Roundtable Discussions Summary Report

Growing Transit Communities Partnership

Prepared by:

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Introduction

The Central Puget Sound region is making once-in-a-lifetime investments to build rapid transit across the region. To capitalize on these investments, the Puget Sound Regional Council (PSRC) and a diverse group of private, nonprofit, and public sector partners developed the Growing Transit Communities partnership. This is a collaborative effort to build and shape communities and transit stations that benefit existing and future residents and businesses, sustain the region’s natural environment, and support the greater prosperity of the Puget Sound region.

Growing Transit Communities partners are working to develop strategic actions that local, regional, and state governments; nonprofit organizations, and the private sector can take to encourage transit-oriented development and get the best return on this significant public investment in rapid transit. As part of this effort, the Growing Transit Communities partnership is engaging small and large business leaders, private developers, and nonprofit affordable housing advocates and providers. As key audiences that will be instrumental in developing affordable, healthy, and safe communities with access to transit, their input will shape the strategic actions that come out of the Growing Transit Communities partnership.

To determine how best to engage these groups, PSRC conducted a discovery process that included:

1. An audit of all existing Growing Transit Communities partnership materials and media, as well as best practices in other regions around the country
2. Stakeholder interviews with representatives of constituencies that should be engaged in the Growing Transit Communities partnership
3. A series of roundtable discussions and one-on-one interviews with representatives from key audiences that will be instrumental in making the Growing Transit Communities partnership a success: private developers, major regional employers, small business organizations, and small business owners, including small business owners who are also ethnic minorities

Purpose of the Roundtable Discussions

On behalf of PSRC, PRR planned and facilitated three roundtable discussions and conducted six individual interviews\(^1\) with private developers, major regional employers, small business organizations, and small business owners, including small business owners who are also ethnic minorities.

The purpose of these roundtable discussions and interviews was to gather input about these key audiences’ attitudes and awareness regarding rapid transit, development around rapid transit, affordable housing, and planning for growth and economic development.

\(^1\) Due to scheduling difficulties, PRR was unable to conduct a roundtable discussion with small business owners. Instead, PRR conducted one-on-one interviews with small business owners and representatives of organizations that work closely with small businesses. The results of these interviews are incorporated into this summary.
The roundtable discussions had three objectives:

- Understand attitudes and awareness regarding regional investments in light rail, commuter rail, express bus service, and bus rapid transit (herein referred to as “rapid transit”), development around rapid transit, and affordable housing;
- Identify issues and concerns regarding rapid transit and transit-oriented development for developers, major regional employers, and small business owners, specifically minority and immigrant business owners; and
- Identify ways to better tell the story about the Growing Transit Communities partnership and its objectives regarding rapid transit, transit-oriented development, and affordable housing to key audiences.

The Growing Transit Communities partnership had an additional objective for the private developer roundtable discussion: to gather input on what would encourage private developers to develop compact, walkable communities around transit.
Roundtable Discussion and Interview Participants

PSRC, Urban Land Institute, and the Growing Transit Communities Regional Equity Network worked together to select roundtable discussion and interview participants. The following individuals participated in roundtable discussions and interviews:

Developer Roundtable
- Jim Mueller, JC Mueller LLC
- John Marasco, Security Properties
- Tom Parsons, Holland Partner Group
- John Hempelmann, Urban Land Institute
- Kristen Ryan, Jonathon Rose Companies
- AP Hurd, Touchstone
- Pat Callahan, Urban Renaissance Group

Major Regional Employer Roundtable
- Alicia Teel, Seattle Metropolitan Chamber of Commerce
- Irene Plenefisch, Microsoft
- Jeanette Henderson, University of Washington (Real Estate)
- Jon Sholes, Downtown Seattle Association
- Josh Kavanaugh, University of Washington (Transportation Services)
- Mike Meany, Virginia Mason
- Rich White, Boeing

Ethnic Minority Business Owners Roundtable
- John Argerious, East African Community Services
- Rose Curran, King County Department of Community and Health Services, Regional Equity Network Steering Committee
- Quang Nguyen, MLK Business Association, the Seattle Chinatown International District Preservation and Development Authority (SCIDpda), and the Vietnamese American Economic Development Association

Small Business Owners/Organization Interviews
- Erin Hovarth, Manager, Fuel Coffee Montlake
- Judi Hyman, President, Tacoma Downtown Merchants and Owner, TWOKOI Japanese Cuisine
- Mike Sotelo, President, King County Hispanic Chamber of Commerce
- Patricia Mullen, CEO, Federal Way Chamber of Commerce
- Susan Davis, Executive Director, Rainier Chamber of Commerce
- Troy McClelland, President, Economic Alliance of Snohomish County
Methodology for Roundtable Discussions

PSRC and PRR worked with Urban Land Institute (ULI) to identify people to participate in the private developer roundtable discussions. Criteria for selection included an interest in or track record of developing properties with access to transit.

ULI also supported PSRC and PRR in selecting participants for the Major Employer Roundtable Discussion. ULI, PSRC, and PRR selected a range of business from the north, south, and east corridors of the region served by Sound Transit.

For the ethnic minority business owners roundtable discussion and small business owner interviews, PSRC and PRR worked together to develop an invitation list. PSRC and PRR were particularly interested in business owners of or organizations representing service or retail businesses, as these businesses would have potential opportunities or challenges as a result of transit-oriented development. PSRC and PRR made an effort to balance businesses and organizations representing businesses from the north, south, and east corridors of the region served by Sound Transit.

PSRC and PRR worked together to develop the roundtable discussion moderator guides and interview guides. ULI reviewed and edited the private developer and major employer roundtable discussion guides and the Growing Transit Communities Partnership Regional Equity Network staff reviewed and edited the ethnic minority business owners roundtable discussion guide.

Summary of Key Themes from Discussions

Following is a high-level summary of the key themes that emerged from the discussions and interviews:

- While the general perception is that there are many potential benefits of transit investments and transit-oriented development, there are also a number of caveats and cautions, depending on the stakeholder. Much of the roundtable discussions and interviews centered on these caveats and cautions.
- Private developers indicated that benefits to them hinged on the ability of local governments to create predictable and flexible zoning, amenities around transit, and financial incentives that support development.
- While some small and ethnic minority business owners who participated see rapid transit and transit-oriented development as an opportunity to increase business by expanding their visibility and customer base, others fear that by making their community more desirable and expensive, it may cause a loss in business or even drive them or their customers out of the neighborhood.
- There was general consensus amongst participants in all of the roundtable discussions and interviews that “affordable housing” is perceived to be the same thing as “subsidized housing”.
- Participants in the minority- and immigrant-owned businesses roundtable discussion and one small business interview participant indicated that many people feel that past engagement efforts have not been inclusive.
The following section describes in more detail key themes that emerged across the three roundtable discussions and interviews. While the roundtable discussion guide and interview guide asked all three groups and the interview participants some similar questions, it should be noted that the discussion guides for each group varied substantially. This summary addresses some of the common themes from the discussion groups and interviews. For more detail about the specific questions and responses for each discussion group, please refer to the discussion summaries in the Appendices. In addition, digital recordings of the roundtable discussion groups are available for viewing.

**Perceptions of rapid transit investments and development around transit**

**Benefits of rapid transit investments and development around rapid transit**

Many of the small business owners see potential for rapid transit to expand their customer base as a benefit of rapid transit and development around rapid transit. This is especially true for merchants and restaurants. However, participants who represented minority and immigrant small business owners indicated that the ability to benefit from the rapid transit and transit-oriented developments depend on the business owner’s ability to capitalize on the opportunity. More established, savvy business owners will be able to market to the new residents and visitors that rapid transit and transit-oriented development might bring and expand their customer base. On the other hand, according to participants, many of the small business owners they represent do not necessarily understand how to market to customers outside their regular customer base, which are often the business owner’s friends, family, or members of the same immigrant community. Therefore, while they may understand that there is an opportunity, they may not know how to leverage it.

Because many of the small businesses owned by minorities and immigrants cater to limited-English proficient, newcomer, and low-income populations, if new developments provide housing that is affordable to their customers (like New Holly and Rainier Vista) and affordable commercial space where they can locate their business, there may be opportunities.

Some small business owners believe that rapid transit and related development has the potential to improve safety and security, as it can bring more people, better lighting, and more activity to an area. For areas that are currently more car-oriented, transit-oriented development has the potential to provide an improved, safer pedestrian environment. Bringing more pedestrian activity to an area can also create a stronger feeling of community than is possible in an auto-dominated environment.

Major regional employers and small business owners who participated in the roundtable discussion and interviews see a lot of benefits to rapid transit and transit-oriented development, including:

- More options for housing and transportation, especially for middle-class workers and shift workers who commute during off-peak hours;
- Increased productivity for workers, because it is easier to get to work and travel between worksites;
- Better opportunities for recruitment and retention of workers, because an efficient, affordable, and convenient transportation system and more housing affordability benefits workers;
• Improved freight mobility, because the rapid transit investments should relieve pressure on the roadway system;
• New solutions for addressing anticipated population growth; and
• A more affordable travel option, given the rising cost of gas.

A strong rapid transit system and transit investment program signals a supportive business climate, according to one of the small business interview participants. This individual went on to say that rapid transit investment could enhance the region’s national and international reputation as a cutting edge place to do business. The importance of rapid transit to the region’s economic development efforts was underscored by the comment, “keep in mind that what might be today’s business recruitment issue could become a business retention issue in the future.”

While many of the developers around the table had positive perceptions of the rapid transit investments and a few felt that sites with access to rapid transit are the most compelling long-term investments, all participants agreed that access to transit is not the most important reason to develop a site. Instead, their key criterion is the strength of the sub-market where the property is located. Access to rapid transit can certainly strengthen the sub-market, but it is not the only factor.

Concerns about rapid transit investments and development around rapid transit
Participants representing minority and immigrant small business owners indicated that the people they represent have a generally negative perception of rapid transit investments, specifically light rail. In general, the perception is that small businesses along the Central Link corridor have lost customers and suffered greatly as a result of construction and operation of the light rail line. Participants are hearing from their clients that many of their customers have been priced out of Columbia City since light rail opened and are moving to Kent, Renton, and Tukwila, outside of the Central Link corridor. In addition, they are hearing that many minority and immigrant-owned small businesses are not able to absorb rent increases that came with light rail. Small business interview participants expressed similar concerns about the potential for displacement.

How well rapid transit and transit-oriented development will be received by small businesses depends on the economic benefit or disadvantage a small business might realize. While rapid transit and development around rapid transit has the potential to bring in more customers, the construction impacts can be severe for some small businesses. The more directly the construction-period impacts the business, the less that business owners will be willing to see the long-term benefits of rapid transit. Participants encouraged decision-makers to include small businesses in the decision-making process to ensure that the potential benefits and disadvantages are understood and addressed during planning. Another recommendation is to provide funding for a highly creative “businesses are open during construction” marketing campaign to help businesses survive the impacts of construction.

While some small businesses see rapid transit as a way to increase business, others fear it may cause a loss in business. For communities like Federal Way that have a large retail, big box, and franchise presence, some businesses might be concerned shoppers would buy less per trip if they were traveling by rapid transit – this was a concern of business owners during development of the Northgate Transit
Center. Another interview participant noted that some businesses may be concerned that rapid transit could actually make it easier for residents to travel to another neighborhood to shop or dine.

**Major regional employers** and **developers** who participated in the roundtable discussion shared concerns regarding the region’s ability to make good decisions about connecting transit and land use. Both groups said that it was essential to provide amenities—such as schools, parks, retail, and services—near rapid transit, and raised doubts about whether or not that would happen. Both groups also voiced concerns about how Sound Transit would make decisions about alignment and where to place stations. In the past, participants said, these decisions did not adequately prioritize the need to serve the widest number of potential riders. Roundtable discussion participants expressed that there is a perception that Sound Transit’s approach is to build light rail as cheaply and quickly as possible. Participants in both groups felt that there were missed opportunities on Central Link. For example, participants cited the connection between light rail and bus transit at Rainier Avenue and Martin Luther King Jr. Currently, riders have to cross a busy arterial to connect from light rail to local transit. Participants indicated that this issue could have been addressed with better station area planning. In another example, participants indicated that instead of Martin Luther King Jr. Way becoming a walkable boulevard, it is a high-speed arterial. Consequently, it is difficult and unpleasant for people to cross the street from the light rail stop to reach retail and services.

**Major employers** also worried that the rapid transit investments will have a limited ability to effectively serve suburban neighborhoods, where many of their employees live. Another **small business** interview participant noted that transit is less important the further away that business is from the urban core.

Several participants in the **developer** roundtable felt that there was a general lack of common vision in the region and amongst organizations responsible for making or supporting land use and transit decisions. They felt that different agencies—such as transit agencies, local jurisdiction planning and community development departments, and public utilities—operate in silos, do not communicate well with each other, and do not have aligned goals.

One **small business** interview participant commented on the importance of managing expectations during the design process. This is because stakeholders want to see the best come to their community—a well-designed, great looking project with state of the art features. It can be a difficult reality for stakeholders to accept when it comes time to make tradeoffs because of budget or other constraints.

**Housing affordability**

**Definition of affordable housing**
The facilitator asked all three groups and the interview participants to define the term “affordable housing.” There was general consensus in all three groups and among interview participants that “affordable housing” is the same thing as “subsidized housing”.

Participants in the **developer** roundtable felt that the definition of affordable housing should be broadened to include what they called, “workforce housing”, or housing for people who have a household income that is too high to qualify for subsidized housing but not high enough to afford
market-rate housing. Several participants perceived that workforce housing represents a largely unmet need that should be addressed.

**Importance of housing affordability**

Participants representing minority and immigrant small business owners indicated there is a general sense that the supply of housing that is affordable to people in their community is not keeping up with demand. In general, the market for many small businesses owned by minorities and immigrants is low-income customers, so availability of low-income housing in proximity to their businesses is seen as beneficial.

While acknowledging the importance of housing affordability, some small business owners see would prefer to see more market-rate housing, as their businesses serve customers with greater amounts of disposable income.

**Major regional employers** and some small business owners who participated in the roundtable discussion and interviews indicated that housing affordability is just one of the many factors that contribute to a competitive recruiting environment. Other factors include good schools, clean air, and clean water. Major regional employers and some small business owners indicated that limited housing affordability costs them money, as they have to compensate for high housing costs in the benefits package.

Developers who participated in the roundtable discussion did not necessarily comment on the importance of housing affordability to their business. They did indicate, however, that there are fewer opportunities to develop subsidized and workforce housing and make it pencil out for private developers. They even indicated that it is there perception that nonprofit developers are competing with each other for very limited opportunities to develop subsidized housing.

**Communicating with and engaging key audiences**

**Describing the Growing Transit Communities partnership**

The facilitator asked roundtable participants to provide us with their thoughts on the best way to describe the objectives of Growing Transit Communities partnership to their peers.

Participants in the roundtable discussion about minority- and immigrant-owned small businesses indicated that the most effective messages are those that communicate how the Growing Transit Communities partnership will benefit the things they care about most. They suggested emphasizing better access to work when staff, partners, and supporters talk about the objectives of the Growing Transit Communities partnership, the regional investments in rapid transit, and development around transit.

Participants in the roundtable discussion for developers suggested that staff, partners, and supporters describe the Growing Transit Communities partnership as an effort to establish ground rules and create implementation plans that will make transit-oriented development possible.
Participants in the roundtable discussion for major regional employers offered the following suggestions for how to describe the objectives of the Growing Transit Communities partnership:

- The Growing Transit Communities partnership is focused on designing the kind of development that accommodates future growth while reducing congestion by creating opportunities to live and work in the same place.
- The Growing Transit Communities partnership will help align decision-making about investments in infrastructure and transportation to facilitate the high quality development that is critical to helping this region grow in a way that makes sense and connects job centers with where people live.

Small business interview participants suggested that the most effective messages are those that link transit to increased economic opportunity and growth – more customers, more sales, more profit. It is important to use visual examples of success stories – show how transit-oriented development can help turn old, inactive neighborhoods into vital, vibrant communities.

One small business interview participant recommended highlighting how transit-oriented development can make life easier and allow a person can do all their daily activities in one place. This is particularly important for busy working families, especially single-parent households.

**Sensitive or frequently misinterpreted terms**

Major regional employers cautioned us to avoid vilifying the car in our messaging. For some people, cars will continue to be the transportation mode of choice; for others, cars make it possible for them to access transit. This is particularly true on the eastside, where bus ridership thrives because of the availability of park and rides. Participants agreed that while it is important to plan for the ideal future, we cannot ignore the reality of how people live now. This may mean providing parking at transit stations.

Major regional employers and small business interview participants also indicated that because many people believe that “affordable housing” is the same thing as “subsidized housing”, the Growing Transit Communities partnership should avoid using the term, “affordable housing” when they mean “housing affordability”. Developers and major regional employers suggested that the Growing Transit Communities partnership avoid use of the word “planning”, as it evokes concerns that the outcomes of the Growing Transit Communities partnership will be plans that sit on a shelf, rather than tangible and meaningful actions. Major area employers recommended that the Growing Transit Communities partnership not use the term “livability”; they felt that it has been overused.

Small business interview participants cautioned against using language that suggests these investments will come as the result of tax increases. Also, since this is a regional partnership, care should be taken to avoid language that is too King County and Seattle-centric, since the region is diverse. When working in Tacoma, one participant suggested saying “downtown” instead of “city center,” as city center does not resonate due to the geography of downtown Tacoma.
Engaging key audiences

Participants in the discussion group about minority- and immigrant-owned businesses and one of the small business interview participants indicated that people in the communities they represent generally feel that past engagement efforts have not been inclusive. It was also noted that coordination between different construction projects in the same area is often lacking.

Minority- and immigrant-owned business roundtable participants also cautioned against relying on a representative to speak for the entire community. The minority and immigrant communities in the region are diverse and there is no one leader that can adequately represent a single community. They stressed the importance of relationships in engaging people in a community. For example, the Growing Transit Communities partnership may need to offer resources or side benefits when it asks for people to engage. One way to do this would be to tie an outreach event with a resource fair or information seminar on topics that benefit small businesses. The Tacoma Downtown Merchants Group, Rainier Chamber of Commerce, and Federal Way Chamber of Commerce were all willing to host presentations by the Growing Transit Communities partnership. People might more willing and able to participate if they feel they can benefit in exchange for participating. Coordination between projects taking place in the same area at the same time is also extremely important to small businesses. Other recommend strategies include,

- One-on-one meetings with small business owners;
- Video/podcasts that provide information (especially helpful for mom and pop stores without staff and for families with children);
- Phone hotlines with interpreters;
- Online information sharing (participants indicated that most of their constituents have access to the Internet and prefer to use it for information gathering);
- Newspapers, as they are an effective way to reach the Vietnamese community;
- Runta Somali News Magazine, which is a popular news outlet for the Somali community;
- SeaMar radio stations (El Rey 1360 AM and KDNA 91.9 FM), which are popular news outlets for the Latino community;
- Outreach through Sea Mar’s community health clinics as a way to reach underrepresented communities, particularly the Latino community; and
- Regular, sustained outreach through business and community organizations.

Participants in the discussion group about minority- and immigrant-owned businesses cautioned against piggybacking information sessions with religious functions. This could work within the Ethiopian community and the Latino community (through Catholic Churches and the Archdiocese), but for segments of Vietnamese and Islamic communities that are quite fragmented, doing outreach with one group could burn bridges with another.

Major regional employers suggested that when reaching out to their peers about the Growing Transit Communities partnership, staff, partners, and supporters should be very clear about its objectives and
specific outcomes. The Growing Transit Communities partnership should also clearly identify the opportunities and timing for major regional employers to engage in the partnership.

**Developers** indicated that roundtable discussions like this one are a good strategy for engaging their peers. They would like to see future discussions focused on station areas. They also cautioned that it is important to demonstrate to them that Growing Transit Communities partners are listening and that the developers’ participation is leading to tangible and meaningful outcomes. **Developers** are willing to participate in the Growing Transit Communities partnership as long as it is productive.

**Next Steps**

PSRC and PRR used the outcomes of the roundtable discussions and interviews, as well as the stakeholder interviews and media and materials audit to develop a series of ten message platforms, or cheat sheets that clearly, persuasively, and succinctly describe the Growing Transit Communities partnership. These message platforms are tools that Growing Transit Communities staff, partners, grantees, and supporters can use to explain the purpose of and need for the Growing Transit Communities partnership and why people should participate in it. Each message platform is targeted to a specific audience, such as private developers or major area employers. They specifically address the issues, concerns, and benefits that participants raised in the roundtable discussions and interviews.

In addition, PSRC is drawing on the outcomes of the discovery process to develop a public engagement plan that provides a road map for how the Growing Transit Communities partnership should reach out to stakeholders and communities.