



## Project Overview

The City of Lakewood (City) is working with the state Department of Transportation (WSDOT) a win-win proposal to relocate a WSDOT facility that would open up economic development growth in 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 facility. This is not the highest and best use of the land. The site's prime Interstate 5 frontage, heavy daily traffic loads (average daily traffic count of 282,000 vehicles), and proximity to the Lakewood Sounder Station make it well suited for transit-oriented retail and mixed-use development. Redevelopment is only possible if the WSDOT maintenance site is relocated. Potential sites have been identified nearby.

### Regional Context



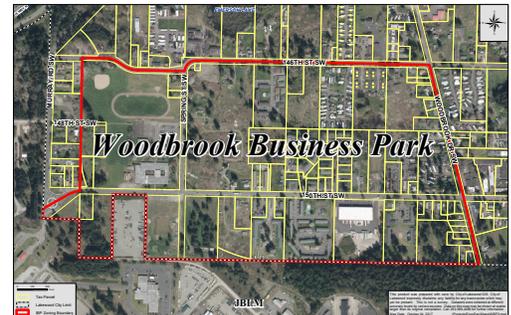
### Project Site

Buildings are 213,965 sq ft. with 0.20 floor-to-area ratio (FAR), which is below potential.



### Proposed Site

(several options)



## Multiple Benefits of Relocation

### Benefits for WSDOT and state

- New facilities are more efficient than older facilities. Upgrades may result reduced utility costs and reduced ongoing building costs.
- WSDOT can design a maintenance facility from scratch that is optimized for its current operations and vehicle fleet. It can "right size" the building.

### Benefits for Lakewood

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

### Benefits for other jurisdictions

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

### Annual benefit\* estimate mid-level retail:

\$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.)

### Annual state economic impact retail:

\$74.83 million	916 jobs	Direct
\$102.2 million	516 jobs	Indirect and Induced
\$177 million	1,433 jobs	Total

# 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 restaurants or other small retail and services to attract drivers from the freeway 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 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.

## 3. Created conceptual design

In 2017, the City completed visual concepts for a new site design.

## One-time benefits of construction

\$40.66 million	171 jobs	Direct
\$51.64 million	290 jobs	Indirect and Induced
\$92.3 million	461 jobs	Total

## Comparable retail examples



Mid-level retail anchor



Outlet mall and traditional shopping mall

# Steps Forward

## Determine WSDOT capacity needs and relocate maintenance facility.

Lakewood has identified potential sites for the relocation of the WSDOT maintenance facility. A capacity analysis, including development of cost estimates, will 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.

## Develop agreement between agencies.

A memorandum of understanding was created to strengthen collaboration and assure project completion.

## Contact

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