



AGENDA

Edmonds Economic Development Commission

Edmonds City Hall
Brackett Meeting Room, 121 5th Ave N
Wednesday, July 18, 2018
6 – 8 PM

6:00 P.M. - CALL TO ORDER

Call to Order

Roll Call

1. Approval of Agenda
2. Approval of June 20, 2018 Meeting Summary
3. Audience Comments (3 minutes per person)

6:15-6:45.

4. Liaison Updates
5. New Business:

6:45-7:45.

Sub committees will give update on 2018-2019 priorities and update any previous progress on past objectives

- Development Feasibility
- Arts/Tourism
- Affordable Housing
- Dayton Street Project
 - Review of Draft memo
- Business Attraction

7:45-8:00

6. Roundtable Discussion (Council, Commissioners, City, Liaisons)
7. Adjourn

Next regular meeting: August 15, 2018, 6 PM

CITY OF EDMONDS
ECONOMIC DEVELOPMENT COMMISSION
June 20, 2018

COMMISSIONERS PRESENT

Mary Monroe, Chair
Jamie Reece,
Kimberly Koenig
Matthew Waldron (arrived at 6:12 p.m.)
Nicole Hughes, Vice Chair
Michael Schindler
Neil Tibbott, Councilmember, ex officio
Greg Urban, Edmonds Chamber, ex officio

Aseem Prakash
Phil Lovell, Planning Board, ex officio
Bruce Faires, Port Commissioner, ex-officio

Guests:

Bob McChesney, Port of Edmonds
Carreen Rubenkönig, Planning Board

STAFF PRESENT:

Patrick Doherty, Econ. Dev & Comm. Serv. Dir.
Cindi Cruz, Program Coordinator

COMMISSIONERS ABSENT

Scott Merrick
Darrol Haug (excused)

Economic Development Commission meeting called to order by Mary at 6:01 p.m.

Roll call and excuse absences: Darrol is excused for vacation extending beyond two weeks.

1. **Approval of Agenda:** Approved.
2. **Approval of 05/16/18 EDC Minutes:** Jamie moved to approve minutes, Mike seconded; motion passed.
3. **Audience Comments:** No comments.
4. **Old Business:**

Art – Creative District Designation application progress: Patrick provided an update of the process and this information will be provided to Council next Tuesday. Edmonds could be the first city in Washington to apply for the designation. Will have to go back to Council for the approval of a resolution before submitting application to the state. Applying for the designation was one of the recommendations from the Economic Impact Study of Arts and Culture. The results from the stakeholder meetings and the public meeting resulted in the draft goals and recommendations which will be presented to the Council.

Civic Facilities – update on memo: Final memo will be presented to City Council on July 10, 2018.
5. **New Business:**

New sub-committees will give overview of proposed priorities for 2018-2019 and update any previous progress on past objects:

Development Feasibility: Nicole updated on meeting. Decided to go through development code to identify areas that could use clarification and updating. Spend some time with PB/Department to make sure these areas are feasible. See Attachment 2 for Darrol's recommendations regarding the BD1 zone. Five Corners was discussed but it is also not scheduled for any further consideration at this time. This is why development code is a good place to start to look at zoning, development feedback, potential look at targeted code change to allow hotel uses in existing non-conforming, non-maritime buildings that could be redeveloped on waterfront. Would need to look at development code and shoreline management program also. Summary of ideas: 1. Review of development code; 2. Five

Corners; 3. Reviewing ECC and shoreline code for possible hotel amendment; 4. Review of height measurement technique in ECC. Clean-up and clarification of code issues. Feedback from developers and property owners on building/developing property in Edmonds could be helpful in this process.

Arts/Tourism: Kimberly provided update on subcommittee meeting discussion. The Creative District application process will be of interest to this group. Identifying conference facilities also arts and tourism assets and categorize both. Such as galleries, performing arts, liquid arts, etc. Feasibility of downtown shuttle such as like the ones in Pt. Townsend. Bob McChesney stated the Port is interested in collaboration. Cross-promotion with neighboring cities such as Lynnwood since hotels are in a greater number and will be considering partnership opportunities. Patrick updated that will be focus on collaboration among major tourism advertisers in Edmonds later this summer and bring together to discuss process and how to unify joint messaging within Edmonds. He will also obtain statistics from Puget Sound Express to determine where the customers are coming from.

Affordable Housing: Jamie discussed draft memo and e-mail from Darrol regarding subject. See Attachment 1 (Darrol's comments) and 3 (draft memo). Concerns about lower mitigation fees etc.: is this the best approach since this seems to be a loss of municipal revenue.. Wider diversity of housing options that will be available to more groups. Discussion revolved around providing housing for employees of businesses located in Edmonds. Careen Rubenkoenig of the Planning Board (PB) gave an update on PB hearing last week: 75-90 attendees, major concern over graphic in report referring to tiny houses and was this going to be encouraged in Edmonds, consultants were asked to change graphic, task force was about helping existing homeowners stay in Edmonds, lack of variety of housing, accessory dwelling units and house-sharing to allow homeowners to stay in place. This message will be in the revised report. **Matt moved to approve memo with minor changes discussed. Mike seconded motion passed unanimously.** Value in accessory dwelling units (attached and/or detached) or tiny houses for single family residents. Building Ccode governs minimum habitable space for tiny houses. Mayor will address the messaging related to "affordable housing."

Dayton Street Project: Jamie updated that he and Kimberly had surveyed business community. A one-page memo has been drafted to go to City, encouraging staff to proactively reach out in person to business owners who will be affected. Create handout with info and City staff contact person. Bring draft memo to next meeting for approval before sending out.

Business Attraction: Affordable housing and Dayton Street Project will be finished soon and therefore this sub-committee could be moved up. Patrick will send out an e-mail to determine meeting schedule for this committee.

Liaison Report Discussion

Discussion how to ensure adequate time for Liaison updates and Commission discussion.

Provide time in the agenda for one Liaison to provide a more in-depth report each month, or as requested.

Ask Liaisons to submit written summaries prior to the meeting so Commission members can be prepared with comments/questions.

Limit roundtable comments to 3 minutes ensuring each liaison has an opportunity to comment.

Other: Mary wants to encourage a method for allowing liaisons to have adequate time to provide information. They discussed requesting a report in advance for commissioners to review before the meeting to allow time for discussion with the liaisons. Could have this be a standing agenda item for liaisons to either provide written report or just brief verbal report. Take this out of the “Roundtable Discussion”. If liaisons have substantive item to allow for more time put under Liaison Item and if needed provide a written report. And roundtable could be limited to 3-minute items only. Move liaison report after audience comments. If liaison has a specific item for additional discussion let Mary know so it can be added to agenda. Council Liaison should potentially weigh in on many items where interest and comments are necessary. Staff will revise agenda for July.

6. Roundtable Discussion (Council, Commissioners, City, Liaisons): Greg gave an update on Taste Edmonds changes, 4th of July parade still getting admissions for parade, provided details to changes for fireworks locations due to construction at Civic Field. Neil discussed BD1 proposal and value placed on downtown area to protect historic look and feel of the downtown BD1 zone. Bob provided update on Port. It is a busy time of year for Port and Harbor Square is at capacity with tenants. 70th Anniversary celebration will be on August 4. Careen discussed PB’s schedule for additional housing strategy hearing. Patrick updated on changes at parking lot off of 4th that will be changing over to hourly parking on 7/1/18, he is attending Snohomish County tourism think tank regarding coastal communities, and annexation of Esperance will not be moving forward at this time. Jamie encourages more proactive zoning with old buildings such as Pt. Townsend example and how they are maintaining the character of the older buildings. There were no more comments by Commissioners.

7. Adjourn at 8:04

Next regular meeting: July 18, 2018, 6 PM

Attachment 1

Subject: FW: DRAFT Housing Strategies Comment Document

From: Haug, Darrol (Econ. Dev. Comm.)

Sent: Tuesday, June 19, 2018 1:05 PM

I did not compare word for word it looks like this latest draft is about identical to what Jamie put out as the first draft. I responded with input to the draft and do not see that any of my ideas were considered in the current draft put together by Patrick. While you and the other EDC members may will want to toss out all of my thoughts I would like the full EDC to at least hear my view point. I will not be with you at our meeting this week. If I were at the meeting I would offer the comments below. Would it be possible for my comments to be offered to the full EDC during the subcommittee discussion?

A close look at the tools suggested by the Housing Strategy Task Force suggest a few things.

1. These and other plans already underway will grow Edmonds at a rate much higher than what is suggested in the Growth Management Act. This will forever change the character of Edmonds and the citizens have had little or no visibility this information much less the opportunity to input to the process.
2. Some of the tools will change single family neighborhoods with increased density and increase cars competing for parking.
3. Some tools will causes losses to city budgets that will have to be made up from existing taxpayers. Waving mitigation fees will cause existing homeowners to pick up the losses of these reduced fees.
4. In the case of Westgate the taxes forgiven will exceed the rent reductions by a factor of 2 to 3 times. This comes directly from the data supplied by the city. Patrick would say the development would not have occurred without these subsidies but it was the increased density and reduced parking requirements that allowed the development to be feasible. The tax losses will have to be made up from the rest of the taxpayers. A cheaper way to provide rent subsidy for the 19 units at Westgate would be to directly pay the subsidy to the renters vs the convoluted method currently being used.

Our role as the EDC has always been to shed light on issues and provide clear input to issues. We should not abandon that role for this effort and simply endorse the Housing Strategy Task Force but we should sort out the economic issues, report them to council and the public. Anything short of that would be deceptive.

I would hope my comments can be given to all the EDC members and be part of the public record.

Thanks, Darrol Haug

Attachment 2

Subject: FW: Development feasibility subcommittee meeting notes

From: Haug, Darrol (Econ. Dev. Comm.)

Sent: Tuesday, June 19, 2018 12:38 PM

Sorry I missed your meeting and I would have offered the ideas below as possible input for our work. I am traveling and will not be with you this week. Since our work is in the early stages and we are presenting ideas to the full EDC. I am hoping my thoughts could be added to the discussion for comment and consideration of the full EDC. If you agree could someone please offer these suggestions to the entire group?

Thanks,

Darrol Haug

Comments for Feasibility Issues:

BD1 and the Council decision on 15' vs 12'

Now that the Council has decided not to consider the 15' vs 12' ceiling levels issue they have effectively frozen current building to remain as is in the BD1 zone. While this may be an acceptable plan for existing buildings it seriously inhibits new building on vacant land. Case in point is the parking lot at 6th and Main. The owner is planning to build on the parking lot. Confined to 2 stories because of the 15' rule limits the type of amenities he can create with the new development are limited. With the ability to do 3 stories the it would make it more feasible to do underground parking or enhanced public open space and other amenities. We should now evaluate items:

1. Explore the idea of creating a Historic District smaller than the BD1 zone. This zone would preserve the existing building while allowing other areas like parking lots to be developed using the current 30' total height limit and the 12' first floor standard. This would allow only new buildings to be 3 stories.
2. Understand how "contract rezone" works to allow new development in BD1 zone.

Union Oil Property

The is a new state law allowing government entities to give land to developers to create affordable housing. The 22 acres at Union Oil is not planned for use by the state for ferry dock development. We could put together some ideas on how the land could be used for two purposes.

1. Parking to add to the city's inventory of available parking spaces. This could be in connection with a shuttle service to DT and to the current transportation center for Train, Bus and Ferry.
2. Together with new parking the area could be used to develop affordable housing. This would be feasible if the state would donate the land for this purpose.

Attachment 3

Draft housing memo