

ECONOMIC DEVELOPMENT

Draft-Economic Development Element

The Economic Development Element emphasizes the following Framework Goals:

FRAMEWORK GOALS

- FG1: Accommodate anticipated levels of growth and enhance the quality of life within the City of Shoreline.**
- FG2: Promote quality building and development that is compatible with the surrounding environment.**
- FG3: Support diverse and affordable housing opportunities which provide for Shoreline's population growth.**
- FG4: Pursue a strong and diverse economy and assure economic development that complements neighborhood character.**
- FG5: Protect the natural environment and preserve environmentally sensitive areas.**
- FG6: Promote improvements to human services.**
- FG7: Assure effective and efficient public investment for quality public services, facilities, and utilities.**
- FG8: Improve multi-modal transportation systems which provide for Shoreline's present and future population.**
- FG9: Provide for wide involvement in community planning decisions.**

Intent

The intent of the Economic Development element is to improve the quality of life by encouraging a greater number and variety of thriving commercial businesses that provide services and create employment opportunities for Shoreline residents.

Background and Context

Shoreline has always been known as a desirable place to live, learn and play. However, an area's livability is also enhanced by being a desirable place to work and shop. Shoreline residents mostly travel elsewhere for higher-wage jobs and for more complete shopping opportunities. The quality of Shoreline's economy is affected by healthy businesses that provide goods and services, reliable public services, the area's natural and built attractiveness, good schools, strong neighborhoods and efficient traffic circulation. Maintaining the community's quality of life requires a strong and sustainable economic climate.

The following economic development ideas were suggested during the Comprehensive Plan process:

- Provide a full range of commercial services and retail that are oriented to serve the community;
- Increase the City's role with incentives and private/public partnerships;
- Direct city public works improvements to improve designated areas;
- Encourage more family-wage employment opportunities;
- Encourage businesses to upgrade services and appearances;
- Improve the economic viability along Aurora; and
- Improve City image and create City identity.

The City conducted several studies to assess its strengths and weaknesses and opportunities for economic development, primarily in the Aurora Corridor and North City. The Aurora Corridor subarea study includes an economic forecast, designated opportunities sites, and market niches the City could pursue. Opportunity sites are properties that have some combination of closeness to the freeway, good site access, large land area, and vacant or temporary businesses. The City also conducted a development feasibility study (Granger Report) for the Aurora Corridor.

In addition, the City assessed a potential revitalization program that would strengthen the North City business association, make physical improvements, promote and market the area, and restructure the local economy. Other small business areas that should be considered for improvements include Richmond Beach, Richmond Highlands, Ridgecrest, Ballinger, ~~North N.~~ 145th and 15th/Lake City Way. Shoreline is not unattractive to the investment community, but there is still a preference for investment in established market areas.

Existing Conditions

The market area for Shoreline is larger in scope than the City itself, including portions of the cities of Edmonds, Mountlake Terrace, Bothell, Lake Forest Park, and Seattle. The economic characteristics of this trade area are integral to the economy of Shoreline. The population of the trade area in 1994 was 173,000 which is more than three times the size of Shoreline, indicating a potential for market growth in Shoreline. The total market area is projected to grow in population by 17% which is consistent with Shoreline's projected population increase for the next 20 years. Average household income in the market area was \$54,100, slightly lower than the average for King County but greater than that for Snohomish County.

There are currently two sizable retail developments on the Aurora Corridor in Shoreline: Aurora Village and Aurora Square. The "big box" retail (Costco, Home Depot) on the Corridor is thriving at present; however, it is difficult to predict whether this type of use will continue to thrive beyond the next few years. Questions have been raised during the course of the market discussions about what to expect in the long-term future for these types of developments and for Aurora Village in particular. Aurora Village will probably remain a retail mall in the foreseeable future due to its size and location, although the tenants may change. Although at a high visibility corner site for retail, Aurora Village is not a high amenity site, and wouldn't likely attract such uses as high technology or research and development. Land values will likely continue to dictate retail uses on this site.

Taxable sales revenue estimates for the Aurora Corridor are based on average sales standards per type of business on Aurora as compared to the City as a whole. These standards are used because sales information on individual businesses are not available from the State. Based on these estimates, Aurora taxable sales represent 81% of taxable sales in the City.

Summary of Development Opportunities

The City of Shoreline has identified 82 parcels within the Aurora Corridor area that have the potential to be redeveloped. These Aurora Corridor parcels vary in size from one-tenth of an acre to 17 acres, with a total redevelopable area of approximately 113 acres¹.

The Aurora Corridor needs a showcase project that brings positive market results. Retail development is determining land values at present on Aurora Avenue, which makes land values generally too high for other uses such as industry, housing, or low-density office. In general, utilities are adequate for the future development identified in the market forecast. Private utility companies will install facilities such as fiber optics if the market is there.

The development potential is a speculative projection on what could or is likely to develop in the future based on regional forecasts, existing conditions and inventories, and the opportunities specific to Shoreline. Below is a summary of the

¹ Source: City of Shoreline, King County Assessor, December 1995

key opportunities that are possible in the Aurora Corridor. More detailed reports on the potential for economic development are the *Aurora Corridor Subarea Technical Report and Aurora Corridor - Project Feasibility Development Implementation Study*. These studies are available from the Shoreline Planning and Community Development Department.

Retail Opportunities:

- Growth in market share for categories other than Food Service and Personal Service
- Regional serving retail
- Entertainment and Recreation
- "Big Box" retail
- Retail trade and Services

Potential Development:

- 26,600 SF per year and 3 acres

Cumulative Absorption (SF):

Year	Building Square Ft.	Acres
1995-2000	133,000	14
1995-2010	311,000	34
1995-2020	476,000	48

Office Opportunities:

- Expanded government concentration
- Medical/Dental, Finance, Insurance, Real Estate, Services
- Growth of local-serving office
- Emergence of larger concentrations of office

Potential Development:

- 10,000 SF per year

Cumulative Absorption (SF):

Year	Square Feet	Acres
1995-2000	50,000	14
1995-2010	150,000	34
1995-2020	250,000	48

Hotel Opportunity:

- Full service hotel with meeting space and restaurant
- Additional limited service properties

Potential Development:

- 150-room hotel with 5,000 square feet of meeting space
- One or more 75-100 room motels

Cinema Opportunity:

- Multi-screen cinema to serve North End market area

Potential Development:

- Current need of 3-4 screens

Source: Property Counselors, 1997

High technology uses tend to be close to industrial uses in nature and locate at high amenity sites. Amenities include on-site and off-site aesthetic attributes, such as water features, trails, and nearby parks and/or shopping. Echo Lake could attract high technology users, as an office site with high amenity; however, it would require intensive marketing to lure high-tech users to the area.

Supporting a Customer Service Oriented Approach to City Business

The City has incorporated a customer service approach to the delivery of City services including economic development and permitting activities. The process and timing of building permit review has been expedited under this approach and under the provisions of Senate Bill 1724. In addition to the processing of permit requests, the City has held numerous pre-development meetings with prospective developers and/or business owners in order to identify, facilitate and expedite proposals which are consistent with the adopted zoning and comprehensive plan. Finally, in response to interest in development of properties located along the Aurora Corridor, the City Council amended the Aurora Corridor Overlay to expand the list of allowed land uses and thus giving more businesses an opportunity to locate there.

Goals and Policies

There is a range of economic development strategies available to the City. The City could take no action and rely entirely on the market to create new commercial development. The City could increase the intensity of development by allowing existing businesses to redevelop with bigger buildings, building in current parking lots and expanding current businesses. The City could increase the places where commercial development can happen, possibly by having commercial development in areas which are currently residential. The City could direct public works improvements such as sidewalks, parks, trails, cross-walks, and beautification for the purpose of attracting new businesses. The City could increase efforts to promote itself and attract desirable development. A more involved role would be for the City to join with private businesses in partnership efforts to expand business opportunities.

The policies in this element address five aspects of creating a healthy economic climate for Shoreline: Quality of Life, Job Base, Opportunities for Economic Development, City Role, Infrastructure Requirements. Policies presented in this element will guide future City actions that, together with private sector actions, will produce a strong economy. The results, in turn, will preserve and improve the quality of life that Shoreline's residents and workers currently enjoy.

Quality Of Life

Goal ED I: To maintain and improve the quality of life in the community by increasing professional services such as doctors, lawyers, and accountants, and enhancing the image of Shoreline as a good place to work, shop and live by:

- **Strengthening residential neighborhoods, i.e. less tax burden, funds for enhancement projects, providing more retail choices;**
- **Increasing job opportunities and the job base;**
- **Providing quality public services;**
- **Preserving community character;**
- **Protecting environmental quality;**
- **Diversifying the economic base;**
- **Providing for efficient transportation systems; and**
- **Stabilizing economic ups and downs.**

Policies

ED1: Improve the image and strengthen the identity of business districts consistent with the Shoreline Vision and compatible with the community.

ED2: Improve economic vitality by:

- Encouraging existing businesses to thrive;
- Recruiting new businesses;
- Encouraging economic services for the community;
- Cooperating with businesses to create strategies and action plans;
- Assuring increased housing density around commercial districts; and
- Developing design guidelines to enhance commercial areas.

ED3: Pursue businesses to maintain attractive site, landscaping, and building designs that improve the character of the commercial districts and neighborhoods.

Expand the Job Base

Goal ED II: To increase and diversify Shoreline's job base so that citizens' livelihoods can improve.

Policies

ED4: Work to maintain and enhance the quality of the Shoreline School District and Shoreline Community College to educate and train and retraining our workforce.

ED5: Increase and improve the City's job base allowing people to work and shop in the community.

ED6: Support regional policies for jobs / housing balance in Shoreline.

ED7: Encourage a diverse, trained and employable labor pool in the community.

ED8: Encourage increased availability of advanced technological resources needed for job creation and retention.

ED9: Emphasize attraction of living wage jobs to the community.

Opportunities for Economic Development

Goal ED III: To create and leverage opportunities for economic development.

Policies

ED10: Recognize the Aurora Corridor as the economic core of the City with potential for revitalization, providing services, jobs, opportunities, and becoming an activity center for Shoreline.

ED11: Recognize the North City business district as a local commercial area that is ready for revitalization to thrive and better serve the local community.

ED12: Recognize the potential for other, smaller commercial districts for improvement and revitalization.

ED13: Encourage and support home-based businesses in the City provided that signage, parking, storage, and noise impacts are compatible with neighborhoods.

ED14: Support and retain small businesses for their jobs and services that they provide to the community.

ED15: Maintain an inventory of commercial sites and provide this information to prospective developers.

ED16: Promote optimum development of commercial property.

ED17: Encourage commercial development that provides a reasonable balance between municipal costs and public benefits.

ED18: Encourage a mix of businesses that complement each other and provide variety to the community to create activity and economic momentum.

ED19: Create partnerships with major landholders who are non-private or public entities to participate in the economic well-being of the community.

ED20: ~~Discourage the conversion of lands to non-taxable uses~~ Encourage land uses which increase the city's tax base.

City Role

Goal ED IV: To improve the City's role to facilitate and initiate economic development opportunities.

Policies

- ED21:** Actively recruit and promote new businesses to take advantage of market opportunities, to improve Shoreline's image and to provide services to the community.
- ED22:** Direct capital facilities in key areas as exemplary development to promote the City's image, create a sense of place, and a place to locate business.
- ED23:** Actively work with the King County, Snohomish County, Shoreline Community College, SnoKing Economic Development Council, neighboring cities, Shoreline Chamber of Commerce, local business associations to stimulate business retention and implement interlocal and regional strategies.
- ED24:** Promote the Main Street Program with local business districts using their four points for revitalization.
- 1) Encourage effective, successful business organizations.
 - 2) Create physical improvement plans to direct private and public development and enhancement programs.
 - 3) Help develop image-building business promotions to improve their viability and attract businesses.
 - 4) Encourage economic restructuring to help existing businesses thrive.
- ED25:** Ensure adequate transportation infrastructure to support and promote economic development.
- ED26:** Ensure that sufficient land use and zoning provisions support businesses.
- ED27:** Use reasonable incentives and development flexibility to ~~encourage~~ assure quality development that improves the image of the City such as:
- Development agreements,
 - Tax credits,
 - Land assembly,
 - Infrastructure improvements,
 - Expediting permitting processes,
 - Public/private partnerships,
 - Grants, loans or revenue bonds, and
 - Local Improvement Districts (LID).
- ED28:** Ensure a customer service-oriented permitting process for commercial improvements, expansions, and developments.
- ED29:** Initiate partnerships with the private sector which further the interests of the Comprehensive Plan.
- ED30:** Work in partnership with the Chamber of Commerce, neighborhood business associations, development councils tourist and convention bureaus, visitor bureaus to promote Shoreline.

- ED31:** Take advantage of marketing resources and opportunities to contact businesses which might locate in Shoreline and to enhance the overall and economic image of the community.
- ED32:** Conduct market research as needed to guide the City's economic development strategies and to assist businesses.
- ED33:** Provide economic information such as market studies, vacant land inventories and sources of public assistance to existing and potential commercial development within the community.
- ED34:** Facilitate public/private entities to negotiate and cooperate on projects, issues, and problems of local importance.
- ED35:** Coordinate and initiate financial assistance using county, state and federal program funds, facility grants, loans and revolving loan funds.

Infrastructure Requirements

Goal ED V: To support and attract economic development with reliable infrastructure.

Policies

- ED36:** Ensure that infrastructure can meet the needs of existing and planned future commercial development including utilities, communication, transportation, and high-technology facilities.
- ED37:** Encourage and promote business districts by creating physical plans to improve the appearance and function of their streets, sidewalks, utilities, access, lighting, buildings, signage, landscaping, etc.
- ED38:** Support public/private partnerships to facilitate or fund infrastructure improvements that will result in increased economic opportunity.
- ED39:** Make improvements to Aurora Avenue so that it is a friendly, functional, and attractive street.
- ED40:** Create strong pedestrian and circulation linkages within the commercial areas and connecting these areas to neighborhoods.
- ED41:** Pursue ~~u~~ Underground powerlines ~~all utilities~~, where feasible, to enhance the appearance and appeal of commercial areas.
- ED42:** Promote the maintenance and development of high quality transportation and transit facilities that serve commercial development.