

CITY OF EDMONDS
ECONOMIC DEVELOPMENT COMMISSION
April 17, 2013

The Citizens Economic Development Committee meeting was called to order at 6:00 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
John Eckert
Kevin Garrett
Darrol Haug
Roger Hertrich
Debbie Matteson
Doug Purcell
John Rubenkönig
Rich Senderoff
Darlene Stern
Evelyn Wellington

COMMISSIONERS ABSENT

Marc Knauss
Nathan Proudfoot
Gail Sarvis
Teresa Whippel

PLANNING BOARD LIAISON

John Reed

PORT OF EDMONDS LIAISON

Bruce Faires

ELECTED OFFICIALS PRESENT

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

Ron Wambolt
Council President Lora Petso

1. OPENING REMARKS

Chair Evan Pierce announced Commissioners Whippel and Proudfoot have excused absences. He welcomed new Commissioner Roger Hertrich.

Mr. Clifton reported there recently were some unwelcome derogatory and highly offensive comments made about him in a public setting. He has taken action to address the situation but wanted to ensure that does not happen to others. He assured everyone at the meeting is free from discrimination on the basis of race, creed, national origin, color, sex, marital status, sexual orientation, age, disability or other circumstances prohibited by local, state and/or federal law.

2. AMENDMENTS TO AGENDA - NONE

3. APPROVAL OF ECONOMIC DEVELOPMENT COMMISSION MINUTES OF MARCH 20, 2013

VICE CHAIR WITENBERG MOVED TO APPROVE THE MINUTES OF MARCH 20, 2013. COMMISSIONER GARRETT SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

DISCUSSION:

4. SUBGROUP UPDATES & STATUS

a. Technology – Status Report

Commissioner Haug thanked Mr. Clifton for overseeing issues related to technology during his absence. He reported Harbor Square has been wired with fiber, and final testing is underway for a small but important customer in that area. Averetek located on 5th Avenue has also agreed to connect. Europe Through the Back Door/Rick Steves has inquired about extending services to other properties they own in downtown Edmonds. That will bring fiber optics very close to the Edmonds Conference Center who is also interested in connecting.

In an effort to attract more tech companies to Edmonds, a group of business and real estate representatives is being established to develop a marketing strategy related to the availability of fiber. Mr. Clifton explained the intent of the forum is to target startup tech companies with 10-20 employees because although there is not a great deal of space for large companies, there is a lot of office space for small companies.

Discussion followed regarding the prohibitive cost to connect residences to fiber, Seattle's efforts to provide space for startups in the International District, the continued strategy to connect customers who have internal IT staff, and the status of a RFP/RFQ to prepare a business plan and marketing.

b. Economic Development Commission Role in Implementation of Strategic Action Plan

Mr. Clifton reported the City Council approved the Strategic Plan a couple weeks ago. He highlighted references to the Port of Edmonds in the Plan and provided them to Port Commissioner Faires. He will do the same for the Senior Center and Chamber of Commerce. After those organizations have an opportunity to review the plan actions in which they are either a lead or a participant, further discussions will occur regarding implementation.

Chair Pierce explained the reason Commissioner Haug was taking the lead on the Strategic Plan implementation is because he is a long time member and has been involved in the Strategic Plan process from the beginning.

Commissioner Haug explained the EDC was an outgrowth of the "Team of 33" that was formed to address budget issues. That group saw economic development as an important part of moving the City forward. The EDC formulated 7 recommendations which were included in the EDC's first report to the City Council in late 2010 which the City Council approved. One of the key issues was a Strategic Plan to create a roadmap for the City that had maximum input from as many citizens as possible. His intent had been for the EDC to take a position on the Strategic Plan prior to the City Council taking action on the Plan.

Commissioner Senderoff added another reason the EDC was interested in pursuing a Strategic Plan was other cities have found when budgets are tight, it is useful to have Strategic Plan based on priorities to assist with budgeting, a stepping stone to Budgeting by Priorities.

Commissioner Haug explained the purpose of tonight's discussion is for Commissioners to provide input/ideas for the Strategic Planning subgroup. He referred to materials he provided, "Strategic Plan for Edmonds: What Next for the EDC?" and "How to Understand the Results of the Strategic Planning Process Data." He commented on the Strategic Plan process that included a great deal of public outreach such as focus groups, interviews, surveys, charrettes, etc., emphasizing all the issues in the final survey were developed via community discussions.

Commissioner Evelyn reported she held a strategic planning and building meeting at the Senior Center where she presented the four plan actions in which the Senior Center would be a participant (1a.10 – Development Regulations, 1b.4 – Shoreline/Waterfront, 1b.5 – Antique Mall aka Salish Crossing, and 1c.2 – Participation – youth) and the action in which the Senior Center would be the lead (3a.1 – Senior Center: Develop long term solution for maintaining and updating the Senior Center).

Commissioner Hertrich, Chair of the Senior Center Facilities Committee, explained the Senior Center has received grants for building improvements. The life expectancy of the building is 20 years. He referred to Action 3a.15 and the objective to relocate the Senior Center to another location, assuring the building is not failing. He advised a complete assessment of the building has not been done; soil testing has been done when repairs have been made.

Commissioner Haug summarized his goal was for the EDC to identify key plan actions in which the EDC can have a role. Discussion followed regarding the EDC identifying and championing elements in the Plan related to economic development, plan actions that require the involvement of City staff, plan actions already being implemented, role of the EDC Strategic Plan subgroup, the EDC monitoring plan actions, reformatting the Strategic Plan, adding cross references in the Plan to the list of priorities, actions in which the EDC is identified as a participant, and membership of the Strategic Plan Subgroup.

Vice Chair Witenberg suggested, 1) the Strategic Plan Subgroup review the list and identify actions the EDC could work on and present them at the next EDC meeting, 2) the Strategic Plan Subgroup offer a framework for the EDC's role in monitoring/encouraging progress on the overall Strategic Plan and 3) all subgroups identify elements for their subgroup to work on. Other suggestions included Commissioners individually identifying their priorities, selecting projects on which immediate progress can be shown, looking at plan actions from an economic development standpoint as that is the EDC's purview, each subgroup identifying three top priorities for further discussion by the EDC, and determining the Council's vision for implementation of the Plan.

c. Tourism – Status Report

Marine Tourism

Commissioner Dewhirst advised the subgroup is researching and talking with the Port. A report will be provided next month.

Bed & Breakfast

Commissioner Dewhirst reported the subgroup's discussion regarding hotels downtown and on Highway 99 led to a discussion of why historically there have few B&Bs in Edmond. One of the subgroup members is researching whether there are regulations that inhibit B&B.

Miscellaneous

Commissioner Dewhirst reported on his meeting with Louise Stanton-Masten, Executive Director, Washington Tourism Alliance. He is researching how to include Edmonds in the Alliance's Visit Washington mobile app.

Casino Gambling

Commissioner Dewhirst recalled when the issue of casino gambling was presented at the EDC's February 20 meeting, the EDC asked for further information regarding, 1) state law, and 2) whether there is a saturation of casinos in south Snohomish County and north King County. He explained State law allows local jurisdictions to ban or allow casinos; if they are allowed, the jurisdictions cannot zone or regulate the location of casinos. There have been several failed attempts in the past to change State law related to zoning and location of casinos; there are currently no efforts to change the regulations. Any attempt to change State law would require a long and expensive process with an uncertain outcome.

With regard to saturation, he reported although that is difficult to determine, circumstantial evidence suggests there is no market for additional casinos in this area in the near future. Due to the difficulty of changing State law and the lack of market for casinos in the next five years, the subgroup recommends the EDC not pursue casino gambling on Highway 99 for the foreseeable future.

Discussion followed regarding support for the subgroup pursuing the Visit Washington mobile app, including B&Bs in advertising, recent changes in the City's B&B regulations, and Edmonds not being an overnight destination.

COMMISSIONER SENDEROFF MOVED THAT THE EDC NO LONGER PURSUE CASINO GAMBLING. VICE CHAIR WITENBERG SECONDED THE MOTION.

Vice Chair Witenberg commented on the likelihood of the City having a levy on a future ballot. He pointed out the importance of demonstrating the City has cut expenses and considered other revenue sources when asking taxpayers to support a levy.

MOTION CARRIED (12-1), COMMISSIONER WELLINGTON VOTING NO.

d. Land Use – Status Report

Incentive Zoning

Commissioner Senderoff provided a summary of the Land Use and Business Incentives Subgroup meeting. Next steps/action items include:

- Add artisan/craftsman businesses to Qualified Small Issue Bond Sponsorship incentive
- Determine whether can offer rebate to owner of substantially remodeled or newly constructed hotel/motel
- Identify existing incentives
- Discuss impact fees being collected before permits are issued, whether application fees cover cost of permit reviews; possible priority for green development; and whether development consistent with subarea plans should be incentivized
- Contact City of Snohomish regarding the hotel/motel incentive
 - Mr. Clifton reported Snohomish's Economic Development Manager said waiving hotel/motel tax does not work. He suggested the subgroup remove that as an incentive

Commissioner Rubenkonig recalled last month the EDC agreed not to take a position on coal trains but to monitor the topic. He referred to an article Commissioner Proudfoot forwarded regarding the totality of the impact of rail. He explained regardless of whether coal ports are built, there will be an increase in rail traffic. The typical freight train now is 1.3 miles in length; in 5 years it is anticipated to be 1.6 miles. Rail transport is extremely cost effective and has less environmental impacts than trucks. He recommended continuing to monitor the issue due to the economic impacts.

Port Liaison Faires reported the freight mobility forecast indicates coal trains will add 18 trains/day to the current 30 trains/day; independent of coal trains, another 40-50 trains/day are forecast in the next 10 years. The real issue is mitigation of the impact of trains on the community.

Mr. Clifton relayed the Public Works Department calculated a 1.5 mile train creates a delay of 6-8 minutes as it travels through Edmonds. There is an accessibility issue due to the significant delay created by an increase in the number of trains.

e. Communications & Community Outreach – Update

Commissioner Stern asked whether the EDC wanted the Communications Subgroup to communicate to the community the research regarding casino gambling and the EDC's decision not to pursue.

Chair Pierce requested all subgroups summarize their meetings on the Subcommittee Update form and submit them to the Communications Subgroup for distribution.

5. MISCELLANEOUS

Mr. Clifton reported on the following:

- The State Records Manager in the State Archives Office relayed all Board and Commission emails must be retained for a minimum of two years and requested all City Board Members and Commissioners have City-issued email addresses. The City's IT Department is creating email addresses. If a Board Member or Commissioner uses his/her personal email, it must be retained in perpetuity. He emphasized the importance of Commissioners keeping personal email separate from City email.
- Cindi Cruz and he attended ribbon cutting for the Swedish-Edmonds Cancer Institute that opened April 2.
- The Land Use Subcommittee is working on a white paper regarding limiting office on the ground floor in BD1. Roger Brooks will facilitate a workshop with those business owners on May 13. Commissioners are invited to observe.
- The City Council approved amending BD2 – 4 developments standards to remove the 15 foot step-back and apply the BD1 design standards to BD 2 – 4. A proposed building next to Arista Wine Cellars, a vet clinic located in the BD2 zone, will be the first building subject to these standards. Formal adoption of the ordinance is on the Council's agenda next week's.

Port Liaison Bruce Faires provided a Port report, relaying that the Port has withdrawn its application to incorporate the Harbor Square Master Plan into City's Comprehensive Plan based on the City Council's decision to no longer use the Port's Master Plan as a basis for continued discussion. Further information is available in the Edmonds Beacon, My Edmonds News, etc.

For Commissioner Senderoff Mr. Clifton explained architects and engineers representing Swedish-Edmonds have discussed with staff master planning for the entire campus; development of the Master Plan is at least 1-1½ years in the future. Commissioner Senderoff asked whether the Master Plan assumes increased employment. Mr. Clifton offered to research.

Commissioner Haug invited Council President Petso to clarify her comment at the April 16 Council meeting regarding changes to the EDC ordinance.

6. AUDIENCE COMMENTS

Council President Petso explained she has not been able to attend EDC meetings as the date conflicted with the Regional Fire Authority (RFA) Finance Committee meetings. She explained the primary change in the EDC ordinance is to allow an additional Council liaison to the EDC. When Councilmembers were asked what committees they wanted to serve on, a majority wanted to be the liaison to the EDC.

7. ADJOURN

With no further business, the meeting was adjourned at 8:07 p.m.