

# Plan would change Lacey's skyline

## Retail, office space rivals mall, Capitol Campus

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THE OLYMPIAN

LACEY — The Lacey Gateway development in Hawks Prairie could feature a skyline of residential towers mixed among retail space larger than Westfield Capital mall, if plans filed with city officials this week come true.

Developer Tri Vo envisions a Lacey town center with up to 2 million square feet of office space, nearly as much as the 2.4 million square feet on the Capitol Campus.

Vo plans to build the project on 200 acres he owns at Marvin Road and Interstate 5. His project manager, Michael Davolio, will discuss the plans at an invitation-only business luncheon today at the Worthington Center at Saint Martin's University.

So far, the only announced tenant for the site is a Cabela's outdoors store. The 185,000-square-foot store is expected to open in November.

"I suspect by the end of the year, we'll be making a number of other announcements," Davolio said Tuesday.

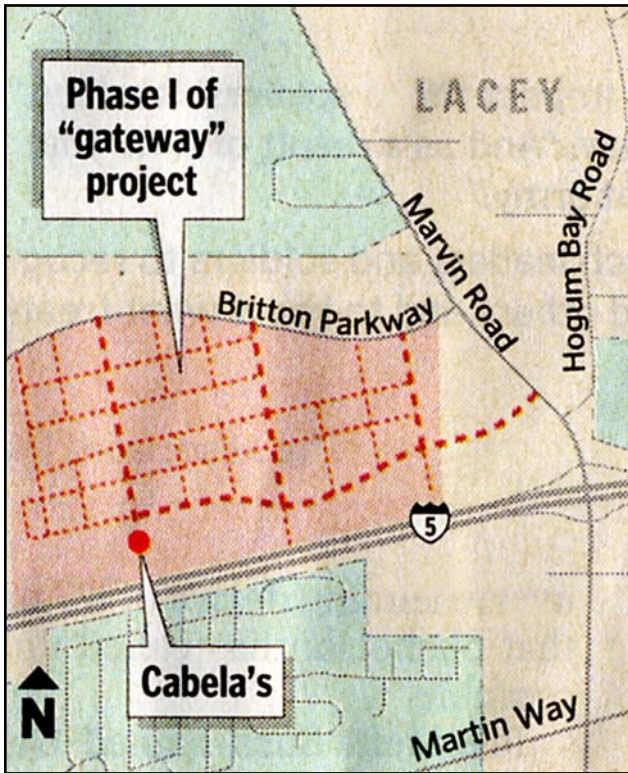
"I can't tell you who we have contacted, but I can tell you that my phone is ringing off the hook," he said. "This project is selling itself."

Davolio stressed that it would take as many as 15 years of building in phases for the entire development to be built. In phase one, which would take three to five years, about half the office space, much of the retail space and up to 200 housing units could be built, he said.

### **CITY OFFICIALS REACT**

Some city officials tempered their excitement about the project.

"It is exciting, but we're couching that," said Jerry Litt,



The Olympian



An artist's rendering shows the possible look of the Lacey Gateway project, which developers estimate could take 15 years to complete.

Lacey's community development director. "This is not all going to be built in the next five years. But it is the best opportunity in South Sound to build a true urban center."

Vo's site plan review application must comply with Lacey's master plan for the site, which city officials approved in the early 1990s. The developer and city will perform supplemental environmental studies to gauge various effects, including those from traffic, before approving the plans.

Davolio said the city has long-range plans to build a second I-5 interchange at Carpenter Road to serve the site, but he said time lines are not firm. The lone I-5 interchange serving the Cabela's site is at Marvin Road.

Years from now, the Gateway development could threaten downtown Olympia's real-estate market, but it's too soon to be certain, said Pete Swensson, a senior

planner for the Thurston Regional Planning Council. As the county's population grows, that will create new demand for office space, he said.

"Fifteen to twenty years from now, state government could be looking for larger space, or we could see some new private-sector businesses come to town that are large," Swensson said.

Although Vo envisions high-rise residential buildings atop retail shops, Davolio said it was too early to know how many stories they might be.

Swensson figures Vo will need to develop a lively, low-slung urban village before there would be strong demand for more expensive high-rise housing.

"It will be a while before the market's ready for that (towers)," Swensson said.