



Project Overview

The City of Lakewood (City) is in discussion with the Washington State Department of Transportation (WSDOT) regarding a win-win proposal to relocate a WDOT facility to open up economic development growth within the City, and to provide WSDOT with a site that strengthens accessibility to their service area.

The project site is currently being used for industrial purposes, as a WSDOT maintenance site. This is not the highest and best use for the site. The site's prime I-5 frontage, heavy daily traffic loads (average daily traffic count of 282,000 vehicles), and proximity to the Lakewood Sounder Station make it particularly suited for transit-oriented retail development. Redevelopment would only be possible if the WSDOT maintenance site is relocated. Potential sites have been identified nearby.

Regional Context



Site Location



The Project Site is located along Pacific Highway, to the west side of I-5 south of the intersection of SR 512. The existing site is 25.04 acres. Existing buildings on the site are 213,965 s.f. with a floor-to-area ratio (FAR) of 0.20, which is below the site's realistic potential.

Multiple Benefits of Relocation

Win-Win Benefits for WSDOT and WA State

- One proposed site is 16% larger than the current facility, though can be located on a smaller footprint.
- New facilities operate more efficiently than older facilities. Upgrades may result in WSDOT having reduced utility costs and reduced ongoing building costs.
- WSDOT will be able to design a maintenance facility from scratch that is optimized for their current operations and vehicle fleet. They can "right size" the building.

Benefits for the Community of Lakewood

- Supports city's economic development goals.
- Compliments existing retail.
- Reduce unemployment by providing local employment opportunities.

Benefits for Other Jurisdictions

- Increases retail sales tax and property tax revenues for multiple jurisdictions.

Initial estimate of annual benefits* with mid-level retail scenario:

\$4.5 - 9.5 million	WA State
\$700K - 1.4 million	Lakewood
\$350 - 800K	Pierce Transit
\$175 - 275K	Pierce County
\$25,000	Pierce County Library
\$10,000	Port of Tacoma

(*Annual revenue estimates include sales tax, property tax, B&O tax, and utility tax.)

Analysis Completed

1. Explored costs and potential sites for WSDOT relocation

In 2014, the City studied and assessed the potential costs associated with relocation. Significant costs include current site environmental clean-up and demolition, new site acquisition, and new facility construction.

2. Examined different redevelopment scenarios

In 2015, the City studied fiscal impacts and costs for different development scenarios to the City and other public agencies. Lakewood hopes to bring in an attractive, large anchor retail store to the site, as well as some restaurants or other small retail which would get drivers off the freeway and into Lakewood.

Scenario 1: High-End Retail. Development similar to the Tukwila Nordstrom Rack and Kohl's retail site.

Scenario 2: Mid-Level Retail. This scenario was modeled on the Marysville Kohl's Retail Mix, anchored by a Kohl's Department Store and a WinCo Grocery. Other retailers include a Ross Dress for Less.

Scenario 3: Outlet with Grocery. A similar example is the North Bend Outlet Mall with a significant collection of outlet retail stores.

Scenario 4: Outlet Mall. This scenario was modeled on the Centralia Outlet Mall, which has a smaller collection of outlet retail stores.

Cost Estimate to Relocate WSDOT Facility

Construction	\$15.2 million
Site mitigation	\$1.7 million
Demolition, Site Cleanup	\$1.0 million
Consultation services	\$916,000
Project management	\$596,000
Equipment	\$273,000
Property Acquisition	\$4.0 million
Less Sale of Current Property	(\$4.1 million)
Total Costs	\$19.6 million

Comparable Retail Examples



Mid-level retail anchor examples.



Outlet mall and traditional shopping mall.

Steps Forward

Determine WSDOT capacity needs and relocate the maintenance facility.

Lakewood has determined a few potential sites for the relocation of the WSDOT maintenance facility. A capacity analysis should also be conducted to determine WSDOT's needs prior to relocating the maintenance facility.

Determine the land assembly process.

The City will begin talking with property owners at the current site, as the proposal would necessitate that WSDOT as well as multiple other owners sell their land to a developer. The City will begin conversations to determine owners' willingness to sell.

Contact

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