

# DOWNTOWN WALLA WALLA RESIDENTIAL GUIDELINES

## A Reference for Developing Upper Level Dwellings

## Produced by The Downtown Walla Walla Foundation Design Committee

January 2014 Revised May 2015

#### **Participating Organizations:**

Downtown Walla Walla Foundation Design Committee Walla Walla Joint Community Development Agency Whitman College Student Intern Program Mabley & Associates

#### Funding Provided By:

Downtown Walla Walla Foundation
City of Walla Walla Historic Preservation Commission
Port of Walla Walla
Sherwood Trust
Valley Transit

Disclaimer—The objective of this document is to stimulate interest in residential development in the Downtown Area and provide an overview of the process and considerations associated with undertaking a residential project. Property owner and developer investment objectives can vary significantly. This Guideline should not be considered a substitute for due diligence by a property owner or developer in performing and relying on their own independent research when determining whether or not to proceed with a residential project in the Downtown Walla Walla area.

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#### **CHAPTER I: INTRODUCTION**

Like many communities in Eastern Washington, *Downtown Walla Walla* has a wealth of older multi-story structures and has become the economic hub for retail businesses, professional offices, specialty and personal service shops, restaurants, wine tasting rooms, and other businesses. Although some buildings in Downtown have been lost over time due to deterioration, fires and demolition, *Downtown Walla Walla* is fortunate to have a core group of structures, which have become the catalyst for a successful and vibrant Downtown. *Downtown Walla Walla* has experienced an increase in property values as a direct result of private investment in many of the Downtown buildings.

**Downtown Walla Walla** is very pedestrian friendly, offering access to many of the businesses required for daily living including the grocery store, pharmacy, department store, financial institutions, personal service businesses, the Downtown Farmers Market, Valley Transit Center, a wealth of restaurants and coffee shops, and a robust nightlife. Nationally, one of the evolving real estate trends is the increasing residential demand by young professionals, couples without children and empty nesters to live close to centers of activity. This trend is partially reflected in Walla Walla by the continuing demand and stability in housing prices for residential properties in the neighborhoods close to Downtown.

Most of the first floor space in *Downtown Walla Walla* is occupied by a variety of retail businesses, restaurants, specialty and personal service shops, wine tasting rooms, etc. Unfortunately, much of the upper story space remains unoccupied except for a few buildings such as the Baker-Boyer and the Denny building. Although professional offices currently occupy some of the upper stories, there are fewer than 100 residential units in the core Downtown area. The vacant upper story space is a vastly underutilized asset and requires that property owners generate a majority of their property income from businesses occupying the first floor, which is less than the existing available space. While development of vacant upper story space requires an initial short term investment by the property owner, it creates additional leasable space which can:

- Generate a long term source for a sustainable income stream;
- Spread the cost of building maintenance over more leasable floor area;
   and
- ◆ Contribute to the overall health and maintenance of the structure. In addition, there are some financial incentives available through the City of Walla Walla for the preservation of historic structures and provision of affordable residential units.



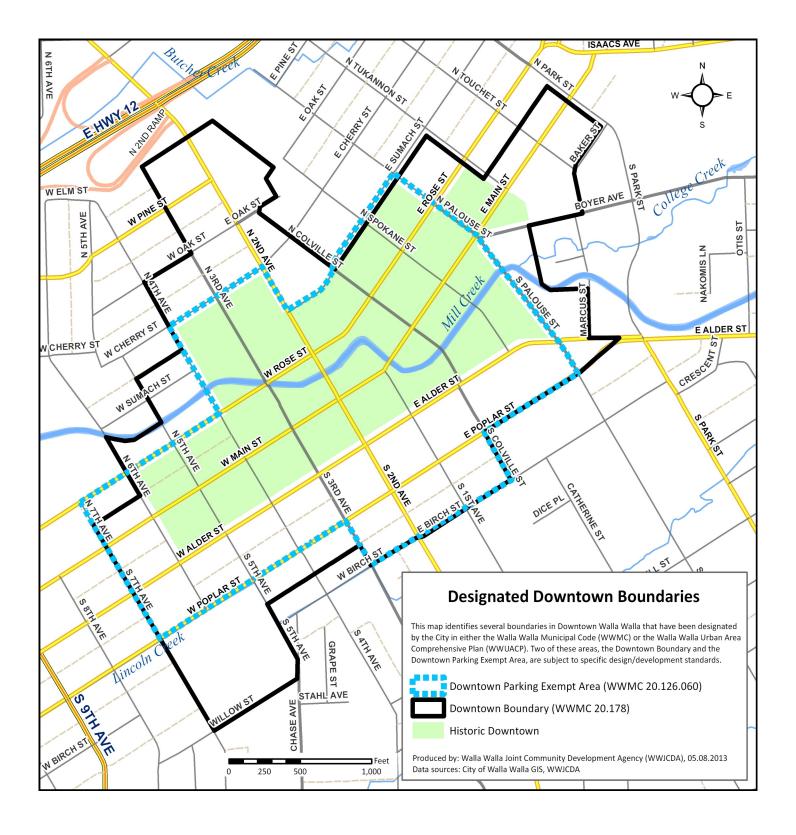
Potential upper story space



Pedestrian friendly streetscape

Development of vacant upper story space creates additional leasable area.

#### FIGURE 1—DESIGNATED DOWNTOWN BOUNDARIES



Although not a primary investment objective of the property owner, development and occupancy of the upper stories contributes to the overall health, safety and vitality of the Downtown and its businesses by:

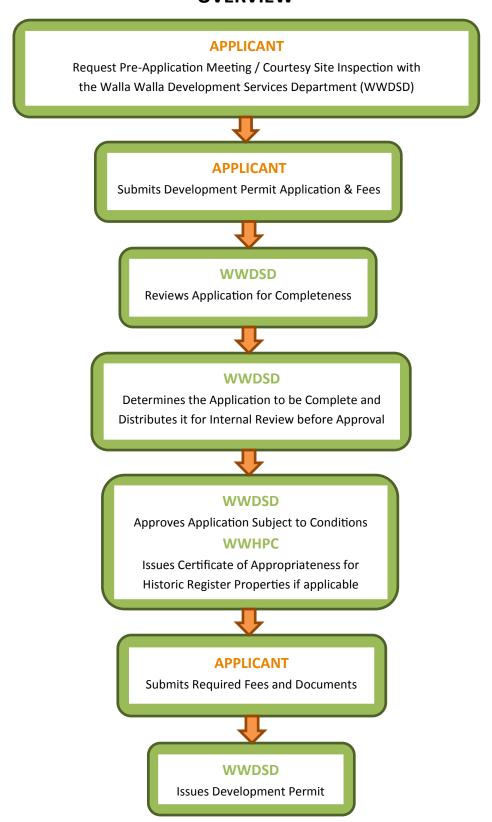
- Maintaining the property, increasing property values;
- Creating an expanded residential market for businesses in the Downtown area; and
- Improving business and public safety by increasing the number of "eyes on the street" during and after business hours.

Better and appropriate utilization of older buildings also helps preserve the historic character of Downtown.

The Downtown Walla Walla Foundation's Design Committee decided to address the challenge of encouraging upper story development with residential occupancies in an effort to utilize vacant upper story space, enhance business activity, increase "eyes on the street," and expand after-hours activity in Downtown. As the Committee researched the subject, it became apparent that one of the primary deterrents was the lack of information or misinformation about building codes, the development process, parking alternatives, financial incentives, etc. The Committee decided to produce a Handbook for property owners and developers to provide information, address misinformation, and to assist them in consideration and evaluation of opportunities for development of upper story space with residential units.

Residential units offer an alternative for use of vacant upper story space.

## FIGURE 2 – DEVELOPMENT PERMIT PROCESS OVERVIEW



#### **Chapter II: Development Process**

#### - Preliminary Steps and Meetings

Rehabilitation projects may be daunting for a property owner due to the number of meetings and specific steps that must be completed. This chapter is intended to demystify some of these processes and provide a clear overview of the steps which must be taken to obtain a development permit with the Walla Walla Development Service Department (WWDSD). Two other processes are very important for property owners to consider and are discussed in other chapters of these guidelines. These are the real estate requirements for establishing condominiums or rentals (Chapter IV) and the financial incentives applications (Chapter V).

The primary purpose of this chapter is to provide a framework for the "Development Permit Process" Flow Chart (Figure 2) and supplement its information with detailed descriptions of particularly significant meetings. The WWDSD also encourages direct communication with its team at any point during the project to clarify uncertainties or supply assistance and direction to property owners.

STEP 1 - Pre-Application Meeting

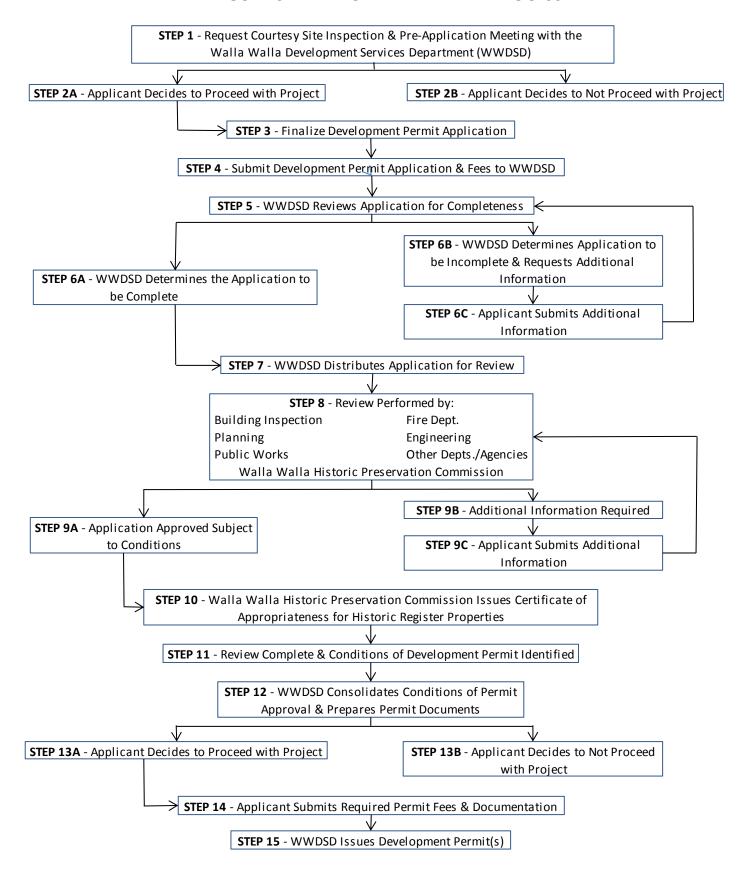
Once a property owner has formulated a development concept, the first step in obtaining a development permit is a Pre-Application Meeting. This is a courtesy meeting offered by the WWDSD between the property owner, property owner's consultants, and WWDSD and other City staff (including Building, Fire, Planning, and Engineering officials) to discuss a project in its early phases. The Pre-Application Meeting provides an informal forum for property owners to share their project vision and ideas with WWDSD, learn about the codes and requirements applicable to their project, and may include an on-site inspection. The Meeting facilitates open communication about the feasibility of the property owner's ideal project. The goal is that any major project road blocks will be identified and addressed in this Meeting before a significant amount of time or money has been invested in the project.

If the project involves a potentially significant historic property and the property owner is interested in possible historic property tax credits, the WWDSD may recommend a follow up meeting with the City of Walla Walla's Historic Preservation Commission (HPC) to review conceptual plans and discuss possible eligibility for historic property tax credit incentive. To limit initial investment prior to committing to a project, it is recommended that a property owner participate in a Pre-Application Meeting prior to purchasing the property when possible. In preparation for a Pre-Application Meeting, property owners should write up a brief description of their project vision, including property location, size, and current state/use. Including illustrations or floor plans is very helpful to staff when discussing a proposal. Property owners can schedule a Pre-Application Meeting with the WWDSD by calling its main office line (509) 524-4710, or emailing permits@wallawallawa.gov and requesting a "Pre-Ap-plication Meeting."

Primary purpose of this Chapter is to provide a framework for the "Development Permit Process"

Property owners interested in historic property tax credit are encouraged to meet with the City of Walla Walla Historic Preservation Commission.

#### FIGURE 3 - DEVELOPMENT PERMIT PROCESS



The flow chart & corresponding permit process was reviewed & approved by the Walla Walla Development Services Department (WWDSD)

#### STEPS 2A & 2B - Property Owner's Decision Regarding Project

Based on the information obtained during the **Pre-Application Meeting** (STEP 1) and subsequent re-evaluation of the project in terms of meeting the property owner's development objectives, the property owner will need to decide whether or not to proceed with the project.

#### STEP 3 – Finalize Development Permit Application

The next step for property owners who decide to proceed with their project is to work with their consultants to prepare construction plans and complete the necessary applications for submittal to the WWDSD who will distribute them to the appropriate City departments for review. The applications may include but are not limited to Building Permits, Permit to work within public right-of-way, utility permits, and requests for listing on the City of Walla Walla (Local) Register of Historic Places.

The property owner and/or consultant should work with WWDSD and other City staff to determine which applications and associated fees are required. Some fees are required to be paid at the time of application to offset the costs of plan review and approval, with other fees paid at the time of Development Permit issuance.

Property owners should work with WWDSD and other City staff to determine which applications and associated fees are required.

#### STEP 4 – Submit Development Permit & Application Fees

Once the construction plans have been finalized and the necessary application forms completed, the property owner or authorized consultant will need to submit the Development Permit applications and associated application fees to the WWDSD for review and approval. Separate applications and fees will need to be submitted to the Washington Department of Labor & Industries for any proposed electrical work.

If interested in seeking Historic Property Tax Credits, an application for listing property on the City of Walla Walla (Local) Register of Historic Places along with the development plans should also be submitted to the WWDSD for processing and scheduling for review by the City's Historic Preservation Commission (HPC) during this Step. Usually this review can occur concurrent with Development Permit Application review.

#### STEP 5 – WWDSD Review for Completeness

The WWDSD is required to review the applications to ensure they are complete and contain sufficient information to proceed with review prior to distributing Development Permit Applications for review by others listed in STEP 8 of the Flow Chart (Figure 2). Once an application is determined to be complete, the application will be distributed for review.

Application for listing the property on the Local Historic Register should also be submitted at this time if not previously submitted.

#### STEPS 6A, 6B & 6C – WWDSD Completeness Determination

Upon completing the **Review for Completeness** (STEP 5), the WWDSD will either issue a Determination of Completeness or a letter requesting additional

A "Complete" application is an application which provides the minimum information required by the Walla Walla Municipal Code, administrative policy/procedure or formal application.

A request for Certificate of Appropriateness will also be forwarded to the City's Historic Preservation Commission for review and approval.

specific information. A "Complete" application is an application which provides the minimum information required by the Walla Walla Municipal Code (Municipal Code), administrative policy/procedure or formal application to perform a review. The applications will not be forwarded for review until they are determined to be complete.

If an application is determined to be incomplete, a Notice of Incomplete Application will be issued requesting additional information. It is the responsibility of the property owner to prepare and submit the additional requested information. Upon receipt, WWDSD will review the new information and issue a new Completeness Determination. A Determination of Completeness does not preclude WWDSD from requesting additional information during the review process if determined to be needed to document compliance with applicable codes and requirements.

#### STEP 7 - Distribution of Application for Review

Once the application(s) are determined by the WWDSD to be complete, they will be distributed to the "Site Plan Review Committee" (SPRC). The SPRC is composed of various WWDSD and other City staff who review applications for compliance with applicable codes and requirements. Any applications for listing the property on the City of Walla Walla (Local) Register of Historic Places and/or for a Certificate of Appropriateness will also be forwarded to the City's Historic Preservation Commission (HPC) for review and approval. A Certificate of Appropriateness is required for any proposed major improvements or alterations to a property listed on the Local Register of Historic Places to ensure the proposed work maintains the historical integrity of the property.

#### STEP 8 - Development Plan Review

The **Development Plan Review** process involves review of the submitted plans for compliance with applicable codes and requirements by the Site Plan Review Committee (SPRC) and the City's HPC if listed or proposed for listing on the City of Walla Walla (Local) Register of Historic Places.

## STEPS 9A, 9B & 9C – Application Approval/Additional Information Required

During **Development Plan Review** (STEP 8), specific conditions of approval may be imposed to ensure compliance with applicable codes and requirements.

If during the review process it is determined additional information is required to document compliance with applicable codes and requirements, the WWDSD will prepare and issue a letter to the property owner specifying and requesting the additional information needed for **Application Approval**.

## STEP 10 – Walla Walla Historic Preservation Commission – Certificate of Appropriateness

This Step <u>only applies</u> if the property is listed on the City of Walla Walla Register of Historic Places (Local Register). If listed on the Register, the property owner is required to obtain a **Certificate of Appropriateness** prior to proceeding with any work pursuant to Section 2.27.060 of the Walla Walla Municipal Code. Ordinary repair and maintenance or emergency measures defined in Walla Walla Municipal Code Section 2.27.030 are exempt from this requirement.

#### STEP 11 – Review Complete & Conditions of Permit Identified

Once the WWDSD, and if appropriate the Walla Walla Historic Preservation Commission have completed their review (STEPS 8-10), they will finalize the conditions of Development Permit approval and forward them to the WWDSD for inclusion with associated Development Permits.

#### STEP 12 – Approval & Preparation of Permit Documents

Upon receipt of the finalized conditions of Development Permit approval, the WWDSD will prepare a consolidated list of the conditions of approval, fees, and the necessary documents for permit issuance. The WWDSD will contact the property owner or authorized agent of record when the permits are complete and ready to be issued.

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#### STEPS 13A & 13B - Property Owner's Decision Regarding Project

Based on the final terms and conditions of approval and permit issuance (STEP 12) and subsequent re-evaluation of the project in terms of meeting the property owner's development objectives, budget, etc., the property owner will need to decide whether or not to proceed with the project.

#### STEP 14 – Submittal of Required Permit Fees & Documentation

If the property owner decides to proceed with the project (STEP 13A), there will be certain fees and documentation required before development permits will be issued. The WWDSD can provide a list of the required fees and documentation.

#### STEP 15 – Development Permit Issuance

Once all of the reviews are complete and the required associated fees and documentation have been submitted and accepted by the WWDSD and other City departments, development permits will be issued and construction may proceed.

Periodic inspections will likely be required during the course of construction. It will be the responsibility of the property owner or authorized agent to request the necessary inspections during the appropriate stages of construction.

It is the responsibility of the property owner to request necessary inspections during the appropriate stages of construction.

#### **Chapter III: Existing Plans, Codes and Ordinances**

Many of the buildings in the Downtown area constructed in the late 1800s and early 1900s were not originally designed to accommodate many of the conveniences and luxuries we take for granted today and consequently need to be updated to meet current needs and expectations. Likewise, the buildings were not designed and constructed to comply with current codes and requirements and are often in need of updating. While codes, ordinances and regulations are often viewed as burdensome, they frequently reflect minimum requirements determined to be necessary to protect the public's health, safety and welfare, and accommodate today's lifestyle.

Building codes are complex, comprehensive documents which require patience and experience to navigate effectively. They also contain provisions for addressing existing and historic structures and often offer alternative approaches to comply with adopted codes and regulations. It is strongly recommended that every property owner hire an architect, engineer, or another qualified professional to confirm that all codes are being met and applied to their projects appropriately. Using an architect eases the permit application process by providing assurance to the property owner and the code officials that project plans are compatible with code regulations.

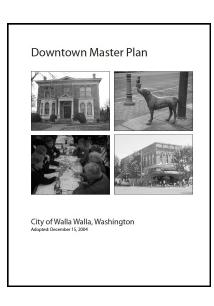
As noted in Chapter I – Introduction, there are a plethora of building codes which are applicable to upper story residential units in existing buildings. While this Handbook is intended to provide an overview of the applicable codes for these projects, it is not a substitute for professional assistance. This chapter is not a comprehensive analysis of the applicable codes. Instead it addresses a few "big-ticket items" (fire suppression, elevators, and accessibility) and helpful hints to consider when developing a project vision. Furthermore, this chapter only considers the codes applicable to projects included in Residential Group R-2, which, according to the International Building Code includes structures with "sleeping units or more than two dwelling units where the occupants are primarily permanent in nature," including apartments, condominiums and vacation timeshare properties (IBC 310.4).

It is recommended property owners retain an architect, engineer or qualified professional to assist them in complying with applicable codes.

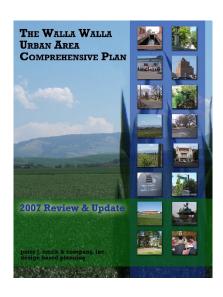
These guidelines are intended to provide an overview and are not a substitute for professional assistance.

#### **Downtown Master Plan**

In 2004, the Downtown Walla Walla Foundation and the City of Walla Walla embarked on development of a Downtown Master Plan to illustrate the overall vision for the Downtown and to provide an implementation strategy that enables the City, property owners and citizens to make informed, strategic decisions about future development and public improvements. The plan details a Downtown urban design framework and identifies specific public improvements including streetscape amenities, way finding and directional signage systems, opportunity sites for infill and/or redevelopment, circulation framework and parking improvements. The Plan enjoyed a significant amount of public involvement and arrived at the following conclusion:



Additional Downtown housing is needed to support businesses and establish a safe, secure and active environment.



The State Building Code Council requires local jurisdictions to adopt and enforce specific minimum provisions of the International Building Code.

"The expansion of residential uses Downtown is an issue that relates to the viability of specialty retail, dining and entertainment uses that are an important component to the overall vision for Downtown. Although diverse land uses and commercial opportunities currently exist in Downtown, additional housing is needed to support these businesses and to establish a safe, secure, active environment. The current inventory of existing residential apartments in Downtown is small; however, many upper stories are underutilized and/or vacant and could be rehabilitated. Older buildings require basic improvements to meet current code requirements. Focus group participants, particularly young professionals, expressed a desire to see additional housing opportunities in the Downtown."

A series of twelve general "summary statements" which form the basis for key strategies in the plan includes Statement 5, "Residential development should be considered a critical component to Downtown, which supports existing and proposed retail and commercial uses."

The Downtown Master Plan was adopted as a Subarea Plan and addendum to the City's Comprehensive Plan on December 15, 2004. The Plan can be accessed on the Walla Walla Development Services Department (WWDSD) website at <a href="https://www.wallawallawa.gov">www.wallawallawa.gov</a>.

#### Walla Walla Urban Area Comprehensive Plan

Pursuant to the requirements of the State Growth Management Act, the City of Walla Walla initiated a major update to its Comprehensive Plan in 2007. The Plan specifically includes the following policy which encourages the reintroduction of housing into Downtown:

"LU Policy 12 – Zoning should incorporate more areas with mixed use designation to encourage neighborhood commercial uses, where appropriate, and to reintroduce housing into Downtown."

The Plan was adopted November 5, 2008. While it has been subject to some minor updates, most of the goals, objectives and policies remain the same. The Plan can be accessed on the City's website at <a href="http://epay.ci.walla-walla.wa.us:8800/lfportal/Browse.aspx?dbid=0">http://epay.ci.walla-walla.wa.us:8800/lfportal/Browse.aspx?dbid=0</a>.

#### **International Building Code**

The International Building Code is reviewed and updated every three years. The Washington State Building Code Council reviews the updated Code and adopts those portions of the Code applicable to Washington. The State requires each jurisdiction to separately adopt the Code, usually by reference, but grants limited authority to local jurisdictions to exclude certain "optional" elements. The City of Walla Walla has adopted the most recent version of the Code but has exercised some optional exclusions. The International Building Code is very complex and includes cross-references to related sections of the Code. For the above reasons, it is important for property owners to enlist the assistance of an architect, engineer, or another qualified professional to assist them in identifying the codes applicable to their project. A listing of the codes

adopted by the City of Walla Walla can be found in Title 15 of the Walla Walla Municipal Code at <a href="http://www.codepublishing.com/WA/wallawalla.html">http://www.codepublishing.com/WA/wallawalla.html</a>. The International Building Code can be accessed online at the links provided below or reviewed at the WWDSD office at 55 E. Moore St.

#### **Historic Buildings**

Historic buildings require special consideration when applying today's building codes in order to continue to remain viable and safe structures. Chapter 12 of the International Existing Building Code titled "Historic Buildings" <a href="http://publicecodes.cyberregs.com/icod/iebc/2012/icod\_iebc\_2012\_12\_section.htm">http://publicecodes.cyberregs.com/icod/iebc/2012/icod\_iebc\_2012\_12\_section.htm</a> specifically addresses issues and requirements unique to historic buildings related to repairs, fire safety, alterations, change of occupancy and structural considerations.



Historic building

#### **Seismic Retrofitting**

Downtown Walla Walla is located in Seismic Design Category D. Many of the older buildings were constructed prior to the establishment of any seismic standards and may be constructed of materials susceptible to damage in the event of an earthquake. Chapter 16 of the International Building Code titled "Structural Design" and Chapter 34 titled "Existing Structures" address seismic standards and requirements for existing buildings. Both Chapters can be found online at <a href="http://publicecodes.cyberregs.com/icod/ibc/2012/index.htm">http://publicecodes.cyberregs.com/icod/ibc/2012/index.htm</a>.

Many older buildings were constructed prior to seismic standards and may require structural upgrades.

#### Fire Prevention & Suppression

#### **Area Separation**

Building codes group occupancies with similar characteristics together. Residential occupancies are unique in that the occupants typically occupy the structure while sleeping, requiring a higher level of protection for their safety. One of the approaches for providing protection between dissimilar occupancies is referred to as "area separation." Area separation can be attained by locating dissimilar occupancies in separate structures or, in the case of a structure containing dissimilar occupancies such as retail and residential, through the use of fire-resistive construction materials and techniques referred to as "area separation walls." Provision of area separation can prevent and reduce the spread of fire, aid in the protection of occupants, businesses and property, and reduce potential damage to the structure. Buildings must meet area separation requirements in order to comply with building and fire codes. In some instances, occupancy separation requirements may be waived if an approved automatic sprinkler system is installed.

Area separation walls are required to extend from the basement through the roof deck and/or horizontally between floors. If there are any breaches, they must be blocked. Avoiding breaches may be particularly challenging in downtown Walla Walla because many projects involve existing buildings that may have pre-existing area breaches. As a result, it is highly recommended prospective property owners have buildings inspected by the buil-

Area separation walls are required to extend from the basement through the roof deck and/or horizontally between floors.

Automatic fire sprinkler systems prevent the loss of life, reduce the spread of fire and minimize damage to property.

Insurance companies typically grant a reduction in premiums for buildings with sprinkler systems.



Fire Department Connection (FDC)

ding department for these breaches, particularly in the basement areas, before purchasing the building. In many cases these breaches are easily repaired without much cost. For others the repairs may be more expensive, and it is important for a prospective owner to be aware of these additional costs before purchase. The primary requirements regarding area separation can be found at <a href="http://publicecodes.cyberregs.com/icod/ibc/2012/icod-ibc-2012-4-section.htm">http://publicecodes.cyberregs.com/icod/ibc/2012/icod-ibc-2012-4-section.htm</a>.

#### **Sprinklers**

Some of the most devastating loss of structures in the Downtown area has occurred as a result of fire. Automatic fire sprinkler systems serve as a form of first response suppression in the event of a fire and have been shown to be very effective in limiting the spread of fire, preventing loss of life and minimizing damage to property. Sprinkler systems also provide some level of protection for the larger community of Downtown by preventing a fire from spreading to adjoining buildings. Insurance companies typically grant a reduction in premiums for buildings with sprinkler systems. The International Building Code (IBC) Chapter 12 — Existing Buildings also allows for exemptions for historic buildings from certain requirements when an approved automatic sprinkler system has been installed.

In 2009, the Washington State Building Code Council adopted requirements for the installation of sprinkler systems in residential occupancies. The City also sent out letters to Downtown property owners notifying them that sprinklers would be required to be installed in buildings with basements.

According to the IBC, "an automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area" (IBC [F] 903.2.8). This means that every building with residential units is required to have an automatic sprinkler system installed, covering everything from the foundation to the attic and from property line to property line. Even if there is only one residential unit in a mixed use building, the entire building must have sprinklers installed. It is most practical to install pipes and sprinklers during general renovations so that it is not necessary to re-open the walls and ceilings after completing a project. When installing a sprinkler system, a property owner may select a wet, dry, or mixed system. The various types of systems are described as follows:

- Automatic dry. A dry standpipe system, normally filled with pressurized air that is arranged through the use of a device, such as dry pipe valve, to admit water into the system piping automatically upon the opening of a hose valve. The water supply for an automatic dry standpipe system shall be capable of supplying the system demand.
- Automatic wet. A wet standpipe system that has a water supply that is capable of supplying the system demand automatically.
- Manual dry. A dry standpipe system that does not have a permanent water supply attached to the system. Manual dry standpipe systems require water from a fire department pumper to be pumped into the system through the fire department connection in order to meet the system demand.

- Manual wet. A wet standpipe system connected to a water supply for the purpose of maintaining water within the system but does not have a water supply capable of delivering the system demand attached to the system. Manual-wet standpipe systems require water from a fire department pumper (or the like) to be pumped into the system in order to meet the system demand.
- ◆ Semiautomatic dry. A dry standpipe system that is arranged through the use of a device, such as a deluge valve, to admit water into the system piping upon activation of a remote control device located at a hose connection. A remote control activation device shall be provided at each hose connection. The water supply for a semiautomatic dry standpipe system shall be capable of supplying the system demand.

Generally, wet systems are simpler and less expensive. However, they require additional insulation in the attic so that water does not freeze in the pipes. If property owners are renovating ceilings and hope to eventually install a wet system, they should take the opportunity to put insulation in the roof deck. This keeps the attic warm enough to support a wet system without the water freezing in the pipes during the winter. For large buildings, a mixed system, with a dry system in the attic and wet systems everywhere else, is usually the most economical because it does not require insulation installation which can become increasingly more expensive with increased square footage. Dry systems are more expensive and more complicated to install. Yet they are more practical when protecting items that would seriously suffer from unnecessary water damage, such as the collections in Penrose Library at Whitman College. NOTE: All taps on existing and/or charged water mains must be performed by the City of Walla Walla Water Department. The owner, contractor or authorized agent is required to reimburse the Water Department for expenses at cost of the utility. When a tap must be performed on a water main 3" in diameter or larger, special materials may be required. Further requirements regarding IBC requirements for sprinkler systems can be found in Chapter 9 -Protection Systems at <a href="http://publicecodes.cyberregs.com/icod/">http://publicecodes.cyberregs.com/icod/</a> ibc/2012/icod ibc 2012 9 sec001.htm.

#### **Emergency Egress**

While not limited to residential occupancies, emergency egress is another consideration when designing for upper story residential living. Typically, two points of ingress and egress are required with a maximum specified travel distance. The objective is to allow for an alternative route for exiting the building in the event of a fire should the primary exit route be blocked. Emergency egress can be provided in a variety of different ways but is typically provided either internally through a protected corridor or externally using a protected stairway, balcony or the old-style external fire escapes. Elevators do not qualify as a means of emergency egress. Either approach is required to be incorporated into the design and layout of the building. The primary building code requirements can be found in **Chapter 10 – Means of Egress** at <a href="http://publicecodes.cyberregs.com/icod/ibc/2012/icod ibc 2012 10 sec001.htm">http://publicecodes.cyberregs.com/icod/ibc/2012/icod ibc 2012 10 sec001.htm</a>.

Generally, wet systems are simpler and less expensive but require additional attic insulation.



**Exterior Emergency Egress** 

Buildings with several upper story residential units may not be required to install an elevator.



Combined Exterior Elevator & Emergency Egress



**Exterior Accessibility** 

#### **Elevators**

Elevator access is primarily an accessibility and market consideration. If property owners are targeting groups that are not accustomed to, or capable of, walking flights of stairs, including an elevator in their building may be an important aspect of their building design. Buildings with several upper story residential units may or may not be required to install an elevator. Elevators do not qualify as a means of emergency egress. It is important for property owners to know this threshold value when creating a vision for their property.

Elevators are discussed in a multitude of codes including, but not limited to, accessibility, egress, and seismic supports. Specific codes should be reviewed for individual projects by the property owner and a commissioned architect in order to confirm that these requirements are being met. One of the considerations for buildings with residential use is that an elevator may be required. **Chapter 30 – Elevators and Conveying Systems** of the IBC addresses the primary requirements and can be found at <a href="http://publicecodes.cyberregs.com/icod/ibc/2012">http://publicecodes.cyberregs.com/icod/ibc/2012</a> icod ibc 2012 30 sec001.htm.

#### Accessibility

Compatibility within the American with Disabilities Act accessibility requirements is applicable for Downtown residences on the upper floors of existing buildings. Since most of the existing buildings in the Downtown district do not have elevators installed, accessibility to upper floors may be more difficult. At a minimum, building code requires that for buildings intended to include four or more residential units, every residential unit must be a Type B unit (IBC 1107.6.2.1.2). A Type B unit designation reflects that the unit meets certain national accessibility standards, the details of which may be found in the ICC/ANSI A117.1.1004. However, also according to building code, when there is no elevator service in a structure only one floor must have all of their residential units classified as Type B units and have an accessible entrance from the exterior of the building. These two codes are not a complete summary of the accessibility code requirements. Property owners and architects are still responsible to review the International Building Code requirements that are applicable to their particular projects. The primary requirements addressing Accessibility can be found in Chapter 11 - Accessibility at http:// publicecodes.cyberregs.com/icod/ibc/2012/icod\_ibc\_2012\_11\_sec001.htm.

#### **Design Standards for Downtown Walla Walla**

In 2003, the City of Walla Walla adopted "Design Standards for Downtown Walla Walla" as Chapter 20.178 of the City's Zoning Code <a href="http://www.codepublishing.com/WA/wallawalla.html">http://www.codepublishing.com/WA/wallawalla.html</a>. The objective was to maintain the character, qualities and economic vitality of the Downtown area, which has served as a major tourist attraction and catalyst for the Walla Walla economy.

The Design Standards contain a mix of requirements and guidelines for development and redevelopment of the Downtown area, ranging from building location and design to signage. The Design Standards apply to all properties in the designated Downtown Area (see **Figure 1 – Designated Downtown Boundaries map**) and must be incorporated into any plans for development or redevelopment.

The Design Standards contain a mix of requirements and guidelines for development and redevelopment in the Downtown area.

#### **Other Codes**

There are many other codes to be considered by property owners as they rehabilitate their downtown buildings for residential units. These include, but are not limited to energy, plumbing, egress and mechanical codes. The International Building Codes (IBC) for these and other requirements can be found at <a href="http://publicecodes.cyberregs.com/icod/ibc/2012/index.htm">http://publicecodes.cyberregs.com/icod/ibc/2012/index.htm</a>. All of these codes may not be applicable to every project but their applicability will be dependent on the nature of individual projects. The unique combination of applicable codes for each project is the primary topic of discussion at the Pre-Application meeting (see STEP I in Chapter II) which is another reason these meetings should be the first step for every property owner interested in residential rehabilitation.

#### Conclusion

Building codes can be complex and often require cross referencing to other codes. Therefore, it is strongly recommended that property owners retain an architect or another professional to manage their project's code compatibility. When property owners are beginning to envision their new projects, they should consider:

- Buildings listed on a local, state or federal historic register may be granted some exceptions to code requirements provided minimum health/safety standards are met;
- Construction of an elevator serving multiple buildings could reduce the individual property owner's cost.
- ◆ Compliance with the design standards for Downtown Walla Walla assists in preserving and enhancing the character of Downtown.

These ideas are not required of property owners, but they do have the possibility to be economically practical solutions to the common challenges of upper story residential housing projects.



Building with several upper story residential units.

Construction of an elevator serving multiple buildings could reduce the individual property owner's cost.

## Chapter IV: Other Residential Development Considerations

In addition to the code requirements discussed in Chapter II, which property owners must address when planning a rehabilitation project, property owners should take into account other considerations that may have a significant impact on the market success of their property. This chapter is not an exhaustive list of every consideration. Instead it focuses on four components that are common concerns and misconceptions:

- Types of ownership;
- Parking;
- Mixed-use compatibility; and,
- Sustainability.

Unlike the topics of the previous chapter, none of these considerations are required actions for code compliance. However, to make a residential unit attractive and marketable to a wide range of buyers, property owners must consider these factors when designing their projects.

#### **Ownership Options**

There are a variety of terms used to classify the different ownership options for a residential property. These terms are defined for clarity prior to their discussion in this manual.

**Condominium:** One unit within a group of housing units. Homeowners own individual units and share ownership of the common areas and features with all other homeowners. There is typically no individual ownership of a plot of land. Instead, ownership of the land is usually shared among all of the unit owners and exterior and grounds maintenance is typically funded through ownership dues.

**Apartment:** An apartment is a group of units where the residents (tenants) do not own their unit. Instead they pay rent to their unit owner (landlord) in exchange for unit occupation.

**Townhouse:** A two- to three-floor unit starting on the ground floor and often sharing a common wall with neighboring units. The individual unit and the plot of land are owned by the property owner.

**Vacation Rentals:** This term has wide applicability and could reflect the physical appearance of an apartment, but the units are intended for short term occupancy similar to a hotel or motel. Hotels and motels are under the ownership of a single entity.

**Timeshare Properties:** Timeshare properties represent a unique and complex hybrid property, reflecting characteristics of a condominium and vacation rental, and are beyond the scope of information addressed in this Handbook.

When owners decide to develop upper floors for residential use in the Downtown area, they have four ownerships options:

- Condominiums;
- ♦ Apartments/vacation rentals; or,
- Mixed ownership (combination of condominium and apartment units available); or
- ♦ A single family dwelling occupied by the property owner.

There are a variety of benefits and challenges associated with each of these options. Unit ownership also includes a question of property owner rights and autonomy.

Creating condominium units entails real estate work that is more involved than that of an apartment building, with additional paperwork and legal requirements due to the form of ownership and common nature of the property and amenities. The Building Code requirements for condominiums may also be different from apartments due to multiple ownerships. Property owners interested in selling their units as condominiums in the future should consider the condominium requirements and processes during the initial rehabilitation. Condominiums require that each unit be designated and described as a separate property, which may require changes to the building plans during the design phase. Owners interested in the possibility of future condominium sales should complete the legal process for creating condominium units in tandem with their primary development project.

Creation of condominium units is primarily regulated by the Washington State Condominium Act <a href="http://apps.leg.wa.gov/RCW/default.aspx?cite=64.34">http://apps.leg.wa.gov/RCW/default.aspx?cite=64.34</a>. However, developing units for sale as condominiums requires a local condominium application (or Binding Site Plan). This one page form may be found at the Walla Walla Development Service Department (WWDSD) office at 55 E. Moore St. or website <a href="www.wallawallawa.gov">www.wallawallawa.gov</a>. After submitting an application, the property owners are required to retain a Land Surveyor to complete a land survey of the property, which includes creating a scaled map indicating the size and divisions of units to identify them as individual ownership parcels. Once completed, the owner must consult an attorney to draft the paperwork for ownership rights so that the units may be legally purchased and owned by a buyer. Finally, the WWDSD will review the survey compiled by the Land Surveyor for final approval, but this review does not include the ownership paperwork drafted by the attorney.

By renting units as apartments, property owners maintain the right to evict tenants or sell their property. Condominiums are a more long-term investment in which property owners relinquish some of their control over the property in exchange for a more stable occupant base. Mixed ownership is also an option for property owners, where they have some units available for sale as condominiums and others available for rent as apartments. This type of ownership may be more complex for property owners and not sensible for buildings with a smaller number of units, which is characteristic of many *Downtown Walla Walla* properties. Property owners should consult real estate professionals in considering whether apartments, condominiums, or mixed ownership are the most practical for their units and meet their financial goals.

Property owners interested in future condominium sales should complete the legal process in tandem with their primary development project.

Property owners should consult real estate professionals in considering whether apartments, condominiums, or mixed ownership are the most practical for their units and meet their financial goals.

#### **Parking**

A majority of the Downtown area is located in the Downtown (Parking) Exempt Area as specified in Section 20.126.050 of the Walla Walla Municipal Code <a href="http://www.codepublishing.com/WA/wallawalla.html">http://www.codepublishing.com/WA/wallawalla.html</a> and shown in Figure 1. Land uses in this area are exempt from providing required parking outlined in the City's Zoning Code.

This exemption from required parking includes Downtown residential dwellings. Therefore, property owners developing buildings for residential use in the Downtown district are not legally required to provide parking spots for their tenants.

Some properties Downtown have space on-site that could be converted to parking with alley access. However, as in most cities, many of the Downtown buildings do not have on-site space available for dedicated parking. Fortunately, several options are available for lease off-site within walking distance. Potential parking sites are also accessible from Valley Transit Routes.

Although not required, several options are available for access to dedicated parking on or off site.

#### **Mixed-Use Compatibility**

Downtown is a mixed-use area. When planning to place residences above retail or other existing uses, consideration should be given to the compatibility and interactions of these mixed uses.

Many potential issues within a building such as noise transfer between floors can be addressed through proper design and the use of appropriate construction techniques and materials. It is important that mixed-use pairings be well thought out and designed appropriately so that they can co-exist in the downtown environment.

#### Sustainability

Except for buildings in a significantly deteriorated condition, the conversion and reuse of existing structures represents a sustainable alternative to demolition of the existing building and reconstruction of a new structure. Savings to the property owner include:

- Demolition and disposal costs, material and labor costs for construction of a new building shell, possible exemptions from compliance with some code requirements; and,
- Potential property tax savings for preservation and restoration of a historic structure.

The benefits for the community include preservation of a community landmark and maintenance of the character of **Downtown Walla Walla**, and thereby economic and community enhancement.

#### Conclusion

None of the recommendations expressed in this chapter are required for the property owner by law. However, as has been discussed, these are important issues to address in order to develop a residential unit that is marketable and functional within the greater Downtown area. Unfortunately, providing recommendations on these subjects is difficult because each property has unique challenges that property owners will need to navigate. This Chapter functions as a brief introduction to some of the most common non-code



Example of mixed use occupancy

Reuse of existing structures represents a sustainable alternative to demolition, preserves community landmarks and maintains the character of Downtown.

This Chapter provides a brief overview of common non-code considerations requiring property owner consideration.

considerations that property owners may need to address as they begin their downtown residential projects. Speaking with some of the other resources provided in this Handbook such as the WWDSD, the Downtown Walla Walla Foundation (DWWF) Design Committee, architects, real estate agencies, and property owners who have completed similar projects in other Washington cities like Walla Walla may be the best resource for property owners who must navigate these issues that are sometimes encountered in downtown residential development.

#### **Chapter V: Financial Incentives**

Downtown upper story living has the potential to provide great benefits for the Walla Walla community. The cost of these rehabilitation projects can be significant for property owners and provide a benefit to the community. Federal, state, and local governments understand the importance of these preservation projects and have created several programs to provide financial support for interested property owners and eligible properties. There are three incentive programs that are particularly applicable to projects which develop housing units in existing buildings in the downtown core. These three programs are Special Valuation, the Federal 20% Tax Credit program, and the Multi-Family Housing Tax Incentive. There are other sources for limited financial support such as private grants and low interest loans, but the three programs specifically addressed in this chapter are more commonly used and wellestablished. More information about any of them may be acquired by contacting the Walla Walla Development Services Department (WWDSD) or visiting the Washington Department of Archeology & Historic Preservation (DAHP) website at http://www.dahp.wa.gov/financial-assistance.

There are three incentive programs which could be applicable when developing residential units in existing buildings in the Downtown area.

#### **Special Valuation**

#### **Background Information and Summary**

Special Valuation is a state-level incentive program for historic properties which was established in 1985 by the Washington State Legislature. It was developed to remove the disincentive of increased property taxes created by rehabilitation projects. In short, with Special Valuation, a property's taxes will not reflect the improvements made to the property for the first ten years after the project's completion.

#### Eligibility Requirements

To be eligible to apply for the Special Valuation program, a property must be listed on the National Register or as a contributing building in a National Historic District or on the Local Register of a Certified Local Government. As discussed in Chapter 2, the City of Walla Walla is a Certified Local Government, so any properties listed on the City of Walla Walla Register of Historic Places are eligible for the Special Valuation property tax incentive per Chapter 2.27 of the Walla Walla Municipal Code at <a href="http://www.codepublishing.com/WA/wallawalla.html">http://www.codepublishing.com/WA/wallawalla.html</a>.

One of the conditions for eligibility is that all of the rehabilitation work must be approved by the local review board (City of Walla Walla's Historic Preservation Commission). Thus, it is recommended that property owners review the Historic Preservation Commission's design standards early on in their planning process. When a property owner files an application with the County Assessor's office, the work must have been completed in the last 24 months and the qualified improvement costs must be equal to or greater than 25% of the original assessed improvement value prior to rehabilitation. For example,



Former gas station property benefitting from Special Valuation Tax Incentive.

if the original improvement value was \$100,000, the property owner must have invested at least \$25,000 improving the property in the last two years to qualify for Special Valuation. The property owner will be responsible for monitoring the rehabilitation work to ensure it complies with the *Washington State Advisory Council's Standards for Rehabilitation or Secretary of Interior Standards for the Treatment of Historic Properties 1995* at <a href="http://www.nps.gov/history/local-law/arch\_stnds\_8\_2.htm">http://www.nps.gov/history/local-law/arch\_stnds\_8\_2.htm</a>, and maintaining accurate records of project costs and dates worked in order to provide the necessary documentation in the application.

Properties qualifying for Special Valuation must maintain their historic integrity and be kept in good condition.

Once property owners contract with the city for the Special Valuation program, they are required to maintain certain standards throughout this tenyear period. First, they must maintain the historic integrity of the property and keep the property in good condition. Second, the property owner must receive approval from the Historic Preservation Commission before making additional improvements to the property during this ten-year period. Third, the property must be visible from a right-of-way or open for public viewings once a year. As long as property owners continue to meet these requirements, they will continue to receive the tax benefits of Special Valuation for the ten-year period.

#### Penalties of Cancellation

In the event that a property no longer meets the above requirements, the certification of Special Valuation may be cancelled. If this occurs, property owners will become responsible for certain financial penalties, such as paying back taxes and associated interest. Additionally, they must pay a penalty fee of 12% on these back taxes and interest.

#### **Application Process**

Applications for Special Valuation are accepted throughout the year, but if property owners would like to apply Special Valuation to their taxes in the following year, they must submit their application by October 1st. Within 24 months of the beginning of their rehabilitation work, property owners must file a Special Valuation application with the Walla Walla Historic Preservation Commission at the WWDSD. This application includes:

- ◆ A legal description of the property;
- Interior and exterior pictures of the property before and after rehabilitation:
- Architectural plans or other legible drawings depicting the completed project;
- Notarized affidavit (legal statement) and itemized list of the actual cost of rehabilitation work; and
- A statement proving that the building is a certified historic structure if it is located in an historic district.

For phased rehabilitation projects, a property owner may re-apply for Special Valuation if the costs of each phase exceed 25% of the assessed property value at the time that the phase began. In other words, each phase is treated as a

Applications for Special Valuation are filed with the Walla Walla Development Services Department for review and approval by the City of Walla Walla Historic Preservation Commission separate project. The Special Valuation application may be found at <a href="http://www.dahp.wa.gov/tax-credits">http://www.dahp.wa.gov/tax-credits</a>.

#### **Federal Historic Tax Credit**

#### **Background Information and Summary**

The Federal Historic Tax Credit program offered by the National Park Service (NPS) is a single-use, 20% tax credit on the costs of rehabilitation for income-producing properties. Since 1978, over 260 different Washington State projects have used this tax credit program, for a total of more than \$930 million in total private investment. The 20% credit means that if a property owner spends \$50,000 on qualified rehabilitation expenditures, they may receive a Federal Income tax credit of up to \$10,000, which can be applied in a single year or over 20 years.

Since 1978, over 260 projects in Washington state have used this tax credit resulting in a savings of more than \$930 million.

#### Eligibility Requirements

Since the Federal Historic Tax Credit program is funded by the NPS, the property must be listed on the National Historic Register individually or as a contributing building in an historic district. Additionally, the NPS requires that the rehabilitation project is "substantial" which means that the amount invested on qualified work is equal to or greater than the value of the building at the time of purchase excluding land value and capital improvements since time of purchase. For example, if a building was purchased for \$40,000 prior to rehabilitation and the land value was \$10,000, the rehabilitation costs must equal at least \$30,000 to be considered "substantial" and qualify for the 20% Tax Credit program. Beyond being financially "substantial," a rehabilitation project must follow the Secretary of the Interior Standards for Rehabilitation <a href="http://">http://</a> www.nps.gov/history/local-law/arch stnds 8 2.htm in order to meet the qualifications for this tax program. The NPS also requires that the 20% tax credit properties are an income-producing property for at least five years after rehabilitation. Some examples of qualifying building uses are rental residential, apartments, commercial, industrial, or agricultural.

In order to be eligible, the property must be listed on the National Register or a contributing building in a designated historic district.

#### **Application Process**

Property owners interested in the Federal 20% Tax Credit program should contact the Washington Department of Archeology & Historic Preservation (DAHP) to discuss the project and begin the process. This office has more specific information on federal historic preservation programs and is responsible for directing these efforts in Washington. Property owners should also meet with a tax consultant to discuss whether these incentives are applicable for their specific tax and financial situation.

It is best for property owners interested in this program to apply before they begin their project. Applications are accepted throughout the year and include:

- ♦ Evaluation of Significance;
- Description of Rehabilitation; and
- Request for Certification of Completed Work.



Example of property benefiting from the Federal Historic Tax Credit.

The application can be accessed at <a href="http://www.nps.gov/tps/tax-incentives/application.htm">http://www.nps.gov/tps/tax-incentives/application.htm</a>. Two copies of the application should be submitted, one for the National Park Service and a second copy for the Washington Department of Archeology & Historic Preservation.

**Multi-Family Housing Tax Incentive** 

**Background Information and Summary** 

The Multi-Family Housing Tax Incentive is a State-authorized local program which provides property owners with an eight to twelve year tax exemption on the property's assessed value. This program was adopted in Walla Walla to:

- Encourage increased residential and affordable housing opportunities within the downtown area identified in the Downtown Master Plan;
- Stimulate new construction or rehabilitation of existing vacant and underutilized buildings for multi-family housing downtown to increase and improve housing opportunities;
- Assist in directing future population growth to the downtown mixed-use center, thereby reducing development pressure on single-family residential neighborhoods; and
- Achieve development densities which are more conducive to transit use in designated mixed-use centers.

Details regarding this incentive can be found in Chapter 2.28 of the Walla Walla Municipal Code at http://www.codepublishing.com/WA/wallawalla.html.

Eligibility Requirements

For a property to be eligible for the Multi-Family Tax Incentive, the building must be located in the "downtown" area as defined by Section 20.06.030 in the Walla Walla Municipal Code. A map of this eligible area may also be found in FIGURE 1 of this Handbook. Each project must include at least four new living units, unless the building has been vacant for more than a year. In addition to being downtown, the renovations must not displace existing residential tenants unless they are being provided comparable and reasonable relocation opportunities. Fifty percent of the building units must be for permanent residential occupancy (rental or owned). Transient hotels do not qualify. At least one unit or 10% of units must be available for low- to moderateincome tenants, who are defined as tenants who meet 80% of the local medium income guidelines. Projects must comply with the city of Walla Walla's comprehensive plan, codes, and other standards. Also, projects must be scheduled to be complete within three years of the application approval date. In the event that the project is not completed in this three-year period, they can apply for a two-year extension which includes an associated processing fee.

The Multi-Family Housing Tax
Incentive allows for an 8 to12year tax exemption on the property's increased assessed value
in the Downtown area.

Each project must include at least four new living units in order to be eligible for the tax credit.

The program requires at least one unit or 10% of the units be available for low to moderate income tenants.

After approval for the Multi-Family Housing Tax Incentive, the property owner is responsible for producing an annual report which includes:

- A statement of occupancy and vacancy of the units during the previous year; and
- A description of any improvements or changes to the property.

The city may also conduct an on-site verification survey of this report. The report is due within 30 days of the anniversary of filing the final, original certificate of tax exemption. If property owners fail to comply with these requirements, their participation in the tax exemption program may be terminated at any time.

Applications are filed with the Walla Walla Development Services Department, and reviewed and approved by the Walla Walla City Council.

#### Penalties of Cancellation

If a property's participation in the Multi-Family Housing Tax Incentive program is cancelled at any time throughout the ten-year period, the owner becomes responsible for paying the property taxes for the value of non-qualifying improvements. Additionally, the property owner must pay a 20% financial penalty on the value of these additional property taxes plus interest.

#### **Application Process**

Property owners interested in the Multi-Family Housing Tax Incentive should contact the Walla Walla Development Services Department (WWDSD) for more information. The application includes:

- A City of Walla Walla application form;
- Preliminary floor and site plans of the proposed project;
- A statement acknowledging the potential tax liability if the project ceases to be eligible; and
- For projects that are displacing existing residents, the owner must submit an official statement that the relocation requirements have been met.

Additionally, the application requires payment of an associated processing fee, as well as administration cost for the Walla Walla County assessors.

Example of a local Downtown project benefitting from the Multi-Family Tax Incentive Program.

#### **Other Possible Sources**

Information regarding other possible sources of funding may be found on the Washington Department of Archeology & Historic Preservation website at <a href="http://www.dahp.wa.gov/financial-assistance">http://www.dahp.wa.gov/financial-assistance</a>.

#### Conclusion

There is significant support available for property owners interested in rehabilitating their historic properties downtown for upper story living. The

Property owners interested in evaluating the eligibility of their property for the tax incentive programs should contact the Walla Walla Development Services Department or the Washington Department of Archaeology & Historic Preservation

financial support outlined in this chapter are just a few of the avenues that the local, state, and national governments have used to express their support of historical preservation and downtown residential projects. Property owners interested in accessing these financial incentive programs should not hesitate to contact organizations such as the Walla Walla Development Services Department or the Washington Department of Archaeology and Historic Preservation early in their planning processes to confirm that their projects are eligible for these programs. As always, early communication and transparency in the application process are the most helpful procedures for taking full and successful advantage of these programs.

#### **Chapter VI: Benefits of Upper Story Housing**

Walla Walla is exceptional for many reasons, including its beautiful weather, collegiate buzz, and variety of fine wining and dining. Among these characteristics is Walla Walla's unique balance of small-town atmosphere with convenient access to all the amenities necessary to support a wide range of citizens. A broad selection of businesses, health services, educational institutions, city and county facilities, and cultural amenities converge around the downtown area, allowing Walla Walla to thrive as a major residential and commercial destination in Eastern Washington. The pride and active participation of the people of Walla Walla has been vital in creating this close-knit community which supports the new industries and small businesses and in turn brings fresh ideas, jobs and income to the region.

Upper story downtown housing is an opportunity to further develop the vibrancy and character of Walla Walla. The potential benefits of this project are great and are expected to enhance the Walla Walla experience for property owners, residents and the community as a whole. The full range of benefits is outlined in this chapter, which also includes a brief reflection on similar projects in Wenatchee and Ellensburg.

**Benefits for the Property Owner** 

As is common for historic towns, Walla Walla is characterized by beautiful old buildings. However, many of these buildings in the Downtown district are completely or partially vacant. These empty floors and storefronts are treasure troves of opportunity for property owners to increase the profit on their investments. A two-story building with retail on the ground floor and an abandoned upper floor is only generating a portion of its potential profit. Developing upper floors in downtown buildings is vital for financial growth in Walla Walla. Residential living is an opportune use for these upper floors because of the current and potential future demand for high quality apartments in convenient, downtown locations.

The most receptive markets for upper story downtown housing are young professionals, couples without children and empty-nesters. For the most part, these populations have smaller family units, thereby requiring less space. Furthermore, families without children can be a safer investment because there are fewer chances for property damage and accidents. Downtown living, which does not necessarily attract families with children, may match these preferences.

Renovating historic buildings is encouraged and supported by the local, state, and federal governments. There are financial incentive programs available to assist property owners who are rehabilitating their historic properties (see Chapter V for more information). Specifically, historic renovations centered in a single area, such as *Downtown Walla Walla*, could create an opportunity to establish an historic district, a designation which has been shown to help stabilize and improve property values. With stabilized property values, federal tax incentives, and other financial assistance, developing upper floors in Walla Walla can be a profitable and reliable investment.

Development of upper story downtown housing is an opportunity to rehabilitate downtown buildings, increase property values and further enhance the vibrancy & character of Walla Walla.

Multi-story buildings with retail on the ground floor and vacant upper floors are only generating a portion of their potential income.

The primary markets for upper story housing are young professionals, couples without children and empty-nesters.

Permanent residents in the Downtown area would create a stable and increased demand for Downtown businesses and services.



Downtown outdoor dining opportunities.

Genuine historic character cannot be artificially created with new construction.

#### **Benefits for Downtown Business Owners**

Rehabilitating downtown buildings for residential living also has a tremendous positive effect on a local economy which benefits downtown business and property owners alike by creating an expanded local market. Permanent residents in the downtown district would create a stable and increased demand for downtown businesses and services. The increased foot traffic that permanent residents provide would allow businesses to extend their hours into the evenings and weekends, times which are currently slow for many downtown businesses. Increased demand for extended hours of operation would enable businesses to generate additional profit necessary to hire new employees.

An example of a downtown service that could benefit directly from an increase in downtown housing is Walla Walla Valley Transit. Demand for public transportation could increase from more residents living Downtown near the transfer center. Some residents may choose not to own cars, due to their close proximity to services and amenities, and would more frequently use this public service. This increase in demand could support route expansion, more frequent stops, and longer hours, three improvements that would allow the company to hire more employees and create a more comprehensive service.

A downtown community that is lively, especially in the evenings and on the weekends, is attractive to tourists. The wine industry has already been a major contributor to the Walla Walla tourism boom over the last twenty years, but a charming town that offers delicious food, peaceful strolls, and unique shopping is necessary to support and strengthen such an industry. Understandably, where the customers go, the businesses will follow, which will ultimately draw more customers, thus creating a positive feedback loop of economic vitality. Downtown residential housing in upper floor apartments is an integral element of this prosperous, upward spiral.

#### **Benefits for the Community**

Development of upper story housing in the Downtown district optimizes use of existing vacant space, contributes to the Downtown economy and offers alternative housing choices. The aesthetic, economic, environmental, and cultural benefits that make Downtown housing attractive also translate to positive impacts on the overall quality of life in Walla Walla.

As Walla Walla grows as a modern city, retention of the charm that is characteristic of the community can only be preserved by showcasing and incorporating the architectural character and craftsmanship of historic buildings into this contemporary vision. It is this same charm which has contributed to making Walla Walla a successful tourist destination. Genuine historic character cannot be artificially created with new construction. Therefore, retention and rehabilitation of historic buildings in Walla Walla as a valuable cultural resource is a worthwhile economic goal for Downtown. The human-scale architecture, inherent to historic architecture, is well suited to the pedestrians and visitors that flock to Walla Walla. Aesthetically and functionally, buildings with a human scale are more appropriate for small town communities than the large, non-descript modern buildings seen in other communities

Although not without challenges, rehabilitation of existing structures instead of demolition and new construction allows for the reuse of productive materials, reduces landfill costs, extends the functional life of the existing structure, and generally represents a more sustainable form of development. Rehabilitation projects often rely on the use of local workers.

Community vibrancy, marked by an active economy and supportive citizenship, fosters a sense of place and pride among residents. A 2004 study of Walla Walla suggested that in the last twenty years of economic development, the most significant shift has been in the dramatic surge of the community pride for their town. This pride is crucial for a positive and prosperous living environment. Community pride lessens petty crime and increases the sense of social responsibility among citizens to contribute to their community.

As one of the most recognizable and accessible areas of a town, downtowns are incredibly important in helping a community establish its identity. Walla Walla is no exception to this trend. Having a centralized "sense of place" is vital to bring a community together and create a positive living environment. The social responsibility that citizens feel to their towns is necessary to develop socially vibrant and economically strong communities that are attractive to new residents and visitors. By developing residential housing in **Downtown Walla Walla**, the town would carve out a space for a proud community of neighbors which would support the Downtown economy.

Some tangible benefits of this community pride are property maintenance, a decrease in property vandalism, a preference to support local businesses, and greater resident satisfaction from their quality of life. These advantages encourage citizens to support and become involved in the Walla Walla community.

#### **Benefits for the Resident**

Last but not least, upper story downtown housing is an attractive housing alternative for individual residents. While downtown living is versatile and can appeal to a wide variety of tenants, the target audiences for this project are young professionals, couples without children and empty-nesters. The convenience of work, medical services, and leisure activities provided by downtown living is unmatched by housing options outside the city center. Upper story living is particularly adept at providing comfort, convenience, and character for its residents, three high-priority factors for prospective tenants.

Within the Walla Walla city center, which at its widest point extends from Park Street to Ninth Avenue and from Highway 12 to Willow Street, there is a multitude of accessible services. There are 47 restaurants, one grocery store, 25 wineries, one full-service hospital, seven banks, eight religious centers, five cultural centers, and over 100 small businesses and other services all operating in the 100 acre Downtown area. By living downtown, residents are within easy walking distance to all of these amenities in addition to the Valley Transit transfer center which provides access to bus routes that serve the whole city and surrounding towns (Figure 3).

Furthermore, upper story downtown living relieves the resident from the maintenance and responsibility of owning a home. Downsizing to an apartment in the downtown core could be a relief for many empty nesters because they will be able to use their space more productively. In addition, while apartments may still offer rooftop, courtyard, or balcony access, the upkeep of yards and large properties is significantly diminished. The simplicity of downtown living makes this a unique housing option for Walla Walla residents and the market ripe with untapped potential for local economic growth.



Vibrant Downtown area.

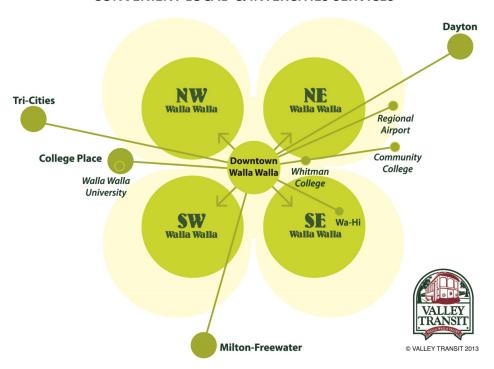
Convenient access to work, services and amenities provided by downtown living is unmatched by housing options outside the city center.



Local Transit serving Downtown.

Downtown upper story living relieves residents from the maintenance and responsibility of owning a home.

## FIGURE 4— PUBLIC TRANSPORTATION PROVIDES CONVENIENT LOCAL & INTERCITIES SERVICES



The various transit services interconnect at Valley Transit's Transfer Station in Downtown.

#### Successful Projects in Wenatchee and Ellensburg

Downtown residential housing projects are becoming increasingly popular in Washington State towns. Establishing historic districts and rejuve - nating city centers are becoming the norm, with 49 national historic districts in Washington State. Many of Walla Walla's peers have moved forward on upper story housing projects and have been incredibly successful. We look to these communities as models for projects similar to our own.

The Hamilton Lofts in Wenatchee is an example of a well supported and successful upper floor residential housing project. In 2009, the Hamilton Lofts, owned and renovated by Roger Bumps, were opened. Rehabilitated from an old apple warehouse, the Hamilton Lofts boasts six upscale apartments. Four of these apartments are rented for \$1400-\$1600 per month, the Bumps' live in another, and the last is sporadically used for transient doctors and guests. Since the opening of the lofts, three of the apartments leased quickly and have maintained their contracts. The fourth switched tenants once, but only remained on the market for a week before being snatched up again. Throughout his project, Mr. Bump thought the state historic register was easy to work with. Moreover, thanks to the state Special Valuation program, he does not pay any taxes on his property. Remarking on the market for upper story downtown living in Wenatchee, Roger commented that the demand is greater than the supply for downtown apartments. Consequently, he believes that these housing options will become increasingly popular in future years.

Another example of successful upper floor residential projects comes from downtown Ellensburg. The SRG Building, renovated by Dale Sherman, has a retail space on the ground floor with two loft apartments above. The retail space and one loft were leased before construction was complete. The second loft was leased three weeks after construction finished. In the last

Several upper floor residential projects in other communities have been very successful and have benefitted from the tax incentive programs.

two years, the lofts have only had two and a half weeks without a long-term tenant. While Mr. Sherman found the State Historic Preservation Office, and its financial incentives, to be easily accessible, he does highly recommend that property owners meet with these officials before starting renovations.

#### Conclusion

There are numerous benefits to developing upper floor housing in Downtown Walla Walla. There is a great potential for these projects to have a positive impact on Walla Walla property owners, businesses, individual tenants, and the general community. There are a multitude of resources available to provide guidance and support for investors. The Downtown Walla Walla Foundation believes that upper floor residential living could be a great addition to the Downtown district and would be instrumental in fostering a prosperous and vibrant community.

There are numerous benefits to developing upper story housing in Downtown Walla Walla

#### **Chapter VII: Definitions**

**Assessed Value: Land** – Market value of the land as determined by the Walla Walla County Assessor.

**Assessed Value: Structure** – Market value of the structure as determined by the Walla Walla County Assessor.

**Assessed Value:** Total – Combined market value of the land and structure as determined by the Walla Walla County Assessor.

**Certificate of Appropriateness** - The document indicating that the Walla Walla Historic Preservation Commission has reviewed the proposed changes to a local register property or within a local register historic district and certified the changes as not adversely affecting the historic characteristics of the property which contribute to its designation.

Certified Local Government (CLG) - A program organized by the National Park Service (NPS) and the State Historic Preservation Office (SHPO) to create a preservation partnership between groups at the national, state, and local levels. Local communities complete a certification process to be considered a Certified Local Government which shows their commitment to cultural preservation for future generations. Becoming a CLG gives a community access to advice and resources from national and state departments. Additionally, CLGs are qualified to access further Federal funding for historical preservation projects. The City of Walla Walla is designated as a Certified Local Government.

**Design Standards for Downtown Walla Walla** - Written in 2004 to promote the preservation of the historic character of downtown buildings and adopted as Chapter 20.178 of the Walla Walla Municipal Code. Outlines the basic design standards for certain elements of existing and new buildings such as the building size, materials, placement, windows, signage, and priorities for preservation and restoration of historic structures.

**Downtown District** - Walla Walla's Downtown District is defined as the primary commercial center of the area. At the widest points the downtown area extends from Park Street to Seventh Avenue and from Highway 12 to Willow Street. See FIGURE 1 in Chapter I of this Handbook.

**Downtown Walla Walla Foundation (DWWF)** - Established in 1984 to address the high vacancy rates and the lack of foot traffic in Walla Walla. Through the Foundation's revitalization projects, Downtown Walla Walla has become a thriving district for community gatherings and economic development.

**DWWF Design Committee** - This committee, which includes community architects, property owners, and DWWF board members, was the original instigator for promoting downtown residences in existing Walla Walla buildings. In line with its mission of enhancing downtown Walla Walla's value and appeal, it continues to serve as an advisory committee for property owners interested in pursuing upper story housing projects. The Design Committee encourages



Downtown Farmers' Market



Horse-driven taxi

property owners to engage with them about the Design Review process and to act as a springboard for any early discussions of project vision, in addition to supporting upper story housing projects in any way it can.

**Historic District** - A group of buildings, sites, or structures that together have significant historical importance. This grouping may be based on their physical proximity to each other, their association with a certain historic period, or their function.

**Historic Structure** - A building, or other structure, that is culturally significant because of its link to an important historic period, event, architectural style or person. Generally a structure older than 50 years may be considered historically significant.

**Income-Producing Property** - A property with the intention to generate income. Examples of properties with this function are those used for retail, restaurants, or rental units. The property does not need to be successful at generating profit but must have the intention to generate revenue for the owner. Some tax incentives require that properties are income-producing in order to access these financial programs.

International Building Code - Published by the International Code Council (ICC) with updated versions published every three years, which focus on public health and safety. The code is comprehensive but refers to more specific subject codes also published by the ICC. These codes include: International Energy Conservation Code; International Existing Building Code; International Fire Code; International Fuel Gas Code; International Mechanical Code; International Plumbing Code; International Property Maintenance Code; and International Residential Code. The Washington Building Code Council formally adopts portions of the Code applicable to Washington as part of the "State Building Code," and the state-adopted codes are required to be adopted by local jurisdictions. City adoption of the building codes can be found in Title 15 (Building and Construction) of the Walla Walla Municipal Code.

International Existing Building Code - These codes are used to maintain public health and safety when considering repairs, alterations, changes of occupancy, additions and relocations of existing buildings. The codes are published by the International Code Council (ICC) with updated versions published every three years. The Washington Building Code Council formally adopts portions of the Code applicable to Washington as part of the "State Building Code", and the state-adopted codes are required to be adopted by local jurisdictions. City adoption of the building codes can be found in Title 15 (Building and Construction) of the Walla Walla Municipal Code.

International Fire Code - Establishes the minimum regulations for fire prevention and protection systems in order to uphold public health and safety. The codes are published by the International Code Council (ICC) with updated versions published every three years. The Washington Building Code Council formally adopts portions of the Code applicable to Washington as part of the "State Building Code," and the state-adopted codes are required to be adopted by local jurisdictions. City adoption of the building codes can be found in Title 15 (Building and Construction) of the Walla Walla Municipal Code.



**Downtown Summer Concerts** 



Trick or Treating Downtown

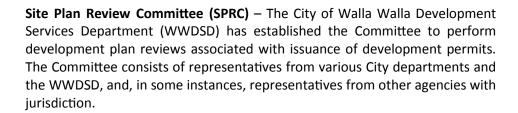
**National Register of Historic Places** *or* **National Register (NRHP** *or* **NR)** - The official list of the Nation's historic places worthy of preservation. It is part of a program to support projects protecting the historical and archaeological resources in the United States.

**Register, Local** – "City of Walla Walla register of historic places," "local register," means the listing of locally designated properties provided for in Walla Walla Municipal Code section 2.27.050.

Register, State - See "Washington Heritage Register (WHR)".

Register, National – See "National Register of Historic Places or National Register (NRHP or NR)".

Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings - Written for National Register historic buildings but has been adopted by the city of Walla Walla to be applied to all historic buildings (50 or more years old). The Standards offer four distinct approaches to the treatment of historic properties—preservation, rehabilitation, restoration, and reconstruction with Guidelines for each. The Standards include general and specific requirements to maintain historic character in existing buildings regarding topics such as building use, distinctive features, repairs, appropriate cleaning treatments, new additions, and exterior façade alterations. The Standards can be accessed on line at <a href="http://www.nps.gov/tps/standards.htm">http://www.nps.gov/tps/standards.htm</a>.



Walla Walla Historic Preservation Commission - An advisory commission established pursuant to Section 2.27.040 of the Walla Walla Municipal Code and appointed by the Walla Walla City Council. The Commission is generally charged with advising the City regarding matters related to historic preservation (Walla Walla Municipal Code Section 2.27.040(D) and is specifically responsible for 1) nominating properties to the local historic register, 2) reviewing nominations for the local, state, and national historic registers, 3) approving projects for the Special Valuation program, and 4) providing design review for projects listed on the register. The commission meets monthly, as needed, to complete these responsibilities.

Walla Walla Development Services Department (WWDSD) - The City Department was established to provide land use planning, building, permitting, code compliance and historic preservation services for the City of Walla Walla.

**Walla Walla Municipal Code** - A set of ordinances (laws) passed by the City of Walla Walla. Topics include administrative positions, financial considerations, tax incentives, business development, animals, public health and safety,



Wheelin' Walla Walla Car Show



Downtown Nightlife

public morals and welfare, traffic regulations, water treatment, construction, environmental considerations, and zoning laws. The Municipal Code can be accessed on line at <a href="http://www.codepublishing.com/WA/wallawalla.html">http://www.codepublishing.com/WA/wallawalla.html</a>.

Washington Heritage Register (WHR) - The official list of historically significant sites and properties throughout Washington State, maintained by the Department of Archaeology and Historic Preservation. A designation as a historic property is strictly honorary and works to promote public awareness of historic and cultural values.

Washington State Department of Archaeology and Historic Preservation (DAHP) - Washington State's Historic Preservation Office. This office provides information about and maintains Washington properties participation on three historic registers (the National Register, the Washington Heritage Register, and the Heritage Barn Register). It tracks and advocates for Washington State's historic and cultural resources and provides technical assistance to local jurisdictions.

in 1988 to promote practices and systems which protect and enhance the local quality of life. One of the services it provides as a fundraiser is the "Historic Research Project," through which the organization's representatives research and produce historic property reports that can be used to satisfy the documentation requirements for listing of a property on the Local Historic Register.

Walla Walla 2020 - Walla Walla 2020 is a local non-profit organization founded



Community events

#### **CHAPTER VIII: Resources**

#### **Local Contacts & Resources**

**Downtown Walla Walla Foundation** 

http://downtownwallawalla.com/

2 S. First Ave., Ste. 300 Walla Walla, WA 99362 509-529-8755

Walla Walla Development Services Department (WWDSD)

http://wallawallawa.gov

55 E. Moore Street Walla Walla, WA 99362 509-524-4710

Walla Walla 2020 – Historic Plaques & Research Project

http://wallawalla2020.org/historic/

Attn: Dan Clark P.O. Box 1222 Walla Walla, WA 99362 509-522-0399

#### **On Line Resources**

City of Walla Walla Municipal Code

http://www.codepublishing.com/WA/wallawalla.html

**International Building Code** 

http://publicecodes.cyberregs.com/icod/index.htm

**Secretary of Interior Preservation Standards** 

http://www.nps.gov/tps/standards.htm

Washington Dept. of Archeology & Historic Preservation (DAHP)

http://www.dahp.wa.gov/

#### **Acknowledgements**

#### **Downtown Walla Walla Foundation**

#### **Design Committee**

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Bob Hysell—Guidelines Project Chairman

Jon Campbell

Sandra Cannon

Alex DeMambro

Tom Glover—Former Member

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#### Whitman College Student Intern Program

Catherine Sturtevant—Student Intern

#### **Photo Credits**

Downtown Walla Walla Foundation Photo Library Gary Mabley, AICP, Mabley & Associates

**Awards**—Following initial publication of these Guidelines, the Downtown Walla Walla Foundation was awarded:

- 1. <u>The 2014 Excellent on Main Award for Outstanding Special Project</u> by the Washington State Main Street Program and Washington Trust for Historic Preservation; and
- 2. <u>The 2014 Governor's Smart Communities Award</u> in recognition of outstanding achievement in creating livable and vibrant communities.