Housing and Business Mix
ENVS 475: Community Development and Participatory Methods
Fall 2019

Report No. 03 January 2020
About SCP
Western’s Sustainable Communities Partnership (SCP) program focuses the expertise, energy, and ideas of faculty and students upon the issues that communities face as our society transitions to a more sustainable future. SCP partners with communities each academic year, facilitating a program in which Western courses complete community-engaged learning projects that address challenges identified by the partner.

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SCP Partner for 2019-2020: City of Arlington, WA
SCP is proud to partner with the city of Arlington, Washington during the program’s fourth year. Four Western courses will tackle projects identified in collaboration with City staff and elected officials.

Acknowledgement
The Association of Washington Cities (AWC) has provided invaluable assistance as SCP has grown and developed. AWC has provided advice on program development and has assisted in promoting the program.

SCP is housed within Western’s Office of Sustainability.
PREFACE

This project was completed during the fall of 2019 by a group of students in Dr. Tamara Laninga’s Community Development & Participatory Methods course (ENVS 475). In this course, students identified the patterns and characteristics of cities comparable in size to Arlington that have a healthy business to housing ratio. A combination of case study research and a literature review was conducted, resulting in three recommendations for the city of Arlington to promote a continued healthy economy and accommodate future growth. The recommendation options are for low, moderate, and high change. This report will be utilized to inform students and faculty in subsequent courses engaged in this partnership.

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Introduction

Arlington, Washington, located approximately 50 miles northeast of Seattle, is projected to grow rapidly in the coming years. Through a partnership between the city of Arlington and Western Washington University’s (Western) Sustainable Communities Partnership, students in Dr. Tamara Laninga’s fall 2019 Community Development & Participatory Methods course (ENVS 475) explored ways to ensure that, as Arlington’s population grows, additions to the retail and residential sectors will enhance the vibrant downtown while maintaining its character. The information compiled in this report will inform projects pertaining to the downtown core of Arlington in Western’s winter and spring quarter Urban Transition Studio courses.

As the City grows, it is crucial that downtown Arlington is able to support the growing business and housing needs of the City’s residents (Brown, Edwards, & Singh, 2014). Not only this, but it is important that the City maintain a healthy business to housing ratio. The study team created three options for Arlington’s future business/housing mix:

Option 1 – Low Change: recommends modest changes to the business/housing mix and downtown
Option 2 – Moderate Change: recommends moderate changes to the business/housing mix and several changes to the downtown
Option 3 – High Change: recommends ambitious changes to the business/housing mix and the feel of the downtown.

Objectives

The goal of this project is to identify the patterns and characteristics of cities with a healthy business to housing ratio. Based off of these ratios, three separate recommendations were made for the city of Arlington to promote a continued healthy economy and accommodate future growth while maintaining Arlington’s character, assets, community values, and history.

Methods

Initially, the study team researched the current conditions of Arlington, looking at the type of businesses and industries that drive Arlington’s economy, as well as the housing types that are available to residents. For reference, Arlington has a median household income of $70,790; the largest employment industry is Manufacturing; and the median property value is $268,200 (Data USA, 2019a). The study team also researched public transportation and transportation access for people living within the downtown area and in surrounding rural areas. The goal of this research is to help improve the housing and business mix of the City.

Next, the study team researched ten cities that have experienced population growth and downtown revitalization. Each of these cities have a population of 20,000-60,000 people. While larger than Arlington’s population of 19,803 (U.S. Census Bureau, 2018a), the purpose of researching these
larger cities is to see how these cities have accommodated growth. All of the recommendations incorporate the values of the City and maintain the overall character of the downtown.

**Literature Review**

The goal of the literature review was to find information on the accepted target ratio of business and housing mix. Once this information was gathered, cities that met this target ratio were identified as case studies. The results of the literature review include the characteristics of economically vibrant downtowns, the importance of placemaking, and the utilization of local capacities for downtown success.

The article, *Downtown Success Indicators*, discusses some of the characteristics of economically vibrant downtowns. A steady increase in housing that is located in downtown areas is an important factor for success because people make use of the shopping and amenities no matter the time of day or the season (Brown et al, 2014). The existence of cultural institutions such as universities, theaters, and civic buildings is another trait that successful downtowns all share (Brown et al, 2014). Historic preservation is also important because it maintains or enhances the community’s sense of place. Streetscape improvement programs and increased pedestrianization contribute further to a sense of place (Brown et al, 2014).

In the article, *Placemaking on Main Street*, Project for Public Spaces (PPS) emphasizes the importance of placemaking, reimagining, and reinventing public spaces as the heart of the community in order to connect people (2016). Rural and small towns face a challenge in effectively utilizing limited financial, human, and structural resources (Project for Public Spaces, n.d.). By emphasizing the feeling of connectedness, placemaking leads small towns to long-term economic transformation.

PPS stresses the importance of infrastructure within communities (n.d.). According to PPS, small towns, like Arlington, would benefit from investing in low-cost projects like parklets, benches, and curb extensions. Such infrastructure could boost trail tourism and outdoor recreation by connecting the infrastructure to the activities (Project for Public Spaces, n.d.). Creating more pedestrian use, whether permanent or temporary, near or on streets (e.g. parklets), is an act of placemaking. It reinforces the idea that streets are places for people and not just cars. The PPS article also notes that monuments and buildings with deeply embedded histories build this sense of connectedness within a community (n.d.). Highlighting historical assets can significantly enhance a downtown area.

All cities and towns are presented with unique challenges and opportunities in the face of population growth. As the U.S. Environmental Protection Agency’s report on smart growth highlights, most economic development strategies tend to focus on the recruitment and relocation of companies to move in and boost local economies (EPA, 2015). While this can be a beneficial endeavor, job creation is a more effective strategy to avoid relying on industries simply moving from one location to another (EPA, 2015). Instead of solely relying on outside resources, small cities and towns should first look at the assets and resources they already have available.

Nearby natural resources can be utilized and incorporated into a town’s identity with tourism and related recreational industry creation (EPA, 2015). Projects like the reduction of vacancies, streetscape improvements, parks or greenways, and simple facade upgrades can make a dramatic difference to the look and feel of a downtown area (EPA, 2015).
The communities that are successful in such evolutions have most often engaged with their residents, business owners, and other stakeholders to develop a community-created future vision. Such support and collaboration does not need to stop there. Regional cooperation with neighboring communities can multiply available assets, efficiently utilize regional resources, and provide leverage when working together to achieve similar goals and interests (EPA, 2015). Communities that compete with each other for limited resources can undermine community or regional economic growth (EPA, 2015). An example of a regional asset is Arlington’s partnership with nearby universities like Western. Arlington should also consider working with other communities along the Centennial Trail to identify ways to coordinate efforts to bring more visibility to the trail and the region.

Supporting a clean and healthy environment within a community by protecting natural resources can better attract and retain residents, tourists, and businesses. Programs to clean up and redevelop polluted properties increase the tax base while providing employment opportunities, inspire investment in surrounding areas, and enhance overall pride within the community (EPA, 2015). Additional creative investment strategies include providing incentive programs for redevelopment and other investment opportunities for businesses and local developers in the community. Communities big and small should take advantage of federal grants and other sources of funding that are specifically designed for such economic growth goals.

Case Studies

The team researched ten cities with populations between 20,000-60,000 (Figure 1), as that is the forecasted population growth range for Arlington in the next 20-30 years. By considering the primary industries, land uses, and design of each of these cities, the team identified potential solutions that could improve Arlington’s current business and housing make-up.

Figure 1. Map showing location of cities used as case studies
Happy Valley, located near Portland, Oregon, is one of the fastest-growing cities within the State. Due to its proximity to the Portland metro area, and its available land within the Urban Growth Boundary, the City became increasingly desirable to developers in the mid-1990s (Happy Valley, 2019). With a population of approximately 21,000 in 2018, Happy Valley’s population size is currently comparable to that of Arlington’s. However, Happy Valley’s growth rate has ranged from 3-8% annually in the past 10 years. The median household income is about $115,000 and the unemployment rate is 4% (U.S. Census Bureau, 2018b). The main industries within the City include health care, social assistance, educational services, and manufacturing (Data USA, 2019b). The median property value is $454,400 (Data USA, 2019b).

Walla Walla is located in the southeast corner of Washington State. The City has a population of 32,986 and the median household income is $46,650 (U.S. Census Bureau, 2018c). The City is home to Whitman College. The largest industries are health care, social assistance, educational services, and retail trade (Data USA, 2019c). Walla Walla has had a recent boom in the tourism industry due to its growth in wineries. Limited affordable housing is in high demand due to the low median income and college student population (Data USA, 2019c). The median property value is $178,800 (Data USA, 2019c). The insufficient affordable housing stock is due to “the mismatch of existing inventory to household demographics and needs, and the booming costs of developing new housing with the prices of land, labor, materials and fees” (Hillhouse, 2019).

Ames is the second largest college town in the state of Iowa, with a population just shy of 60,000 (U.S. Census Bureau, 2018d). Ames is a magnet for potential employees due to the mix of job opportunities from Iowa State University, Mary Greeley Medical Center, the headquarters of the Iowa DOT and smaller businesses (Data USA, 2019d). The median household income is $42,755 and the largest industries are educational services, health care, and social assistance (Data USA, 2019d). To attract new industries, the city of Ames approved a partial elimination of property tax for new construction of industrial real estate, research facilities, warehouses and other large projects (City of Ames, 2019). The median property value is $187,000 (Data USA, 2019d). The area has been expanding rapidly, with Microsoft and Google data centers are located in the surrounding area (Patane, 2015).
Wenatchee borders the Columbia River in eastern Washington. The City has a population of just under 35,000 people (U.S. Census Bureau, 2018e). The median household income is $48,565, and the largest employment industries are health care and social assistance (Data USA, 2019e). The median property value is $221,800 (Data USA, 2019e). The downtown recently went through a revitalization process which saw the addition of street furniture, landscaping, and additional street infrastructure to discourage truck traffic (SCJ Alliance, 2014). Additionally, Wenatchee has invested in a wide variety of public art downtown (City of Wenatchee, 2018). A large portion of the downtown is mixed-use, with apartments above stores (City of Wenatchee, 2019). There are unique zoning and overlay districts that may encourage an economically vibrant downtown. The City has a pedestrian overlay district, where all development must be pedestrian-oriented (City of Wenatchee, 2019). There are also mixed residential corridors leading into the City and residential mixed-use zones surrounding the central business district (City of Wenatchee, 2019).

The city of Durango has about 55,000 people and is located in southwestern Colorado (U.S. Census Bureau, 2018f). Most of the land surrounding the central business district is designated as high-density residential, medium-density residential, or a unique mixed-use neighborhood district (City of Durango, n.d.). The City has a Creative Economy Commission, which helps the regional economy through public art, culture, and the creative sector (City of Durango, 2017). The median household income is $60,521 and the largest employment industries are accommodation and food services (Data USA, 2019f). The median property value is $427,600 (Data USA, 2019f).

Wabash is the first-ever “Small Business Revolution” city, located in the northeast corner of Indiana. It has a population of around 32,000 (U.S. Census Bureau, 2018g). Wabash is part of the Stellar Communities Program that links small businesses together and funds community development projects in small towns (City of Wabash, 2014). As part of the Small Business Revolution, six businesses were given a marketing boost and financial advising. This created a trickle-down effect, leading to more jobs, improved aesthetics within the downtown, and a stronger sense of community (Small Business Revolution, 2016). The median household income is $49,052 and the most common industry of employment is manufacturing. The median property value is $96,700 (Data USA, 2019g).
Seal Beach, California has a population of roughly 24,000 people (U.S. Census Bureau, 2019h). It has a downtown charm similar to that of downtown Arlington. The community values “small-town living,” local art, live music, and more. Seal Beach’s downtown is enhanced by its close proximity to the ocean. The City does an excellent job of balancing the visitor experience while maintaining the small-town character. It has 107 commercial parcels in the downtown core; 25 of those parcels are food spaces, and the majority serve alcohol. The strong restaurant sector creates a fun and vibrant downtown experience. Seal Beach prioritizes recruiting businesses and developers specific to fulfilling downtown needs. The median household income is $65,401, the largest employment industries are health care and social assistance. The median property value is $338,100 (Data USA, 2019h).

Burlington, Iowa, has a population of roughly 25,000 people (U.S. Census Bureau, 2019i). Similar to the business makeup of Arlington, it has an eclectic mix of retail, restaurants, and cultural institutions in a historic setting. The downtown area is the heart of the community. Burlington capitalizes on its main features including a riverfront setting and a pedestrian-friendly environment. Burlington is part of the Main Street America program that focuses on community-driven and comprehensive revitalization. Its four point Main Street strategy is centered on 1) economic vitality to help new and existing businesses; 2) design to emphasize the physical and visual assets; 3) promotion of downtown as a place to shop, invest and live; and 4) partnerships and community involvement to create a sustainable and vibrant downtown. The median household income is $42,907 and the largest employment industry is manufacturing. The median property value is $90,100 (Data USA, 2019i).

Nestled in a valley alongside the Rocky Mountains, the city of Bozeman, Montana is a popular destination for outdoor enthusiasts, academics, college students, and those looking to live a slower-paced life under the big sky. With a current population of 51,000, Bozeman is experiencing rapid growth (U.S. Census Bureau, 2019j). It is in sixth place as the fastest-growing U.S. “micropolitan” area (Bozeman Demographics, 2019). The median household income is $49,217, and the median property value is $310,800 (Data USA, 2019j). The largest industries are educational services, healthcare, social assistance, and retail trade (Data USA, 2019j). Nearby attractions include ski resorts, world-class fishing, and Yellowstone National Park.
In the center of the state of Arkansas lies the college town of Searcy. Searcy has a population of 23,819 people (U.S. Census Bureau, 2019k). Searcy is home to Harding University and the ASU-Searcy campus. The largest industries in the area are Health Care and Social Services (Data USA, 2019k). The median household income is $41,699, with the median property value being $143,400 (Data USA, 2019k). The City has a rich history and has maintained its old-town style buildings and small-town culture. In 2019, Searcy was chosen to be featured in the “Small Business Revolution” and received $500,000 for investments in their Main Street and business and marketing coaching.

Findings and Recommendations

The following three case studies were focused on for an in-depth analysis in order to best inform Arlington’s future housing and business mix:

- Seal Beach, California
- Wenatchee, Washington
- Bozeman, Montana

These cities were selected because they all exhibited qualities of vibrant downtowns including streetscape and facade improvements, a large portion of civic and cultural centers located within the downtown core, multi-functionality of spaces, preservation of heritage, and sense of place (Brown et al, 2014).

Seal Beach, CA

Seal Beach was selected as a case study for Option 1, the low change solution for Arlington (Figure 2). The City is similar to Arlington as it has maintained a small-town charm through locally owned businesses on its main street, despite it being surrounded by high tourist areas like Long Beach and Huntington Beach. However, Seal Beach does have some differences from Arlington that, if incorporated, the City could benefit from. This includes businesses that attract a range of patrons, such as bars and breweries that cater to the 21+ crowds, and toy stores and local retail stores that cater to families.
Wenatchee, WA

Wenatchee was selected as the case study for moderate change (Figure 3). The City has recently undergone revitalization projects that might offer insight helpful to Arlington. Examples of
upgrades in downtown include street furniture, landscaping, and investment in public art. Downtown Wenatchee’s pedestrian-focus is supported by a pedestrian overlay district and mixed-use zoning.

Bozeman, MT

Bozeman, Montana, was chosen as a case study for the high change option (Figure 4). Bozeman has exhibited a high population growth rate in recent years, transitioning it into a “micropolitan.” Scattered residential high density exists throughout the City. Mixed-use development is also supported along the downtown main street, which supports a vibrant city center.

Figure 4: Bozeman, Montana (Source https://www.bozeman.net/)

Three Future Business-Housing Mix Options

Based on the findings from the literature review and case studies, the team advises three options as recommendations for Arlington’s housing/business mix that will keep their downtown lively and active.

- **Option 1: Low Change** - The first option offers a modest amount of change for downtown Arlington. This would include minimal incorporation of West Avenue in the downtown by allowing for moderate density housing along the corridor. This would bring more housing options downtown, giving residents easy access to Olympic Avenue without adding more residential to the main street. This option includes adding new businesses on Olympic Avenue that fulfill a niche that is not currently filled by existing businesses. For example, new businesses might offer family-oriented activities, like movie theaters, to make Arlington a destination for residents rather than just a place to eat lunch and leave.

- **Option 2: Moderate Change** - The second option offers moderate change to downtown Arlington. Everything within option one would be incorporated, with the addition of new mixed-use development on both West Avenue and Olympic Avenue. Mixed-use would allow more foot traffic within the downtown area, keeping downtown lively during different times of the day and night. This option also recommends stricter design codes to keep Arlington’s small-town charm as more development is added.
• **Options 3: High Change** - The final option looks at more ambitious change to the downtown area. All the changes recommended in Option 2 would be implemented, and the Centennial Trail would be prioritized as a focus point and would be enhanced. This would make Arlington a destination for visitors. Downtown and Centennial Trail improvements would include better infrastructure for cyclists, such as bike racks and bike lanes within downtown Arlington, inclusion of local businesses by encouraging sales promotion for those traveling on the Centennial Trail, and the addition of new businesses that attract cyclists, such as healthy grab and go food options.

The next steps for Arlington include assessing the downtown’s zoning and design standards. Some of this work will occur in 2019-2020 Western courses as part of the Sustainable Communities Partnership. Ensuring that the zoning is accommodating for small businesses and supports multi-story, mixed-use development, and the public sphere is key to creating a healthy business to housing mix, in addition to a thriving downtown (Mitchell, 2017). With the expected growth in Arlington, it is inevitable that more buildings will need to be constructed within downtown. These buildings should fit the character of downtown, and design standards and guidelines should align with the community’s vision. Arlington will need to appraise the amount of money spent on bringing in big box or chain stores to Arlington. Allocating a percent of this money to economic development incentives for small businesses, instead of larger corporations, and beautifying the downtown district is sure to be worth it and will strengthen the character and community of downtown Arlington (Mitchell, 2017).
References


