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# RETAIL STUDY FOR THE SEATTLE WATERFRONT AREA

September 2015



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# From Belltown to Pioneer Square... A 26-BLOCK PUBLIC PARK



## INTRODUCTION

In coming years, Seattle’s waterfront will undergo an epic change to its form with the demolition of the Alaskan Way Viaduct (an above-ground freeway) and subsequent creation of a promenade, park space, activity areas, arts and culture venues, and shoreline access. This transformation also presents a big opportunity to create stronger connections from the newly enhanced waterfront to the city’s downtown core, Pike Place Market, and Pioneer Square.

Friends of Waterfront Seattle is the non-profit community partner organization created—pursuant to the strategic plan authorized by the City of Seattle—to partner with the City in realizing the transformative vision for the waterfront. Friends’ primary responsibilities include:

(1) Maintaining and expanding support for the project, helping to sustain public momentum for the new park, which is essential for ensuring it is executed according to the public’s vision;

(2) Raising \$80-\$120 million in capital funding for the park, augmenting the public’s investment with philanthropic investment to ensure the project’s full community and environmental benefits are achieved; and

(3) Developing a thoughtful, robust operations and governance model for the park that guarantees it is well stewarded and serves all populations, which Friends will implement in partnership with the City once it is built.

Recognizing that a carefully considered mix of shops and eateries—aka retail—can help activate the public realm and support the development of livable communities, Friends of Waterfront Seattle engaged retail consulting firm Downtown Works to assess the new potential for shopping and dining in the waterfront area, specifically along Alaskan Way, Western Avenue, Post Alley, and their cross streets, from Main Street up to the Pike Place Market. This included planned, publicly-owned, retail spaces (in a new building on the Overlook Walk and in kiosks in the Waterfront Park) that have the potential to generate operating revenue for the new park while providing park users with amenities and reasons to linger.



Area in orange above shows the retail study boundaries.



## Process

As part of this process, the Downtown Works team:

- Met with two dozen stakeholders (property owners, business operators, area developers and city officials/staff) to better understand the area's background, outlook, assets, and challenges.
- Reviewed existing waterfront plans.
- Assessed the enabling environment (i.e., conditions, transportation/circulation, parking) in the defined area (highlighted in orange on the map on previous page) through the lens of retail.
- Conducted a general assessment of the area's buildings and uses.

This initial study will inform more detailed next phases for the area's retail development.

### re•tail

'rē,tāl/

*noun*

The sale of goods to the public in relatively small quantities for use or consumption rather than for resale.

ORIGIN late Middle English : from Anglo-Norman French *retaille* 'a piece cut off,' from *retailier*, from *re-* (expressing intensive force) + *tailler* 'to cut.'

In commercial real estate, **both shops selling goods and food/beverage operations of all types—i.e., cafes, bakeries, coffee shops, fast food eateries, full-service restaurants—are considered to be retail establishments.**

## Urban Retail Guiding Principles

When embarking on a project to stimulate or revitalize retail, it is important to understand that successful urban shopping/dining districts tend to have a significant number of the following attributes:

- Retail is contiguous—not broken up by non-retail uses or blank walls. Large non-retail uses, such as expansive office lobbies, schools, or inactive open spaces, are often signs that a retail district has ended. At the very least, a retail area should have active ground level spaces that are accessed frequently by the public (i.e., daycares).
- Operations are clustered, meaning co-tenants offer similar types of goods (for example a clothing district or a home furnishings area). And clusters of stores together with restaurants and cultural venues (like museums and performing arts) anchor many urban retail areas in the manner that department stores once did (and still do in cases like the core of downtown Seattle).
- The mix of uses balances daytime and nighttime operations.
- The mix of operators includes unique, local/independent operators alongside national and international ones that do not saturate a market with numerous locations.
- Service uses are located on side streets, not on prime shopping/dining streets.
- Streets are not wide (no more than two lanes of traffic each way), with storefronts along both sides, and they are not blocked off to vehicles—stores do best when they are readily visible to both pedestrians and those traveling past in vehicles.
- Streets do not have significant grade changes—many people simply aren't willing to navigate hills.
- Ample parking is readily accessible on-street and in lots/garages. On-street parking spaces are parallel, not angled. Lots and garages are within a few blocks of stores and restaurants.

- Access to the area includes transit options, but transit lines do not run on the primary retail street(s).
- Pedestrians are kept on the street, not lifted away from it via elements such as sky bridges.
- Streets and sidewalks are well-maintained—they are free of trash and debris, and kept clean with frequent power-washing (women in particular are especially sensitive to cleanliness, and if they won't use an area few will)—and well-lit.
- Streetscaping elements—street furniture, trees, plants and flowers—help create an inviting pedestrian experience without blocking storefronts and signage.
- Buildings are human-scaled with lots of transparency at the street level.
- Storefronts are well-branded, signed and maintained.



*Portland's Pearl District (photos above and below) is marked by many of the attributes that support successful retail—a mix of uses (day and night; local and national; shops, restaurants, services), human-scaled building stock, distinctively-branded storefronts, and well-maintained streets and sidewalks.*



## AREA ASSESSMENT

### Strengths & Opportunities

#### Natural beauty

- Wondrous views across Puget Sound to the Olympics.



View over Seattle's waterfront, across Puget Sound to the Olympics.

#### Fabric/existing uses & attractions

- Elements such as historic buildings alongside modern ones, the steam plant, and a waterfront with a diversity of uses combine to create an authentic, dynamic district.
- Pike Place Market (with 10 million visitors each year) is an incredible anchor for the entire area that, together with icons like Ivar's and the Seattle Aquarium (which sees 800,000 visitors each year), draws locals and visitors alike to the waterfront.
- Several quality retail operators (i.e., McKinnon Furniture and Copperworks Distillery) are located in the area.
- The Wheel is a high-performing attraction and eye-catching design element on the waterfront.

#### Plans/developments

- The design of the waterfront is marked by a diversity of activity that eschews passive space.
- Today 3 million people visit the waterfront each year. This is projected to rise to 5 million once improvements are completed; half of these are expected to be out-of-region tourists.
- The Pike Place Market expansion, MarketFront, will include a public plaza and viewing deck, rooftop farm and craft stalls, commercial and retail space, low-income housing units for seniors, parking for cars and bicycles, and social services.
- Along with offering sensational views, the planned Overlook Walk will include outdoor play/activity areas; the opportunity for event/cultural, retail and maker/incubator space; and new sections of the Seattle Aquarium. It will serve as a tremendous connector between Pike Place Market and the waterfront.
- The Overlook Walk will flow into an 8-acre public space made up of the Aquarium's plaza and the existing Waterfront Park, which will be re-imagined with large open space and flexible uses such as activity, event and performance areas; a children's water feature; seasonal retail; and amenities to serve park users.
- Plans by the City to improve Union Street between First and Western will make it a far better connector between the core of downtown and the waterfront than it is currently.
- Washington Street Boat Landing and Pioneer Square Beach will give Pioneer Square a terrific connection to the waterfront, which it lacks today. This should be a popular attraction, and has the opportunity for food/beverage in the refurbished boat house.

*"Folks coming to the waterfront are looking for an experience."*

*-stakeholder interviewee*

- The Pioneer Square Alliance expects to use mitigation money to help improve buildings (i.e., facades, adding stairs to loading docks) along two blocks of Alaskan Way.
- Planned improvements to the Harbor Steps by its owner are thoughtfully designed, and should work well for food/beverage uses. Importantly, the improvements will make this yet another far better connector from 1st Avenue to the waterfront.
- As part of the “Pike/Pine Renaissance Plan” developed by the Downtown Seattle Association, Pike and Pine streets will be improved from First Avenue up to the Washington Convention Center area. This will provide an important connection from the downtown retail core and Capitol Hill to Pike Place Market and the waterfront. Friends of Waterfront Seattle is funding a portion of the improvements between the market and the core, while new funding from the State of Washington will pay for improvements to the Convention Center.
- The new ferry terminal at Colman Dock will have a fresh design with retail that is better oriented to the street.
- Plans for traffic calming (i.e., raised roadways at crosswalks), will make the area pedestrian friendly.
- A proposed transit circulator will travel from the Seattle Center, through the waterfront, and down to the stadiums; it will hit each stop every ten minutes. This could make parking around the stadiums a good option when games are not scheduled.
- An entire block owned by Gonzaga University (between Alaskan and Western, and Spring and Seneca) sits at a critical spot; its development (currently it is a surface parking lot) could include parking and a mix of cultural uses along with education.
- The City of Seattle Department of Planning and Development amended zoning for the waterfront area in order to promote residential and hotel uses. This is helpful to retail, as people

living in or staying in an area are not just customers—they put feet on the street and lights on at night, helping to activate a district.

- Kiosks planned for the waterfront/promenade area will generate revenue to help maintain the waterfront.
- Baseline operating funding for the future park is secured through the Metropolitan Park District at \$3.5M annually. The long term stewardship of the park will be carried out with community non-profit partners to ensure operations are fully funded and that the park is maintained as a safe, active, vibrant asset for all of the city and region to enjoy.



*Rendering of waterfront kiosk design.*



## Challenges &amp; Issues

## Access/layout/circulation

- Parking appears to be a major issue. Operators complain there is a lack of convenient parking for their customers. And based on current plans, it appears there will be a net loss of several hundred spaces in the area. To compound matters, there are new residential buildings going up with little to no parking.
- The planned width of Alaskan Way will be tough for retail. From Columbia north, the street will have four vehicular lanes, a median, bike lanes and the promenade. From Columbia south, the median, bike lanes and promenade will remain the same, but the street will be widened to eight vehicular lanes to accommodate transit.
- Western Avenue is marked in several spots by uses that breakup the continuity of retail spaces (for example, a public storage facility just north of University, and the Federal building that takes up the entire block between Marion and Madison, with servicing all along Western).
- Connections on hill streets are problematic; many people are unwilling to navigate them due to their significant grade changes, and today they are in poor shape in terms of infrastructure and cleanliness/maintenance, making them extremely unpleasant.

*"I've been down here 18 years now, and the number one struggle has been parking. I see that becoming even worse with more people coming down here."*

-stakeholder interviewee

*"It's a simple math problem—there aren't enough spots."*

-stakeholder interviewee

## Buildings/design/streetscape

- A number of buildings have loading docks along the street.
- Historically designated buildings along Western and Alaskan may be limited in what happens to them design-wise.
- Tree cover planned for Alaskan Way appears to be dense and apt to hinder views to storefronts.



Example of a building with loading docks along Alaskan.



Plans call for dense trees lining Alaskan Way once the viaduct is removed, which will be tough for retail. Today, as the photo at left shows, there are areas of dense trees right along Alaskan in spots where the uses tend to be non-retail.

*"The plans show trees all up and down Alaskan—they show large trees right in front of our building; it will make it tough to build a retail hub if the trees are blocking the storefronts."*

-stakeholder interviewee

**Uses**

- Pike Place Market is a wholly unique place filled with local vendors of food stuffs and soft goods; something too similar in another part of the waterfront area could be a threat.



*Pike Place Market, filled with unique local vendors, draws 10 million visitors each year.*

- Buildings throughout the area are owned by a diversity of landlords, who ultimately make the decisions on what to put in their spaces—they may or may not follow a recommended merchandise mix plan.

*“I know if I bring this kind of customer in, or this kind of restaurant in, it’s going to have a huge impact on the upstairs value of the square footage. It’s hard to prove, but I can prove it, because I’ve been through it.”*

*-Tony Goldman, significant East Coast developer*

**Other/miscellaneous**

- The uncertainty around the timing of completion of the tunnel and demolition of the viaduct may slow progress in the area.
- An initiative to create an elevated park, instead of the already planned street-level promenade, will be put to voters on the August 2016 primary ballot. Taking people off the streets where shops and restaurants are located tends to be extremely detrimental to shop and restaurant operators.
- Residential must be carefully located to be compatible with any nightlife related offerings.
- Restrooms in the park—for use by visitors and park staff, and by those working in kiosks or food trucks—will need to be created and maintained.
- Seasonality will be an issue for waterfront park users and vendors—it will be important to carefully consider programmed activities and retail operations that could help attract people in inclement weather.

*“At what stage will new operators come in? I don't think it will be until the dust settles on the viaduct and the waterfront park construction is happening.”*

*-stakeholder interviewee*

### Conclusion of Area Assessment

As is the case in downtown districts both here and in other cities, Seattle's waterfront area has evolved over time—it's been a strictly working waterfront, and in more recent decades has been host to a variety of attractions along the piers next to a sometimes-rising-other-times-declining furniture district. Today the overall area is largely a tourist draw, with some stores, a limited amount of dining options, office uses, a small (though growing) amount of residential space, vacant ground floor space, and attractions (aquarium, wheel, restaurants, shops) along the water's edge.

The demolition of the viaduct and planned improvements to the overall waterfront area present a great opportunity to enhance the district's streetfront retail options, as well as to develop appropriate shopping/dining options to serve users of the Overlook Walk and Waterfront Park. For this to occur, conditions—of connections, buildings, and failing pier infrastructure that limits programming—are a concern that must be addressed. And ensuring the right amount of parking in appropriate proximity to stores, restaurants, and attractions will be paramount.

## OTHER WATERFRONT DISTRICTS

Around the globe, individual waterfronts have their own unique attributes and layout (Seattle's included). But the most vibrant waterfronts share some traits—they are filled with a diversity of activity in multiple spots and are well connected to the rest of the city.

Beyond marketplaces, retail right along waterfronts tends to be ancillary, marked largely by eateries and souvenir-type shops. To somewhat varying degrees, this is true of waterfront areas in San Francisco, Portland, and Vancouver, B.C.—these are described below.

While not precisely the same, San Francisco's waterfront is arguably the most similar to Seattle's when considering its size, uses right along the water, and the proximity and amount of commercial and retail in the area. Compared to many other places, Seattle is in a unique position in that its waterfront sits immediately adjacent to its commercial business core. Strengthening the connections between the two, in ways that mitigate the significant grade changes from First Avenue down to the waterfront, will be extremely important—current plans take this into account.

### San Francisco—Northeast Embarcadero

San Francisco's Embarcadero is a boulevard that was created by the removal of an elevated highway. It is wide (4-6 lanes, median, streetcar, bike lanes and street parking) and skirts the city along its waterfront. A multitude of uses and attractions line the Embarcadero:

- *Water side*—the kitschy, tourist-centric Fisherman's Wharf district with a shopping pier; working ferry terminals; a cruise ship terminal; museums; pedestrian piers; a mix of restaurants; some business offices; the Ferry Building Marketplace filled with food-focused vendors.
- *Land side*—suburban-style office parks; residential buildings; public/private park spaces; a number of large parking lots.

The City of San Francisco Planning Department is working to help reintegrate the waterfront with the fabric of the city, guided by a study it conducted in 2010.



Embarcadero and Ferry Terminal Building

### Portland OR—Waterfront Park

The Willamette River borders the eastern edge of downtown Portland, OR. In the 1970s the state removed the Harbor Drive Expressway, which ran just along the river, and created Tom McCall Waterfront Park in its stead—it was the first time a freeway had ever been removed and not replaced. Today, about 1.6 million people annually use the park, and it is home to a number of festivals and concerts throughout the year.

Naito Parkway runs along the park's western border—it was widened from a street to a boulevard, and is landscaped with trees along both sides and along its median. Downtown Portland's retail core begins about four blocks to the west of the river; very little retail exists on Naito Parkway, where buildings largely house office and hotel uses with some services and restaurants in the hotels.

At the southern end of the Waterfront Park is Riverplace Marina. This area includes a hotel and a walkway along the river with a small stretch of retail spaces facing the water—the operators are quick-casual eateries, a few full-service restaurants, and gift/souvenir shops.



Tom McCall Waterfront Park  
Credit: Steve Morgan



Vancouver, B.C.— downtown harbour front, Yaletown, Granville Island

Vancouver’s downtown harbour front hosts a wide variety of uses—a trade and convention center, cruise ship terminal, ferry terminal, offices, hotels, restaurants and open space/parks. A fair amount of the open space is passive, lacking public activities.

Yaletown is an area of Downtown Vancouver bordered to the south by False Creek; it was once an industrial area dominated by warehouses and rail-yards. The Stanley Park Seawall has been continued along the Creek and created a linear waterfront park surrounded by residential towers built atop residential podiums. The commercial district, in the central part of Yaletown along Hamilton and Mainland Streets, is marked by shops, restaurants and bars housed in former warehouses and fronting on rail platforms. The diverse mix of retail serves both the neighborhood (residents and workers) while also attracting visitors.

Granville Island offers a waterfront setting with markets, activity/play areas, a boutique hotel, shopping, cultural uses, and a marina, and attracts both locals and tourists. It is located across False Creek from Downtown Vancouver, and is accessible by car, bike, bus ferry, or on foot via a shore walk.



Vancouver, B.C. harbour front



Yaletown



Granville Island

## RETAIL VISION

Seattle's waterfront is filled with a diverse collection of commercial offerings, ones that are synergistic with the activities available in the district and those that serve immediate area residents. These offerings include food and beverage options of all types, stores that tap into outdoor activities and the arts, and services (i.e., daycares, dry cleaners, and convenience stores, properly located off of key retail blocks). Combined with existing attractions, open space and outdoor activities, cultural arts, and live music venues, Seattle's waterfront district will offer an experience for every user.

### Key Considerations for Retail in Seattle's Waterfront District

- Keep it genuinely Seattle. An emphasis on quality locals will make the area authentic and sustainable over the long-haul, and will appeal both to locals and out-of-region tourists. (Some carefully selected nationals can work but too many would make it "anywhere USA" and short-lived in terms of appeal.)
- Food and beverage uses could include the likes of quick/casual eateries, upscale restaurants, impulse/snack food operators, and winery tasting rooms.
- In terms of stores, operators that are outdoor activity/athletic could be a great fit, as could music-oriented (memorabilia, gifts, music), gift shops, and arts/photography retailers.
- Cross (east/west) streets will be critical—as the connections between downtown and the waterfront they should enjoy a healthy amount of pedestrian traffic as they are improved, better maintained, and marked by more effective wayfinding. Additionally, step-backs for floors above the ground level are required along the east/west streets to protect view corridors; this results in human-scaled streets that are supportive of retail.

### Pier/Water Side of Alaskan Way

Overlook Walk—will include a three-story building (known as Building B) with approximately 28,000 square feet of total space. A variety of retail uses that complement, but do not compete with, Pike Place Market could work in this building, along with flexible space that could be used for maker/incubator programs, by cultural/arts entities, and for events.



*Rendering of the planned Overlook Walk and publicly-owned, 3-story building (third story is beneath the park and fronts Elliott Way).*

Waterfront park area—existing operators and vendor kiosks. The park area should be food focused, and could include some impulse/souvenir retail offerings. Waterfront park will be heavily programmed, offering a wide variety of activities at no cost to users. In addition, rentals—i.e., skateboards, bikes, SUPs—should be located here. And a kiosk could rent out art supplies—easels, paints—for kids and adults alike to set up outdoors and create art.

Historic pier walk—existing types of operators (food operators, souvenir shops) are a fit.

Colman dock (ferry terminal)— quick/casual food, happy hour spot, stores offering impulse items like flowers and candy.

### **East of Alaskan Way**

Alaskan Way— the sheer width and dense cover from trees lining the street and median are apt to make the newly developed Alaskan Way challenging for retail, particularly mid-block; however, the corners where Alaskan and cross streets intersect should be good retail opportunities, especially for food and beverage.

Cross streets—as previously noted, streets running perpendicular to Alaskan should provide a strong opportunity for retail operations. The corner locations where these streets intersect with Alaskan Way are particularly important—it will be critical to maintain their visibility from the west (park) side of the street. Cross streets that are essentially hillclimb connections could be an interesting opportunity for eateries.

University Street—presents a terrific opportunity. The new Cyrene apartment building is going up at University and Alaskan—it will have restaurant space on the northeast corner of the intersection. Copperworks Distillery and tasting room/gift shop is already located at the southeast corner. Starting at University and Western, the makeover of Harbor Steps will greatly enhance the appeal of this gateway between downtown and the waterfront.

Western Ave—food and beverage, outdoor-oriented retailers, and gallery/arts/cultural/music alongside existing operators like Dania.

Post Alley—largely food/beverage focused with potential for arts/gallery.

## RECOMMENDED NEXT STEPS

The vision and overarching thinking on retail in the various nodes of the waterfront district is early-stage, and will be explored in greater detail in Phase 2 of the waterfront retail analysis and strategy development. We recommend Phase 2 include the following:

### Parking

**Strongly encourage the City, or another appropriate entity, to conduct a comprehensive parking needs assessment.**

Retail will only be viable if the parking issue is addressed. It seems that various organizations have quantified the number of parking spaces that exist in the waterfront area today, as well as the number that will exist once the viaduct is demolished and the waterfront park improvements occur (a net loss of approximately **XXX** from 2012).

However, it does not appear that a qualitative assessment of the following three items has been done or is being considered: (1) the number of spaces necessary to effectively serve the waterfront; (2) how the spaces should be distributed across the area to enable access to various nodes; and (3) precisely where the spaces can be created. In the absence of this it could prove difficult to encourage store and restaurant operators to open in the area.

### Property Owners

**Encourage Equity Residential to implement their redesign of the Harbor Steps as soon as possible**, rather than waiting for the viaduct to be demolished.

**Work with Mack Urban to ensure the best use of the retail space at their Cyrene apartment building.**

**Begin discussions with Gonzaga** to understand what they plan for their property, and encourage them to include parking as a significant aspect of a new development.

### Enabling Environment

**Hold a design charette.** Engage developers with a high “urban IQ” who have the know-how and who “get” urban form/character. In particular, look to Portland’s Pearl District and Vancouver’s Yaletown for design inspiration; these districts have building stock that is similar to that which is found along Western, Alaskan Way, and Post Alley/Avenue.

**Develop retail design guidelines.**

**Work with the City to ensure landscaping plans won’t hinder retail/restaurants.**

**Work with appropriate entities to ensure wayfinding is intuitive**, so people can easily understand how to navigate between the adjacent downtown nodes and the waterfront, as well as within the waterfront district itself.

### Merchandising

**Develop a comprehensive merchandise mix plan by node** within the waterfront area. This would be part of a complete retail strategy and recruiting protocol, including working with incubator-type organizations.

**Determine spaces that could be appropriate for interim uses**, and conduct outreach to appropriate entities. For example, the vacant building at the base of the hillclimb that is currently owned by WSDOT could be used as a cultural programming spot to activate the area during construction. Once the viaduct is demolished it could be a good location for a quick/casual, ‘eat-in-or-out’ delicatessen.

### Other

**Campaign against the ballot measure to create an elevated park** in place of the already planned promenade.

**Encourage as much residential development in the area as possible.** Some buildings could include residential at the ground level in locations that would not interrupt retail nodes.