

The Heights District Plan



July 20, 2020
City Council Workshop

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Presentation Overview

- 7/13 Workshop Follow Up related to scale of development
- Market Analysis & Redevelopment Potential
- Demographic/Socioeconomic Analysis
- Housing and Equitable Development Recommendations and Strategies
- Redevelopment Opportunities & Implementation Tools
- Review of Fiscal Impacts Analysis
- Questions and Discussion

Workshop Series

- July 13 – Project introduction and overview, EIS 101, review of Land Use and Parks & Open Space elements of Heights District Plan
- **July 20 – Market analysis, redevelopment opportunities & implementation tools, demographic/socioeconomic analysis, housing and equitable development strategies, fiscal impacts analysis**
- July 27 – Transportation recommendations and strategies, emergency services, utilities, environment, implementation strategy

Planning Commission/City Council Review

Planning Commission:

- March 27, 2018
- July 24, 2018
- December 11, 2018
- March 12, 2019
- June 11, 2019
- October 22, 2019
- December 10, 2019
- February 11, 2020 (PH)

City Council Workshops:

- July 2, 2018
- October 22, 2018
- February 4, 2019
- June 10, 2019
- September 17, 2019
- November 18, 2019
- March 2, 2020
- July 13, 2020

City Council Public Hearings to extend Tower Mall Development Moratorium:

- November 13, 2017
- May 14, 2018
- November 5, 2018
- April 15, 2019
- October 7, 2019
- March 16, 2020

Heights District Plan: Project Deliverables

1. ***Subarea Plan*** for the 205-acre Heights District that will include an overarching vision for the area, and make recommendations on design, land use, housing transportation, public space, and implementation priorities.
2. ***Detailed Redevelopment Plan*** for the 63-acre Tower Mall redevelopment area that will include a market analysis, feasibility study, phased redevelopment plan, and partnerships and implementation recommendations.
3. ***Environmental Impact Statement:*** Planned Action SEPA Analysis that includes thresholds for a mix of uses and will enable expedited review of future development proposals.

Heights District Plan: Project Goals

- Establish a vision for a **vibrant neighborhood center**
- Catalyze additional **private development** in the District
- **Involve the public** in the planning / design process
- Include **affordable** income-based housing
- Include accessible **public open space**
- Utilize innovative urban design and **sustainable development practices**
- Plan for the creative and functional **integration of transit**
- Increase **multi-modal connectivity** in the District uses



A Vision for the Heights

PRIMARY DRIVERS



1. Connectivity

- Creation of a walkable and bikeable street network with connections to nearby trails
- Maintain local and regional connections to services and amenities in Downtown Vancouver, Portland, etc.
- Improved traffic safety at intersections, through improved lighting, signals, and visibility



2. Community Health, Wellness & Equity

- Walkable, healthy food options, such as grocery stores and farmers markets
- Uses that promote “healthy” living, including playgrounds and exercise/athletic facilities
- Maintain social and support services for underserved families in the area



3. Sustainability

- Increase urban greenspace and trees while preserving existing significant trees
- Break up existing pattern of pavement and gravel
- Address drainage and flooding issues along major corridors

SECONDARY DRIVERS



4. Public Realm

- Creation of flexible gathering spaces that can accommodate community activities and events
- Provide a variety of active open spaces, including dog parks, playfields, and community gardens
- Well-maintained public spaces and sidewalks



5. Economic Development

- Restaurants and other food options that are affordable and easy to walk to
- Specialty, health-focused grocery store
- Maintain “small business” culture by saving existing locally owned businesses and attracting new local businesses



6. Mixed Income Housing

- Increased housing variety that includes mixed types (i.e. senior housing) and mixed incomes
- Mindful placement and integration of low-income housing
- Keeping housing options affordable for a diverse demographic, from seniors to young families



7. Urban Character/Form

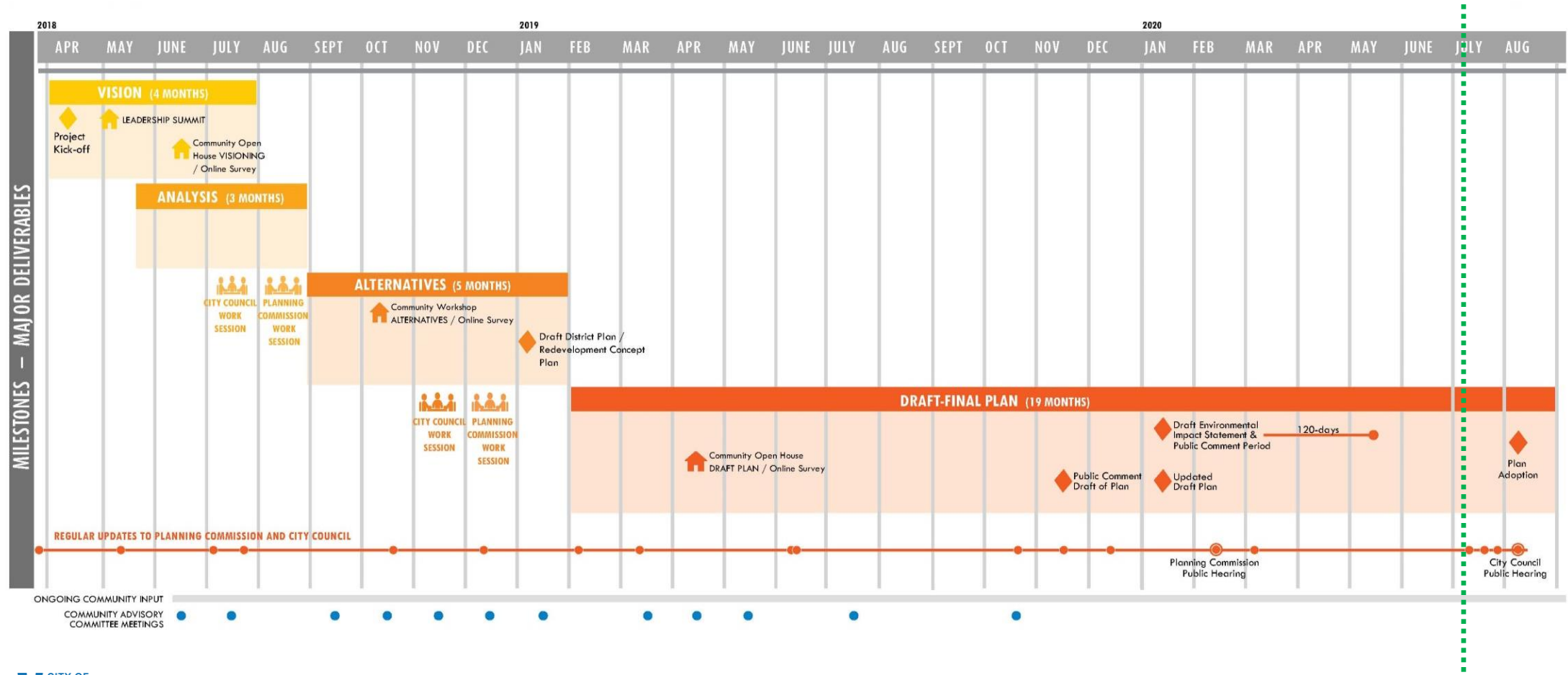
- Creation of a distinct identity through urban form
- Attractive, appealing architecture that complements existing neighborhood character
- Appropriate scale (number of stories) of buildings



8. Arts/Culture

- Installation of art pieces, such as murals, that can be participatory and reflect local history
- Dedicated, flexible venues for arts and cultural events
- Neighborhood library as a cultural amenity

Heights District Plan: Timeline & Phasing



Scale of Nearby Development: New Schools



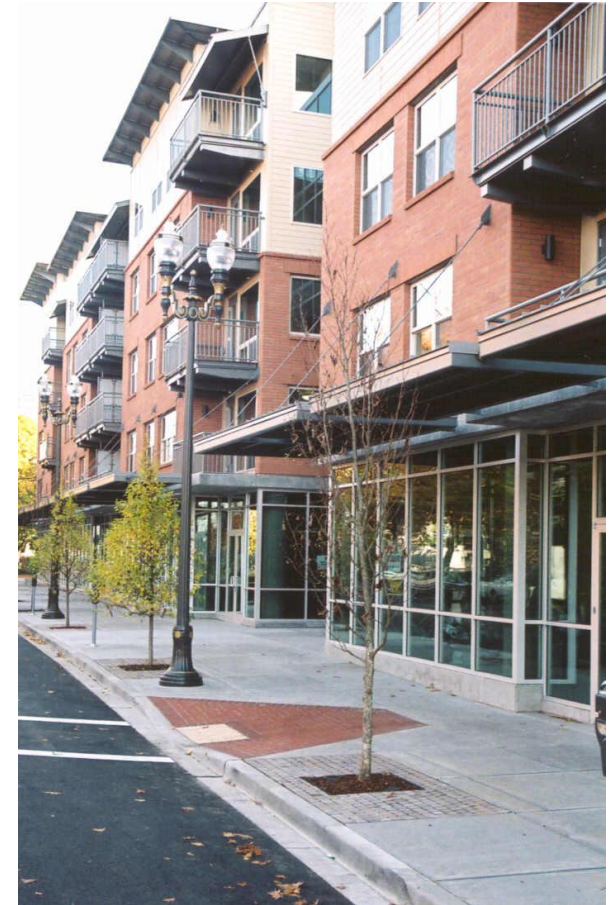
Scale of Nearby Development: PeaceHealth



Scale of Future Development: District Gateway



Scale of Future Development: Activity Center



Heights District: Existing Conditions Analysis

- Current Land Use Mix
- **Market Analysis & Redevelopment Potential**
- **Demographics**
- **Income-based housing**
- Transportation Network, Access & Impacts
- Sustainability program

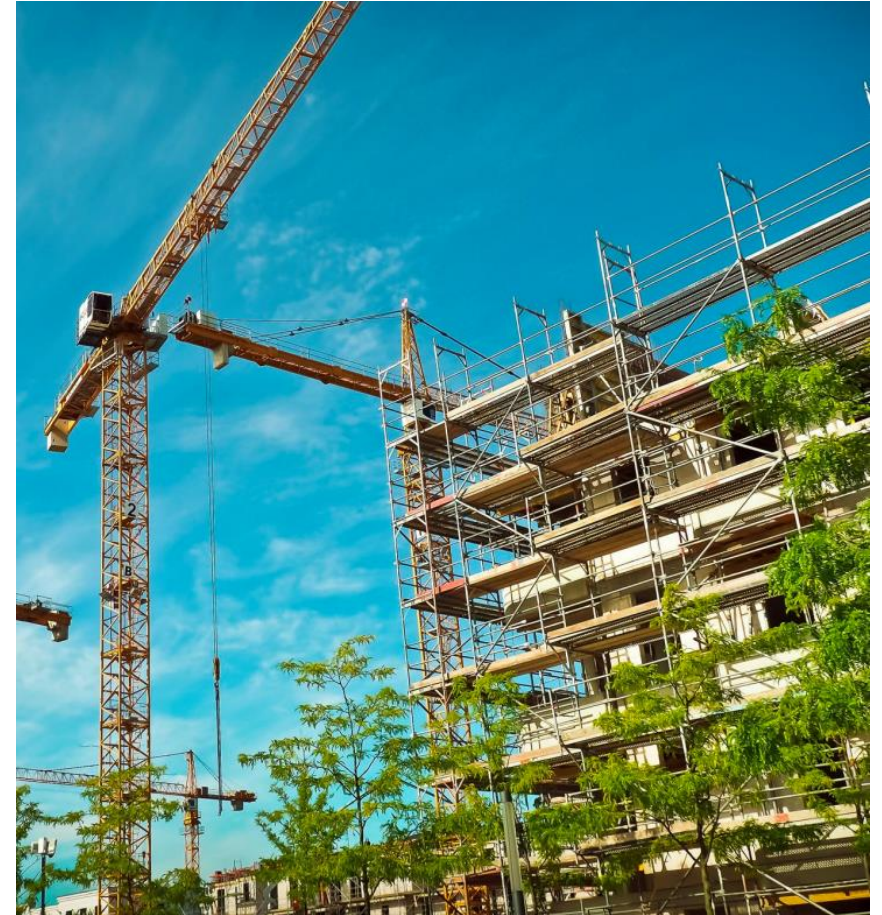


Market Analysis Components

- Market trends for retail, office, housing
- Household characteristics for income, composition, age
- Industry and employment growth
- Future population forecast
- Permit data
- Demand for housing at various income levels
- Interviews with the development community

Market Analysis

- Strong demand for housing at multiple income levels, including for below market housing as well as executive housing
- Retail difficult on its own, but can play a supportive role and be successful as part of a mixed-use development
- Office uses could also play a supportive role, but will not lead development



Demographic Trends

- Population Growth: in last two decades, Vancouver's population increased by approximately 33,000 people
- Aging Population: From 2000-2016, the number of people living in Vancouver between the ages of 50 and 64 years increased by 56%, or nearly 11,000 people
- Fewer Households with Children: Since 2010, the number of Vancouver households with children decreased by 10%
- Average incomes in Vancouver are lower than the regional average

Housing Trends

- More than half of Vancouver residents are renters, slightly less than half are homeowners
 - 89% of homeowners live in single family housing
 - 71% of renters live in multi-family housing
- Housing vacancy rate below 5%- indicates a constrained housing market
- Between 2016-2018, the median home sale price in Vancouver increased nearly \$60K, and average rents also increased, but on average housing in Vancouver is still more affordable than elsewhere in the region

Redevelopment Potential

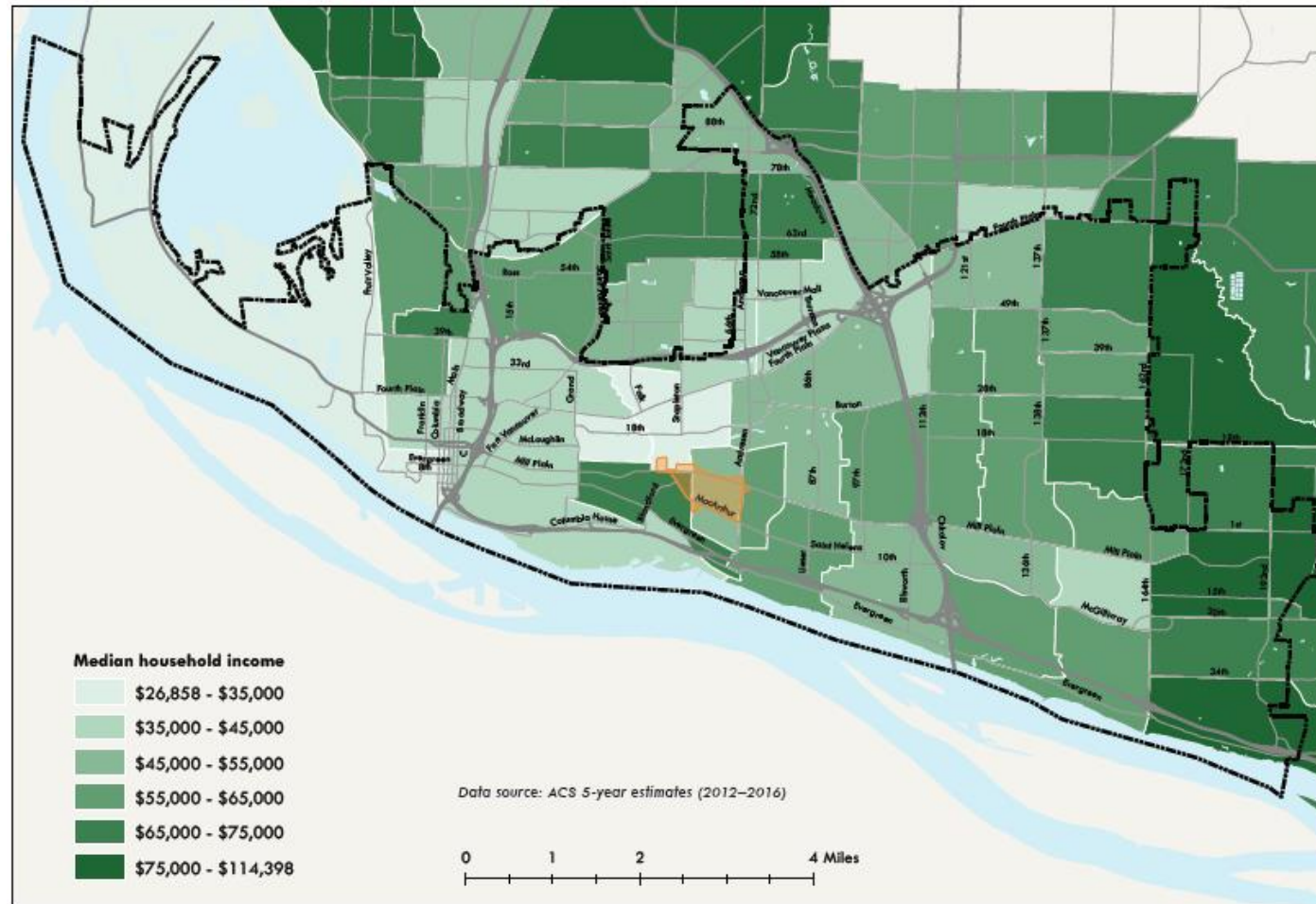


- An estimated 1,340 residential units are planned for the Tower Mall Redevelopment Area
- Areas outside the Redevelopment Area will likely redevelop in the mid-to-long-term, and will likely include a mix of uses, including approximately 500 additional residential units over the 20-year build out period
- Approximately 56,000 sf of commercial space within the Redevelopment Area, as part of mixed-use and stand alone commercial buildings
- Existing retail tenants in the Redevelopment Area will have the opportunity to integrate into new buildings

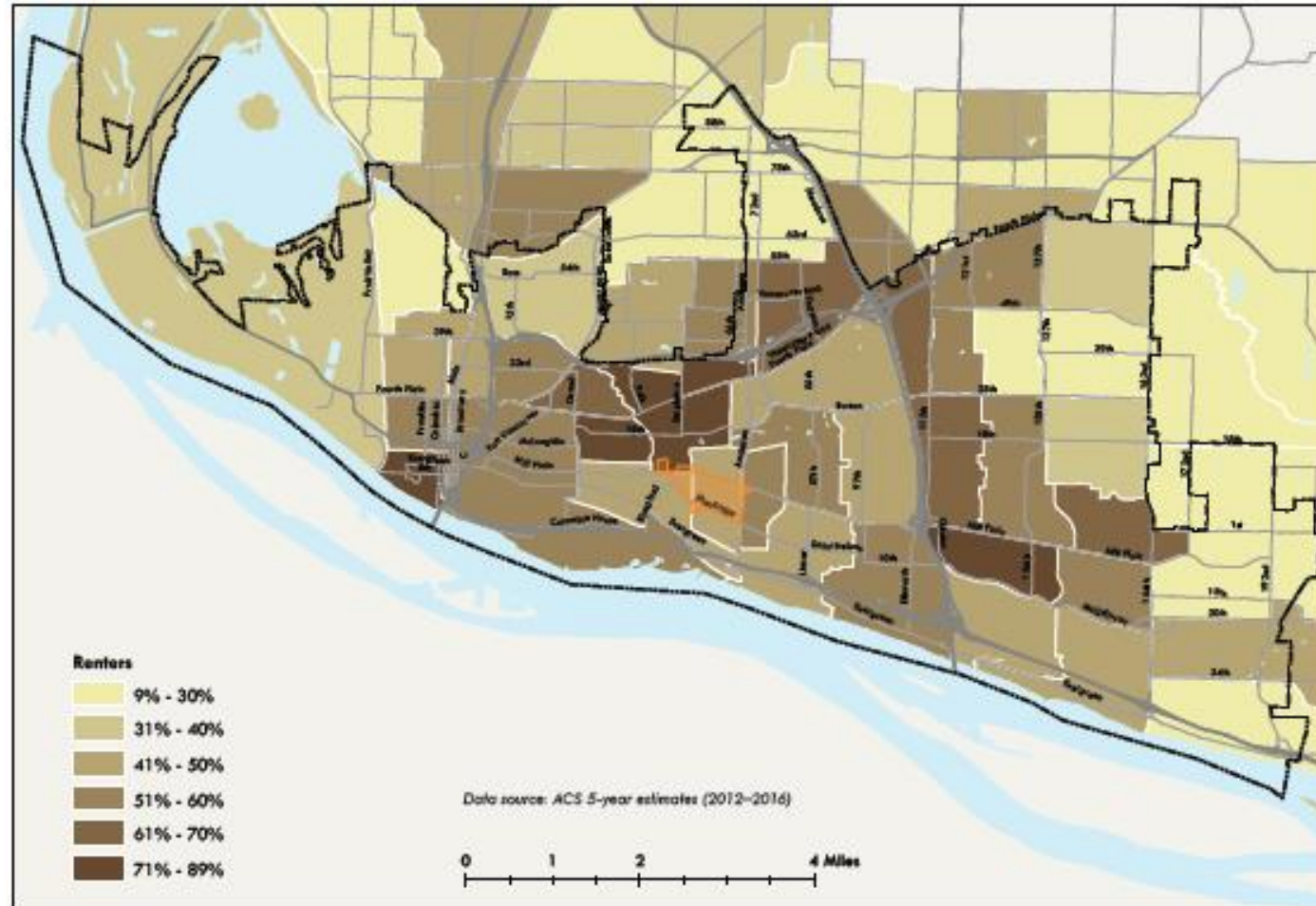
Diversity in the Heights

- WWII to present: history of racial and socioeconomic integration in the Heights
- 1943-45: 9,000 African Americans arrive in Vancouver, work in the Kaiser Shipyards and wartime industry
- Post-War: Closing of shipyards and demolition of wartime housing, employment and housing discrimination against African Americans
- 1960: Fewer than 500 African Americans reside in Vancouver
- Today: Communities of Color make up 20% of Vancouver's population; In Central Vancouver, Communities of Color make up nearly 40% of the population

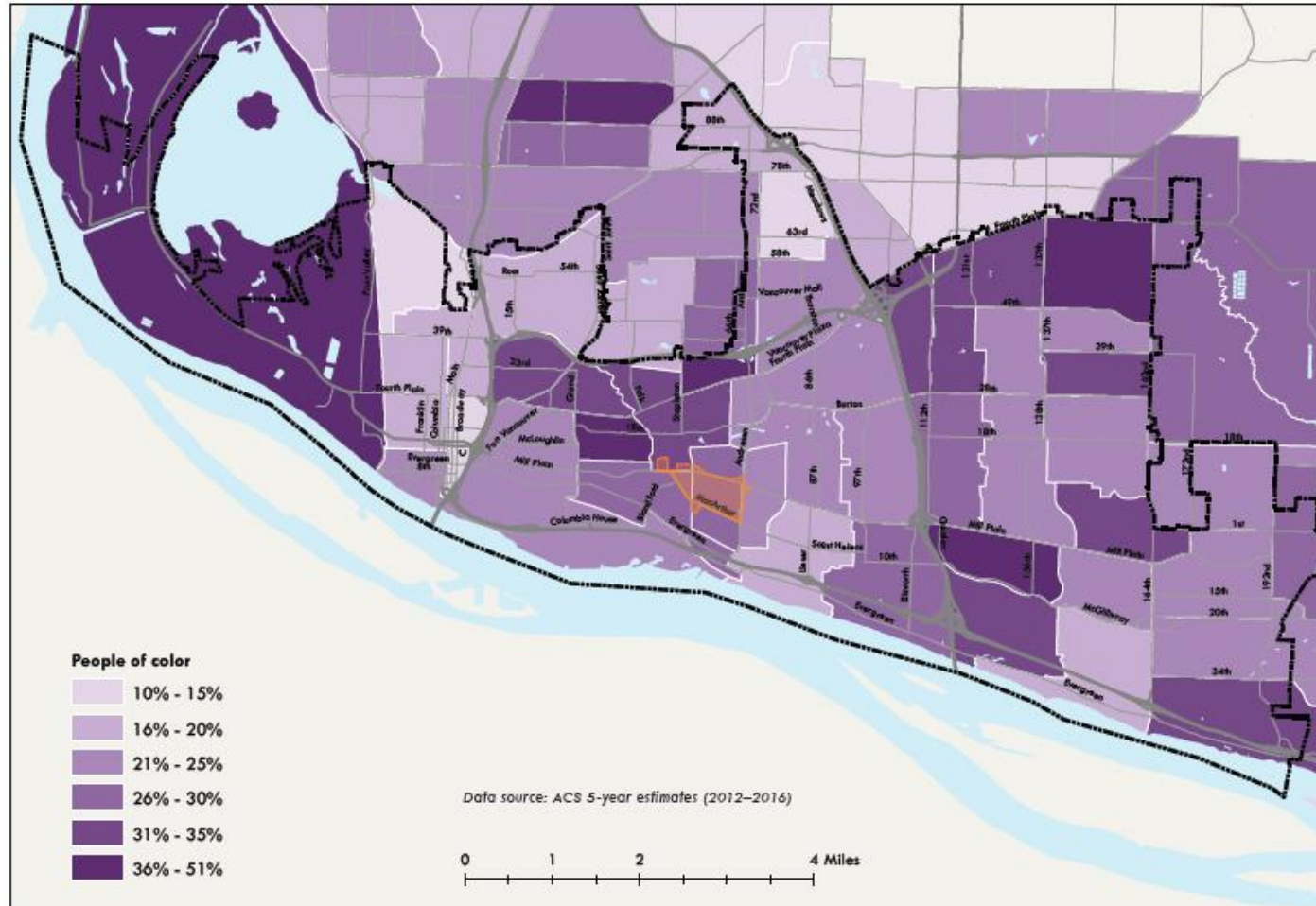
Demographics – Median Household Income



Demographics – Rental Households



Demographics – People of Color



Heights District Plan: Recommendations

- Land Use & Urban Design
- Public Realm & Open Space
- **Equity, Jobs & Housing**
- **Economic Vitality**
- Mobility, Access & Circulation
- Sustainability



Housing & Equitable Development Recommendations

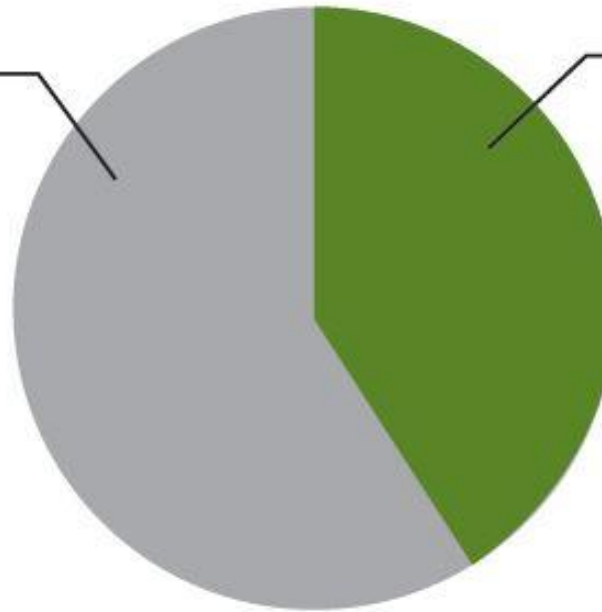
- Increase diversity in housing types (mix of unit types and sizes)
- Integrate affordable and market-rate housing
- Create opportunities for homeownership at a range of prices
- Expand employment opportunities suitable for a variety of educational and job training backgrounds, and the number of living wage jobs in the District
- Ensure opportunities for aging in place and accessibility for people of all abilities
- Support existing social services and the community center at Skyline Crest
- Retain existing locally-owned businesses and attract new local businesses, including minority-owned, women-owned and disadvantaged businesses

Mixed-Income Housing

60-75% MARKET RATE HOUSING

INCLUDING:

- Market rate units and condominiums
- A range of housing sizes and types: studios to 3-bedroom units, live/work units
- Attached single family as well as multi-family housing
- Rental and homeownership opportunities
- Housing appropriate for single individuals, families, and seniors



TARGET: 25-40% INCOME-BASED HOUSING (<100% AMI)

INCLUDING:

- Affordable to people and families with incomes below the Area Median Income (AMI)
- Rental and home-ownership opportunities
- A range of housing types and sizes: studios to 3-bedroom units, live/work units
- Housing designed for seniors living on restricted incomes
- A minimum of 250 units affordable to households earning at or below 60% of AMI

Redevelopment Levers and Tools

- Multi-Family Tax Exemption Program
- Impact fees & system development charges
- Affordable Housing Fund
- CDBG/HOME funding
- Disposition and Development Agreements for city-owned parcels
- State and Federal grants
- Zoning code incentives
- Public-private partnerships

Community Engagement Reflected in the Plan



Concern: Gentrification and displacement of existing low- and moderate-income residents

Response:

- Target 25-40% of new units as below market (less than 100% AMI)
- Target a minimum of 250 units affordable to households earning at or below 60 percent of Area Median Income (AMI)
- Retain existing local businesses; include new MWDBE businesses
- Prioritize family-wage jobs and other community benefits
- Implement Reside Vancouver: Anti-Displacement Strategy
- Increase affordable homeownership opportunities



Concern: Retain local businesses

Response: Commitment (through implementation plan) to retain existing local businesses and service providers where possible

Fiscal Impacts Analysis

The City conducted an analysis to understand the fiscal impacts of the following two scenarios:

- **Heights Project Alternative:** Assumes new development based on the recommendations in the Heights District Plan, including the proposed development program for the Tower Mall Redevelopment Area.
- **No Action Base:** Assumes growth occurs in a manner consistent with the 2011-2035 Vancouver Comprehensive Plan and the City's land use and development code, and that new development will occur on vacant parcels but no redevelopment of existing developed parcels.

Fiscal Impacts Analysis – Project Alternative

- Order of Magnitude Infrastructure Costs: **\$60-\$65M**
 - Includes streets and parks
 - Includes permitting, design, engineering, construction, fees, and taxes
- Project Revenues over a 25-year time period: **\$138M**
 - Includes revenues to the City, City Public Facilities District (PFD), County, State of WA, C-TRAN

Fiscal Impacts Analysis – No Action Base

- Order of Magnitude Infrastructure Costs: **None**
 - No action base scenario does not include any of the improvements included in the Heights District Plan (no major improvements to existing streets or the addition of parks and public spaces). **Therefore, there are no infrastructure costs.**
- Project Revenues over a 25-year time period: **\$18M**
 - Includes revenues to the City, City Public Facilities District (PFD), County, State of WA, C-TRAN

Key Themes of EIS Public Comment

- Number of residential units and impact of adjacent neighborhoods
- Concerns that income-based multi-family housing will have a negative impact on the area; specifically that income-based housing leads to increased crime and drug use, calls for emergency services, and issues related to building maintenance/appearance
- Comments in favor of high-end housing in first phase
- Support for housing affordable at a variety of income ranges
- Questions about the costs of redevelopment and who pays

Responses to EIS Public Comments

- Plan calls for a range of housing types affordable to people at a range of income levels
- District-wide design guidelines will ensure high-quality design regardless of housing type
- Continued commitment to equitable development and inclusion, and to maintaining existing demographic and socioeconomic diversity; implementation steps to ensure equitable development
- Detailed fiscal impact analysis included in the Heights District Plan appendix

Next Steps

- **July 27:** City Council Heights Workshop 3: Transportation, emergency services, utilities, environment/sustainability, implementation/next steps
- **August 3:** City Council First Reading for Heights District Plan
- **August 17:** City Council Public Hearing for Plan
- **Fall 2020:** Initial implementation steps, including separate PC and CC processes for adoption of new HX zoning district, design guidelines and planned action ordinance

Questions and Discussion

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