to, and an integral part of, the primary use of the property (e.g., plant cafeteria, recreation area);
- Mail carrier services that predominantly utilize smaller trucks, such as U.S. Mail facilities, United Parcel Service, Federal Express and other similar services;
- Urban agricultural uses as provided for and limited under Chapter 16.21 LMC;
- Medical cannabis collective gardens pursuant to the terms of LMC 9.44.140 through 9.44.180;
- Building material sales, lumber yards, hardware and garden materials;
- Auto supply stores;
- Car washes and gas and service stations;
- Automotive repair;
- Used good retail stores;
- Wholesale sales;
- General retail sales;
- Automobile sales;
- Servicing of equipment;
- Campers, trailers and manufactured home sales;
- Boat and marine equipment sales;
- Building contractors and staging for contracting business provided all equipment stored outside is effectively screened from adjacent properties and road right-of-way;
- Farm equipment supplies;
- Eating and drinking establishments;
- Commercial recreation;
- Recycling;
- Business, professional and personal services (e.g., banks, accounting services, barber shops);
- Motels;
- Taxidermy;
- Veterinary clinics (limited to small animals);
- General retail activity;
- Living or residential quarters as an accessory use such as guards' quarters in large establishments where such quarters are customarily provided for security and/or insurability of the premises;
- Firefighters' sleeping quarters in fire houses.

CURRENT DEMAND / VACANCY RATE

The purpose of this section is to support the OSG Rezone request by describing for the Planning Commission the acreage in NE Lacey zoned both Light Industrial and Light Industrial Commercial.

The majority of the industrial property in NE Lacey is zoned Light Industrial (allows for 200,000+ SF Buildings) with the minority in Light Industrial Commercial (under 200,000 SF Buildings). Today, there is zero acreage available in the Light Industrial zone (all acreage either developed, under construction or under control of a development entity). There will be demand for more of both Light Industrial and Light Industrial Commercial in the future.

CURRENT DEMAND / VACANCY RATE

As of today, NE Lacey has approximately 11,750,000 SF of existing industrial buildings in both LI & LI-C, including buildings currently under construction and in the SEPA/Building permit process. This total includes buildings from 1,000 SF to 1,300,000+ SF. Of this total, 37% is attributed to owner/user facilities with the remaining 63% in investment properties.

The vacancy rate is currently 18.24%, unusually high for the area. This current vacancy rate is attributed to 6 new buildings – 1,939,229 SF – all located in the Light Industrial zone, all targeting the larger user (100,000 SF +). Leasing activity is strong and it is expected that these buildings will lease before the end of the Second Quarter 2020.

CURRENT DEMAND / VACANCY RATE

Removing these large buildings from the calculation leaves this area with a 1.83% vacancy rate, focusing directly on the smaller building size range, available spaces less than 20,000 SF.

In the smaller tenant size buildings – available spaces less than 20,000 SF – there are 4 available spaces at this time, and 1 of those spaces is only available for dead storage (no employees). Demand is strong in the market, and we expect these spaces to lease quickly. Having additional land to meet the small tenant demand would assist this land towards development and assist Lacey in attracting more a diverse base of employers to this area.

The OSG Rezone properties are well located to meet this need.

POTENTIAL USERS

The following are the categories of companies that have been searching for properties in the Thurston County market:

- Fabrication and other light industrial uses
- Service Industrial (warehouse space with retail storefront servicing retail activity)
- General Contractor
- Brewery, with tasting room
- Pharmacy
- Dental Office
- Gas Station with C-Store
- Commercial Fueling Station
- Commercial vehicle rentals
- Recreational (indoor physical exercise facilities)
- Outdoor sales and storage

PRESENTER



VANESSA HERZOG, SIOR, CCIM
Principal

vherzog@lee-associates.com
D 253.444.3020
C 253.279.7831

CAREER SUMMARY

Vanessa has over thirty-one years of commercial real estate experience in the Seattle/Tacoma region. She holds the coveted SIOR and CCIM designations, representing the highest achievements of knowledge, production, and ethics in the real estate industry. Vanessa's expertise includes commercial land dispositions, commercial sales and acquisitions, site selection, leasing, and investment sales of commercial real estate. Her regional expertise includes South King, Pierce, Thurston, and Lewis counties.

Prior to joining Lee & Associates Commercial Real Estate Services, Vanessa was with Kidder Mathews where she had successfully leased and sold commercial facilities totaling 3,776,288 million square feet, totaling \$310,000,000 million in lease and sale value in 180 transactions. Of that, her land sales are in excess of 1,210 acres with a sales value of \$150,751,371. Because of her strong land experience, Vanessa has represented several land owners in sales to national and international developers, including developed, undeveloped, and land positioned for redevelopment. Most notable is the Meridian Campus Master Planned Community. Vanessa was retained in 1993 by Weyerhaeuser Real Estate to represent the 325 acre business and industrial park portion of the community. She was responsible for bringing 53 new companies to Lacey, who occupy 2.4 million square feet of space inside the Meridian Campus community.



Specializing in Development, Industrial & Office
Tacoma, WA

Notable Mixed-Use Site Transactions Include:

- 2018 Pending: Port of Centralia - Centralia Station - Retail/Commercial/Industrial Land Sale
- 2012: Home Street Bank - Lacey Gateway - Retail/Residential/Institutional/Commercial/Medical Site
- 2018: Hill Betti Business Park - 169,750 SF, 31 Tenants, 47 acres vacant land. Listing broker for Trust/Seller. Repositioned property for sale, from long term family hold.
- 2016: LogistiCenter @ 167 - 225,972 SF - New Construction
- 2016 - 2017: Hogum Bay Logistics Center - 97 acres - Multi-Building Project
- 2016 - 2017: Lakewood Tacoma Gateway - 22.68 acres

Professional Affiliations:

- Society of Industrial & Office Realtors (SIOR) - Past Chapter President
- SIOR National Committees: Professional Standards, Chair, Regional Director
- Certified Commercial Investment Member (CCIM)
- Commercial Brokers Association (CBA)
- Washington State Commercial Association of Realtors (WSCAR), Board Member
- Washington Associates of Realtors (WAR) - 2014 Executive & 2017 Finance Committees

EXPERIENCE

- 2017 to present: Lee & Associates Commercial Real Estate Services
- 2001 to 2017: Kidder Mathews
- 1997 to 2001: Colliers International
- 1995 to 1997: Schuler Properties
- 1993 to 1995: NW Corporate Real Estate
- 1989 to 1993: Heartland; Acquisitions Agent; Pre-Development Land



**LEE &
ASSOCIATES**

COMMERCIAL REAL ESTATE SERVICES

VANESSA HERZOG, SIOR, CCIM

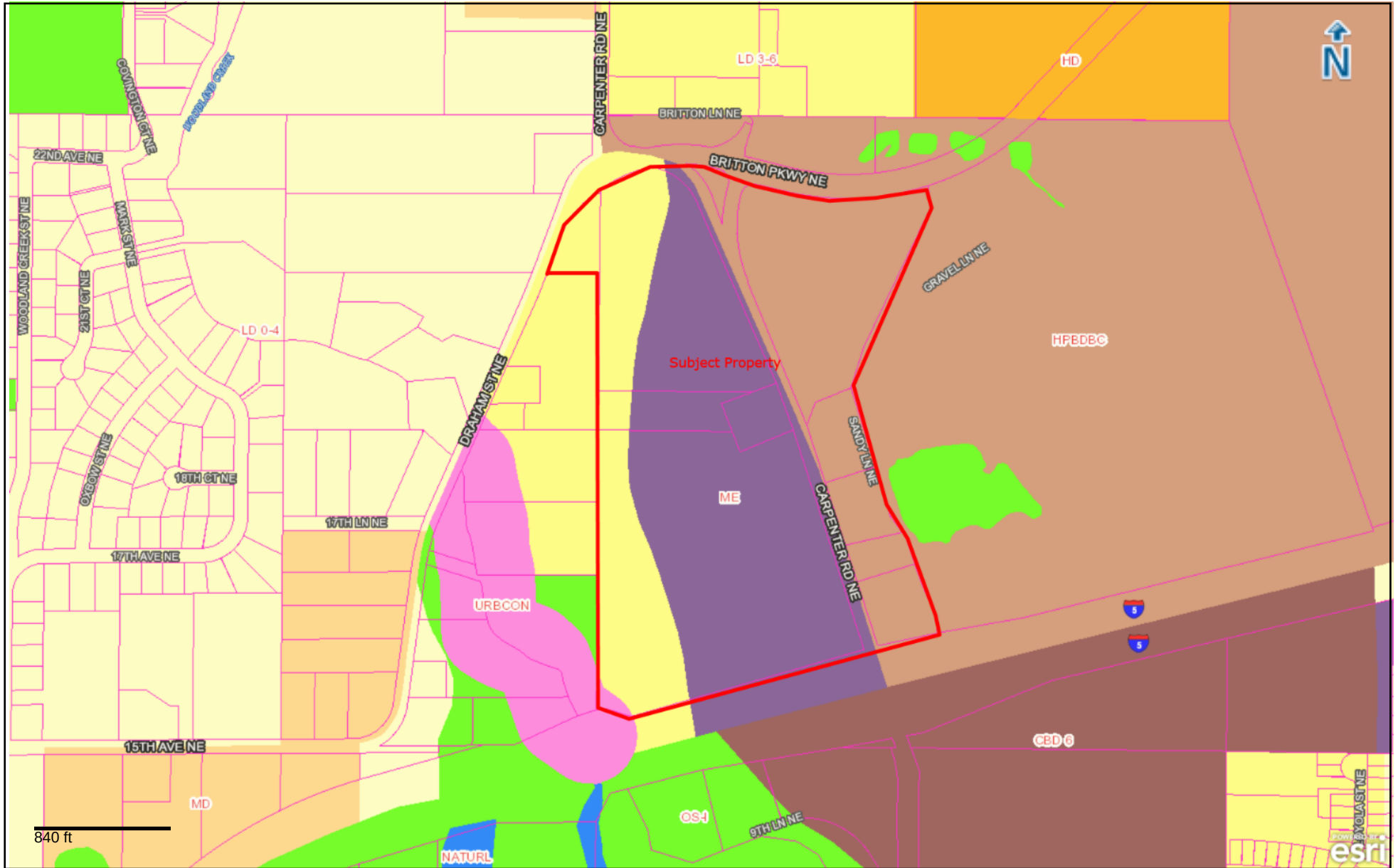
Principal

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OSG Properties Existing Zoning



The City of Lacey uses the most current and complete data available. However, GIS data and product accuracy may vary. GIS data and products may be developed from sources of differing accuracy, accurate only at certain scales, based on modeling or interpretation, incomplete while being created or revised, etc. The City of Lacey reserves the right to correct, update, modify, or replace, GIS products without notification. The City of Lacey cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. Using GIS data for purposes other than those for which they were created may yield inaccurate or misleading results. The recipient may neither assert any proprietary rights to this information nor represent it to anyone as other than City Government-produced information. The City of Lacey shall not be liable for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.



OSG Properties Aerial Photo



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