

**CITY OF ISSAQUAH**  
**Economic Vitality Commission**

5:30 PM  
 May 19, 2021

Virtual Meeting

**MINUTES**

**COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT**

*Alternate Meeting Format: On March 6, 2020 the Mayor declared a civil emergency due to the outbreak of novel coronavirus (COVID-19). On March 24, 2020 the Governor issued Proclamation 20-28 relating to the COVID-19 emergency and open public meetings. The proclamation has been extended. Due to these factors, the meeting was held using a remote meeting platform.*

*Commissioners:*

Christopher Beaudoin

Thomas Brown

Corby Casler

Jon Edwards

Therese Garcia

Kathy McCorry

Joan Probala

Tom Rogers

Art Freas, Alternate

Chris Reichley, Alternate

Anjali Remme, Alternate

*Commissioners Not Present:*

Ashwin Muthuvenkataraman

*Administration/Staff:*

Jen Davis Hayes, Economic Dev. Mgr.

Benton Coblentz, Economic Dev. Coord.

**CALL TO ORDER**

EDWARDS, Acting Chair, called the meeting to order at 5:33 PM. Staff confirmed that a quorum of members is present.

**APPROVAL OF MINUTES**

- a) **MOVED BY ROGERS, SECONDED BY FREAS** that minutes of the April 21, 2021 meeting be approved as presented. **MOTION CARRIED UNANIMOUSLY.**

**PUBLIC COMMENTS**

None.

**AGENDA ITEMS**

- a) **Officers Election, (A)**

*Presented by:*

*Jen Davis Hayes, Economic Development Manager*

Davis Hayes said McCORRY has expressed interest in the position of Chair and EDWARDS has expressed interest in the position of Vice Chair. She asked for any other self-nominations or nominations, and there were none.

**MOVED BY BROWN, SECONDED BY ROGERS** that McCORRY be elected Chair and EDWARDS be elected Vice Chair of the EVC for the upcoming term. **MOTION CARRIED UNANIMOUSLY.**

- b) **American Rescue Plan (ARP) Update, (D)**

*Presented by:*

*Jen Davis Hayes, Economic Development Manager*

Davis Hayes made staff's presentation on federal Covid-19 relief funding, as discussed on April 26, 2021 at a City Council Study Session. She noted the exact dollar amount the City will receive has not yet been determined. She shared the same information that the City Council heard at the study session, including an overview of the American Rescue Plan Act and the Mayor's three "buckets" for using the funds: recover, rebuild, and re-imagine. She gave more details about the types of funding included in the overall \$350 billion federal aid package to be distributed to states, tribes, and the District of Columbia and how Issaquah would be allocated payments from the state. She described eligible and justifiable uses of the fiscal recovery funding.

She also described what it means to "*respond(s) to negative economic impacts,*" as stipulated in the American Rescue Plan Act; Covid-related revenue loss for the City in 2020; other resources for local governments in the Act; small business and non-profit support; and how Issaquah has spent federal assistance from the CARES Act to date. EDWARDS asked some clarifying questions about what businesses have received grant funds, and Davis Hayes explained the grant programs in question. Coblentz explained that the total number of Issaquah businesses that have been supported is around 190. REMME asked what was included in the allocations listed for "human services agencies." Davis Hayes will get that information for REMME.

Davis Hayes continued her presentation on Issaquah's investments to date. She shared information from the Study Session on how federal funding should be spent moving forward, using work done on the City's vision, mission, guiding principles, and goals established in 2019. She also described other areas that the City could support, such as infrastructure.

She described the feedback received at the April 6 Recovery Task Force meeting, including the top recommendations and comments, and asked for any thoughts from EVC members. FREAS questioned whether promoting "arts," which is included in the category "outdoors," is categorized correctly. Davis Hayes said she understands the point, and said "arts" could also be included in "marketing." McCORRY asked whether broadband is eligible in "infrastructure." Davis Hayes replied yes, along with water, sewer, etc. Another funding source is available for transportation, she continued. BROWN asked about possible funding for outdoor sports teams. Davis Hayes replied there is little direct allocation that would apply for sports leagues, but we should consider what would be most helpful for sports leagues. BROWN replied right now there is difficulty maintaining sports fields or having adequate space, particularly for baseball.

McCORRY said she thinks the Task Force did a good job of staying on track around economic recovery, but it was hard to remain focused on only what the recovery grant covers. It would be great to make investments in lots of quality of life needs, but economic recovery does pose limitations. These funds are specifically targeting economic development, how to promote businesses, how to help businesses stay competitive, and so on. She also said she would add travel and tourism near the top of the recommendation list.

Davis Hayes explained staff anticipates that at its June 7 meeting, Council will hear proposed spending options, and make a decision at its June 21 meeting.

The Commissioners shared thoughts on what would help Issaquah businesses in an economic recovery effort. Among the comments offered were the following.

REICHLEY said we need to understand what businesses need to recover, rebuild, or reimagine; "reopening" will mean different things to different businesses. Some have pivoted really

successfully, for example. He noted that many businesses are figuring out ways to have employees work from home more or less permanently.

CASLER said she's aware of many businesses that are just barely hanging on, and need assistance to keep them afloat. She also spoke of thinking about ways to turn Issaquah into a pedestrian market instead of just driving through. Traffic is a huge concern for businesses to remain viable, she added. Reimagining is important, she concluded, but many businesses are still focused on recovery and trying to get back what they have lost.

FREAS said people will be cautious even after the State lifts its restrictions and businesses start to reopen. He said he doesn't expect the ability to have events be back to normal for at least a year, and that has been the most profitable part of his business.

EDWARDS initiated a discussion of what is slowing down recovery. He noted that uncertainty about employment, and not having kids back in school, are two huge factors. CASLER said businesses are still digging out from having had to lay off staff, and are needing to ramp up while there is still a lot of confusion and uncertainty. FREAS said with many people out of work, or working reduced hours, he doesn't think discretionary spending will be back for a while. REICHLEY said he's not observing that people are being cautious; in fact, he has observed people wanting to get out and increasingly showing up as businesses reopen. He continued demand for travel is at an all-time high, and there is only one month left before kids would have been out of school anyway. He also said some people are receiving as much or more from unemployment compensation as they earned when they were employed, and his perception is that those people are not motivated to go back to work. He also said broadband will become very important as some companies decide not to have employees return to offices and virtual meetings continue to flourish.

McCORRY said she's hearing Commissioners say that a lot of planning is still needed to facilitate an economic recovery, including more certainty around school openings. She spoke of opportunities like We Work becoming in increasingly high demand. EDWARDS noted he thought that the Streetery program worked well; perhaps that could become a permanent fixture for the City. FREAS agreed it was successful but said it needs to take place far more often than just four weekends.

Davis Hayes said this has been a good discussion; perhaps EVC should keep this an ongoing agenda item. McCORRY agreed, and said we also need to get these ideas to Council. PROBALA noted Issaquah also has plenty of business vacancies and open storefronts. The City needs to bring new businesses in, not just promote the ones we have. Filling those empty spaces helps all the businesses that are here. Davis Hayes noted we can schedule a discussion about commercial space at a future EVC meeting.

FREAS noted the City doesn't have a lot of manufacturing, especially small to medium-size manufacturing, such as printing. That would be a strategic market for the City to pursue, he added. PROBALA agreed, and asked how can the City support a business like REI, which has the potential to become a huge destination. Davis Hayes said staff has met with REI, and they are willing to work with the City once they feel more settled and established in their new location. FREAS suggested the City work with supply-chain businesses for businesses such as REI, including small manufacturers. REMME asked about doing advertising on social media. With so many new people living in this area, she continued, anything the City does to promote businesses online will mean more families and more economic vitality. Davis Hayes mentioned the City's investments in Visit Issaquah and other social media efforts, as well as the Chamber. FREAS said moving from passive social media to active social media would be helpful, and

gave examples. Davis Hayes agreed, and gave examples of the City's purchased social media to date.

c) **Sign Code Update, (I)**

*Presented by:*

*Jen Davis Hayes, Economic Development Manager*

Davis Hayes gave an update on the City's temporary sign code update, including background and goals (page 45) and notable changes since the sign code was discussed with EVC at a previous meeting (page 46-52). PROBALA asked who is the decision-maker on determining banners on Front Street. Davis Hayes replied a decision on that has not yet been made; staff is still working with the Downtown Issaquah Association on that. FREAS asked what was the decision about establishing the same number of signs regardless of the size of the property, as part of an equity issue. Davis Hayes said she will provide clarification on that, and noted there is a link to the 165-page sign code document in the packet (page 41).

d) **Business Survey - Next Steps, (D)**

*Presented by:*

*Benton Coblentz, Economic Development Coordinator*

Coblentz made staff's presentation, continuing the update given at the last meeting. He gave highlights from information contained in the agenda packet, pages 55-81. He said the next step is to interview self-selected respondents (pages 56-58). He said the plan is for each EVC member to interview about three business owners between June 28 and July 22. He gave more details about the process and referred to the sample questions in the agenda packet. FREAS noted it would be helpful if the time of day for the interviews could be expanded. Coblentz made a note of it.

Coblentz asked for other questions the Commissioners might like to add. PROBALA said one of the questions is "Tell us more about your future business plans." Does that mean how the owner expects the business to change, or should that be called out as a separate question. Coblentz made a note of it. PROBALA also said it could be beneficial for businesses to hear about what other businesses are doing; perhaps they are taking steps that a business hasn't thought about. Coblentz agreed. He said getting answers to both general and specific questions would be the most helpful.

REICHLEY suggested that the questions use the "recovery, rebuild, and re-imagine" framework the Mayor's Office has already set out for the City's recovery process. Coblentz made a note of the suggestion.

FREAS said another question would be to ask business owners, "Are there any key vendors you use that you'd like to see doing business in the City." Coblentz made a note of the suggestion, and thanked the Commission for its good feedback tonight

## REPORTS

- a) Business Openings, Closures, and Industry Trends: Commissioners shared information about new businesses openings of which they are aware, such as 55 Sunset. Davis Hayes noted the City gets about 50 new business license applications every month, although many are for home-based businesses. GARCIA asked for an update on the Shelter Holdings property in the Highlands. Davis Hayes explained the Shelter Holdings issue is still before the Hearing Examination for a decision; staff will keep EVC updated.
- b) City Council Report Out: Davis Hayes said the Council is still discussing the Capital

Improvement Plan, which will be used in the budget process and for grant submittals. She continued the Council also approved the Lodging Tax Advisory Committee's recommendation to invest \$50,000 to support business and nonprofits in the fall. Staff is working with organizations now to ensure tourist and attractions are viable when the State reopens from pandemic-related closures. She also gave an update on when the City is anticipating opening its offices and how office space and staff might be affected.

- c) 2021 Schedule: The next meeting EVC is scheduled for June 16 at 5:30 PM. Discussion items are the Stormwater Master Plan and Commercial Property Vacancies.

#### **OTHER BUSINESS / ANNOUNCEMENTS**

None.

#### **ADJOURNMENT**

With no further business to conduct, EDWARDS adjourned the meeting at 7:35 PM.

Respectfully submitted,

Susan Lowe  
Recording Secretary