

Arts & Eats & Mixed Use & Small Business & Housing

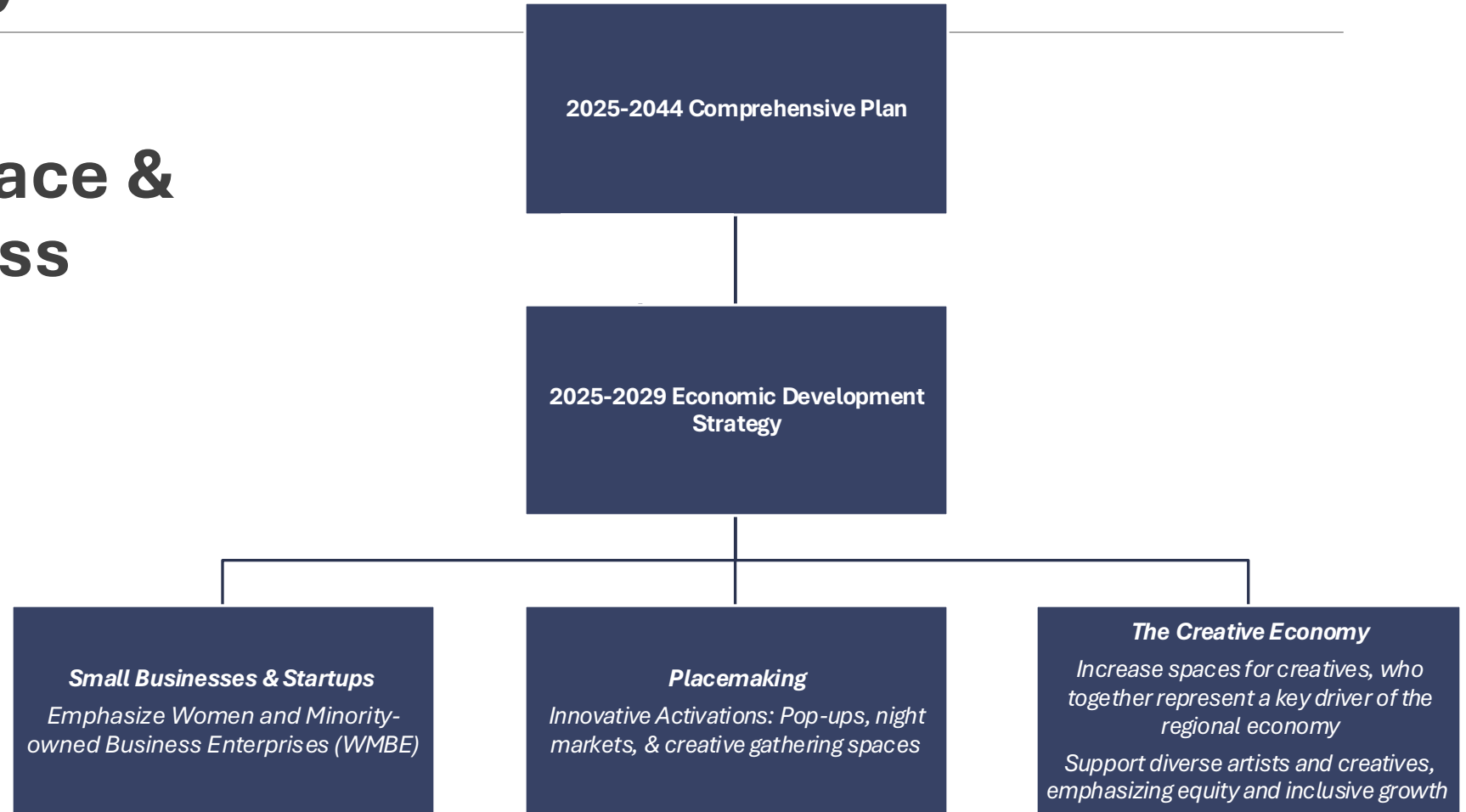


September 25, 2026

**Presented by: Nathan Daum, Economic Development
Program Manager**

North City Commons

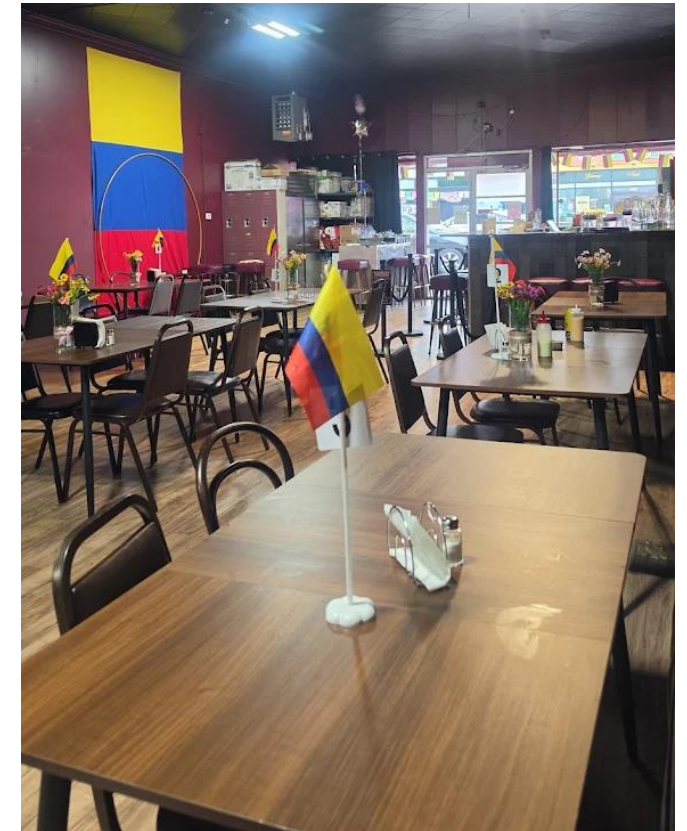
Community Gathering Space & Small Business Incubator



Building Community Through Small Business



A Success Story



North City Commons



Working with Cities

- **Shared Vision**
Align around the City's economic & community goals
- **Flexible Framework**
Make it easier for small businesses to participate
- **Private-Sector Execution**
Investment • Development • Operations • Programming
- **Long-Term Impact**
Entrepreneurship • Placemaking • Community
- **From city vision → to a place people actually use**





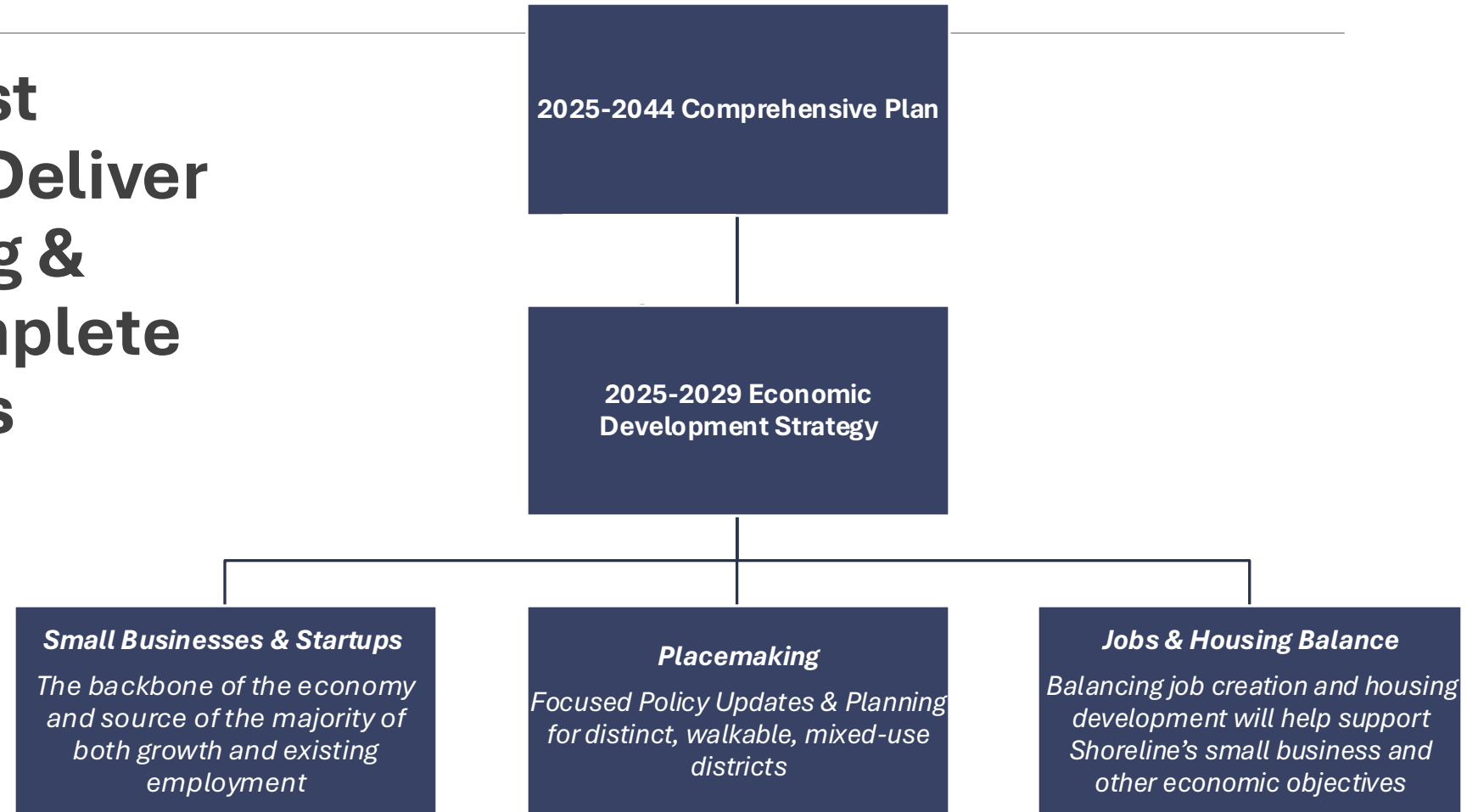
S. 18TH ST.





Mixed Use, Small Business, & Housing Advocacy Initiative

Exploring Best Practices to Deliver More Housing & Develop Complete Communities



Mixed Use, Small Business, & Housing

- **Mixed-use challenges: financing, misaligned incentives, & other market inefficiencies**
- **Statewide PDA concept & other WA Commerce recommendations**
- **Working Group & next steps**



Why Ground-Floor Uses Matter

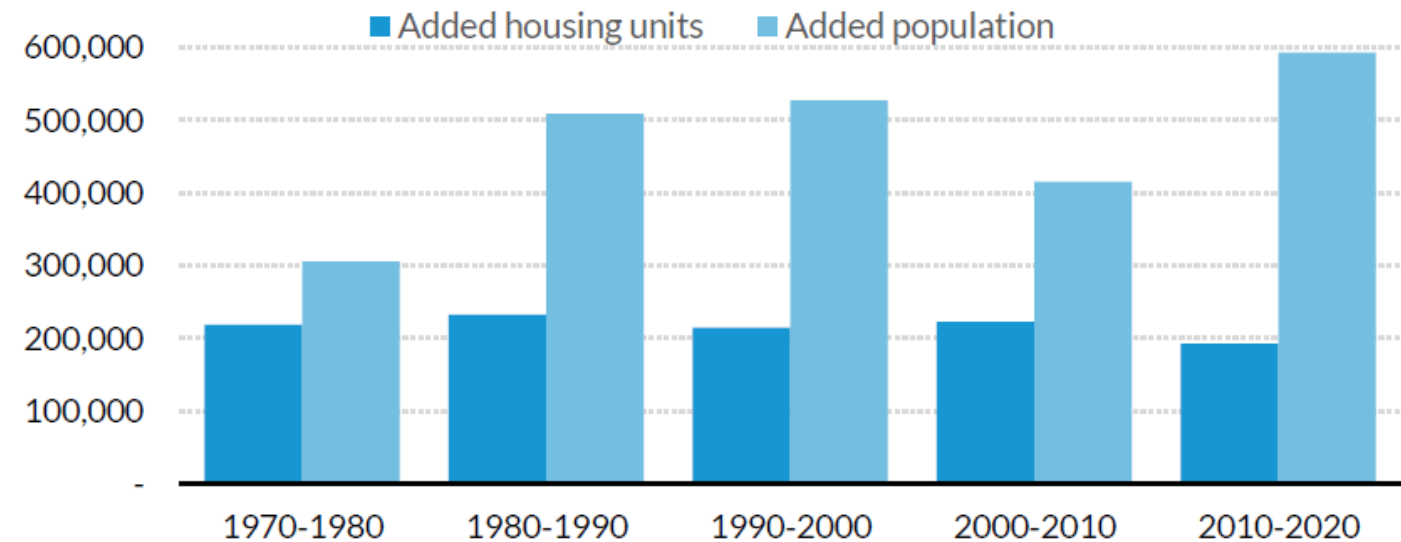
- **Commercial strengthens the pro forma**
 - Not a zero-sum issue

Washington's Housing Reality

- **Thousands of permitted units unfunded**
 - Yield gap: 5.5% vs 6.25%+

Puget Sound Counties Are Slowing Housing Production

Growth in housing units and population, by decade



URBAN INSTITUTE

“Developer” v. Equity v. Lenders

- **Developers follow the money**
- Investors, lenders discount retail space revenue
 - Inflate concessions
 - Prefer national chains

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What We Do ▾ Latest ▾ Local Groups Tools for Action ▾ Events ▾ About ▾

May 21, 2025

Why Do Commercial Spaces Sit Vacant?

Instead of letting their commercial buildings sit empty, surely it would be better for landlords to lower the rent and get some use out of the building, right? Wrong. Here's why.

 Andrew Burleson



Accounting

Share:

This article was originally published, in slightly different form, by Strong Towns Chairman Andrew Burleson on his Substack [The Post-Suburban Future](#). It is shared here with permission. Image provided by the writer.

The result

- **Housing subsidizes entire building**

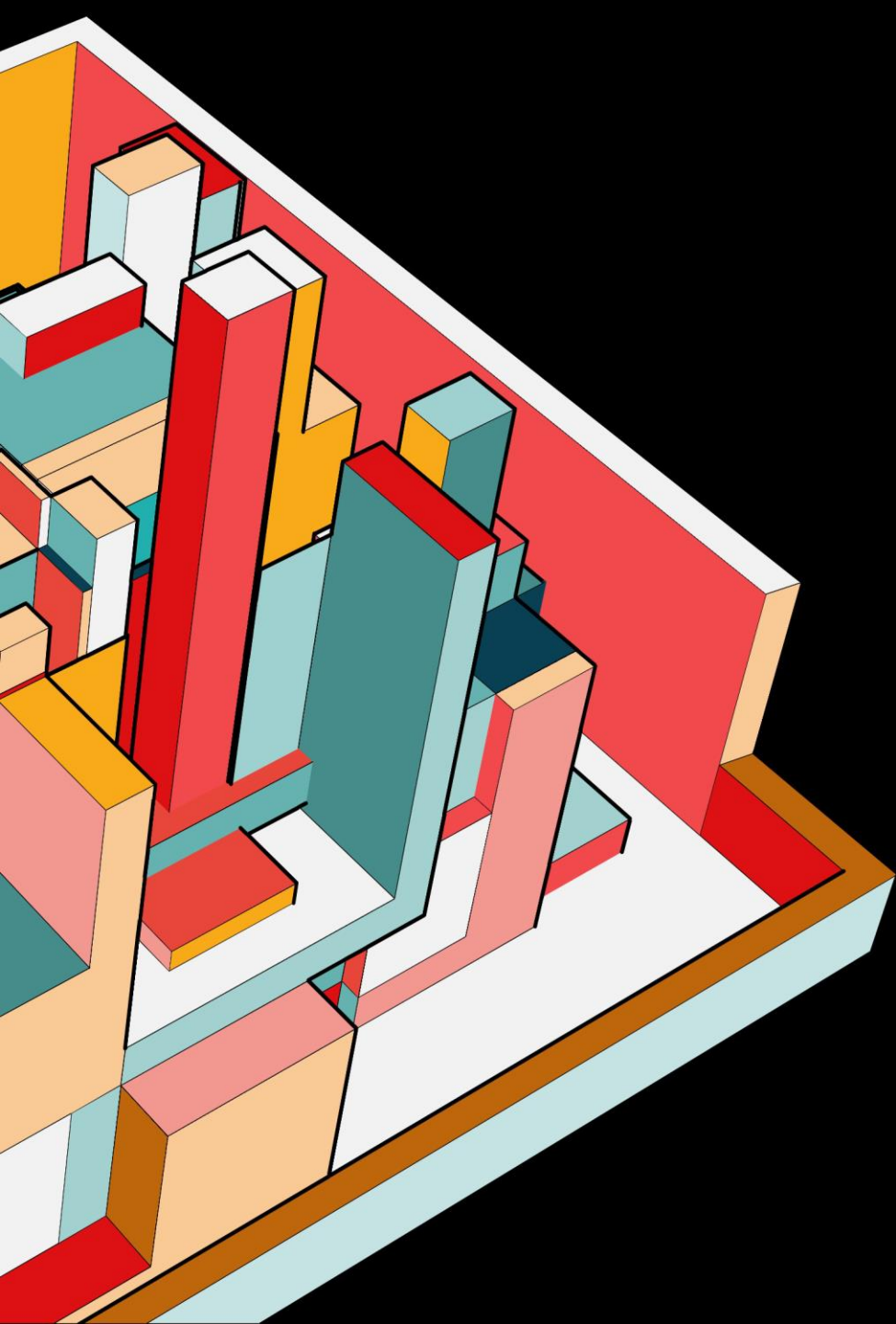


When Commercial Works

Tenant commitments strengthen pro formas

- Commercial rents often exceed residential





Commerce's Soul of a Building Report

11 ways the State can play a role in supporting more housing production by facilitating ground floor commercial occupancy, including:

- Statewide PDA master-leases commercial
 - Subleases to creatives & small businesses

Next Steps

Mixed Use, Small Business, & Housing Working Group

- Housing + Commercial = More Housing
- Hosted by WEDA
- Open statewide
- White paper underway
- Legislative strategy: 2027 session and beyond



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