

Economic Vitality Commission
6-20-18

**CITY OF ISSAQUAH
Economic Vitality Commission
SUMMARY MINUTES**

June 20, 2018

City Administrative Offices
Pickering Room

1775 12th Avenue NW
Issaquah, WA 98027

<p>MEMBERS PRESENT Jeff Howlett, Chair Chris Beadoin Samantha Breider Therese Garcia, Vice Chair Ashwin Muthuvenkataraman Kathy McCorry Saikat Sen Kristi Tripple</p>	<p>STAFF PRESENT Jen Davis Hayes, Economic Development Manager Tim Dutter, Economic Development Manager Brian Graham, Economic Development Intern Christopher Wright, Project Oversight Manager</p> <p>NOT PRESENT Amit Bhardwaj Karl Leigh Arjun Malhotra, Youth Council</p>
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CALL TO ORDER

HOWLETT, Chair, called the meeting to order at 5:33 PM. He noted the Commission will have a quick brainstorming session at the end of the meeting to suggest topics for the next agenda.

APPROVAL OF MINUTES

MOVED BY SEN, SECONDED BY GARCIA that minutes of the EVC meeting on April 18, 2018, be approved as presented. MOTION CARRIED BY UNANIMOUS VOTE OF ALL COMMISSIONERS PRESENT.

MOVED BY SEN, SECONDED BY GARCIA that minutes of the EVC meeting on May 16, 2018, be approved as presented. MOTION CARRIED BY UNANIMOUS VOTE OF ALL COMMISSIONERS PRESENT.

COMMISSION MEMBERSHIP

HOWLETT described highlights from the update he presented to the Council Services & Safety Committee on June 12, which is scheduled to take place every six months. He complimented staff on the diverse makeup of the current Commission membership. Members introduced themselves.

EVC CHARTER AND WORK PLAN (I)

Davis Hayes referred to the information on EVC's 2018 Work Plan and the Goals and Strategies (page 15 of 23) and noted these two items will be updated and included in future EVC agendas. HOWLETT said this information is intended to help orient new members in particular to what EVC is trying to do, and referred specifically to the information contained in [Economic Vitality Commission Ordinance Chapter 2.89](#). He also briefly explained the process followed for creating the EVC's 2018 Work Plan (top of page 15) and how EVC's Work Plan fits with the Council's Strategic Plan Update process now under way.

COMMISSION OFFSITE MINI-RETREAT (D)

HOWLETT described the purpose of scheduling an off-site retreat for the Commission, which is intended to be particularly useful for newer members. He noted some topics he thought would

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be good to cover at the retreat, including (Group 1) the ordinance that created EVC; EVC bylaws; the Economic Vitality Section of the Comprehensive Plan; Economic Development 2015-2018 Strategic Plan; Anchor Project; Olde Town Vitality Report; and the Sports Medicine Innovation Partnership Zone; and (Group 2) any other topics going forward of interest to members that would have ramifications for the current and future Economic Development goals and strategies.

HOWLETT asked for any topics Commissioners would like to add. Among the suggestions were the following:

- Dutter suggested researching groups such as Young Professionals and economic development organizations from other cities, regions, and states around the country as potentially having ideas for further discussion.
- BREIDER said she would like more information about how the 2018 EVC work plan was developed.
- BEADOIN said he would suggest spending 15-20 minutes on the highlights of the information presented today as Group 1 of HOWLETT's suggestions, but assume people will read it in advance, and spend the bulk of the time on Group 2. He continued understanding the context for how we got to where we are now can be challenging for new members, and would be useful information.
- SEN said he's not sure exactly what EVC has achieved in the past, and would also like to know how EVC can have more impact going forward.
- BEADOIN spoke in favor of spending some time discussing what success would and would not look like for EVC. HOWLETT agreed, and said the item in Group 1 that speaks to how EVC fits with the broader City government and how it can best influence and have an impact on decisions is an attempt to get to that. He said he favors spending most of the available time on that item.
- BREIDER said as a new member, she likely "doesn't know what she doesn't know," so allowing time for an open forum without a specific topic would allow questions she can't foresee right now to emerge. Davis Hayes agreed, and said we can also address questions at upcoming meetings if aren't able to get to everything at the retreat.
- McCORRY said EVC used to write letters of recommendation to the City Council on topics that were related to economic development and vitality, and would like to discuss a process for doing that. TRIPPLE agreed that an important role for EVC is providing City Council with recommendations on economic issues. Staff provided examples of recommendations EVC has made in the past few years. McCORRY noted EVC has kind of moved away from that as a result of the moratorium. BEADOIN said defining how we are going to do our business could be an output of the retreat. HOWLETT agreed, and added we can define a process to prioritize issues as well.

After a short discussion, the Commission decided to schedule the retreat for Wednesday, July 11, from 3:00 to 7:00 PM, at a location to be determined. McCORRY and GARCIA volunteered to work with Wright on the retreat agenda and logistics.

MORATORIUM UPDATE (I)

Davis Hayes said the last of the moratorium work items was approved by the Council on May 21, and the moratorium was officially lifted on May 22. She briefly described properties around the City that have been targets of interest for development since the moratorium. She referred to the [City's website on the moratorium](#) for a description of the outcome and work products that resulted from the moratorium. She said two related work items are still ongoing: (1) exploring a use table to determine if the right uses are in the right zones, and (2) changing Central Issaquah

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boundaries, specifically removing Destination Retail and Intensive Commercial zones. She noted a public hearing will be held on item (2) at the Policy Planning Commission meeting on June 21.

FORMULA BUSINESS DISCUSSION (D)

Dutter referred to page 17 and gave background on formula businesses in Olde Town. He briefly reported on public reaction, both negative and positive, to the recent openings of Dollar Tree and Laz-Y-Boy stores on Front Street. He briefly explained how those businesses came to occupy space on Front Street. He gave some information about ways that other cities have restricted or outright prohibited formula businesses from moving into a community or neighborhood, including design restrictions and setting limits on the number of formula businesses allowed in a given neighborhood. He used McDonald's and Starbucks in Leavenworth as examples of how formula businesses can be regulated to look like the rest of businesses in a city.

Wright said design on Front Street is guided by the Olde Town Subarea Design Standards that establish the look and feel of downtown, and noted that aesthetics is part of the concern but not the entire concern, at least for some people. For example, some people want to encourage mom-and-pop stores over franchise-type stores. He noted the Olde Town Subarea Town Design standards have not been updated for some time, and are being reviewed by PPC now for presentation to Council soon. McCORRY said franchises are, in fact, mom-and-pop operations; local people own and operate them. TRIPPLE said the concern about formula businesses feels a bit like a reactive conversation, particularly because the Olde Town Subarea Design Standards are being reviewed now. She continued we need to be mindful that as the costs of business increase and redevelopment takes place, the cost of property rises, and all of that increases rents. So an unintended consequence of restricting or prohibiting formula businesses may be pricing out mom and pops by not allowing, say a Starbucks. Starbucks could bring lot of foot traffic to an adjacent mom-and-pop store, for example, she added.

HOWLETT asked does the City do any kind of assessment or inventory of what mix of businesses is available downtown, and what kind of businesses might be missing. Davis Hayes said that is part of the Downtown Issaquah Association's (DIA's) mission. BREIDER said it is important to also look at how businesses contribute to the City's efforts at branding and promotion of tourism. McCORRY agreed, and said the City's strategic planning effort would also have a bearing on determining the desirable mix of businesses. GARCIA said the buildings occupied by Dollar Tree and Lay-Z-Boy are huge buildings that would likely not be occupied by mom-and-pop stores, and having them occupied is more conducive to a vibrant downtown than having them sit vacant.

BEADOIN said it's important to think about the implications of restricting formula businesses because there may be disadvantages to small businesses, but the City also has to create a level playing field and apply it fairly and consistently. He said more discussion is needed, and even at that, we probably won't foresee all the unintended consequences. Others agreed. After more discussion, the Commission discussed the option of having the EVC Chair send an e-mail to PPC indicating that more time for an in-depth discussion of this important issue is warranted, including at EVC's July 12 retreat.

MOVED BY McCORRY, SECONDED BY TRIPPLE that the EVC Chair work with staff to send an e-mail to PPC before its June 21 discussion on formula businesses, and that the e-mail express EVC's thinking that more time for research and discussion of this item is warranted.
MOTION CARRIED BY UNANIMOUS VOTE OF ALL COMMISSIONERS PRESENT.

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WORK PLAN ITEM UPDATE: City Strategic Plan Charrette (I)

HOWLETT made a report from the Strategic Planning Charrette held as part of Phase 1 work in the Issaquah Strategic Plan. He said from that work, five priorities emerged: growth and development; mobility; infrastructure; environmental stewardship; and City leadership and services. He continued the next step is another public vetting process, including an open house to be held tonight. Other community check-in opportunities are planned.

TRIPPLE said economic vitality needs to be at the top of the priority list. BEADOIN and HOWLETT agreed. HOWLETT asked staff to make sure this item is included on EVC's future agendas. Davis Hayes referred to more information on the [Strategic Plan Process](#). BEADOIN asked when the results of the survey will be available. Staff committed to bringing the consultant's preliminary findings to EVC as soon as they become available. Wright noted the results will likely be a summary of the public's feedback and comments because responses were not in the form of numerical rankings.

WORK PLAN ITEM UPDATE: Gilman Boulevard Design Outreach (I)

Dutter provided some context for the [Gilman Boulevard Design Outreach Project](#), and said over 600 responses were received to an online survey intended to gather public feedback. He extended appreciation to MUTHUVENKATARAMAN and Connie Marsh for their participation in going door-to-door to businesses along Gilman generating interest in the project and the online survey. He gave more information about the workshops held to date; the online survey, which closes July 13; and the open house to be held July 11.

TRANSIT-ORIENTED DEVELOPMENT UPDATE (I)

Davis Hayes gave some background on the 2016 RFP (Request for Proposals) to create a [transit-oriented development \(TOD\)](#) next to the Transit Center. She noted the TOD will be on the property where Century Link was formerly located. She continued at its June 4 meeting, the Council chose to commit to making an investment to bring medical, dental, and behavioral nonprofit health services to the City, and allocated up to \$5.05 million for Valley Cities and Health Point to provide those services. She continued the City is negotiating now with Health Point and pursuing state funding that will potentially lower the City's financial investment. She noted an open house is scheduled for July 18 at Tibbetts Creek Manor to bring this project to the public. The next step is to create a Development Agreement to solidify details on the TOD project and define partner roles and responsibilities.

AUDIENCE COMMENTS

Connie Marsh, Squak Mountain resident, said prohibiting or restricting formula businesses in downtown is an important topic to many neighbors; a variety of their comments can be seen on [nextdoor.com](#). She explained her involvement in City issues over the past 24 years and her perceptions about how EVC can influence Council decisions. She said her hope is that EVC can think about how the City can make wise financial decisions and manage growth so that growth doesn't just pummel the City. She encouraged EVC members to discuss how EVC can best insert itself most appropriately and effectively into the City's conversations, and said holding a retreat to discuss that is a good step in the right direction.

OTHER BUSINESS

- **Association of Volleyball Professionals Event at Lake Sammamish State Park, June 21-24.** Dutter noted EVC members are invited to a VIP party to kick off the AVP tournament tomorrow from 5:00 to 7:30 PM.

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- **Destination Marketing Organization (DMO) Board Formation.** Dutter said the panel to select the DMO Board meets on Monday of next week. He noted that McCORRY is a member of that panel.

ANNOUNCEMENT: Staffing Change

Davis Hayes said as part of the City's strategic plan, the City is looking at its permitting process from a customer service perspective, resulting in some staffing changes. Beginning July 1 for one year, Davis Hayes and Wright will be switching positions. As a result, Wright will be taking over primary staffing responsibilities for EVC.

POTENTIAL FUTURE AGENDA TOPICS

- Gilman Blvd. Project update
- City Strategic Plan update
- Any items that emerge from retreat

ADJOURNMENT

The next regular EVC meeting is scheduled for July 18, 2018. With no additional business to conduct, HOWLETT adjourned the meeting at 7:41 PM.

Respectfully submitted,

Susan Lowe
Recording Secretary

These minutes are a brief summary of the Economic Vitality Commission meeting. For more information or clarification, please contact the Economic Development Department at 425-837-3444.