



**ECONOMIC DEVELOPMENT ADVISORY COMMITTEE (EDAC)**

**AGENDA**

**Tuesday, June 10, 2008**

**7:30-9:00 a.m.**

**LOCATION: Spartan Recreation Center, Cascade Room**

<u>Time</u>	<u>Agenda Item</u>
<b>1. 7:30</b>	<b>Welcome/Review Agenda</b> ( <i>Rick Stephens, Committee Chair</i> )
<b>2. 7:35</b>	<p><b>Review DRAFT Memo to the City Council and City Manager from the Committee</b> (<i>Rick, Julie Underwood, Assistant City Manager</i>)</p> <ul style="list-style-type: none"> <li>• The purpose of the memo is to inform the City Council that an annual report of the committee is forthcoming.</li> </ul>
<b>3. 8:00</b>	<p><b>Provide an Overview of the Economic Development Program</b> (<i>Julie, John Norris, CMO Analyst</i>)</p> <ul style="list-style-type: none"> <li>• Review Council Goals</li> <li>• Program Budget</li> <li>• Quarterly Reports</li> </ul>
<b>4. 8:30</b>	<p><b>City Council Community Workshop on Proposed 2008-09 Goals</b> (<i>Rick, Julie</i>)</p> <ul style="list-style-type: none"> <li>• Wednesday, June 11, Fire Station Headquarters, 6:30-9:00 pm</li> <li>• Tuesday, June 24, Shoreline Center, Highlander Room, 6:30-9:00 pm</li> </ul>
<b>5. 8:40</b>	<b>Shoreline School District Property Update – Shorewood High School; Other Surplus School Properties</b> ( <i>John, Craig Degginger</i> )
<b>6. 8:50</b>	<p><b>Wrap-up</b> (<i>Rick</i>)</p> <ul style="list-style-type: none"> <li>• Identify Next Steps</li> <li>• Next Meeting - July 8</li> </ul>

# Economic Development Advisory Committee (EDAC)

## Meeting Summary Notes

### Tuesday, May 27, 2008

**Committee Members Present:** Chair Rick Stephens, Vice-Chair Dick Nicholson, Paula Anderson, Craig Degginger, Wendy DiPeso, Dale Horton, Susan Hoyne, Dan Mann, Thomas Nasky, Greg Olson, Larry Owens

**Committee Members Absent:** James Abbott, Andy Anderson, Michelle Cable, Wade Carter, Joo-Sun Choe, Warren Johnson, Greg Price, Martin Rood, Ken Winnick

**City Staff Present:** Management Analyst John Norris and Administrative Assistant III Heidi Costello

The meeting began at 7:40, a quorum was not present.

#### **EDAC Significant Milestones and Dates:**

Chair Rick Stephens opened the floor for discussion of the significant milestones and dates. The Committee discussion went directly into the next agenda item.

#### **Review “Work Plan” Items Identified by the Committee on May 13:**

- Dan Mann questioned if the timeline for the work plan was realistic, it seemed rushed. Rick responded that with one good meeting on the work plan, the Committee could work through it. John Norris stated that it was feasible for the work plan to be ready by July 1. Vice-Chair Dick Nicholson seconded that thought, stating that reporting to the City Council what the Committee had accomplished so far would be a good idea.
- Dan questioned how the Committee will interact with the City Council. Will the Council direct the Committee? John stated that it could possibly work that way. Since this is the first report to the Council and the first time that the Committee will make a presentation, staff doesn't really know what the outcome will be.
- Dan then stated that he would like to make sure that the Committee uses it's time in a meaningful way to improve the business climate.
- Greg Olson asked about any previous Economic Development Task Force product as he wanted to make sure the Committee was not rehashing old ground.
  - Rick gave him some history regarding the previous task force, of which he was a member, including the completion and adoption of the 2006-2011 Economic Development Plan (ED Plan), why the plan cannot be revamped at this time, the Sears property, the 34 action steps and strategies, and goals. Rick then briefly discussed the work plan matrix.
  - Wendy DiPeso stated that she felt that the ED Plan is a good framework. Then asked if the Committee could get instruction on how policy is made. John said that would be possible, maybe bringing in a consultant to speak.
  - Some discussion followed regarding what the Committee needed to do with the ED Plan. Rick stated that he didn't really see the ED Plan going

to the Council for review again unless the Committee found a gaping hole in the plan. Most presentations from the Committee to the Council will go through the Economic Development Manager and the City Manager and not be presented directly from the Committee.

- Dick stated that the Committee needed a foundation for the City – every member should have the comprehensive plan in their binder and an understanding of the development code. They should also review the Growth Management Act. These three things would help them understand how the City will grow and develop.
- Dan requested a small presentation from staff regarding the Economic Development 2006-2011 Plan to give context couched in a comprehensive plan presentation along with the Economic Development Manager’s priorities that were presented to the Council.
  - John stated that could possibly happen at the next Committee meeting with Julie’s attendance. He could also distribute Economic Development Manager’s quarterly goal reports giving the Committee some feel of Tom’s priorities and achievements.
- Open discussion then followed regarding making sure that the work of the previous task force is put to good use.
- Chair Rick Stephens then asked John to give his report on the work plan items. John explained the matrix comparing the Committee’s brainstormed items to items on the ED Plan.

**Wrap-up:**

The floor was opened for discussion of items for the next Committee meeting.

- Wendy agreed with the importance of reviewing the ED Plan, comprehensive plan, development code, and attending the upcoming North King County Green Business Conference. She asked if staff could send out a “to do” list to Committee members.
  - John said her “to do” list was a good idea and he would see what he could do to get one out for the next meeting. The ED Plan was a good place to start and important to read. Staff could make a presentation on what the Economic Development Manager had done to this point and also on land use, the comprehensive plan, and the development code.
- Paula Anderson requested that Chair Rick Stephens review the items on the work plan and identify all of the action items as short-, mid-, or long-term. Rick stated that he felt the goals decision would really be better for the group. He said he would be happy to pick one of each before the next meeting.
- There was a request for a copy of the Economic Development budget at the next Committee meeting and a review of the Economic Development partners and contractors.

The meeting was adjourned at 9:04 a.m.



## Memorandum

**DATE:** June 10, 2008

**TO:** Shoreline City Council

**FROM:** Rick Stephens, Chair, Economic Development Advisory Committee

**RE:** 2008 Economic Development Advisory Committee Annual Report

**CC:** EDAC Committee Members  
Robert L. Olander, City Manager  
Julie Underwood, Assistant City Manager  
John Norris, Management Analyst

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On behalf of the Economic Development Advisory Committee, I would like to present the following informational memorandum to the City Council.

As codified in Shoreline Municipal Code section 2.65.010, the Economic Development Advisory Committee (EDAC) is required to submit an annual report to the City Council by July 1st of each year that provides a review of its activities over the past year and recommends actions that will advance the City's economic development goals. However, as the EDAC was not officially formed until Council appointed committee members on March 3, 2008, the committee has not had sufficient time to substantively create an annual report for 2008.

Based on this, the EDAC will be working on an initial work plan and some preliminary recommended actions over the next few months which will serve as the primary content for the

2008 annual report. It is the hope of the EDAC membership that this annual report will be transmitted to the City Council and City Manager for review shortly thereafter.

To date, the EDAC has met five times so far (April 15, April 29, May 13, May 27, and June 10), with the majority of these meetings focusing on committee start-up and organization. A regularly scheduled meeting time, which is the second Tuesday of the month from 7:30 to 9:00 a.m., has also been confirmed. Much of the committee's discussion at the first five meetings has focused on committee bylaws and the election of a committee Chair and Vice Chair. EDAC bylaws were adopted by the committee on May 13 (attached), with the Chair and Vice Chair elections happening at the same meeting. Committee members elected Rick Stephens as EDAC Chair and Dick Nicholson as Vice Chair (entire committee member list attached). Additional agenda items have also been discussed, such as review of the 2006-2011 Economic Development Strategic Plan, qualities the committee would like to see in the new Economic Development Manager, work plan and role of the Economic Development Manager, brainstormed areas of interest of committee members, and the prioritization of identified actions in the Strategic Plan.

In addition to continuing to educate ourselves about economic development principles, initiatives and strategies, the EDAC is planning to focus on the identified actions in the Strategic Plan and prioritize those actions by what can be implemented in the short, mid and long term. This prioritization will also be tied to the priorities identified in the Economic Development Strategic Plan and the interests of committee members. Once prioritization has been completed, the committee should be able to craft an initial work plan that will outline which Strategic Plan

actions will be given further attention in the near term and how recommendations will be submitted to the City Council, among other process steps.

Attachments:

- EDAC Bylaws
- EDAC Member List

DRAFT



## City Council Workplan 2007-2008

### Goal No. 2 – Implement the Economic Development Strategic Plan

- Implement Small Business Assistance Plan
- Work to redevelop Aurora Square/Westminster
- Facilitate planning for 175th/Aurora properties
- Develop Ridgecrest Neighborhood Plan

### Two Year Update of Goal No. 2 at April 2008 City Council Retreat

- Implement Small Business Assistance Plan – *Completed; Community Capital Development and ECOSS are continuing to provide assistance.*
- Work to redevelop Aurora Square/Westminster – *Continuing; exploratory conversations continue to be held on redevelopment possibilities.*
- Facilitate planning for 175th/Aurora properties – *Continuing; property owners still in consultation with City staff.*
- Develop Ridgecrest Neighborhood Plan – *Completed; the City Council adopted an ordinance rezoning Ridgecrest Planned Area 2 in March 2008.*

### Goal No. 2 Quarterly Update – 1<sup>st</sup> Quarter 2008

#### Implement Small Business Assistance Plan

Community Capital Development continues to work on making new business contacts through door-to-door visits and engaging more actively in networking events at the Chamber of Commerce and other locations. The monthly schedule of CCD 2008 training classes has been implemented and classes are being held. The next class, titled Financing Your Business, will be held on April 18<sup>th</sup>. ECOSS is continuing to work with businesses by delivering chemical spill response kits, spill plans and watershed maps while simultaneously conducting on-site stormwater education. They are also continuing to audit businesses to determine eligibility for free low-flow toilets and other water saving devices.

#### Work to Redevelop Aurora Square/Westminster

Exploratory conversations were continued with the State of Washington Department of Transportation and King County.

### Facilitate Planning for N 175<sup>th</sup> Street/Aurora Avenue N Properties

For the South Wedges properties, staff is continuing to talk with property owners to anticipate the impacts of future Aurora Avenue N construction work and to facilitate discussions among them. This has entered a formal stage of the Aurora Corridor Phase II project.

### Develop Ridgecrest Neighborhood Plan

The City Council held six meetings to discuss the Ridgecrest Planned Area 2 rezone. This followed six meetings held by the Planning Commission to consider the same proposal, and three meetings held in the neighborhood.

In March 2008, the City Council directed staff to hire a consultant to review the financial feasibility of developing four, five, and six story buildings on a site that had requirements for mixed-use development, sustainability, and moderate income housing. The consultant's report was presented to the Council on March 24<sup>th</sup>. The Council reviewed this information and adopted regulations dealing with Planned Area 2 on March 31<sup>st</sup>.

Later that evening, Council held a public hearing on a modification to the Property Tax Exemption (PTE) ordinance that would make the PTE available to a limited number of units in the Ridgecrest area. The Council adopted the modified PTE ordinance at the March 31<sup>st</sup> meeting.

## **Goal No. 2 Quarterly Update – 4<sup>th</sup> Quarter 2007**

### Implement Small Business Assistance Plan

Community Capital Development has been making new business contacts through door-to-door visits and engaged more actively in networking events at the Chamber of Commerce and other locations. One new loan application has been received. The monthly schedule of training classes for 2008 has been finalized. ECOSS is working with businesses by delivering chemical spill response kits, spill plans and watershed maps while simultaneously conducting on-site stormwater education. They are also auditing businesses to determine eligibility for free low-flow toilets and other water saving devices.

### Work to Redevelop Aurora Square/Westminster

In this past quarter, exploratory conversations have continued with the State of Washington Department of Transportation, King County, and the manager of the Joshua Green properties.

### Facilitate Planning for N 175<sup>th</sup> Street/Aurora Avenue N Properties

For the South Wedges properties, we are still talking with property owners to anticipate the impacts of future Aurora Avenue construction work and to facilitate discussions among them. This has entered a formal stage of the Aurora Corridor Phase II project.

### Develop Ridgecrest Neighborhood Plan

The Planning Commission has reviewed a proposal for zoning changes in Ridgecrest, which are scheduled to be presented to the City Council in January of 2008. Council will also be asked to consider expansion of Property Tax Exemption program in this area.



## **Goal No. 2 Quarterly Update – 3<sup>rd</sup> Quarter 2007**

### Implement Small Business Assistance Plan

Community Capital Development has been making new business contacts through door-to-door visits and engaged more actively in networking events at the Chamber of Commerce and other locations. Loans totaling \$360,000 have been made since their relationship with the City of Shoreline began. Currently, they are providing about 12 businesses per month with counseling, including help with marketing and business plans. They have scheduled one class in October that will be provided through the Shoreline Community College-Lake Forest Park extension service.

ECOSS is working with businesses by delivering chemical spill response kits, spill plans and watershed maps while simultaneously conducting on-site stormwater education. They are also auditing businesses to determine eligibility for free low-flow toilets and other water saving devices. The staging and distribution of these items will be carried out with the help of Seattle Public Utilities and the Saving Water Partnership. ECOSS has also been working on a recycling plan both for fluorescent bulbs and abandoned TVs and computers.

### Work to Redevelop Aurora Square/Westminster

Recent work has been accomplished on exploring new developer contacts and discussing property owner expectations. We have also begun substantive discussion with property owners, including the State of Washington Department of Transportation and J. Greene properties. King County and members of the development community have helped in offering advice.

### Facilitate Planning for N 175<sup>th</sup> Street/Aurora Avenue N Properties

For the South Wedges properties, we are still talking with property owners to anticipate the impacts of future Aurora Avenue construction work and to facilitate discussions among them. Staff is also waiting on the State of Washington to give us requirements of the historical status of Ronald Way.

### Develop Ridgecrest Neighborhood Plan

PADS staff developed a proposal for a new zoning district to be applied to the Ridgecrest commercial area. At the current time, the district would apply new zoning standards to the Bingo property, and apply NB (Neighborhood Business) standards to the properties on the other three corners. The new zoning standards would permit buildings taller than 3 stories if certain features are included in the development. In addition, developers could build to a density of more than 24 dwellings per acre (currently permitted in the existing NB zone) if a specified percentage of the units are priced at levels that are “affordable”. The concepts of this proposal were presented at a public meeting of the Ridgecrest community and to a Planning Commission study session in September. The Commission will hear a presentation on the proposal on October 18 and hold a public hearing on the proposal on November 1.

The owner of the Bingo property (2.6 acres) has selected a purchaser who has the property under option. The purchaser has met with staff and with the community to discuss preliminary development plans for the property, which is to develop the property as a mixed use building under the new proposed zoning standards.

Council may also be asked to consider expansion of Property Tax Exemption program to include this area; staff is still evaluating this idea.

## **Goal No. 2 Quarterly Update – 2<sup>nd</sup> Quarter 2007**

### Implement Small Business Assistance Plan

Community Capital Development (CCD) and ECOSS continue to work with small businesses, particularly in the first mile of Aurora Avenue N., where businesses have been adversely impacted by the Aurora Corridor project. Che Wong of CCD has resigned, and Mary Young is the new CCD staff person dedicated to Shoreline. Several new applications and inquiries have been received for loans. ECOSS is working on a recycling plan for both fluorescent bulbs and abandoned TVs or computers. ECOSS is also developing a toxic spills prevention program and a program to distribute free water efficient toilets to businesses.

### Work to Redevelop Aurora Square/Westminster

Additional developer contacts have been made. There is no significant progress to report beyond exploratory efforts. The EnterpriseSeattle and King County Economic Manager's forum sponsored a retail summit in June to examine retail recruiting potential, and Aurora Square was one of the sites examined there.

### Facilitate Planning for N 175<sup>th</sup> Street/Aurora Avenue N Properties

On the North Wedges properties, Walgreens and Key Bank issues are closer to resolution. For the South Wedges properties, the City is still talking with property owners to anticipate the impacts of future Aurora Avenue construction work and staff is waiting on the State to give us the requirements of the historical status of Ronald Way.

### Develop Ridgecrest Neighborhood plan

Staff is currently working with property owners and with the City's Parks, Public Works, and Planning and Development Services Departments to postulate "next steps." A study session of the Planning Commission was held on May 3, a CIP proposal was submitted on April 6, the Final Report by the UW was delivered to City Council at a Study Session on June 11, discussions were held with the Ridgecrest Neighborhood Association on June 12, and the discussion of whether the Property Tax Exemption program should be expanded to include Ridgecrest has been scheduled for the City Council Study Session of August 20. The owner of the Bingo property (2.6 acres) has received and is reviewing bids from four potential buyers.

## **Goal No. 2 Quarterly Update – 1<sup>st</sup> Quarter 2007**

### Implement Small Business Assistance Plan

Community Capital Development and ECOSS continue to work with small businesses, particularly in the first mile of Aurora Avenue N., where businesses have been adversely impacted by the Aurora Corridor project. A total of \$280,000 in loans has closed, several jobs and businesses that were vulnerable to going out of business have stayed in business, and two new jobs have been created. A City Council briefing was held on March 26, 2007. Subsequent to the meeting, at the Council's suggestion, staff is looking at options for creating a fluorescent bulb recycling effort and for ways to implement a toxic substance spills prevention program.

### Work to Redevelop Aurora Square/Westminster

Additional developer contacts have been made. Sears has reiterated an interest in talking with the City, but has also stated that the timing may be a little off.

### Facilitate Planning for N 175<sup>th</sup> Street/Aurora Avenue N Properties

On the North Wedges properties, some minor progress has been made on previous issues, including the Walgreens and City Light negotiations. However, these issues are not completely resolved. Issues with Key Bank are closer to resolution, which will allow them to completely renovate their existing building and continue in business at that location. For the South Wedges properties, we are still talking with property owners to anticipate the impacts of future Aurora Avenue construction work and facilitate dialogue among the various property owners and businesses about their future needs. The requirements of the historical status of Ronald Way still need to be clarified.

### Develop Ridgecrest Neighborhood plan

The City sponsored the University of Washington College of Architecture and the Center for Livable Communities to undertake a design Charrette for the Ridgecrest Neighborhood commercial area. The charrette for the commercial center at N 165<sup>th</sup> Street and 5<sup>th</sup> Avenue N was completed over three public meetings. The three meetings consisted of a Green Development Forum on January 18, a Ridgecrest public meeting on January 24, and a 2<sup>nd</sup> Ridgecrest public meeting on March 7. About 200 different people attend the three meetings. The University of Washington students produced four different 3D models that were unveiled at the public meeting on March 7, and are currently being housed at the Shoreline Historical Museum. The University of Washington final report is due in June of 2007.

Staff is currently working with property owners and with the City's Parks, Public Works, and Planning and Development Services Departments to postulate "next steps." A study session of the Planning Commission has been scheduled for May 3, and a CIP proposal was submitted on April 6.

**2008 Economic Development Budget (not including Economic Development Manager Salary and Benefits)**

<b>Office Supplies</b>	<b>\$400</b>
<b>Operating Supplies</b>	<b>\$350</b>
<b>Professional Services</b> <ul style="list-style-type: none"> <li>• Funding to support projects from Economic Development Advisory Committee which may include the Briarcrest Neighborhood - <u>\$50,000</u></li> <li>• Media\Marketing\Partner <u>\$14,000</u> <ul style="list-style-type: none"> <li>○ Media (Enterprise Advertising) \$2,000</li> <li>○ Buxton Portal Service Contract \$12,000</li> </ul> </li> <li>• Small Business Services - <u>\$51,000</u> <ul style="list-style-type: none"> <li>○ CCD Contract - \$25,000 for first half of 2008 (second half will be covered by a \$12,500 carryover from 2007 which is not included in this budget)</li> <li>○ ECOSS Contract - \$8,000</li> <li>○ Tools For Success Contract - \$2,250</li> <li>○ Carryover for 2009 - \$15,750</li> </ul> </li> <li>• Real Estate Advisory Services - <u>\$20,000</u> <ul style="list-style-type: none"> <li>○ GVA Kidder Mathews - \$10,000</li> <li>○ Other Misc. Projects - \$10,000</li> </ul> </li> </ul>	<b>\$135,000</b>
<b>Postage/Courier</b>	<b>\$400</b>
<b>Travel (Lodge, meals, miles, Food)</b> <ul style="list-style-type: none"> <li>• International Council of Shopping Centers (ICSC) Conference</li> </ul>	<b>\$3,000</b>
<b>Advertising</b>	<b>\$250</b>
<b>Dues, Subscriptions</b> <ul style="list-style-type: none"> <li>• Enterprise Seattle - \$5,000</li> <li>• ICSC - \$150</li> <li>• Urban Land Institute - \$250</li> <li>• American Planning Assoc - \$200</li> </ul>	<b>\$5,600</b>
<b>Printing &amp; Binding</b>	<b>\$550</b>
<b>Registration/Training</b>	<b>\$1,200</b>
<b>Total</b>	<b>\$146,750</b>

## **2008 Economic Development Service Contracts**

### **Media\Marketing Contracts**

- Buxton Portal - \$12,000 – On-line SCOUT services.

### **Small Business Service Contracts**

- Community Capital Development - 3-year contract of \$150,000 – Small Business Assistance, Counseling and Loans.
  - July 1, 2006 – June 30, 2007 - \$75,000
  - July 1, 2007 – June 30, 2008 - \$50,000
  - July 1, 2008 – June 30, 2009 - \$25,000
- ECOSS Contract - \$8,000 – Sustainable Business Extension Service.
- Roger Harman; Tools for Success - \$2,250 – On-call advisory services and analysis related to the medical care sector.

### **Real Estate Advisory Service Contracts**

- GVA Kidder Mathews - \$10,000 – On-call real estate advisory services to advise and assist the City with redevelopment possibilities of the Shoreline Park and Ride property.