

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Economic Development Program Strategy
<b>DEPARTMENT:</b>	Planning and Development Services
<b>PRESENTED BY:</b>	Tim Stewart, Director <i>for T.S.:a.k.</i> Kirk McKinley, Planning Manager Jan K. Briggs, Economic Development Coordinator

**EXECUTIVE / COUNCIL SUMMARY**

Goal #1 in the City Council's 2000-2001 Work Plan is to adopt and implement a formal economic development program. An Economic Development Plan was presented and discussed at a Council workshop on February 22, 2000. At that workshop, staff described economic development goals and proposed alternative approaches for achieving those goals.

The three approaches discussed were: 1) "Passive" approach – support and moderate assistance to businesses and development upon request; 2) "Partnering" approach – pursuing partners and aggressively promoting Shoreline (City as a catalyst for change); and 3) "Proactive" (aggressive) approach – aggressive financial involvement and leadership to bring in new development (includes potential land acquisition or assemblage). After consideration, your Council's consensus was in favor of the "Partnering" approach but not excluding a "Proactive" approach on a per project/site basis.

The Economic Development Program ("Program") before you today identifies actions and strategies for implementing the partnering approach to economic development with opportunities for more proactive involvement in certain target areas. These strategies will further define and move toward a long-term vision of the City's desired future employment, tax base and identity.

The purpose of this report is to inform your Council of the progress on this Program and obtain your Council's consensus on proceeding as recommended. Clarification by your Council of priorities directly relating to the North City Subarea Implementation Project and general economic development marketing activities is also requested. Staff will then conduct public outreach to citizens, property and business owners of Shoreline, customers and stakeholders. Staff will revise the Program based on input provided during that process, present the Program to the Planning Commission for discussion, and return to your Council with a final recommendation in May or June.

**RECOMMENDATION**

Staff is seeking consensus from your Council on the Economic Development Program presented here. With consensus, your Council can direct staff to begin the public outreach phase of the project, and then return to Council in May or June with a final recommendation.

Regarding North City Implementation, staff recommends that approximately 30% of the Economic Development Coordinator's time be allocated to this project, with supplemental assistance from the consulting design and construction engineering firm.

Staff further recommends that the commercial land inventory be pursued with assistance from a student intern, as resources from the economic development budget are available. It is anticipated that 5% or less of the Coordinator's time would be necessary to oversee the intern's work.

Approved By:

City Manager



City Attorney



## BACKGROUND / ANALYSIS

The Economic Development Program Strategy was last discussed with your Council at a workshop on February 22, 2000. The consensus of the Council was to move forward with a Partnering approach (the City as a catalyst for change) with some potential for a more proactive or aggressive approach on a project by project basis. The staff report for that discussion contained much of the policy background from the City's Comprehensive Plan as well as discussion of the City's strengths and weaknesses. The staff report and minutes from the February 22<sup>nd</sup> workshop are attached for your reference.

Since then, the City has experienced a turnover in the Economic Development Coordinator position. With the new Coordinator, the City has renewed contacts with the economic development community, the Chamber of Commerce and with individual businesses. There has also been increased interest from developers in redeveloping commercial properties. The Coordinator has been meeting with these interests and facilitating solutions to issues as they have arisen.

Central to the Coordinator's first task upon arriving has been to develop an Economic Development Program that takes the strategy discussions of last year further to identify and program specific actions consistent with direction from your Council. That Program is before you today for review and discussion.

The Economic Development Program, Attachment 'A', includes a mission statement, goals and potential measurements for success. It proposes a set of "core services" that would be funded every year by the City for basic economic development functions. These core services are proposed as follows:

I.	Develop and implement short and long term economic development plans, programs and strategies.
II.	Monitor, analyze and report on economic and market trends.
III.	Conduct marketing activities. Coordinate production of marketing materials about economic development opportunities in the City. Coordinate marketing plans with Chamber and other business organizations, Seattle/King County Economic Development Council, Shoreline's schools and utility districts, and other related organizations.
IV.	Conduct liaison activities, develop and cultivate contacts with existing and prospective City businesses, professional economic development and other organizations. Attend Chamber meetings; participate as ex-officio member of Chamber Board of Directors and as member of Economic Development Subcommittee. Maintain membership and active participation in Economic Development Council, Council on Urban Economic Development and other related organizations. Provide technical assistance and assist business/property owners in development application process. Research business issues and complaints and recommend solutions.
V.	Track business movement in and out of City.
VI.	Manage professional services contracts as related to economic development.

VII.	Maintain an inventory of commercial sites, underutilized land; identify obstacles to development and recommend solutions.
VIII.	Review proposed ordinances and codes that relate to economic development. Recommend changes that would encourage or facilitate economic development in desired areas. Participate in code development processes.
IX.	Investigate and/or apply for funding and other mechanisms for implementation.
X.	Provide financial analysis for projects that require City participation. Develop Requests for Proposals for public/private projects, as appropriate.
XI.	Implement special projects as funded.

In delivering these core services, the Program proposes specific projects and actions within the adopted 2001 Base Budget. The current budget for economic development, exclusive of staff salary and benefits, is \$55,800. \$50,000 of this is programmed for Professional Services – primarily market and financial analysis of redevelopment potential. It is anticipated that with these funds, and with available Capital Improvement funds and student interns, the following projects and strategies can be accomplished:

### 2001 Projects/Actions

- 1) **Begin Phase I - "Framework" for Long-Term Economic Development Plan.** In cooperation with residents and stakeholders, begin work on broader long-term economic development goals. These may include and are not limited to goals for economic diversification, creation of City identity, prioritization of target areas, integration of CIP and other services. A \$24,595 contract for consultant services is anticipated with this project.  
*Staff Time: 10%*
- 2) **Prepare Short-Term Economic Development Strategies for target areas/business districts outside of subareas.** For each target area, evaluate industrial/commercial/mixed use development potential of properties. Identify business district character, development goals and financing mechanisms for implementation. Prepare economic development strategies with business/property owners, residents and stakeholders for implementation across the next 1-5 years. A \$20,000 contract for consultant services is anticipated with this project. The Westminster/Aurora Square Redevelopment Project Feasibility Analysis discussed in the Sub-Area Plan staff report is an example of this type of project.  
*Staff Time: 10%*
- 3) **Establish and regularly convene an internal economic development strategy team to assist in developing short- and long-term economic development plans and strategies.**  
*Staff Time: 0.5%*
- 4) **Convene business/property owner forums for individual business districts and opportunity sites to assist in 1) and 2) above, and to facilitate, strategize, and develop solutions to redevelopment and/or business issues on a case by case basis.**  
*Staff Time: 3%*

- 5) **Coordinate with King County and participate in Northend Cities Business Roundtable.** King County is convening a roundtable of city officials, developers and other stakeholders in the North King County area to discuss and strategize solutions to economic development issues. Economic Development staff from participating cities have been asked to assist in coordinating and to attend the event.  
*Staff Time: 2%*
- 6) **Participate as project team member in Subarea II planning process (with CIP funding).**  
*Staff Time: 10%*
- 7) **Participate as project team member in Park and Ride TOD Master Plan process.** King County is the lead agency working collaboratively with the City of Shoreline. Kirk McKinley is the project manager for the project.  
*Staff Time: 5%*
- 8) **Participate as project team member in Aurora Corridor project as it relates to redevelopment along the Corridor.**  
*Staff Time: 10%*
- 9) **Implement North City Sub-Area Plan (also with CIP funding).** Coordinate CIP improvements with Public Works and business/property owners. Investigate other funding sources and mechanisms for implementation. Explore parking management as an implementation tool. Actively market opportunity sites.  
*Staff Time: 20% - 35% depending upon Council priorities*
- 10) **Conduct liaison activities.** Attend Chamber meetings; participate as ex-officio member of Chamber Board of Directors and as member of Chamber's Economic Development Subcommittee. Maintain membership and active participation in Economic Development Council, Council on Urban Economic Development and other related organizations. Provide technical assistance and assist business/property owners in development application process. Research business and development issues and complaints, and recommend solutions.  
*Staff Time: 11%*
- 11) **In conjunction with projects 12 and 13 below, conduct developer tour of opportunity sites and City's development procedures.** Organize and conduct tour of Shoreline opportunity sites with interested developers and potential financiers.  
*Staff Time: 0% - 15% depending upon Council priorities*
- 12) **Prepare directory of businesses in Shoreline.**  
*Staff Time: 0% - 15% with #11 above depending upon Council priorities*
- 13) **Prepare commercial land inventory.**  
*Staff Time: 0% - 15% with #11 above depending upon Council priorities*

**14) Investigate funding sources and other mechanisms for implementing economic development plans and strategies.**

*Staff Time: 3%*

**15) Coordinate preparation of applications for and administer economic development grants.**

*Staff Time: 0.5%*

Additional staffing will be required to ensure excellence in implementing the North City Subarea Plan. In the scenario set forth above, the Economic Development Coordinator's time is allocated 100%, with 20% going to North City Implementation and 15% going to marketing activities such as a developer tour, preparation of a business directory and the commercial land inventory. Staff has identified these two projects (#9 and #10,12,and 13 in combination) as the most likely to change in accordance with priorities expressed by your Council.

A 20% allocation to the North City project may not provide adequate time to closely coordinate CIP improvements with property/business owners. This could be improved with intern assistance but a project as important as North City deserves a significant focus. Even at a 35% time allocation, the Coordinator is likely to need assistance by the engineering consulting firm during the design of the project. Any greater allocation of the Coordinator's time would require other core services to be foregone.

Marketing is also important in implementing an Economic Development Program. In the Program's infancy, however, it may be premature to allocate significant time to this effort in 2001. It may be more appropriate to fully assess what we have, evaluate and prepare target areas for redevelopment through subarea plans and short-term economic development strategies and then be more active in marketing in 2002. The risk here is that opportunities may be missed.

**Timelines and Phases**

- |   |               |
|---|---------------|
| ➤ Workshop with City Council  | March 5, 2001 |
| ➤ Refine strategies based on Council review                         | March 2001    |
| ➤ Coordinate (with King County) Northend Cities Business Roundtable | April 2001    |
| ➤ Public Outreach with draft Program                                | April 2001    |
| ➤ Planning Commission briefing                                      | May 3, 2001*  |
| ➤ City Council meeting  | May/June 2001 |
| ➤ Begin implementation  | Ongoing       |

\*Date subject to time available on Planning Commission agenda

**SUMMARY**

In February 2000, your Council directed staff to pursue the "Partnering" approach to economic development but not excluding a "Proactive" approach on a per project/site basis. The Economic Development Program before you today identifies actions and strategies for implementing the partnering approach with opportunities for more

proactive involvement in certain target areas. The Program includes a mission statement, goals, and success measurements, and proposes a set of core services supported by specific projects and actions.

The purpose of this report is to inform your Council of the progress on this Program and obtain your Council's consensus on proceeding as recommended. Staff is also requesting clarification by your Council of priorities directly relating to the North City Subarea Implementation Project and general economic development marketing activities. Staff will then conduct public outreach, revise the Program as appropriate, brief your Planning Commission and return to your Council with a proposed final Program.

## **OPTIONS**

Option #1 – Allocate 20% economic development staff time to the North City Implementation Project, supplementing with student intern as resources are available. Allocate 15% staff time to marketing activities including a developer tour, preparation of a business directory and the commercial land inventory.

Option #2 – Allocate 35% economic development staff time to the North City Implementation Project, supplementing with assistance from design and construction engineering firm and student intern as resources available. Allocate 0% staff time to marketing activities until 2002.

## **RECOMMENDATION**

Staff is seeking consensus from your Council on the Economic Development Program presented here. With consensus, your Council can direct staff to begin the public outreach phase of the project, and then return to Council in May or June with a final recommendation.

Regarding North City Implementation, staff recommends that approximately 30% of the Economic Development Coordinator's time be allocated to this project, with supplemental assistance from the consulting design and construction engineering firm.

Staff further recommends that the commercial land inventory be pursued with assistance from a student intern, as resources from the economic development budget are available. It is anticipated that 5% or less of the Coordinator's time would be necessary to oversee the intern's work.

## **ATTACHMENTS**

Attachment A – The Economic Development Program

Attachment B – Minutes and staff report from the February 22, 2000 Council Workshop

# ATTACHMENT A



**City of Shoreline  
Economic Development Program  
Jobs/Mixed-Use/Revitalization**

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**Mission**

The mission of Shoreline's Economic Development Program is to improve the vibrancy and livability of the City's commercial districts and achieve Shoreline's vision of a vital economy that provides quality jobs and services for its residents.

A hallmark of the Economic Development Program is integrating redevelopment and CIP projects for true efficiencies and return on public investments.

**Goals**

- Create live/work opportunities and mixed use development;
- Maintain and increase the City's economic base;
- Stimulate job retention and creation; and
- Redevelop underutilized or deteriorating areas consistent with city/regional policies, ensuring that living, working and doing business in these locations appeals to a wide range of residents, employers and visitors.

This is accomplished by:

- Bringing together the public and private partners needed to accomplish projects and to find the necessary financial resources;
- Carrying out goals of subarea plans and assisting in the planning and development of opportunity sites outside of subareas; and
- Developing new office, commercial, retail, housing, parks, public transit and other elements of the urban environment in a coordinated and integrated manner.

**Measurements of Success**

The success of the Economic Development Program will be portrayed by:

1. An improved sense of City identity and community
2. Greater live/work opportunities for Shoreline citizens
3. A greater mix of businesses and housing types
4. Coordinated capital improvements and services that serve the public and attract new private investment
5. A more attractive built urban environment
6. Increased tax revenues
7. Job growth and diverse employment opportunities

## Core Services

The core economic development services provided by the City of Shoreline are:

I.	Develop and implement short and long term economic development plans, programs and strategies.
II.	Monitor, analyze and report on economic and market trends.
III.	Conduct marketing activities. Coordinate production of marketing materials about economic development opportunities in the City. Coordinate marketing plans with Chamber and other business organizations, Seattle/King County Economic Development Council, Shoreline's schools and utility districts, and other related organizations.
IV.	Conduct liaison activities, develop and cultivate contacts with existing and prospective City businesses, professional economic development and other organizations.
V.	Track business movement in and out of City.
VI.	Manage professional services contracts as related to economic development.
VII.	Maintain an inventory of commercial sites, underutilized land; identify obstacles to development and recommend solutions.
VIII.	Review proposed ordinances and codes that relate to economic development. Recommend changes that would encourage or facilitate economic development in desired areas. Participate in code development processes.
IX.	Investigate funding sources and other mechanisms for implementation.
X.	Provide financial analysis for projects that require City participation. Develop Requests for Proposals for public/private projects, as appropriate.
XI.	Implement special projects as funded.

Elements I-X are typical activities conducted within an economic development program and are assumed here at a base budget level of funding. In addition to the core services described above, there are separate, stand-alone projects appropriate to economic development but requiring additional resources beyond base funding. These are identified as special or future projects.

## Projects

### *A. 2001 Base Budget (\$55,800 exclusive of staff salary/benefits):*

- 1) Begin Phase I – Framework for a long-term economic development plan. In cooperation with residents and stakeholders, begin work on broader long-term economic development goals. These may include and are not limited to goals for economic diversification, creation of City identity, prioritization of target areas, integration of CIP and other services. A \$24,595 contract for consultant services is anticipated with this project.
- 2) Prepare short-term economic development strategies for target areas/business districts outside of subareas. For each target area, prepare economic development strategies with business/property owners, residents and stakeholders for implementation across the next 1-5 years. Evaluate industrial/commercial/mixed use development potential of

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properties. Identify business district character, development goals and financing mechanisms for implementation. A \$20,000 contract for consultant services is anticipated with this project.

- 3) Establish and regularly convene an internal economic development strategy team to assist in developing short- and long-term economic development plans and strategies.
- 4) Convene business/property owner forums for individual business districts and opportunity sites to assist in 1) and 2) above, and to facilitate, strategize, and develop solutions to redevelopment and/or business issues on a case by case basis.
- 5) Coordinate with King County and participate in Northend Cities Business Roundtable.
- 6) Participate as project team member in Subarea II planning process (with CIP funding).
- 7) Participate as project team member in Park and Ride TOD Master Plan process.
- 8) Participate as project team member in Aurora Corridor project as it relates to redevelopment along the Corridor.
- 9) Implement North City Sub-Area Plan (also with CIP funding). Coordinate CIP improvements with Public Works and business/property owners. Actively market opportunity sites. Investigate other funding sources and mechanisms. Explore parking management as an implementation tool.
- 10) In conjunction with projects 12 and 13 below, conduct developer tour of opportunity sites and City's development procedures. Organize and conduct tour of Shoreline opportunity sites with interested developers and potential financiers.
- 11) Conduct liaison activities. Attend Chamber meetings; participate as ex-officio member of Chamber Board of Directors and as member of Chamber's Economic Development Subcommittee. Maintain membership and active participation in Economic Development Council, Council on Urban Economic Development and other related organizations. Provide technical assistance and assist business/property owners in development application process. Research business and development issues and complaints, and recommend solutions.
- 12) Prepare directory of businesses in Shoreline.
- 13) Prepare commercial land inventory.
- 14) Investigate funding sources and other mechanisms for implementing economic development plans and strategies.
- 15) Coordinate preparation of applications for and administer economic development grants.

*B. Special/Future Projects:*

*Timeline*

- |  |                        |
|--|------------------------|
| 16) Generate predevelopment information on property in target areas– financial feasibility, design opportunities and constraints, on- and off-site circulation (all modes), stormwater and other environmental information, etc. | as resources available |
| 17) Prepare target areas for development – EIS, vacations, CIP investments   | as resources available |
| 18) Implement Sub-Area II Plan   | 2002                   |
| 19) Implement TOD Master Plan  | 2002                   |
| 20) Prepare redevelopment plan for Aurora Corridor   | 2002                   |
| 21) Coordinate with Public Works Aurora Corridor CIP Improvements  | 2002                   |
| 22) Conduct market and demographic surveys   | as resources available |
| 23) Develop and implement public relations/marketing program   | 2002                   |
| 24) Evaluate market potential of target areas  | as resources available |
| 25) Conduct needs assessment and report on resources for business relocation assistance.   | as resources available |
| 26) Form strong partnerships with schools in Shoreline   | as resources available |
| 27) Establish business tracking system   | 2002                   |
| 28) Establish expedited permit review process for development projects that meet or exceed adopted standards and policies  | 2002                   |
| 29) Investigate and report on Urban Renewal Districts  | as resources available |
| 30) Explore and report on dedicated funding source for redevelopment   | 2002                   |
| 31) Evaluate parking management as revitalization strategy   | as resources available |
| 32) Manage additional consultant contracts – predevelopment, acquisition, relocation, land assembly  | as resources available |
| 33) Business Recruitment   | as resources available |
| 34) Research and coordinate legislative initiatives such as tax increment financing, redevelopment laws, UBC amendments, etc.  | as resources available |
| 35) Business Relocation Assistance   | as resources available |
| 36) Aurora Village Improvement Plan  | as resources available |
| 37) Civic Hub  | as resources available |
| 38) Land Assembly  | as resources available |
| 39) Subarea III Planning Process   | as resources available |
| 40) Phase II of Long-Term Economic Development Plan  | as resources available |

**ATTACHMENT B**

# RECAP



**City of Shoreline  
City Council**

Meeting Date: February 22, 2000

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**PRESENT:** Deputy Mayor Hansen, Councilmembers Grossman, Lee, Montgomery and Ransom

**ABSENT:** Mayor Jepsen, Councilmember Gustafson

**Upon motion by Councilmember Lee, seconded by Councilmember Grossman and unanimously carried, Mayor Jepsen and Councilmember Gustafson were excused.**

3. City Manager's Report

Robert Deis, City Manager, reported that staff is proposing to schedule a Volunteer Recognition Breakfast on April 12<sup>th</sup> at the Shoreline Conference Center to honor the City's volunteers. Eric Swanson, Assistant to the City Manager, outlined details for the program planned for this event and noted this will coincide with National Volunteer Week which will be celebrated April 9-15, 2000.

Mr. Deis noted the March 13<sup>th</sup> City Council meeting would be cancelled.

4. Council Reports

Councilmember Lee mentioned she had received a video regarding the Fort Lauderdale hurricane. Councilmember Montgomery reported on the Transportation Committee meetings she attended. Deputy Mayor Hansen reported on the Suburban Cities Association General meeting.

**Councilmember Ransom arrived at 6:45 p.m.**

5. Public Comments

<u>Name</u>	<u>Address</u>	<u>Topic</u>
Les Nelson	15340 Stone Ave. N.	Cable television issues
Clark Elsted	1720 N.E. 177 <sup>th</sup> St.	Traffic signal problems
Jim Turner	14521 - 32 <sup>nd</sup> N.E.	Bed and Breakfast code allowances

6. Workshop Items

(a) Water Services Study – Evaluation of Possible City Role in Water Service Delivery – Follow-up

Kristoff Bauer, Assistant to the City Manager, presented the staff report and discussed water service options. He reviewed the optional roles for the City in ensuring adequate water service and reported findings of a study performed by CH2M Hill comparing and contrasting the level of service provided by the Shoreline Water District and Seattle Public Utilities. Mr. Bauer introduced Dave Parkinson, Engineering Consultant from CH2M Hill, who discussed pipeline replacement and other issues related to the study performed by his firm. Mr. Bauer discussed possible next steps, but noted this agenda item was intended for discussion only and still needs more public process.

<u>Name</u>	<u>Address</u>
Les Nelson	15340 Stone Ave. N.
Dennis Lee	14547 – 26 <sup>th</sup> N.E.
Cynthia Driscoll	District Manager, Shoreline Water District
Clark Elster	1720 N.E. 177 <sup>th</sup> St.

(b) Economic Development Program Strategy

Tim Stewart, Planning and Development Services Director, highlighted three approaches for creating and implementing an economic development program in Shoreline. The three approaches discussed were: (1) "Passive" approach – support and moderate assistance upon request; (2) "Partnering" approach – pursuing partners and aggressively promoting Shoreline (City as a catalyst for change); and (3) "Proactive" (aggressive) approach – aggressive financial and involved leadership to bring in new development (includes potential land acquisition or assemblage). Ross Cutshaw, Economic Development Coordinator, presented an overview and slides depicting various business areas in the City which have been successfully developed and indicated those areas which might be developed at a future date.

<u>Name</u>	<u>Address</u>
Jim Turner	14521 – 32 <sup>nd</sup> N.E.
Harley O'Neill	17844 8 <sup>th</sup> Ave. N.W.
Daniel Mann	17920 Stone Ave. N.
Chris Koehler	Les Schwab Tires

After discussion, Council consensus was in favor of the "Partnering" approach, but not excluding a "Proactive" approach on a per project/site basis.

7. Continued Public Comments

<u>Name</u>	<u>Address</u>	<u>Topic</u>
Jim Turner	14521 – 32 <sup>nd</sup> N.E..	Economic Development
Harley O'Neill	17844 8 <sup>th</sup> Ave. NW	Economic Development
Daniel Mann	17920 Stone Ave. N.	Economic Development

8. Adjournment: 9:50 p.m.

February 22, 2000

**CITY OF SHORELINE**  
**SHORELINE CITY COUNCIL**  
**SUMMARY MINUTES OF WORKSHOP MEETING**

Tuesday, February 22, 2000  
6:30 p.m.

Shoreline Conference Center  
Mt. Rainier Room

**PRESENT:** Deputy Mayor Hansen, Councilmembers Grossman, Lee, Montgomery and Ransom

**ABSENT:** Mayor Jepsen and Councilmember Gustafson

1. **CALL TO ORDER**

The meeting was called to order at 6:30 p.m. by Deputy Mayor Hansen, who presided.

2. **FLAG SALUTE/ROLL CALL**

Deputy Mayor Hansen led the flag salute. Upon roll by the Deputy City Clerk, all Councilmembers were present, with the exceptions of Councilmember Ransom, who arrived later in the meeting, and Mayor Jepsen and Councilmember Gustafson.

**Councilmember Lee moved to excuse Mayor Jepsen and Councilmember Gustafson. Councilmember Grossman seconded the motion, which carried unanimously.**

3. **CITY MANAGER'S REPORT AND FUTURE AGENDAS**

City Manager Robert Deis noted the 2<sup>nd</sup> Annual Volunteer Recognition Breakfast on April 12. Eric Swansen, Senior Management Analyst, discussed plans for the breakfast.

Mr. Deis mentioned a joint dinner meeting with the Woodway Town Council on March 27.

4. **COUNCIL REPORTS**

Councilmember Montgomery said she has attended several meetings of the Regional Transit Committee. She reported the ongoing lack of new transit funding to replace funds eliminated by Initiative 695.

Deputy Mayor Hansen said he attended a meeting of the Suburban Cities Association which addressed a variety of issues, including transportation.

5. **PUBLIC COMMENT**



(a) Les Nelson, 15340 Stone Avenue N, commented that the Chambers Cable upgrade has resulted in more channels with poor service. He asked whether Chambers Cable must correct problems before its acquisition by AT&T. He questioned whether AT&T will be attentive to customer complaints about the existing system. He expressed appreciation for actions by City staff prompting Chambers Cable to acknowledge problems.

(b) Clark Elster, 1720 NE 177<sup>th</sup> Street, mentioned the following traffic signal problems: the northbound traffic signal at 15<sup>th</sup> Avenue NE and NE 155<sup>th</sup> Street has an extremely short cycle; the red light controlling vehicles turning from 15<sup>th</sup> Avenue NE to NE 196<sup>th</sup> Street should be more noticeable (e.g., a blinking red light); and the left-turn light for traffic turning from Meridian Avenue to 185<sup>th</sup> Street skips a cycle. He advocated any changes to make traffic lights consistent and clearly visible.

Councilmember Ransom arrived at 6:45 p.m.

(c) Jim Turner, 14521 32<sup>nd</sup> Avenue NE, said City staff advised him that a bed and breakfast establishment must meet congregate housing standards. He asserted that the land use code specifically allows bed and breakfast establishments in residential areas provided that they meet State codes for such establishments. He said there is nothing in the code to prohibit a resident from establishing a bed and breakfast or to require that a bed and breakfast meet congregate housing standards. He commented that he should not have to file a \$350 appeal fee to achieve a reasonable consideration of the code.

Kristoff Bauer, Assistant to the City Manager, mentioned that other residents have experienced problems similar to Mr. Nelson's. He noted his intent to contact Chambers Cable and to report back to Council.

Mr. Deis agreed to relay Mr. Elster's comments about traffic signals to Public Works Director Bill Conner for follow up by staff.

Planning and Development Services Director Tim Stewart explained that the City issued a notice and order to Mr. Turner on February 17 to correct code violations at his property. He noted Mr. Turner's right to appeal the notice and order to the City Hearing Examiner. Deputy Mayor Hansen requested that staff report back to Council upon resolution of the issue.

## 6. WORKSHOP ITEMS

- (a) Water Services Study – Evaluation of Possible City Role in Water Service Delivery – Follow-up

Mr. Bauer noted that Council requested further analysis of three of the five water service delivery options that staff presented at the January 18<sup>th</sup> Council workshop. He discussed each option in terms of the three criteria on which Council sought to focus. He explained

that Option 5—City acquisition of the Seattle Public Utility (SPU) service area in Shoreline and City assumption of the Shoreline Water District system—best meets the criteria.

Mr. Bauer and Consultant Dave Parkinson of CH2MHill went on to respond to issues that the Shoreline Water District raised in its letter to Council of February 10, 2000. These included: pipeline replacement; SPU water rights; a possible Lake Washington water treatment plant; Growth Management Act (GMA) responsibilities; the effect on rates of District participation in the Cascade Water Alliance; the comparison of SPU and District residential water rates; franchise term; and the assumption process. Mr. Bauer disputed the District assertion of factual errors in the City water services study. He acknowledged that different interpretations have led the City and the District to different conclusions.

Mr. Bauer summarized steps the City would need to take to acquire the SPU service area in Shoreline and assume the District system. He stressed that staff analysis of the possible City role in water service delivery is meant for discussion purposes only, and he noted additional public process to follow (e.g., staff presentation at March 1 Council of Neighborhoods meeting).

Deputy Mayor Hansen invited public comment.

(1) Les Nelson, 15340 Stone Avenue N, expressed concern about the impact on Shoreline residents of the different options. He explained that the SPU water main serving his neighborhood is made of "fairly thin" steel, that it was installed in 1947 and that it will soon need replacement. While he anticipated that SPU will replace the water main at little or no cost to him and his neighbors, he feared that they will have to pay the full replacement cost if the District or the City acquires the SPU system. Noting his job as a corrosion engineer with the SPU water department, he estimated the life span of cast-iron and ductile-iron water mains at 100-150 years. He said shorter life spans are indicative of substandard materials.

(2) Dennis Lee, 14547 26<sup>th</sup> Avenue NE, spoke on behalf of the Briarcrest Neighborhood Association. He praised the performance of the Shoreline Water District. He asserted the inevitability of City assumption of the District and of City acquisition of the SPU service area. However, he advocated that Council slow the process to prevent disproportionate impacts to District customers. He recommended that Council insure the equality of the two systems before combining them. He said the City needs to create a detailed timeline, including opportunities for public participation.

(3) Cynthia Driscoll, District Manager, Shoreline Water District, read a written statement in response to the staff report, and she presented a revised and expanded version of the summary matrix on page two of the Council packet. She noted the additional 13 criteria included in the new matrix. She requested that Council ask City staff to work with the District and SPU to analyze the governance options under the additional criteria. She said the City must address most of the additional criteria under the Boundary Review Board process.

(4) Clark Elster, 1720 NE 177<sup>th</sup> Street, urged Council to slow its consideration of a possible City role in water service delivery. He described the District system as "functional and well run." He said the City should require SPU to upgrade its system before the City acquires it.

Councilmember Grossman said the City seems prepared to take dramatic action to address issues that might be better resolved through agreements and understandings. He advocated the cost effectiveness of District participation in the Cascade Water Alliance over efforts to develop a Lake Washington water treatment plant. However, he recommended efforts to dissuade the District from pursuing this option, if the City opposes it, rather than assumption of the District to preempt it.

Mr. Deis commented that staff is not proposing "dramatic action." He clarified that staff is responding to the Council request that it evaluate the three water service delivery options in terms of the three criteria on which Council sought to focus.

Councilmember Grossman explained that he interpreted the report to say that the City could accomplish the identified goals (e.g., operational efficiencies) more easily by assuming the District. Whereas, he asserted that the City and the District could work together to accomplish the identified goals.

Deputy Mayor Hansen noted the public comments in favor of "slowing the process." He commented that there is no process to slow, that the City is only gathering information.

Councilmember Ransom said the citizens involved in "Vision Shoreline" anticipated that the City would eventually incorporate all of the freestanding districts. He identified three main districts: the Shoreline Water District; the Shoreline Wastewater District and the Shoreline Fire Department. He agreed that the City is in the process of gathering information. He mentioned the study that the Shoreline Wastewater District is conducting of the SPU sewer system in Shoreline and closer cooperation between the City and the fire department. He said the Shoreline Water District has become an increasingly important "missing piece" as Council considers the Shoreline infrastructure. He asserted that the City should control water service delivery, as well as other elements of the infrastructure, to insure comprehensive planning. He commented that City assumption of this role will take as long as four years. He said the question before Council is when to begin the process. He suggested the assumption of the water district as a first step—prior to acquisition of the SPU service area in Shoreline—in a staged process of taking control of water service delivery. He asserted that it is now time to begin this process.

Continuing, Councilmember Ransom said Mayor Jepsen expressed support of the City first assuming the water district and later acquiring the SPU service area.

Councilmember Lee noted that the City has a two-year franchise agreement with SPU for water service. She expressed concern that the City does not have a franchise agreement

February 22, 2000

with the District. She asserted that the District's request for a 25-year guarantee of independence is unrealistic.

In response to Councilmember Lee, Mr. Deis explained that staff has advised Lake Forest Park of the options that Council is considering. In addition, staff assured Lake Forest Park of its willingness to address any concerns that Lake Forest Park may have if Council decides to pursue the assumption of the water district.

Councilmember Lee asked where the City will acquire water after 2002 if it has assumed the District. Mr. Bauer said the City will have the same options as those the District faces now: the Cascade Water Alliance, SPU or identifying a third alternative.

Councilmember Lee questioned SPU's commitment to upgrading infrastructure in Shoreline under its six-year capital improvement plan. Mr. Parkinson noted that SPU will be working on its comprehensive water plan during the next 12 to 18 months. He said now is a good time to discuss City issues and concerns. He commented that SPU can assess the project impacts of a future separation of the system if Council determines the City will acquire the SPU service area.

Councilmember Lee expressed her concern that the City not "get stuck with the cost of upgrading" the SPU system in Shoreline.

Deputy Mayor Hansen expressed concern about aging SPU infrastructure, but he commented that SPU water service has been very adequate. He said SPU was very responsive in resolving the one water service problem in his neighborhood during the past 29 years.

Councilmember Montgomery agreed with Deputy Mayor Hansen's assessment of SPU water service. She asserted Council's responsibility to ask questions and obtain data to determine what is in the best interests of Shoreline citizens. She noted her concern about duplication of capital investments and about revenue to provide other services that residents seek. She expressed disappointment at the District's recalcitrance in negotiating a reasonable franchise agreement. She asserted that the 40-year pipeline replacement cycle is unnecessarily expensive. She said she is "leaning toward" City assumption of the water district and subsequent acquisition of the SPU service area.

Deputy Mayor Hansen concurred that Council is responsible to all Shoreline residents.

In response to Councilmember Lee, Mr. Bauer said the City could begin discussions with Lake Forest Park about City assumption of the District before completing the State Environmental Policy Act (SEPA) process. However, he explained that the City must complete the SEPA process before Council can pass an ordinance to begin the process of assuming the District.

Councilmember Lee asked if City assumption of the District is a prerequisite for addressing the question of a future water source for Shoreline residents. Mr. Bauer said

staff can research additional information. He noted that the City must be a water purveyor to have a regional role (e.g., to participate in the Cascade Water Alliance).

Councilmember Lee expressed her concern about the uncertainty of the District's future water supply.

Councilmember Ransom mentioned the good service he has received from SPU over 29 years in his neighborhood. He went on to ask if water supply pipes in areas the City has designated in the Comprehensive Plan for multi-family housing are large enough to support such housing. Mr. Bauer noted that the City must review and approve SPU and District water services plans. He said City staff assesses the concurrency between such plans and the City's Comprehensive Plan.

In response to Councilmember Lee, Mr. Bauer noted three potential reactions by Lake Forest Park to City efforts to assume the District: 1) oppose City assumption of the District; 2) seek to partition the District and assume the portion within Lake Forest Park; and 3) allow the City to assume the entire District and to operate the portion within Lake Forest Park. Mr. Deis confirmed that the City could pursue negotiations with Lake Forest Park before undertaking the SEPA process.

In response to Deputy Mayor Hansen, Mr. Bauer said the City and SPU would need to negotiate the terms under which SPU would give up and the City would acquire the SPU service area in Shoreline. He mentioned that Tukwila acquired the portions of SPU water and wastewater facilities within its boundaries after negotiating a purchase price with SPU. Deputy Mayor Hansen stressed the importance of the price of the SPU service area in Shoreline to the consideration of whether to acquire it.

In response to Deputy Mayor Hansen, Mr. Bauer said the City of Seattle has expressed a greater willingness to negotiate water contracts with individual providers since the failure of the Cascade Water Alliance to fully form.

Deputy Mayor Hansen advocated that the City eventually assume the District and acquire the SPU service area in Shoreline "in one bite."

Councilmember Grossman expressed support for the Comprehensive Plan goals noted on page eight of the Council packet. However, he said the City does not have to assume the District to meet the goals.

Councilmember Lee advocated that the City identify and address all of the potential issues (e.g., the position of Lake Forest Park) before pursuing any of the options.

(b) Economic Development Program Strategy

Mr. Stewart provided a brief overview of the three economic development approaches—passive, partnering and proactive—included in the staff report.

Economic Development Coordinator Ross Cutshaw presented slide photographs of different commercial properties in Shoreline to illustrate aspects of the three economic development approaches.

In response to Councilmember Ransom, Mr. Stewart said Top Foods is proceeding with the permitting process to develop the U&I site at 175<sup>th</sup> Street and Midvale Avenue. He noted staff efforts to resolve concerns about the transition to the residential neighborhood along the south boundary of the property.

Mr. Stewart explained the staff recommendation that Council choose the partnering approach to implement the City's economic development effort.

Deputy Mayor Hansen invited public comment.

(1) Jim Turner, 14521 32<sup>nd</sup> Avenue NE, said rental housing represents the largest business in Shoreline. He asserted that low- and moderate-income housing issues are inadequately supported in Shoreline. He noted the growth nationally of non-traditional households, and he advocated that City economic development efforts address such demographics. He displayed a newspaper article stating that the founder of software company Onyx started the business in his basement. He said City permitting prohibits such action. He commented that City economic development efforts will be useless if the City permitting process stifles business development.

(2) Harley O'Neill, 17844 8<sup>th</sup> Avenue NW, stressed the need to streamline the City permitting process. He said some investors will be discouraged by a failure to address the permitting process.

(3) Daniel Mann, 17920 Stone Avenue N, stressed the importance of the City maintaining an open dialogue with Shoreline business owners. He said the wording and implementation of the City economic development plan will "speak volumes" about how the City treats businesses. He said business owners are counting on Council to honor the commitments it made to respect existing businesses while encouraging new economic development.

(4) Chris Koehler represented Les Schwab Tires. She said the company would like to continue doing business and develop further in Shoreline.

Councilmember Ransom said the passive approach will not meet Council goals to promote economic development. He advocated the brokering included in the partnering approach. He asserted that the proactive approach is too aggressive. He said the partnering approach represents a "nice compromise."

Councilmember Ransom went on to advocate City support for small business development. He mentioned that the economic development specialists that he consulted stated that only two businesses of 200 or more employees would likely locate in Shoreline. He expressed concern that the development code penalizes home-based

businesses. He recommended a system to register such businesses. He noted studies attributing half of new employment growth to businesses with less than 50 employees. He said the City should encourage and support small businesses through its permitting process and zoning.

Mr. Stewart discussed a provision regarding home-based businesses in the second-phase of the development code under consideration by the Planning Commission. He said the current proposal permits such businesses but limits off-site impacts to prevent disruptions in the neighborhoods in which they are located.

Mr. Deis noted business licensing as one of the potential projects on page 41 of the Council packet. He recommended that the City "follow the lead" of the Shoreline Chamber of Commerce to determine whether licensing would be worthwhile.

Deputy Mayor Hansen expressed wariness about business licensing. He said the City of Edmonds sought to use information from business licensing to implement new taxes.

Councilmember Ransom asserted the advantage of business licensing to create a registry of the types and numbers of businesses in Shoreline.

Councilmember Lee supported Mr. Deis's suggestion to seek direction from the Chamber of Commerce.

Councilmember Grossman asked if the City has encouraged mixed-use development along 15<sup>th</sup> Avenue NE and Aurora Avenue. Mr. Stewart said the sub-area plan for North City funded in the 2000 City budget will translate previous designs, including mixed-use development, to specific sites. He stressed that mixed-use is a critical element in the Comprehensive Plan. He noted that the new design code also presents opportunities for mixed-use development. Councilmember Grossman commented that the park and ride site at Aurora Avenue and 192<sup>nd</sup> Street would lend itself to mixed-use development.

Continuing, Councilmember Grossman recommended that staff develop a safe way for people who feel they have had negative experiences working with the City to provide feedback about what the City can do differently. Mr. Stewart said staff has already planned a presentation to Council on tools and techniques for soliciting such feedback.

Councilmember Grossman expressed support for the partnering approach. However, he advocated greater City assertiveness in "certain limited cases."

Councilmember Ransom expressed support of greater City assertiveness on selected projects.

Councilmember Lee said she would advocate the proactive approach if the City had funds to support it. She supported greater City assertiveness in instances requiring City action.

February 22, 2000

Councilmember Montgomery agreed with Councilmember Grossman's comments. She identified economic development as one of her priorities. She supported the partnering approach as a minimum level of City involvement. She said she would advocate "proactive partnering" if the City had greater resources.

Deputy Mayor Hansen supported Council consideration of greater City assertiveness on a case-by-case basis.

Councilmember Grossman commented that City assertiveness and City-business partnerships are not mutually exclusive. He noted greater thought and longer timelines as prerequisites for accommodating both goals.

Mr. Stewart proposed an addition to the partnering approach recommended in the staff report: "and a proactive approach with specific Council approval."

In response to Councilmember Ransom, Mr. Stewart said staff would not commit funds to specific projects before receiving Council approval.

Councilmember Lee advocated the encouragement of existing businesses as the City's first priority, followed by recruitment of new businesses. She asked if the Aurora Corridor redevelopment project is generating business interest. Mr. Cutshaw noted increasing interest. Mr. Stewart commented that the project will create challenges and opportunities.

In response to Councilmember Lee, Mr. Stewart confirmed that staff has begun developing the "other tools or processes to continue successful progress" listed on page 30 of the Council packet.

Councilmember Grossman suggested an analysis of needed businesses based upon the economic size of Shoreline. Mr. Cutshaw noted the lack of office space as a basic issue. He and Mr. Stewart said the City must rely upon and, to a large degree, react to developments in the commercial market.

Councilmember Ransom advocated a Shoreline post office on property owned by the federal government.

## 7. CONTINUED PUBLIC COMMENT

(a) Jim Turner, 14521 32<sup>nd</sup> Avenue NE, expressed concern about the City bypassing the opportunities represented by small businesses, including bed and breakfast and boarding house establishments. He noted the economic potential of such businesses. He asserted that low- to moderate-income people represent a profitable customer base. He advocated City economic development efforts to assist small businesses in areas other than North City and along Aurora Avenue. He mentioned elements of the new development code (e.g., height restrictions, variance application fees) that he considers onerous.



(b) Harley O'Neill, 17844 8<sup>th</sup> Avenue NW, mentioned that the City of Tukwila has designated a redevelopment area along Pacific Highway South and, thereby, provided developers with access to low-interest State and federal funding for projects in the area. He acknowledged that City improvements to the Aurora Corridor s will attract businesses to Shoreline. He advocated access to low-interest funding as another incentive for business development.

(c) Daniel Mann, 17920 Stone Avenue N, recommended that Council reconsider Ordinance No. 128 as part of its economic review. He noted the opinion of some business people that the ordinance has obstructed economic growth.




8. ADJOURNMENT

At 9:50 p.m., Deputy Mayor Hansen declared the meeting adjourned.

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Ruth Ann Rose, CMC  
Deputy City Clerk

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Economic Development Program Strategy
<b>DEPARTMENT:</b>	Planning and Development Services
<b>PRESENTED BY:</b>	Tim Stewart, Director  Kirk McKinley, Planning Manager  Ross Cutshaw, Economic Development Coordinator 

**EXECUTIVE / COUNCIL SUMMARY**

The City of Shoreline's Council goals for 1999 and 2000 identified economic development as a priority. Goal #2 states: "Create and Implement an aggressive Economic Development Effort: pursue business development; remove blight and improve aesthetics." To begin this process staff has outlined a project describing the goals, strengths and weaknesses, defining roles, examples and proposed alternatives in achieving these goals.

The purpose of this agenda item is to bring to your Council three different approaches or strategies for creating and implementing an economic development program for the City of Shoreline. In order to clarify the definition of economic development as it relates to Shoreline, your Council must clearly articulate its vision. Understanding what the citizens and leadership bodies of the community would realistically like to see in 20-30 years helps define what kind of economic development efforts we should take today. The Shoreline Comprehensive Plan contains broad policy directions. The challenge is to implement those policies in a manner consistent with our community's values and resources.

The Economic Development Element of the Comprehensive Plan identified many policies and goals to provide direction in the economic development effort. Some of the key Comprehensive Plan goals and policies pertinent to the discussion on the City role in economic development include:

- Goal ED II and III: *To increase and diversify Shoreline's job base....and leverage opportunities for economic development.*
- Goal ED IV: *To improve the City's role to facilitate and initiate economic development opportunities.*
- Goal ED V: *To support and attract economic development with reliable infrastructure.*

- Policy ED 2: *Improve economic vitality by: encouraging existing businesses to thrive...recruiting new businesses...encouraging economic services...cooperating with businesses to create strategies and action plans...*
- Policy ED 10 and 11: *Recognize the Aurora Corridor as the economic core of the City with potential for revitalization...and the North City business district as a local commercial area ready for revitalization...*
- Policy ED 19: *Create partnerships with major landholders...to participate in the economic well-being of the community.*

Based on the Council goal and the goals and policies in the Comprehensive Plan this item is intended to inform your Council of various economic development options for the City. Staff is requesting that your Council discuss the merits and options and ultimately select an approach for the City's Economic Development Program.

Staff is presenting your Council three different approaches to create an economic development effort.

Your Council is being asked to select (or modify) an approach that best reflects the vision and goals of your Council and the Comprehensive Plan.

Staff has prepared three approaches that are detailed in this staff report. Attachment A includes background on strategies or approaches and Attachment B provides examples of the three different approaches. The three approaches (or three P's) are in order of level of cost and effort:

1. "Passive" approach – support and moderate assistance upon request.
2. "Partnering" approach – pursuing partners and aggressively promoting Shoreline; City as a catalyst for change.
3. "Proactive" (aggressive) approach – aggressive financial and involved leadership to bring in new development; includes potential land acquisition or assemblage.

The Passive and Partnering approach (to a limited degree) can be implemented within the current budget whereas a Proactive approach is beyond the current city budget.

An Economic Development effort that reflects the Councils Vision will provide staff with the security and support as it works toward implementing the vision.

### **RECOMMENDATION**

Staff recommends that your Council direct staff to pursue the Partnering approach to implement the city's economic development effort.

Approved By: City Manager LB City Attorney N/A

## BACKGROUND / ANALYSIS

The City of Shoreline has contracted with real estate marketing and development consultants to conduct several studies to assess its strengths and weaknesses and opportunities for economic development, primarily along the Aurora Corridor and North City. These consultants have identified several barriers or weaknesses in Shoreline to economic growth. Staff feels, with the adoption of the Comprehensive Plan, and with approval of an economic development strategy, that these weaknesses can be turned into opportunities. Some of these challenges are:

### Challenges / Weaknesses:

- **Identity:** Because of Shoreline's relative newness as a city, the development / business community does not know that we are here or that we have a plan and are interested in improving our local economy. Strategies to overcome this barrier include marketing, outreach, image building and networking.
- **Infrastructure:** The general condition of Shoreline's roadway and drainage infrastructure is weak. Strategies to overcome this weakness include the adoption of the Capital Improvement Program (CIP) which includes critical projects such as Aurora, 15<sup>th</sup> NE, and the Interurban Trail. Also, efforts such as the North City Subarea Plan will identify infrastructure projects and redevelopment strategies.
- **Predictability:** This concern reflects the prior lack of planning and priority setting. In the past 15 months, your Council has adopted a Comprehensive Plan, a CIP, a design concept for Aurora (with a funding strategy), in addition your Council will be adopting a new development code this spring.
- **Land Assemblage:** One of the identified weaknesses is that there are limited large parcels available, and that many of the development opportunity areas are under several ownership's (e.g., Aurora Square has seven different owners). Many of the parcels along Aurora Corridor are also smaller parcels making it difficult to develop. One of the optional strategies discussed in this staff report is the level of effort the City is willing to undertake to "assemble" land into more attractive ownership configurations.
- **Permit Processing:** The building and land use permit process has experienced a temporary slowdown due to unexpected staff turnover. Staff has been working on improving the turnaround issue: we have contracted out some building permit reviews and right of way inspection; we will soon have a new development code that will greatly simplify the permit review and application process; will be hiring a new plans examiner this spring and the implementation and development of the permit tracking software will provide us with the ability to track and monitor turnaround.
- **Land Price:** Many of the small parcels have single businesses with absentee landowners, making it difficult for property owners and business owners to sell or make improvements. The Economy has been good and allows property owners to derive higher rental rates that have a direct impact on the value of the property.

### **Strengths / Amenities:**

- **Shoreline School District:** The quality and reputation of the school district are very well known and will help continue to attract new residents.
- **Location as a city:** This creates tremendous access into Shoreline. Adjacent to the City of Seattle, Shoreline has the ability to attract new businesses who want to locate near Seattle, as well as residents who already work in Seattle.
- **Aurora Corridor:** This corridor is the heart of the city and future new development. The Aurora Corridor improvements will become a catalyst for new development.
- **Interurban Trail:** This trail parallels the Aurora corridor extending through the city. The trail project will create an opportunity for siting businesses that take advantage of the trail and backside frontage and creating greater access and parking.
- **Interstate 5:** Having this access creates obvious opportunities for the workplace as well as residents. Interstate 5 carries approximately 200,000 vehicles per day.
- **Major National Entities:** The city has many national and local quality retailers within the City (ie: Costco, Home Depot, Sears and many more). This provides the opportunity to convey a healthy image to other potential businesses ready to relocate.

**Problem or Opportunity:** The City of Shoreline currently seeks a clear, comprehensive Economic Development Program that will provide current and future City Councils with flexibility and multiple opportunities to vitalize the City in ways that are congruent with community values and goals.

Local governments in the state of Washington are very restricted as to what they may undertake in the area of economic development (RCW 35.21.703). Local cities are limited as to direct participation in private economic development projects and how public funds can be spent to attract private development.

The City should establish a way for your Council to select appropriate economic development projects that will achieve your Council's goals and Comprehensive Plan to improve the quality of life in Shoreline. By developing a program that has specific approaches defined and clear definitions of tools available to achieve economic development goals, your Council will be positioned to make better financial and political decisions regarding projects to be undertaken.

In addition, your Council has recently selected a design allowing for improved aesthetics, safety, access and mobility along the Aurora corridor. The City has already secured approximately \$19 million in state and federal grant funds and allocated up to \$8 million of the city Roads Capital Fund in the Capital Improvement Program to complete the first phase between 145<sup>th</sup> and 165<sup>th</sup>. This project may serve as a catalyst for redevelopment and featured improvements within the City. The opportunity to define and begin economic development efforts is excellent at this time.

**Project Goals or Objectives:** This report was created in order to outline the economic development program that will assist your Council in making decisions about current and future economic development projects. This program will:

1. Clarify your Council's expectations of successful economic development efforts.
2. Identify economic development tools and resources as well as limitations, (e.g. financial resources, permitted business incentives under state and local regulatory authorities, etc.).
3. Define particular opportunities for economic development projects and establish timelines, budgets, regulatory changes that may need to be made, and outcomes to be achieved.
4. Clarify how ongoing economic development activities will be conducted by your Council and staff.

### The Three approaches

Below is a table that summarizes the three different approaches from which your Council may select the kind of strategy for staff to follow in pursuing economic development projects. Your council may add, delete or move tools from one package to another in developing the city strategy. It is assumed that each approach builds on and incorporates the prior approach (i.e., Partnering includes all of Passive, etc.).

	<b>PASSIVE</b>	<b>PARTNERING</b>	<b>PROACTIVE</b>
<b>Tools available to achieve goals</b>	<ul style="list-style-type: none"> <li>• Business Retention</li> <li>• Property Investigation</li> <li>• Education and Answering Questions</li> <li>• React to proposed projects by developers</li> </ul>	<ul style="list-style-type: none"> <li>• All other tools available under passive strategy plus:</li> <li>• Marketing/Image</li> <li>• Brokering Deals</li> <li>• Attracting New Businesses</li> <li>• Research for more grants</li> <li>• Implement Aurora Corridor Project</li> </ul>	<ul style="list-style-type: none"> <li>• All tools available under passive and partnering strategies plus:</li> <li>• Urban Renewal Plan               <ul style="list-style-type: none"> <li>➢ Condemnation</li> <li>➢ Land Assemblage</li> <li>➢ Relocation</li> <li>➢ Financing or Grant Seeking</li> </ul> </li> <li>• Joint Development</li> </ul>
<b>Legal implications</b>	None or very little	Somewhat higher. Issues arising out of variances, zoning, etc. More opportunities for law suits to be filed.	Potentially very high. Issues arising out of too much government involvement in private projects, relocation, etc.
<b>Community acceptance / reaction</b>	None or very little unless groups expect Council to make something happen.	Has potential to be contentious. Council / staff may get resistance about certain projects.	Highly contentious. Council / staff will have to take a strong leadership role that may not be popular.

<b>Time it may take to achieve noticeable change</b>	Very long, maybe never. Very little influence by City.	Potentially shorter time to goal achievement than a passive strategy. Higher influence by City.	Potentially shorter with more City involvement in making projects happen.
<b>Annual estimated cost</b>	\$100K +/- Can accomplish this approach with current level of effort.	\$100K - \$1M Can accomplish a limited amount of partnering with current levels of effort.	>\$1 million Acquisition, demolition, relocation, land assemblage, and legal costs could be very high.
<b>Staff will be doing these activities:</b>	<ul style="list-style-type: none"> <li>• Answering questions</li> <li>• Creating brochures</li> <li>• Meeting with developers, Chamber, etc. as needed.</li> <li>• Property inventory as needed.</li> </ul>	<ul style="list-style-type: none"> <li>• Same activities in passive plus:</li> <li>• Creating <ul style="list-style-type: none"> <li>➢ 25 yr. vision of City / re-financing comprehensive plan.</li> <li>➢ Development strategies with brokers &amp; developers.</li> <li>➢ marketing plan for City.</li> </ul> </li> <li>• Examining City's financial involvement in projects.</li> </ul>	<ul style="list-style-type: none"> <li>• All of the activities in passive and partnering plus:</li> <li>• Developing an Urban Renewal Plan.</li> <li>• Seeking out specific targeted areas for City projects to happen.</li> <li>• In essence, the City becomes a developer.</li> </ul>

**Note: For more detail on definitions and tools available for each approach, please review Attachment A.**

### **Identify Tools and Resources**

Once your Council selects an approach, the Economic Development Coordinator will conduct research and analysis to identify existing economic development resources that are available using the desired approach. He will identify resources including legal tools, policies and procedures guidelines, business inventory, land availability, natural and built amenities, financial resources, and permitted business incentives under state and local regulatory authorities.

### **Define Opportunities for Projects**

City staff will provide your Council with various potential project opportunities (possibly locations) that could achieve your economic development goals using the agreed upon approach or strategy. Some of these projects may be directly taken out of the City's Economic Development Element of the Comprehensive Plan. In these alternatives,

staff will identify costs, timelines, and proposed course of action for creating the desired economic development outcomes for each project.

### **Ongoing Economic Development Actions**

Staff will identify opportunities, guidelines, and procedures for economic development efforts at the City of Shoreline. Specific economic development plans, policies and procedures will need to be created so that new projects may be considered and acted upon swiftly over the years. Possible projects under this goal include things like developer relations' guidelines, business development procedures or plans, education plans, and workshops.

### **Other Tools or Processes to Continue Successful Progress**

- A confirmed, accurate inventory of existing businesses and industries in each of the commercial districts in Shoreline.
- A market analysis of comparable business communities in geographic areas in the region.
- A system for conducting the annual review of the comprehensive plan to maintain current economic development goals and policies.
- A system that allows the City to identify future economic development opportunities through Customer Response Team / Code Enforcement/Community groups, building permit applications, possible business license fee or any other outside sources.
- Resources for updating development regulations to support economic development goals and policies.
- Resources for supporting improved business incentives allowed under state regulations (e.g., legislative analyst or lobbyist).

### **Timelines and Phases:**

Phase 1: Council adopts an approach in February, 2000.

Phase 2: Inventory of resources: Accomplished by June, 2000.

Phase 3: Project Identification: Within 2 months of an approved direction from your council, a specific strategy of certain project development efforts can be created.

Phase 4: Ongoing maintenance of economic development: The work to accomplish this goal will continue throughout the life of economic development in the City. The end results may be manuals, videos, or some other documents that allow the department to follow the process and/or vision of economic development in the City. Specific project work programs will be drafted as necessary.

### **Summary**

Approval by your Council of a strategy will provide staff with a work program to pursue the Economic Development vision of your council and the Comprehensive Plan.



## **RECOMMENDATION**

Staff recommends that your Council direct staff to pursue the Partnering approach to implement to implement the city's economic development effort.

## **ATTACHMENTS**

Attachment A – Background on Strategies or Approaches  
Attachment B – Potential Projects Using Each Approach

## Attachment A

### Background on Strategies or Approaches

#### Definition of Economic Development

"Change (can be) gradual, natural, non-cataclysmic and responsive to genuine economic and social needs. Cities do not deteriorate overnight, and similarly, are not reborn overnight. Quick fix responses at best, camouflage problems and at worst, exacerbate them. Cities respond most durably in the hands of many participants accomplishing gradually small bits, making small changes and big differences at the same time."

—Roberta Brandes Gratz. "The Living City"

This quote was chosen to help all those working on economic development efforts within the City of Shoreline understand that economic development will occur over time—not as a quick fix. It starts out as a vision of what we want the City to be in 20-30 years, and gradually evolves through projects, education, and leadership.

Economic development is difficult to define. Some might describe it as job creation, while others may see it as improved aesthetics in the community. Others may see it as an increased tax base, both from a business and residential perspective. Economic development could be defined as: creating the look, feel, and revenue opportunities to support a thriving city for our citizens; or creating opportunities for planned growth in ways that improve quality of life for Shoreline citizens.

Something that is certain about economic development is that it is *always market driven*. We know for sure that economic development starts with *real estate* and ends on *return on investment*. Without available land (financially or physically), development or redevelopment will not occur. Furthermore, what a City, developer, landowner, or business owner is willing to do is all based on the economy at the time of development.

#### Strategies for Economic Development

As the City of Shoreline embarks on different strategies and directions for their economic development effort, there are basically three different approaches. A description and examples of each approach is presented below. We can identify them as the 3P's.

1. Passive
2. Partnering
3. Proactive

#### **Passive Approach To Economic Development**

A passive strategy involves minimal effort and some facilitation. Using a passive strategy, the City reacts to businesses, developers and citizens when they provide potential projects for economic development. It is more of a reactive approach in nature, responding to the needs and desires of the development community on as needed basis.

Example of a project pursued with a passive strategy:

A citizen group or developer identifies a particular parcel of land perfect for the location of restaurant or hotel. The City might market the idea in the newspaper and through newsletters. The City representative would be a liaison to the community that educates and markets the City's ideas for economic revitalization and hopes that a developer and landowner will follow the vision.

An important task the City can perform under a passive strategy will be to clarify and promote the vision of the City as described in the policies of the Comprehensive Plan.

The City can capitalize on already planned infrastructure improvements as a means for attracting new development or redevelopment (e.g., Aurora Ave.) and serves as a catalyst for improvement.

Tools to achieve results using a passive strategy:

**Business Retention:** Retaining the desired businesses that are in alignment with the vision through infrastructure improvements, education and marketing. Working with the Chamber of Commerce in our efforts to try and retain quality businesses.

**Property Investigation:** (as needed) Identifying parcels of land available for specific development projects, researching amenities, demographics, and providing data to developers, land-owners, or project sponsors interested in coming to Shoreline.

**Education/Answer Questions:** Acting as a liaison to the business community to educate them about construction loans, façade improvement loans, and other available resources to help them revitalize or expand their businesses congruent with City codes, values, and vision.

Ability for a passive strategy to reach desired goals:

If your Council adopts a passive approach to economic development projects, change will mostly occur through market driven opportunities. Clearly the development community will see Shoreline inviting new projects, but only if the right market/economic circumstances exist will the projects become a reality. Council expectations will need to be more limited using a passive strategy, because the City will not be able to lead/drive specific change. Elements of the City's Comprehensive Plan may take longer to achieve because incentives and disincentives are not as readily available as they are using other strategies. Under a passive or reactive approach, our influence would have little or no effect.

Costs of a passive strategy:

- The financial implications of a passive plan are far lower than a proactive or partnering strategy. Actual costs are primarily in developing a clear vision, and preparing marketing and educational information tools. Opportunity costs include loss of potential revenue from an increased tax base.
- It may take more time to achieve the desired outcome projects because the City is promoting and not leading specific change efforts.
- The City's vision might not become a reality. Market forces will drive what gets developed or redeveloped.
- Legal costs are lower than the other two strategies.
- Current funding levels can support a passive strategy.

Benefits of a passive strategy:

- It has very little political risk.
- It requires less money and leadership time.
- We could create a positive image for the City without using disincentives or becoming "too overly governmental" in a market driven environment.

Effect on the image of the City:

- The image of the City more or less remains status quo. It only requires the City to communicate and educate when asked. The City is an informer/facilitator instead of a developer or project leader.
- Citizens who believe the City should have less involvement in business development will embrace and encourage this strategy. People who think the City should do more to improve the quality of life in Shoreline may question this approach.
- This action could also create a negative image in so much as, if nothing was accomplished regardless of the market, a *passive effort* would have been the cause of lackluster results.

Potential Community acceptance and implications:

Some people may see the work of the City as a 'waste of time' or 'frivolous expenditure' on the part of the City. Some groups may see this approach as 'money well spent' if an actual project is generated through marketing efforts.

## Partnering Approach To Economic Development

A partnering strategy involves more direct leadership and more facilitation, education, and marketing. Using a partner strategy, the City acts as more of a catalyst for change rather than directly involving its own funds in development projects or taking a leadership role. This approach allows the City to assist developers, landowners, and businesses in partnering to make city-desired changes.

### Example of a project pursued with a partnering strategy:

The City identifies a particular parcel of land ripe for redevelopment. The City initiates (or brokers) a meeting between the landowner, new business owner, and or developer to identify a project. The goal is to create a development agreement that creates a special quality development that results in a win/win solution for the City and the project stakeholders.

In a partnering economic development strategy, the City's role is to identify possible target locations where redevelopment would be benefit the community. The City brings the appropriate parties together to accomplish a certain project. The City provides infrastructure, capital improvement projects, e.g. street improvements, sidewalks, curbs, assists with new property configuration, zoning and permitting.

The City can capitalize on already planned and new infrastructure improvements as a means for attracting new development or redevelopment (e.g., Aurora Corridor improvements will serve as a catalyst for improvement).

### Tools to achieve results in a partnering strategy:

All of the tools available in the passive approach are available in a partnering approach. The following tools would be additionally available:

**Recruitment and Marketing (Public Relations):** Invite new businesses and residents to the City by creating a "City of Shoreline image" that is powerful and motivates new businesses/residents to move into Shoreline. The City acts as a promoter for change and creates positive excitement for projects to be developed here. The City can also piggyback on planned infrastructure improvements (sewer, roads, telephony, etc.) to attract development as well. (e.g., Aurora corridor improvements).

**Brokering/Networking:** Networking with developers, landowners, schools and institutions, users and business owners to find possible development projects. Working closely with the proper legal resource(s) to stay within the State regulated guidelines and procedures.

### Ability for a partnering strategy to reach desired goals (per the vision):

If your Council adopts a partnering approach to economic development projects, change may occur more rapidly, and with more visible results than a passive strategy might achieve. In some cases, this approach may come close to achieving goals similar to a proactive strategy without the higher costs and legal implications. ( Any legal implications can be determined at time of Pre development meeting).

With a partnering strategy, the City will promote and facilitate change, and guide outcomes. The vision outcomes will need to be more flexible using a partnering strategy because the City will only be able to influence (not drive) specific change. Elements of the City's vision may take longer to achieve (compared to a proactive strategy) because incentives and disincentives are not as readily available.

#### Costs of a partnering strategy:

- The financial implications of a partnering strategy are much lower than a proactive strategy but could be considerably higher than a passive approach. eg; The partnering approach would not require real estate acquisition, but would involve marketing, outreach, brokering deals and working with the business community for business retention and recruitment.
- Legal ramifications are lower than a proactive strategy, but may be slightly higher than a passive strategy. Legal issues may arise out of allowed variances, City involvement in business issues, or design issues.
- To achieve desired results, the City may need to have a strong public relations or marketing person/firm to promote the area with vigor and work collaboratively with other public and private agencies to create development opportunities. Costs might include a different or modified web site, advertising, signage, conferences and seminars. Funding under this approach could run from \$ 100,000 - \$1 million depending on level of effort, cooperation of principles, market conditions and many other factors.
- Some partnering activity may be supported with our current funding levels.

#### Benefits of a partnering strategy:

- This strategy allows the City to be somewhat proactive, somewhat involved, and still be in a position to 'strongly' influence development. Outside developers, community stakeholders and brokers will look to the city for guidance, opportunity and direction. A partnership approach (under the right conditions) can accomplish as much as a proactive approach without the expenditures.
- This strategy takes less money and has less risk and much fewer political ramifications than a proactive strategy.
- The City can target specific opportunities to facilitate development and focus our efforts in those areas. We can be assertive, proactive, and influential without the heavy hand of an Urban Renewal Plan, described in the proactive strategy section.

#### Effect on the image of the City:

- The image of the City is improved with developers and business owners who take advantage of the target opportunities upon which we focus.
- The image of the City may still be perceived negatively by some citizens or residents in the early stages of redevelopment, but has the potential to be perceived positively by other citizen groups and businesses. Primarily, those who see the City's influence as a catalyst to the development would share the positive viewpoint.
- The City may have the potential to become a showcase for new and innovative development in targeted sites or specific projects.

#### Community acceptance and implications:

Adopting a partnering approach requires the Council to approve specific targeted opportunities for development as identified by the City staff. The Council may also need to approve development agreements or other conditions to allow particular development projects to occur. Citizens won't be seeing bond issues or other financial expenditures that could make the headlines or draw a lot of attention to the City's fiscal circumstances.

## Proactive Approach To Economic Development

The proactive approach to economic development means that the City and Council take an aggressive, financial, and involved leadership approach to creating new development in the City. The City would become a developer or at least a joint developer in certain projects. The City would need to create an Urban Renewal Plan for developing non public uses.

### Example of a project pursued with a proactive strategy:

The City identifies a parcel of land suitable for the development of a desired office/administration building, with park-like amenities surrounding it. The land is currently occupied by residents/tenants. The City decides this location is not desirable in its present condition and would like to see the land developed into the pedestrian friendly office park described earlier (per the vision).

To pursue this project the City (under the legal constraints of the state of Washington) could either:

1. Create an Urban Renewal Plan( see below) that allows acquisition of property and the ability to resell the property to a private developer.
2. Develop the property as a Civic Center/public use building. (Urban Renewal Plan not required)

The City would still be responsible for relocating the present tenants/residents and other costs of 'exchanging', the property or owning it. Or the City could influence the private sector to acquire the land and develop it in the way the City would like to see it developed. The City would then need to assist with land acquisition, infrastructure, demolition, relocation of residents and/or any other GAP financing.

### Tools to achieve results in a proactive strategy:

All of the tools available under the passive and partnering strategies are available in this strategy as well. Additional tools include:

**Cash:** The City could put a lot of money into a project and 'own' it for public purposes.

**Joint Development:** The City actually pays for some costs in developing a new project with the private sector (i.e., capital improvements, infrastructure, land acquisition, development costs, permitting fees, etc.)

**Urban Renewal Plan:** The City would create and adopt an Urban Renewal Plan that is in alignment with the City's vision and Comprehensive Plan. It may be one of the few tools available under Washington State law that achieves aggressive and proactive economic development results. With an Urban Renewal Plan, the following additional tools become available to the City:

- *Condemnation:* A last resort to acquire property. May be used to eliminate blight, eliminate multiple ownership, and improve health/safety conditions for citizens
- *Acquisition:* Purchasing property with City funds. The City can also resell the property to the private sector.
- *Land Assemblage:* Assembling adjacent parcels of land to create a larger project suitable for desired economic development results.
- *Relocation:* Making tenants/residents 'whole' after their property has been acquired.
- *Financing/Grant Seeking:* With an Urban Renewal Plan, more dollars may be available for urban redevelopment. Without a plan, grant funding is difficult to obtain.

Ability for a proactive strategy to reach desired goals (per the vision):

If your Council adopts a proactive approach to economic development projects, change may occur more quickly, and with visible results in a potentially shorter time frame. There are more opportunities to influence the market driven factors through the tools, techniques and policies available in this approach.

Costs of a proactive strategy:

- Time to prepare an Urban Renewal Plan can be extensive and expensive. It generally involves citizen participation and legislative approval as required by law.
- Requires substantial funds to not only prepare the plan but also land acquisition, relocation, demolition, site clearance / clean up. Cost's could run into the \$10's of millions, depending on the size and type of project.
- Potential legal battles may arise.
- To aggressively go after projects, more consultants/ staff and or outside sources may need to be hired.
- The current budget does not support proactive activity.

Benefits of a proactive strategy:

- Quality of projects will be more in alignment with the city's vision and values.
- The types of projects that the Council would like to see developed, can be chosen by the City.
- City driven design and influence of project results. A strong proactive approach would certainly require additional consultants, attorneys and or staff.
- Although it takes time to create an urban renewal plan, implementation would be quicker and results could be more certain. (provided the market is right)
- A proactive approach could be focused on a specific project vs. an area.
- A proactive approach could also serve as an alternative or a last resort approach to a specific targeted opportunity.

Effect on the image of the City:

- The image of the City may be perceived as "heavy handed" by the business community and residents.
- The term " Urban Renewal" and condemnation will be perceived as negative.
- The image of the City is improved with developers, some business owners and some residents who see this as a great place for new opportunities and to create new projects.
- The City may have the potential to become a showcase for new and innovative development and projects.

Community acceptance and implications:

- This approach will require significant cohesion and leadership at the City Council level. The council may have to make very difficult and unpopular decisions for the benefit of the whole of the community not special interest groups.
- Adopting a proactive approach can be very precarious and create animosity within the community.
- This approach could certainly create alienation with the City Council and portions of the business community.



## Attachment B

### Potential Projects Using Each Approach

Once a particular approach is agreed upon by Council, under phase #3, staff will bring to your Council some specific projects that could be undertaken to forward our economic development efforts. Here are some examples of projects that might be considered using each approach:

#### **PASSIVE**

1. Work in conjunction with the Chamber of Commerce to create marketing brochures.
2. Educating developers, citizens, and business owners about our vision. (Primarily, when asked).
3. Identifying potential areas the City wants to see developed, and mentioning them at seminars, breakfast meetings, and other opportunities to network with developers and business owners.

#### **PARTNERING**

1. Same as above
2. Identify a parcel of property suitable for a new housing, or retail complex. Work with property owner and or new developer to sell / acquire for new proposed project. Could eliminate a blighted condition, stimulate the area for new projects, increase property values, jobs, housing and property and or sales tax,
3. Remove blighted conditions in areas to create an opportunity for new business to exist which creates jobs and tax revenue for the City. (example:
4. Identify underutilized properties by getting together with property owners, and introducing them to developers to create a whole new development.
5. Create generic drawings / visuals that provide examples of development at certain locations.

#### **PROACTIVE**

1. All of the above in passive and partnering.
2. Form an Urban Renewal Plan or Project(s) to allow the City maximum incentives and disincentives to create the vision of the City through economic development efforts.
  - Buy a piece of property suitable for an office building, housing or some other desirable project, and resell it to a developer to develop what the City feels would help improve the community.
  - Purchase a piece of property and sell it to the private sector to have it developed into something that is not for public purpose specifically.
  - Establish a joint development agreement that allows the City and a developer to jointly share in the cost of developing a property.
3. Purchase a piece of property that is underutilized or in a prime location suitable for public purpose, eg: City Hall, Administration Buildings, Police Department or any other public use.

## Partnering Tools and Techniques

Washington local governments are very limited as to what they may undertake in the area of economic development. For cities, the statutory provision is in RCW 35.21.703. The statute does not define economic development. The original intent of the statute was to enable cities to join and pay dues to economic development councils and consortiums.

Due to strict constitutional limitations, cities and counties in *Washington State have very few avenues open for direct participation in private economic development projects*. There are potential legal issues regarding the loaning or gifting of public funds. The State of Washington is one of the more restrictive in the nation in regard to how public funds may be utilized to attract private investment. Specifically, Article VIII, Section 7 of the Washington State Constitution provides:

No county, city, town or other municipal corporation shall hereafter give any money, property, or loan its money or credit to or in aid of any individual, association, company, or corporation, except for the necessary support of the poor and infirm.

A city or county does not have direct authority to construct and operate industrial and commercial facilities, or to pay city funds out for the purpose of attracting private industrial development, neither does the city have indirect authority to pay an industrial development council (not municipal corporation) for performing those functions [Morgan Jacobson & James Pharris, MRSC Information Bulletin No. 432 (1985)].

Most typical municipal economic development efforts include tourism, facilitating industrial development through land use policies, and creating the infrastructure framework that supports economic development activities. All activities must be for a proper public purpose and not in violation of the state's constitutional restrictions on the giving of money.

In order to carry out a partnering strategy in the City of Shoreline, the following represents our tools and opportunities available for economic development:

### Legal Tools and/or Permitted Business Incentives

<i>Business Incentives</i>	<i>Legal Tools</i>
Work with the Chamber of Commerce	Join Local Govt. Economic Development Authorities.
King County Economic Development Council to promote the entire city.	Street vacation, Collaborating with King County EDC.
Public / Private Partnerships (schools)	Facilitator, promoter, regulator
Business Licensing	Implement a business tax
Building of infrastructure such as roads, sidewalks, lighting, etc.	Property takings, Grant funding, voluntary acquisitions.

### Policies/Procedures/Guidelines

<i>Document</i>	<i>Available Tool</i>	<i>How It Is Used for ED</i>
Comprehensive Plan	Establishes the expectations of future development in the community.	A guide to developers and residents who want to know what will be expected of their projects.
Development Code	Establishes the allowable uses and development guidelines for properties within the City.	Will help define possible opportunities for development.
Aurora Corridor District Overlay	Establishes the allowable uses for properties along the Aurora Corridor	Will help define better uses of properties in the area.
Business Licensing  A tool for City and Chamber of Commerce	Currently does not exist.	By creating a business license program, the City can monitor businesses coming into or leaving the City.

### Targeted Development Inventory EXAMPLES ONLY

<i>Business Name (if any)</i>	<i>Description of Business or Property Location</i>	<i>The Opportunity For Economic Development</i>	<i>Approach</i>
<u>Top foods..site</u>	5 acres, 175 <sup>th</sup> Street, good gateway to City.	Development of a complex	Passive / Partnering
Park & Ride Site 192 <sup>nd</sup> and Aurora	5+ acres, 192 <sup>nd</sup> and Aurora.	Build a Learning Tech. Center and mixed use complex. Possible site for new office buildings and housing (mixed).	Partnering
Mobile Home Park	8+ acres, on Echo Lake.	Possible site for mixed use or office complex. Excellent site in Center of City to draw focus.	Passive
Aurora Square	20 – 30+ acres, 160 <sup>th</sup> and Westminster Way.	New destination retail site. Entertainment, and mixed use available.	Partnering
QFC Site	5+ acres, 185 <sup>th</sup> and Aurora	Possible site for new retail complex.	Partnering
Walgreens site	1.5 acres, 145 <sup>th</sup> and Aurora, good gateway to the City.	New retail store with City monument.	Partnering
Re-development of residential sites	Various	Opportunity to attract higher density housing.	Partnering

There may be other sites that could be potential opportunities for re-development. These were the few that have the best possibility to change in the next few years.

## Land Availability

The City's Economic Development Coordinator would need to conduct a land inventory study to determine what land is available to be developed. We need to determine available vacant land and land available for assemblage (possible joining with multiple properties). To conduct this kind of study, the Economic Development Coordinator would need to physically inspect and investigate specific properties. The time it would take to conduct this study would be dependent upon how much of the City was to be considered in economic development efforts. If the target is along the Aurora corridor, this study could be completed in a few weeks.

## Amenities / Opportunities on which to Capitalize

<i>Amenity</i>	<i>Description of Location</i>	<i>Opportunity for Economic Development</i>
Interurban Trail	Natural trail along the Aurora corridor, extending through the City. Excellent site for walking/biking, etc.	Siting businesses that take advantage of the trail and backside frontage, utilizing greater access / parking.
Echo Lake Other Parks area through city.	8+ acre lake surrounded by residential/commercial communities.	Re-development of some portion of the property next to the lake to eliminate blight and create new uses.
Shoreline School District & Community College, Learning Center	Through out the city Along Corridor.	Quality Reputation will help attract new residents. Create new Development.
Our location as a City. Interstate Freeway	Adjacent to Seattle Access	We may be able to attract businesses who want to locate near Seattle. Also attract residents who want to work here and in Seattle.
Aurora Corridor	Heart of new Development	

## Financial Resources We Can Foster

Due to the fact that the City can't spend money directly on private projects, we are limited as to what we can do to foster development: Below are some of the alternatives we have available to us:

- Broker financial institutions with developers and land owners. (Facilitate meetings and exchange phone numbers).
- Networking together with developers to create funding through joint development efforts.
- Working with lending institutions to assist with project funding.
- Reduce permitting fees and/or provide zoning variances.
- Build additional infrastructure and/or amenities to complement projects.
- Grants and specific loans may be available to the City for building certain projects. These would have to be explored on a project-by-project basis.

Targeted CIP projects to improve street environment and access. (e.g., Aurora Blvd.)  
If we want to explore specific projects and how to finance them, we would need to hire an economic development or financial expert (attorney) to assist us with the legal implications of the projects we are considering.