

CITY OF EDMONDS
ECONOMIC DEVELOPMENT COMMISSION
August 18, 2010

The Citizens Economic Development Committee meeting was called to order at 6:00 p.m. by Commissioner Stacy Gardea in the Brackett Room, 121 5th Avenue North, Edmonds.

COMMISSIONERS PRESENT

Bruce Faires
Stacy Gardea
Don Hall
Darrol Haug
Mary Monfort
Beatrice O'Rourke
Evan Pierce
David Schaefer
Rich Senderoff
Rob VanTassell (6:19)
Bruce Witenberg
Rebecca Wolfe
Marianne Zagorski

COMMISSIONERS ABSENT

Betty Larman
Kerry St. Clair Ayers
Frank Yamamoto

PLANNING BOARD LIAISON

Kristiana Johnson

ELECTED OFFICIALS PRESENT

Councilmember Diane Buckshnis

STAFF PRESENT

Stephen Clifton, Community Services/Economic
Development Director
Cindi Cruz, Executive Assistant
Lorenzo Hines, Finance Director
Rob Chave, Planning Manager
Frances Chapin, Cultural Services Manager
Jeannie Dines, Recorder

PUBLIC PRESENT

Natalie Shippen
Ron Wambolt
Tony Shapiro

1. **INTRODUCTION AND COMMENTS BY CHAIR - NONE**
2. **AMENDMENTS TO AGENDA – NONE**
3. **APPROVAL OF ECONOMIC DEVELOPMENT COMMISSION MINUTES OF JULY 21, 2010**

COMMISSIONER ZAGORSKI MOVED, SECONDED BY COMMISSIONER FAIRES, TO APPROVE THE ECONOMIC DEVELOPMENT COMMISSION MINUTES OF JULY 21, 2010. MOTION CARRIED UNANIMOUSLY.

4. **REPORTS FROM SUBGROUPS**

a. Land Use

Planning Manager Rob Chave reported the partnership with the University of Washington Green Futures Lab for development of Special District Plans for the Five Corners and Westgate Commercial Centers was presented to City Council at their August 3 meeting. The Council approved proceeding with the partnership and authorized the use of unexpended monies in the budget to the fund it. The Council

requested further information regarding the market study. After further discussion with Jill Sterrett, the lead UW instructor, the team is confident that a \$10,000-level study will provide the information they need. Mr. Chave planned to report back to the Council regarding the market study component at their August 24 meeting and was confident they would approve the \$10,000 expenditure for the market study.

Mr. Chave reported the project will begin in September; the first phase is environmental reconnaissance where undergrad students working with faculty members will do the ground work regarding existing land use patterns, environmental constraints, etc. A Steering Committee will be formed comprised of members from the EDC, Planning Board, Mayor's Climate Protection Committee, Architectural Design Board, etc. He briefly described interaction between staff, the UW students and the Steering Committee, explaining the Steering Commission will provide feedback to the UW students as scenarios are developed. The project will be completed in May/June 2011.

With regard to whether any additional staff work would be required in order to present a redevelopment/rezone proposal to the City Council, Mr. Chave anticipated the UW students' report with recommended zoning, land use, etc. could be presented to the City Council. If City Council agrees with the students' recommendations, it would then proceed to the Planning Board. Mr. Chave was hopeful zoning regulations could be in place by the end of 2011.

Commissioner Senderoff suggested identifying a target date for a presentation to the City Council and/or Planning Board, preferably prior to the election season.

b. Strategic Planning and Visioning

Commissioner Zagorski reported the subgroup has not met since its last presentation to the EDC. Community Services/Economic Development Director Stephen Clifton recalled at the last EDC meeting, he asked EDC members to submit comments by early August; no comments were submitted which the subgroup assumed was approval of the proposal by the EDC. In light of the City's budget, he recommended requesting approximately \$100,000 as funding for the Plan. Salary savings from the vacant Development Services Director position have been identified as a potential funding source. A budget expenditure request will be submitted to Mayor Cooper and a presentation regarding the Community Services and Economic Development Departments' budgets will be made to the City Council at a budget workshop on August 31.

COMMISSIONER FAIRES MOVED THAT THE EDC EXPRESS SUPPORT FOR MOVING FORWARD WITH SUBMITTING A REQUEST TO MAYOR COOPER AND THE CITY COUNCIL FOR AN AMOUNT TO FUND A STRATEGIC PLANNING EXERCISE. COMMISSIONER SENDEROFF SECONDED THE MOTION.

Discussion followed regarding the type of Plan the proposed cost would fund, monitoring the goals in the Plan, ensuring the Plan was not a static document, and a suggestion to present the proposal for a Plan to the Planning Board. Mr. Clifton advised the Planning Board was provided the draft document and asked to provide their input.

MOTION CARRIED UNANIMOUSLY.

c. Technology

Commissioner Haug distributed a report from the Citizens Technology Advisory Committee (CTAC) entitled City of Edmonds Fiber Optic Broadband Initiative – Background and Update that includes an attachment outlining expenses, revenues and savings. This information will be included in the Council packet for their August 24 meeting. He recognized the work of staff, EDC members and the CTAC to

develop the report which includes a comprehensive history of the fiber project, issues that have been solved along the way, where the project is now, future business opportunities, budgeted and expended amounts, and potential revenues and savings.

He summarized approximately \$602,000 has been budgeted, \$492,000 has been spent, and \$115,000 has been generated in revenue to date. Future revenues and savings are approximately \$100,000/year. The reported figures do not include customers for whom final negotiation/pricing are underway. He concluded the fiber project borrowed money from the City and will pay it back in a relatively short period of time. He encouraged EDC members to attend the August 24 presentation to the City Council and to express their support for the fiber project during Audience Comments.

Mr. Clifton explained the information provided to the EDC is a summary; the Council packet will include a printout from the City's accounting system with the budget and expenditures each year, a list of professional service expenditures, a list of City Council meetings when fiber optics were discussed, the issue paper and the summary. The Council will be asked to pass a resolution expressing their support for continuing with fiber optics, considering targets of opportunity on case-by-case basis and ensuring future endeavors pay for themselves.

Discussion followed regarding the \$115,000 in revenue, the EDC's support of the fiber optic effort, opportunity for fiber to attract new businesses, potential future clients of the City's fiber optics such as medical related businesses due to the bandwidths ability to accommodate transmission of medical data/images, legal issues and the current appeal, how the rate structure was determined, and partnerships with Snohomish County, SNOCOM and Lynnwood that have future potential for revenue.

Commissioner Gardea recognized Commissioner Haug for his efforts.

d. Tourism

Commissioner Wolfe reported the subgroup plans to inventory assets within the City. Cultural Services Manager Frances Chapin provided the subgroup information from the Parks Comprehensive Plan and Cultural Plan that describes each park property and the amenities at each as well as a list of other facilities in the community, some that are managed by the City and others that are not managed by the City but are available for recreational uses. She suggested the subgroup begin by reviewing that information.

Commissioner Wolfe explained the reason for inventorying the City's assets is the opportunity to generate more tourism revenue via sporting events, concerts, etc. A determination needs to be made regarding what improvements are needed and the cost of those improvements.

5. FARMER'S MARKET

Commissioner Senderoff referred to a Snohomish County document that expresses support for a year-round Farmers Market in South Snohomish County and identifies Edmonds as a prime location. He recalled the concept of a year-round farmers market arose several years ago as part of discussion regarding redevelopment of near waterfront area. He suggested a better use for the Antique Mall facility may be to convert it either in part or in total to a year-round Farmers Market. He noted Antique Mall was previously a supermarket and may have the necessary utilities.

Mr. Clifton reported on a meeting with a representative of the Antique Mall property to discuss the property in general and their plans for future. The owners are open to different ideas/concepts and may be more flexible today due to changes in the market. At Commissioner Senderoff's request, he raised the issue of a Farmers Market; they are willing consider anything that is viable and financial feasible. Mr.

Clifton explained a few years ago he worked with someone interested in emulating the Calgary Farmers Market. At that time the price the owners wanted for the property made that project infeasible.

Discussion followed regarding leasing the property rather than purchasing it, a Farmers Market providing benefit to the property owner as well as the City, providing a connection between the waterfront and downtown, funding provided to the Museum from Saturday Summer Market rentals, concern a year-round market would take business away from current Saturday Market, businesses that benefit/do not benefit from the current summer market, potential for a year-round market to attract more tourists, potential for both markets to coexist, other areas that have year-round markets, management of a year-round market, potential for Pike Place Market vendors to ship goods to Edmonds via the train, transit opportunities in Edmonds, Mayor Cooper's vision of farmers market in the waterfront area, whether a Farmers Market is the highest and best use for the Antique Mall property, determining the amount of revenue a year-round Farmers Market would generate, and past difficulties working with the current property owner.

Suggestions included contacting the person interested in emulating the Calgary Farmers Market in Edmonds, researching year-round markets in smaller communities and the management models for those markets, and conferring with the Pike Place Market Board regarding a year-round market.

Commissioner Pearce reported on a recent visit to Coeur D'Alene, Idaho, a city similar to Edmonds – located on the water with a small, older downtown – that is busy with tourists. One of the attractions in Coeur D'Alene is the destination resort with a golf course and water recreation. He pointed out buildings in Coeur D'Alene are not overly tall; the hotel is the tallest building in the downtown core. He suggested a resort in Edmonds could attract visitors as well as redevelopment of the waterfront. He suggested an increase in building heights could be limited to a resort hotel.

6. POTENTIAL DEVELOPER INTEREST

Mr. Clifton reported on recent meetings with real estate agents to discuss the City's fiber optics, film festival, Swedish-Stevens affiliation, and the efforts related to 5 Corners and Westgate. One of the realtors plans to schedule meetings/tours of Edmonds with several prominent developers from outside the area.

7. DISCUSSION ON EXTENSION OF SUNSET DATE FOR COMMISSION

Mr. Clifton reported the ordinance sunsets the EDC on December 31, 2010. Mayor Cooper supports continuing the EDC. He suggested the Commission discuss a request to the Council to extend the sunset date.

Discussion followed regarding the expectation that the Council would support extending the EDC, the number of members, amount of time to extend the EDC, other tasks the EDC could undertake such as pursuing revenue generation recommendations made by the Citizen Levy Committee, time that it takes for ideas to generate revenue, and using the list of economic development initiatives in the appendix of the report provided to the Council in January to develop additional goals for the EDC,

Councilmember Buckshnis offered to sponsor an 18 month extension of the EDC and schedule it on a future Council agenda.

Commissioner Zagorski reported on the Port's process regarding redevelopment of Harbor Square. The Port is working with a group of University of Washington students on a viewshed analysis. She expected the study would be completed by October and more public meetings would be scheduled to review data from the study. Commissioner Faires advised design options will also be developed that take views into consideration.

8. FUTURE AGENDA TOPICS

Commissioner Senderoff suggested scheduling the Green Partners recognition program on the next meeting agenda. He encouraged Commissioners to review the presentation he prepared. He explained the program supports the values of the EDC, to support sustainable initiatives that are incentive based rather than prohibitions. The program follows the model used by other cities such as Santa Monica. Links to those programs are provided in the presentation. He was hopeful that representatives of the EDC, Planning Board, Sustainable Edmonds, etc. may want to assist with implementation of the program.

Commissioner Wolfe commented the reusable bag program is consistent with the Green Partners program. Another component of the program is promoting public drinking fountains to allow the public to refill their bottles in an effort to reduce the use of plastics. She summarized green components are an important part of economic development.

Councilmember Buckshnis suggested the Strategic Plan address greening of Edmonds as well as establishing a brand. She noted there are groups submitting funding requests to the City Council for similar programs.

9. MISCELLANEOUS

Mr. Clifton reported Snohomish County Council has created a Tourism Promotion Area, a taxing region in which hotels will collect an amount per room that will then be pooled and used to promote tourism. Snohomish County Executive Aaron Reardon recently appointed him to the Board. The appointment will provide him an opportunity to learn more about tourism as well as educate the Board about Southwest Snohomish County.

Mr. Clifton referred to a recent inquiry asking him to reveal the names of developers he speaks with. He explained developers conduct a great deal of due diligence and his revealing information before they are ready is not appropriate.

Ms. Chapin reported Snohomish County is in the process of updating their Strategic Tourism Plan. The Plan will provide guidance to the Snohomish County Visitors Bureau as well as identify existing and potential tourism promotion opportunities. Commissioner Wolfe suggested that process include establishing principles for protecting the environment. Ms. Chapin offered to email the consultant that suggestion.

10. AUDIENCE COMMENTS

Natalie Shippen, Edmonds, commented on the difficulty of dealing with representatives from the old Safeway property, pointing out that for the past 25 years they have said they will not develop the property unless the height limits are increased. She recalled approximately three years ago a group of citizens requested the Council obtain an appraisal on the Safeway/Skipper property and put a levy on ballot to purchase the property. There are many opportunities for the property if it were owned by the City. She encouraged the City to obtain an appraisal on those properties and place a levy on the ballot to purchase the property as a land bank.

11. ADJOURN

With no further business, the meeting was adjourned at 7:43 p.m.