Attachment C



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Tumwater City Council 555 Israel Road SW Tumwater, WA, 98501

Dear Council Members,

Our firm represents Dayabir Bath, who has submitted a docket application for a rezone and comprehensive plan amendment on a property located at the corner of Littlerock Road SW, and Israel Road SW.

The property is currently zoned mixed use, and our application requests that it be changed to general commercial. This proposal, previously referred to as the Sullivan Amendment, was recommended for approval by the Planning Commission in 2017, as a part of a larger update to the Littlerock Road Subarea Plan, but ultimately this property was not approved at the former mayor's request in 2018. During this process there were no citizen or neighbor comments against the rezone. In the subsequent years there has been no development activity on the property and very little interest due to the restrictive zoning. Mr. Bath reapplied in late 2021, and the Planning Commission has since recommended that it be included in the 2022 docket cycle.

At the January 25th meeting of the Tumwater Planning Commission, members voted unanimously to move forward with all docket applications, including the Bath property. A few of the commission members felt that an "anchor tenant" on this corner may attract additional development, specifically development that the city has called for in some of its planning documents. In addition to this, commission members expressed an interest in having a larger conversation about this area, and about the subarea plan that is currently in place, and by placing this application on the docket, that conversation might happen in the near future. It must be made clear that this isn't the final say on the rezone and comprehensive plan amendment, this action simply allows staff, Planning Commission members, and elected officials to study the proposals further so when the final vote is made the applications have all been sufficiently looked at.

Since the City Council voted against rezoning this property in 2017 the cost of mixed-use development is higher than other development types and with parcels this small, development as presently zoned is not economically viable nor likely to be anytime soon.

The Littlerock Road Subarea was first adopted in 1997 and envisioned this portion of Tumwater as an urban mixed-use village where residents could live above employment opportunities, or near transit opportunities to take them to employment hubs. This was a twenty-year plan; however, it was amended in 2006, 2013, and most recently in 2017 to account for updates in development patterns and market conditions. Our client's proposed application comes five years after the most recent plan update, which a pattern of prior reviews of this plan suggests is an acceptable amount time in which to reconsider past decisions. In the 2017 update a portion of land surrounding the subject property was rezoned from mixed-use to general commercial. The subject property was included in the list of properties to be rezoned and the Planning Commission recommended the changes. However, when reviewed by the mayor at the time, Mr. Bath's request was singled out and denied while the City Council the other rezones. This left Mr. Bath's property with the original and restrictive mixed-use zoning.

In the 2017 update of the subarea, this update was given on development in the area:

"Since adoption of the plan in 1997, some development in the subarea has occurred, primarily in the northern portion. The Home Depot, Tyee Center, American Legion Hall, Twin County Credit Union and the Bigrock medical clinic on Littlerock Road have all been developed since plan adoption. Fred Meyer has also been built during this time period, but this area was not included in the subarea boundary as defined in 1997. **Very little development has occurred in the mixed-use and residential portions of the subarea**"¹

¹ City of Tumwater, Littlerock Road Subarea Plan, 2017 Update Page 2.

This request in 2021 resembles 2017's purpose for review, <u>"no mixed-use development has taken place"</u>. Since the plan was passed in 1997 as a twenty-year plan the Planning Commission should take note it has now been twenty-five years and the mixed-use village goals have not come to fruition. The applicant has owned this property since 2006 and attempted to market this site for mixed-use development. There has been interest from business such as Walgreens and Starbucks, however they require a drive-thru component, which is currently not allowed under the mixed-use designation. Mr. Bath also attempted to sell the property, but it sat on the market for five years without any interest from buyers or developers. As the Puget Sound Region continues to grow at a record pace and land is becoming more and more scarce, it should give Tumwater pause that a property with such great visibility, close proximity to Interstate 5, and along a busy transit line is not creating any interest in the market as mixed-use project.

We also must acknowledge the time that we are living in. The COVID-19 pandemic has forever altered the way citizens live, work, and do business. Many companies have phased out in-person office work, and many businesses have shifted to drive-up methods (finding it is quicker and more cost effective) and the market for small office and retail space under apartments is flat except in very dense urban cores, which this area is not. Because of this, it can be expected that mixed-use development will continue to go to Tumwater or Olympia's downtown core, Lacey, or Hawk's Prairie area. Additionally, with so many businesses embracing pick-up orders, and people continuing to be weary of in-person business or consumption, the demand for land zoned for drive-thru or convenience retail options will continue to increase. Mr. Bath's property, as mentioned, has already seen interest from businesses that require drive-thru components, and this will only continue. By not allowing this type of development, the city is not meeting its stated goals of changing with the markets and adapting to the needs of its citizenry.

We ask that you concur with the Planning Commission, and place this on the final docket for further review and consideration in the comprehensive plan amendment cycle, understanding that this is not the final answer on the subject, but just a move that allows the city to take a deeper look at this area, and this property.

If you have any questions, or would like to discuss this proposal further, please feel free to contact me

Thank you

Peter Condyles Project Manager

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