

**CITY OF EDMONDS**  
**ECONOMIC DEVELOPMENT COMMISSION**  
**June 19, 2013**

The Citizens Economic Development Committee meeting was called to order at 6:02 p.m. by Chair Evan Pierce in the Brackett Room, 121 5th Avenue North, Edmonds.

**COMMISSIONERS PRESENT**

Evan Pierce, Chair  
Bruce Witenberg, Vice Chair  
John Dewhirst  
Kevin Garrett  
Roger Hertrich (arrived 6:26 p.m.)  
Debbie Matteson  
Nathan Proudfoot  
Doug Purcell (arrived 6:11 p.m.)  
Gail Sarvis (arrived 6:10 p.m.)  
Rich Senderoff  
Darlene Stern  
Evelyn Wellington (arrived 6:26 p.m.)  
Teresa Wippel

**COMMISSIONERS ABSENT**

John Eckert  
Darrol Haug  
John Rubenkönig

**PLANNING BOARD LIAISON**

Phil Lovell

**CITY COUNCIL LIAISON**

Councilmember Joan Bloom

**STAFF PRESENT**

Stephen Clifton, Community Services/Economic  
Development Director  
Cindi Cruz, Executive Assistant  
Frances Chapin, Cultural Services Manager  
Jeannie Dines, Recorder

**PUBLIC PRESENT**

Mayor Dave Earling  
Council President Lora Petso  
Ron Wambolt

**1. OPENING REMARKS**

Chair Pierce advised that Commissioners Rubenkönig and Haug have excused absences. He reported Commissioner Knauss resigned because he moved to Marysville. There are now two vacancies on the Commission. Chair Pierce reported the Council passed an ordinance last night to allow for a second Council liaison on the EDC as well as to change the language regarding advertising EDC vacancies.

**2. AMENDMENTS TO AGENDA**

**COMMISSIONER GARRETT MOVED, SECONDED BY COMMISSIONER SENDEROFF, TO REVERSE THE ORDER OF AGENDA ITEMS 4 AND 5. MOTION CARRIED UNANIMOUSLY. (Commissioners Hertrich, Purcell, Sarvis and Wellington were not present for the vote.)**

**3. APPROVAL OF MAY 15, 2013 ECONOMIC DEVELOPMENT COMMISSION MINUTES**

**VICE CHAIR WITENBERG MOVED, SECONDED BY COMMISSIONER SENDEROFF, TO APPROVE THE MINUTES OF MAY 15, 2013. MOTION CARRIED UNANIMOUSLY. (Commissioners Hertrich, Purcell, Sarvis and Wellington were not present for the vote.)**

**5. POTENTIAL ACTION ITEMS**

### **a. Strategic Action Plan Sub-group Update**

Vice Chair Witenberg relayed his and Chair Pierce's appreciation for the tremendous amount of work the subgroup has done on the Strategic Action Plan. The subgroup produced the EDC Sublist Summary which identifies the subgroup for each action item. The next step is for the EDC to pass a motion to refer the summary to the other subgroups for discussion at their next meeting. Each subgroup will review the list of items assigned to their subgroup and report back to EDC with, 1) which items are already in progress, 2) which items the subgroup does not want to work on and why, 3) what additional items the subgroup wants to work on and why, and 4) priorities of action item in the subgroup and why. He noted most if not all action items do not identify the EDC as a lead.

Vice Chair Witenberg recalled the consultant recommended groups in the City should be encouraged to work on items in plan actions regardless of the priority of the item. Allocation of staff and financial resources will determine which items receive the most attention; ultimately it will be up to Council via the budget process to determine which items in the plan receive financial support. He requested subgroups respond to the four questions by July 10 so the responses can be distributed with the next meeting agenda on June 11. The July 17 meeting will primarily be discussion of the subgroups' recommendations regarding Strategic Plan action items.

Chair Pierce commented there has been some confusion/misinterpretation regarding prioritization of the action items. He asked the Strategic Plan Subgroup to create a simplified document that removed the prioritization column with the goal of making it easily discussable by the EDC. The intent was not to change or remove prioritization of citizens, it was only to allow the subgroups to evaluate and establish their own priorities based on the original plan, whether an item is already underway, etc.

Discussion followed regarding the Strategic Plan Subgroup's creation of the summary, community groups working on plan action items regardless of their priority, factors used to determine priorities in the Strategic Plan, demonstrating success via accomplishing lower priorities, avoiding duplicative efforts on plan actions, possibly asking the stakeholder groups the consultant interviewed if there were any plan actions they want to take the lead on, the schedule for Council to allocate resources, and delay in implementing Budgeting by Priorities due to hiring a new Finance Director.

Mr. Clifton suggested the subgroups also review the performance measures for each plan action in the Strategic Plan. He has asked department directors to review the Strategic Plan and identify plan actions to include as decision packages in the 2014 budget or to describe how they relate to work that is underway.

#### Subgroup Update

Commissioner Proudfoot reported the Strategic Plan Subgroup reviewed the 88 action plan items and identified those that subgroups were already working on and/or that subgroups could address. The intent is for each subgroup to determine the plan actions they are interested in pursuing. Some plan actions will involve more than one committee and he encouraged subgroups to communicate with each other and with other organizations who may be the lead for a plan action.

**VICE CHAIR WITENBERG MOVED, SECONDED BY COMMISSIONER SENDEROFF, TO REFER THE STRATEGIC ACTION PLAN: EDC SUBLIST SUMMARY (WITHOUT PRIORITIES) TO THE INDIVIDUAL SUBGROUPS FOR REVIEW AND ANALYSIS AND REPORT BACK TO THE EDC. MOTION CARRIED UNANIMOUSLY.**

As the Tourism Subgroup does not meet until July 9, their analysis may be distributed as an addendum to the agenda.

### **b. Limiting Office Space in BD1 Zone**

Chair Pierce explained the intent of this item was to forward a recommendation to the Planning Board so they can schedule it on their agenda. Mr. Clifton is coordinating a second meeting with the affected BD1 property owners.

Mr. Clifton provided background on this this proposal which began in 2011. It was reviewed by the Planning Board and the City Council and the Council referred it back to the Planning Board and the EDC. The EDC Land Use Subcommittee developed a white paper entitled, Creating Economic Vitality, An Edmonds City Center That Is Economically Strong, Thriving, Lively and Social.

Because the property owners in the BD1 zone are the most affected by the proposal, he invited them to a meeting on May 13, 2013. Only 8-9 property owners attended; Roger Brooks described the benefits of creating a festival retail environment. The proposal is not to allow pure office uses on the ground floor in the BD1 zone such as architecture, engineering, finance, etc. An existing business would not be required to relocate; when a business ceased operation and was vacant for more than six months, the use would need to be replaced with a festival retail type use. At the conclusion of the meeting, three property owners wanted to continue the conversation, the remainder were supportive. There was a request to inventory the uses in the BD1 zone to see how the proposal will impact property owners. During the most recent land use subcommittee, he agreed to invite property owners to a second meeting.

The executive summary in the packet also contains a table of permitted uses including uses that would not be allowed on the ground floor adjacent to the sidewalk. The only change made to the table since the EDC's last review was real estate would be an allowed use. Office uses are permitted on the ground floor but they must be located behind retail or on the second floor. He noted 5 of 20 ingredients of an outstanding downtown are directly connected to festival retail.

**CHAIR PIERCE MOVED, SECONDED BY COMMISSIONER SENDEROFF, TO FORWARD THE PROPOSAL TO LIMIT OFFICE IN THE BD1 ZONE TO THE PLANNING BOARD WITH A STATEMENT THAT THE EDC SUPPORTS LIMING OFFICE IN THE BD1 ZONE. MOTION CARRIED UNANIMOUSLY.**

**c. Incentives**

This was discussed under Agenda Item 4c.

**DISCUSSION**

**4. SUB-GROUP UPDATES & STATUS**

**a. Technology**

Mr. Clifton reported fiber has been extended under SR 104 to connect Harbor Square but not to a specific business. There are businesses on 5<sup>th</sup> Avenue interested in connecting including Averetek. IT staff and Lane Communications is developing cost estimates. An issue affecting the cost is Snohomish County PUD requires the last entity connecting to the pole clean up all wires above it.

Regarding the redundant network, the City continues to evaluate routing options to connect to Highway 99. The above Snohomish County PUD issue also affects the redundancy route. A meeting is planned with Edmonds School District.

Mr. Clifton reported Commission Haug, Chair of CTAC, and Brian Tully, the City's new IT Manager, are reviewing a draft RFQ/RFP he prepared for a business and marketing plan. The RFQ/RFP will then be presented to the EDC Technology Subgroup and CTAC for comment. He recently arranged a meeting with representatives of Averetek, Operation Military Family, Ten Gun, HDR Engineering and the City's

IT Manager to discuss ways to attract tech companies with 10-25 employees to downtown to utilize the fiber. Once the draft RFQ/RFP is completed, another meeting with this group will be scheduled.

Mr. Clifton reported on a meeting with Peter Wilson, BizMarketing.com, to discuss creating incubator type spaces. Incubator spaces are typically rented for a short period of time; there are significant discounts in rent and the businesses share office space and administrative costs. He contacted Port Executive Director Bob McChesney who is interested in potentially utilizing Harbor Square for incubator space.

Mr. Clifton reported on a seminary in Seattle last week where a speaker talked about The Hatchery in East Nashville that offers incubator space for hatching new businesses.

Discussion followed regarding proximity of the City's fiber network to the hospital, Swedish-Edmonds' connection to Blackrock Cable, potential locations for incubator spaces, learning from other cities with incubator spaces, incubator models, identifying organizations that invest in incubators, and structuring leases for incubator spaces so that spaces turn over.

#### **b. Tourism**

Commissioner Dewhirst reported Commissioner Garrett worked with the Port and they have made major changes to their website, modernizing it and including more information such as link to the City's website. He continues to working with Edmonds Community College on interns for the Visit WA mobile app. Mr. Clifton relayed Chuck Loomis, Edmonds Community College, said that may be done as part of a fall class. The subgroup also discussed the need for baseline tourist numbers; Ms. Cruz is gathering that information. The Tourism Subgroup is changing their July meeting to July 9 and will not meet in August.

Ms. Chapin explained some very specific changes to Port website were requested based on broader ideas. She met with Mr. McChesney and Port Commissioner Block who connected her with their webmaster. Within two days, changes were made in the way information was presented on the Port's website such as Sea Jazz and Artists in Action and the Port's home page now has art and music events. The Port is looking at other ways to make their website more accessible.

#### **c. Land Use**

Commissioner Purcell reported the subgroup discussed limiting retail in BD1 and economic incentives such as Qualified Small Bond Issue Sponsorship, multi-unit housing development tax credit, single source limited tax source general obligation bonds, temporary property waiver for a business development zone and a building façade improvement program. The subgroup is also discussing how to use development fees to attract developers. Mayor Earling has asked staff to study how Edmonds' fees compare to other cities. The subgroup is discussing potential incentives that would be funded by City or latecomer fees, for example an areawide SEPA. He summarized the Land Use Subgroup is developing a six point incentive program for review by the EDC and recommendation to the City Council.

Discussion followed regarding the time savings to developers via an areawide SEPA and examples such as the plan action EIS done for the Mountlake Terrace Town Center and Paine Field.

#### **d. Communications & Community Outreach**

Commissioner Stern reported following a spirited discussion, the subgroup ultimately decided to delay review of the Strategic Plan action items until the Strategic Action Plan: EDC Sublist Summary was prepared.

Commissioner Proudfoot relayed the subgroup's mission statement: to improve communication to the committee by drawing out of subcommittee reports information for distribution to the community.

Chair Pierce summarized the ultimate outcome of the Communications and Community Outreach is a succinct report of all the subgroups' efforts. Commissioner Proudfoot relayed the subgroup discussed ways to distribute information such as in the City's quarterly emailed newsletter, My Edmonds News, etc. Vice Chair Witenberg recalled Commissioner Whippel offered to edit subgroup reports.

#### **e. Strategic Plan**

This update was provided during Agenda Item 5a.

#### **6. UPDATE ON USE OF CITY E-MAIL ACCOUNT POLICY**

Mr. Clifton referred to the Email Policy that was distributed to Commissioners. At the Council's recent mini-retreat, the City Attorney described the importance of public records. As a volunteer body appointed by the City Council, Commissioners' communications constitute a public record. City emails have been issued for all Boards and Commissions; there has been some concern with the ease of use. He referred to an option in the Email Policy that if a Commissioner uses his/her own email account for the conduct of any business, that individual will be responsible for retaining those communications in a secure manner for two years.

Mr. Clifton offered to confer with the City Attorney regarding an option suggested by Commissioner Senderoff, Commissioners utilize a non-City issued email address such as Gmail and copy a City-issued email so that communications are stored on the City's server. Discussion followed regarding other options such as a master email address that is the repository for copied EDC email and Commissioners using an email provider such as Outlook to access City email.

#### **8. AUDIENCE COMMENTS – None**

#### **7. MISCELLANEOUS**

Mr. Clifton reported Friday, June 21 is City of Edmonds Night at the SeaWolves. Anyone who works or volunteers for the City, the Port, the Chamber of Commerce, or Senior Center can purchase adult tickets for \$5; tickets for guests are \$7.

Mr. Clifton relayed he has asked DEMA for help recruiting businesses for the corner of 4<sup>th</sup> & Main and Dayton & 5<sup>th</sup>. Two restaurants are interested in the 4<sup>th</sup> & Main location but the owner will not lease to a business serving alcohol. He invited anyone who knew of a business that wants to expand or locate in Edmonds, to contact him and he will connect them with the leasing agent.

Mr. Clifton distributed a program for the June 29 Arts Summit at the Edmonds Center for the Arts. The Summit is a way of getting all arts organization together to discuss promoting Edmonds as an arts community. Mayor Earling initiated the event; Ms. Chapin has been spearheading it. Ms. Chapin reported the event is free, entirely sponsored by community partners including Lynnwood Honda, Edmonds Landing, Windermere Edmonds, Swedish, Edmonds Community College, Panera Bread, Edmonds Arts Festival Foundation, Hazel Miller Foundation, Hubbard Family Foundation and others. Registration is online at the Arts Commission website. She encouraged Commissioners to attend at least for the keynote speaker, The Arts Mean Business, by Randy Cohen, VP Research & Policy, Americans for the Arts. Breakout sessions with experts from the local community will follow the keynote speaker.

#### **9. ADJOURN**

With no further business, the meeting was adjourned at 8:01 p.m.