

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: A-1

DATE: September 16, 2010

SUBJECT: Economic Development Element Goals and Policies

CONTACT PERSON: Deborah Knight, City Administrator

ISSUE:

Review and approve the city council proposed changes to the economic development element goals and policies from July 15, 2010, August 24, 2010, and September 2, 2010.

STAFF RECOMMENDATION:

1. Review the Puget Sound Regional Council Vision 2040 multi-county planning policies and Snohomish County county-wide planning policies for economic development.
2. Review and approve the July 15, 2010, August 24, 2010, and September 2, 2010 city council proposed changes to the economic development element in the 2008 revisions to the 2004 comprehensive plan.

SUMMARY:

The city is in the process of moving forward with the 7-year update of its comprehensive plan as required by the Growth Management Act.

The city council is continuing with the 7-year update even though the 2010 State Legislature extended the deadline to complete the 7-year update from 2011 to 2013. The focus of the Sultan update is to align the city's goals and policies with the Puget Sound Regional Council (PSRC) Vision 2040 and the Snohomish County county-wide planning policies (Attachment A and Attachment B).

The city's effort to update its comprehensive plan started in June 2009 with a joint meeting between the planning board and city council. The city council directed the planning board and city staff to move forward with scheduling small group meetings to get community input on proposed changes to the comprehensive plan goals and policies.

The city hosted a small work group meeting on January 12, 2010 to get feedback on the economic development goals and policies (Attachment C).

The city council has completed its review of the land use, transportation, housing and environmental elements of the city's comprehensive plan. The city council is prepared to review the goals and policies in the economic development element. The intent is to review the proposed amendments to the goals and policies recommended by the planning board and make additional changes as the council directs.

How to Review Proposed Changes to the Goals and Policies

The review and recommended changes begin with the goals and policies adopted in the 2008 Revisions (2008 Revisions) to the 2004 Comprehensive Plan (adopted October 2008).

In order to track changes and provide an efficient review, the housing goals and policies are numbered ED = Economic Development with headings and subheadings to differentiate goals and policies (e.g. ED 1 is a goal, ED 1.3 is a policy)

Using common editing functions deleted text from the 2008 Revision is shown as ~~strikethrough~~, added text is underlined. Existing text is unchanged.

City staff have provided attachments to assist in reviewing proposed changes to the goals and policies:

1. Attachment A – Multi-County Planning Policies – Economic Development
2. Attachment B – Draft County-wide Planning Policies – Economic Development (Draft 04-06-10)
3. Attachment C – Small Group and Community Comments – Economic Development
4. Attachment D – City Council Recommended Changes (09-02-2010) "markup"
5. Attachment E – City Council Recommended Changes (09-02-2010) "clean"

DISCUSSION:

How to Review Proposed Changes to the Goals and Policies

The review and recommended changes begin with the goals and policies adopted in the 2008 Revisions (2008 Revisions) to the 2004 Comprehensive Plan (adopted October 2008).

In order to track changes and provide an efficient review, the housing goals and policies are numbered ED = Economic Development with headings and subheadings to differentiate goals and policies (e.g. ED 1 is a goal, ED 1.3 is a policy)

Using common editing functions deleted text from the 2008 Revision is shown as ~~strikethrough~~, added text is underlined. Existing text is unchanged.

The following changes were proposed by the city council on September 2, 2010:

SUMMARY:

Under the Growth Management Act, the city is required to align the goals and policies in the Comprehensive Plan with Vision 2040 multi-county planning policies (MPP) and countywide planning policies (CPP). Following is a summary of the economic goals for Vision 2040 and the Countywide Planning Policies.

The city council will want to carefully review these guiding goals and policies and ensure the city's housing goals and policies are consistent.

Vision 2040 Economic Goals

Vision 2040 states the following "overarching goal" for economic development:

The region will have a prospering and sustainable regional economy by supporting businesses and job creation, investing in all people, sustaining environmental quality, and creating great central places, diverse communities, and high quality of life.

VISION 2040's economic goals and policies promote a sustainable economy that creates and maintains a high standard of living and quality of life for all.

To create stable and lasting prosperity, VISION 2040 focuses on businesses, people, and places, recognizing that growth management, transportation, economic, and environmental policies must be integrated, and must take social, economic, and environmental issues into account while preserving key regional assets.

Key concepts identified in Vision 2040 include:

Businesses – The region's economy prospers by supporting businesses and job creation

- Ec-1: Support economic development activities that help to retain, expand, or diversify the region's businesses. Target recruitment activities towards businesses that provide family-wage jobs.
- Ec-5: Foster a supportive environment for business startups, small businesses, and locally owned businesses to help them continue to prosper.

Places – The region's economy prospers through the creation of great central places, diverse communities, and high quality of life that integrates transportation, the economy, and the environment.

- Ec-17: Use incentives and investments to create a closer balance between jobs and housing, consistent with the regional growth strategy.
- Ec-18: Concentrate a significant amount of economic growth in designated centers and connect them to each other in order to strengthen the region's economy and communities and to promote economic opportunity.
- Ec-20: Provide an adequate supply of housing with good access to employment centers to support job creation and economic growth.
- Ec-21: Recognize the need for employment in cities in the rural areas and promote compatible occupations (such as, but not limited to, tourism, cottage and home-based businesses, and local services) that do not conflict with rural character and resource-based land uses.

People – The region's economy prospers by investing in all of its people.

- MPP Ec-8: Promote economic activity and employment growth that creates widely shared prosperity and sustains a diversity of family-wage jobs for the region's residents.
- MPP Ec-9: Ensure that the region has a high quality education system that is accessible to all of the region's residents.
- MPP Ec-10: Ensure that the region has high quality and accessible training programs that give people opportunities to learn, maintain, and upgrade skills necessary to meet the current and forecast needs of the regional and global economy.

Countywide Economic Development Policies

ED-2 The County and Cities should encourage the establishment and growth of locally owned, small businesses through comprehensive plan policies, infrastructure investments, and fair and appropriate land use regulations in all communities.

ED-9 In their local comprehensive plans, jurisdictions shall include economic development policies consistent with existing or planned capital and utility facilities. These plans should identify and implement strategies to ensure timely development of needed facilities.

ED-13 The County and cities should promote an appropriate balance of jobs-to-housing to:

- a. support economic activity;
- b. encourage local economic opportunities and housing choice;
- c. improve mobility; and
- d. respond to the challenge of climate change.

City of Sultan Economic Development Element

Under Vision 2040, the staff recommended Economic Development Element goals and policies are divided into three topic headings consistent with Vision 2040:

1. Business
2. Places
3. People

Small Group Comments from January 12, 2010

- In general the group was in favor of the 2004 economic development goals. There was general consensus the role of government is to support the private sector by removing barriers to free markets.
- The group was in favor of letting market forces drive development whether it is residential development or retail/commercial development. The direction was to remove policies that favor one type of development over another type of development from the city's comprehensive plan.
- The group was in favor of decommissioning the industrial park master plan and let the zoning code and market forces drive development in the area.
- There was no real consensus on whether the city should focus retail development in centers. The group discussed the future land use map and the current uses along US 2 between Rice Road and Old Owen Road.
- The group believed the future land use map with a mix of Highway Oriented Zoning and Economic Development Zoning met the city's needs.
- There was no support for having the city take the lead and spur economic development through public investment. One member commented, "keep the city out of developing land."
- There was no consensus on commercial design standards.
- There was overwhelming support for keeping current infrastructure repaired and maintained over investing in new infrastructure to serve the business community.
- The city's primary objective should be to partner with the business community, relax regulations and maintain infrastructure.

ANALYSIS:

Puget Sound Regional Council (PSRC) and the county-wide planning policies emphasize supporting business and job creation through retention, expansion and diversification of the region's employment base. Vision 2040 calls for fostering a positive business climate by coordinating regional public, private, and non-profit efforts.

Vision 2040 places an emphasis on small and locally owned businesses which is one of Sultan's economic strengths. At the local level, the community strongly believes that capital market forces should lead economic development and the government's role is to partner with the business community, relax regulations and maintain the infrastructure needed to serve business growth and development.

Clearly the community is not interested in spending tax-payer dollars to spur private sector investment and retail development. There was no support for hiring an economic development coordinator or actively promoting economic development. There is also no consensus on establishing commercial design standards.

The city council will need to carefully discern what is best for the community in its opinion before making a recommendation to the city council.

STAFF RECOMMENDATION:

Review and approve the city council proposed changes to the economic development element goals and policies from July 15, 2010, August 24, 2010 and September 2, 2010.

ATTACHMENTS:

1. Attachment A – Multi-County Planning Policies – Economic Development
2. Attachment B – Draft County-wide Planning Policies – Economic Development (Draft 04-06-10)
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Puget Sound Regional Council
Vision 2040 – Economic Goals and Policies

ECONOMY

Business

Goal: The region's economy prospers by supporting businesses and job creation.

MPP-Ec-1 Support economic development activities that help to retain, expand, or diversify the region's businesses. Target recruitment activities towards businesses that provide family-wage jobs.

MPP-Ec-2 Foster a positive business climate by encouraging regionwide and statewide collaboration among business, government, education, labor, military, workforce development, and other nonprofit organizations.

MPP-Ec-3 Support established and emerging industry clusters that export goods and services, import capital, and have growth potential.

MPP-Ec-4 Leverage the region's position as an international gateway by supporting businesses, ports, and agencies involved in trade-related activities.

MPP-Ec-5 Foster a supportive environment for business startups, small businesses, and locally owned businesses to help them continue to prosper.

MPP-Ec-6 Ensure the efficient flow of people, goods, services, and information in and through the region with infrastructure investments, particularly in and connecting designated centers, to meet the distinctive needs of the regional economy.

MPP-Ec-7 Encourage the private, public, and nonprofit sectors to incorporate environmental and social responsibility into their practices.

People

Goal: The region's economy prospers by investing in all of its people.

MPP-Ec-8 Promote economic activity and employment growth that creates widely shared prosperity and sustains a diversity of family-wage jobs for the region's residents.

MPP-Ec-9 Ensure that the region has a high quality education system that is accessible to all of the region's residents.

MPP-Ec-10 Ensure that the region has high quality and accessible training programs that give people opportunities to learn, maintain, and upgrade skills necessary to meet the current and forecast needs of the regional and global economy.

MPP-Ec-11 Address unique obstacles and special needs – as well as recognize the special assets – of disadvantaged populations in improving the region's shared economic future.

MPP-Ec-12 Foster appropriate and targeted economic growth in distressed areas to create economic opportunity for residents of these areas.

MPP-Ec-13 Support the contributions of the region's culturally and ethnically diverse communities in helping the region continue to expand its international economy.

MPP-Ec-14 Sustain and enhance arts and cultural institutions to foster an active and vibrant community life in every part of the region.

Puget Sound Regional Council
Vision 2040 – Economic Goals and Policies

Places

Goal: The region's economy prospers through the creation of great central places, diverse communities, and high quality of life that integrates transportation, the economy, and the environment.

MPP-Ec-15 Ensure that economic development sustains and respects the region's environmental quality.

MPP-Ec-16 Utilize urban design strategies and approaches to ensure that changes to the built environment preserve and enhance the region's unique attributes and each community's distinctive identity in recognition of the economic value of sense of place.

MPP-Ec-17 Use incentives and investments to create a closer balance between jobs and housing, consistent with the regional growth strategy.

MPP-Ec-18 Concentrate a significant amount of economic growth in designated centers and connect them to each other in order to strengthen the region's economy and communities and to promote economic opportunity.

MPP-Ec-19 Maximize the use of existing designated manufacturing and industrial centers by focusing appropriate types and amounts of employment growth in these areas and by protecting them from incompatible adjacent uses.

MPP-Ec-20 Provide an adequate supply of housing with good access to employment centers to support job creation and economic growth.

MPP-Ec-21 Recognize the need for employment in cities in the rural areas and promote compatible occupations (such as, but not limited to, tourism, cottage and home-based businesses, and local services) that do not conflict with rural character and resource-based land uses.

MPP-Ec-22 Support economic activity in rural and natural resource areas at a size and scale that is compatible with the long-term integrity and productivity of these lands.

Economic Development and Employment

A solid economic foundation is fundamental to our quality of life. Economic growth and activity provides jobs and income for our citizens, the goods and services that we use daily, and revenues that fund local government services and programs. Strengthening our businesses climate keeps our region competitive with other regions, and expands opportunities for new and better jobs as our population grows. Diversifying and expanding Snohomish County's economic base will provide important long-term benefits to our citizens and communities.

Local government should promote economic development by creating opportunities for a wide range of businesses, jobs and careers, in partnership with the private sector. Through education and training programs, land use planning, construction permitting, and building infrastructure, local government "sets the table" for private investment and continued economic growth.

State Context

The Growth Management Act requires that Countywide Planning Policies (CPPs) include policies to promote economic development and employment (36.70A.210(3)(g)). It also requires local plans – which the CPPs guide – to include an economic development element (36.70A.070(7)).

Regional Context

Vision 2040 states the following "overarching goal" for economic development:

The region will have a prospering and sustainable regional economy by supporting businesses and job creation, investing in all people, sustaining environmental quality, and creating great central places, diverse communities, and high quality of life.

It goes on to state:

VISION 2040's economic goals and policies promote a sustainable economy that creates and maintains a high standard of living and quality of life for all. To create stable and lasting prosperity, VISION 2040 focuses on businesses, people, and places, recognizing that growth management, transportation, economic, and environmental policies must be integrated, and must take social, economic, and environmental issues into account while preserving key regional assets.

In 2008, the Prosperity Partnership for the Puget Sound adopted a Regional Growth Strategy (RGS) for the area that identifies 14 industrial clusters in the region's economy. It also identifies the following seven clusters for strategic development:

- Aerospace
- Clean Technology
- Information Technology
- Life Sciences
- Logistics and International Trade

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- Military
- Tourism/Visitors.

Snohomish County Economy

The CPPs in this chapter are intended to promote economic development in Snohomish County consistent with the goals and policies of Vision 2040. Snohomish County is an important international center for the aerospace industry, and the home of the Boeing Company’s largest aircraft manufacturing complex. This county also accounts for about one-fourth of the biotech industry in the State of Washington. Looking into the future, the Economic Development Council of Snohomish County has identified three industry clusters as the ultimate focus of Snohomish County. These three industry clusters are Aerospace, Life Sciences (Biotech and Medical Devices), and Technology Manufacturing.

To achieve sustainable economic vitality for all the communities of Snohomish County, jurisdictions are required to incorporate an economic development element in their comprehensive plans. Coordination of economic development planning with the other required elements of comprehensive plans is vital to attracting new business, promoting economic diversity and encouraging expansion and retention of existing businesses.

Snohomish County residents provide a skilled workforce for many businesses in both King and Snohomish counties. An important part of creating sustainable communities and improving the quality of life will be realized by creating more opportunities for residents of Snohomish County to work closer to home. The CPPs, as the framework for local comprehensive plans, support the integration of economic opportunities, transportation improvements, investments in education, protection of environmental quality, and focusing of growth in designated centers, consistent with the RGS in Vision 2040.

Economic Development and Employment Goal:

Cities, towns and Snohomish County will encourage coordinated economic growth by building on the strengths of the county’s economic base and diversifying it through strategic investments in infrastructure, education and training, and sound management of land and natural resources.

ED-1 The County and cities, through Snohomish County Tomorrow, should support the Regional Growth Strategy of Vision 2040 and the economic priorities of the Prosperity Partnership. While recognizing the need to accommodate other businesses and industries and to diversify our economy, jurisdictions should support the following industry clusters that play an important role in the health of Snohomish County’s economy, through our comprehensive plan policies, infrastructure investments and land use regulations:

- a. Aerospace;
- b. Technology;

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- c. Life sciences and healthcare;
- d. International trade;
- e. Military;
- f. Tourism;
- g. Agriculture; and
- h. Education

ED-2 The County and Cities should encourage the establishment and growth of locally owned, small businesses through comprehensive plan policies, infrastructure investments, and fair and appropriate land use regulations in all communities.

ED-3 Jurisdictions should prioritize multi-modal transportation system linkages between regional growth centers, manufacturing and industrial centers, and supporting residential areas containing an adequate supply of affordable housing (as appropriate).

ED-4 The process for designating Manufacturing/Industrial Centers (MICs) shall be as follows:

- a. A local jurisdiction may nominate an MIC;
- b. An economic development subcommittee of Snohomish County Tomorrow (SCT) reviews the proposal for conformity with the criteria in ED-5;
- c. If the MIC proposal is found to be appropriate, the SCT executive committee recommends the MIC for designation; and

The County Council holds a public hearing and makes the decision to seek designation of the MIC as a candidate center to be forwarded to the Puget Sound Regional Council for consideration.

Split view: At least two members of the CPP subcommittee take differing views on a proposed addition to ED-5.a (in the red box), other members have not commented on this late-breaking debate. Therefore, the CPP subcommittee shares ED-5 with the PAC as a split view.

ED-5 Following the process in ED-4, local jurisdictions may designate Manufacturing/Industrial Centers (MICs) in cities and Urban Growth Areas (UGA). MICs should have clearly defined geographic boundaries and develop in accordance with the general guidelines established in the Vision 2040 Regional Growth Strategy. Specifically, a new MIC should meet the following criteria, it:

- a. Consists of major, existing regional employment areas of intensive, concentrated manufacturing, industrial and high technology land uses, including aviation facilities and services;

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- b. Provides capacity and planning for a minimum of 10,000 jobs;
- c. Is located outside other designated centers but in a UGA;
- d. Includes land uses that cannot easily be mixed at higher densities with other uses,
- e. Is supported by adequate public facilities and service, including good access to the regional transportation system; and
- f. Discourages retail and office uses unless they are supportive of the preferred uses in (a.).

ED-6 The County and adjacent cities shall protect the Paine Field-Boeing area as a Manufacturing Industrial Center (MIC), recognizing that it is a major, existing regional employment area of intensive, concentrated manufacturing and industrial land uses, including aerospace, aircraft manufacturing and high-technology uses. Notwithstanding the Vision 2040 guidelines for MIC designation, land uses and zoning of Paine Field continue to be governed by the Snohomish County Airport Paine Field Master Plan and Snohomish County Zoning Code consistent with federal aviation policies and grant obligations. This MIC should:

- a. Accommodate aerospace related employment and associated activities;
- b. Accommodate employment which requires a high floor area to employee ratio but strive to increase the overall employment density in the manufacturing and industrial center;
- c. Encourage a mix of uses which support and enhance manufacturing, aerospace and industrial centers; and
- d. Be supported by adequate public facilities and services, including good access to the region's transportation system, which are essential to the success of the MIC.

ED-7 Jurisdictions are encouraged to work with businesses and organizations to develop economic development plan elements and analyze the land use designations, infrastructure and services needed by business uses.

ED-8 As appropriate, the County and cities should adopt plans, policies, and regulations that preserve designated industrial, commercial, agricultural, and resource land base for long-term regional economic benefit.

ED-9 In their local comprehensive plans, jurisdictions shall include economic development policies consistent with existing or planned capital and utility facilities. These plans should identify and implement strategies to ensure timely development of needed facilities.

ED-10 In cooperation with school districts, other education providers, and each other, jurisdictions should ensure the availability of sufficient land and services for future K-20 school

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needs, and support improved education and job training resources for all citizens, such as a 4-year university or technical college in Snohomish County.

ED-11 The County and cities should coordinate economic plans with transportation, housing, and land use policies that support economic development and predictability for future growth.

ED-12 Jurisdictions should recognize, where appropriate, the growth and development needs of businesses of local, regional, or statewide significance and ensure that local plans and regulations provide opportunity for the growth and continued success of such businesses.

ED-13 The County and cities should promote an appropriate balance of jobs-to-housing to:

- a. support economic activity;
- b. encourage local economic opportunities and housing choice;
- c. improve mobility; and
- d. respond to the challenge of climate change.

ED-14 The expeditious processing of development applications by the County and the cities shall not result in the lowering of environmental and land use standards.

Economic Policy Questions
Small Group Responses
January 12, 2010

The small group meeting was opened by Planning Board Chair Frank Linth.

Planning board members Jerry Knox and Bob Knuckey thanked the council and members of the public for attending the meeting. Both board members shared some general concerns about getting more people involved in the comprehensive plan update.

Planning board member Knox asked why the major business owners and major employers such as the manufacturers and school district weren't coming to the meetings. Planning board member Knuckey asked people to share their suggestions on how to get more people involved.

Chair Linth then opened the discussion of the economic element policy questions.

1. Are the economic development goals listed below from the 2004 comprehensive plan still valid in 2010?

Among other things, the Economic Development goals and policies of the 2004 Revised Comprehensive Plan establish an economic vision for the community and express support for the core goal of the local and State planning principles. In Sultan those goals are to:

- *Increase employment to reduce commutes.*
- *Provide a sound tax base.*
- *Encourage small business.*
- *Revitalize existing properties.*
- *Capture existing sales tax.*
- *Reduce commute to retail centers.*
- *Market retail & industrial land opportunities.*

Sultan's goal is to promote job growth somewhat in proportion to the demographic of local workers to reduce the home-to-work commute.

Reponses:

In general the group was in favor of the 2004 economic development goals. There was general consensus the role of government is to support the private sector by removing barriers to free markets.

There was some discussion about "capturing existing sales tax" which was a problem in the past. The state's business license registration process puts Sultan in the loop for approving business licenses. Capturing sales tax revenues is not really an issue today.

Councilmember Pinson stated he felt it is government's role to create an environment for taking risk.

Economic Policy Questions
Small Group Responses
January 12, 2010

2. Two general policies in the city's 2008 revised economic development element (page 31) specifically prohibit expanding the city limits or allowing major additional residential development within the urban growth area until or unless there are sufficient public tax revenues and employment to support additional urban populations and services. These policies are sometimes referred to as the "retail before rooftops" policies.

Should the city continue to limit residential growth in this way or allow residential growth to meet market demands with the expectation commercial growth will follow even if it means residents will experience lower levels of public services and potentially higher fees?

Responses:

The group was in favor of letting market forces drive development whether it is residential development or retail/commercial development. The direction was to remove policies that favor one type of development over another type of development from the city's comprehensive plan.

There was discussion about the limiting factors to development. What are the constraints? Staff explained the waste water treatment plant is at 85% capacity and will need to add capacity to serve the 11,119 people planned for Sultan. The city will need to build another water reservoir to ensure adequate fire flow to new residential and commercial developments between Sultan Basin Road and Rice Road. At some point, traffic congestion may also be a limiting factor

Planning board member Steve Harris, felt the city and business owners needed to take advantage of the opportunity to capitalize on the US 2 traffic to provide additional customers to Sultan businesses. US 2 traffic could replace residences as the economic driver.

3. Large commercial uses, like grocery stores are allowed in all residential zones.

Should the city remove large scale commercial uses from residential zones and continue to allow cottage and home based businesses?

Responses:

The majority was in favor of removing large scale commercial uses such as a grocery store from residential zones and continue to allow cottage and home based businesses.

The group discussed the definition of "large-scale commercial". There was consensus that this was a poorly worded question. There was additional support for allowing convenience stores in residential neighborhoods. The group

Economic Policy Questions
Small Group Responses
January 12, 2010

discussed qualifiers for approval such as traffic, building footprint, type of use, etc.

Should the city expand the mixed-use concepts in highway oriented and central commercial?

Responses:

The group supported adding residential uses to commercial uses in a “mixed-use” development. Bart Dalmasso felt that mixed-use was acceptable except in the highway oriented development zone. He expressed concerns for having residential units too close to US 2 for safety reasons and recommended moving mixed-use back a block from the highway.

4. The Industrial Park Master Plan was adopted in 2002 to guide development of the area north of US 2 between Sultan Basin Road and Rice Road. The Plan has not spurred economic development and actually requires additional levels of regulation.

Should the city work to implement the Industrial Park Master Plan goals and policies to promote economic development in this area or decommission the plan and let the zoning code and market forces drive development in the area?

Responses:

The group was in favor of decommissioning the industrial park master plan.

Chair Linth pointed out it isn't clear whether the Industrial Plan had any bearing on whether or not development has occurred in the industrial park. There was discussion of the additional level of regulations such as the binding site plan process that are required by the industrial park master plan.

5. Should the city focus retail development in “centers” located at key intersections with US 2 such as Old Owen Road, Fifth Street, and Rice Road?

Reponses:

There was no real consensus on whether the city should focus retail development in centers. The group discussed the future land use map and the current uses along US 2 between Rice Road and Old Owen Road. Bart Dalmasso advocated for zoning everything Highway Oriented Development because retail zoning has a higher value than industrial or commercial zoning.

6. Should the city consolidate commercial, industrial, and manufacturing uses adjacent to US 2 between retail centers or should the city retain the current mix of retail, commercial, industrial and manufacturing uses along US 2?

Economic Policy Questions
Small Group Responses
January 12, 2010

Responses:

The group believed the future land use map with a mix of Highway Oriented Zoning and Economic Development Zoning met the city's needs.

There was further discussion about property rights and the government's role to remove barriers. A number of the group members advocated for letting the market control development and investment in whatever land uses met the current economic conditions.

7. Should the city lead economic development by investing taxpayer dollars in purchasing and developing land for mixed use retail like Mill Creek Town Center and Redmond Town Center to spur private sector investment and retail development?

Responses:

There was no support for having the city take the lead and spur economic development through public investment. One member commented, "keep the city out of developing land."

8. Should the city use taxpayer dollars to actively promote economic development by hiring a professional economic development coordinator? Or, should the city have a hands-off approach to economic development and let market forces lead?

Responses:

There was no support for hiring an economic development coordinator or actively promoting economic development.

9. Should the city adopt commercial design standards to achieve a cohesive, pleasing look to commercial (retail, professional, office) development even if it costs a business owner more money to start a business in Sultan?

Responses:

There was no consensus on commercial design standards.

Group members discussed of junk vehicles and materials in and around Sultan's business district. Code enforcement and public nuisances should be addresses but not to the point of creating a cookie cutter look like Leavenworth. Safety standards are necessary but not to the point of limiting the use of private land.

10. Should the city prioritize taxpayer dollars to invest in new roads and infrastructure to support the business community over repairing existing roads, sewers and waterlines serving residential neighborhoods?

Economic Policy Questions
Small Group Responses
January 12, 2010

Responses:

There was overwhelming support for keeping current infrastructure repaired and maintained over investing in new infrastructure to serve the business community.

11. What is the role of the Sky Valley Chamber in promoting economic development in Sultan? What is the city's role? What is the business community's role?

Responses:

The city's primary objective should be to partner with the business community, relax regulations and maintain infrastructure.

Regional Context

Vision 2040 states the following “overarching goal” for economic development:

The region will have a prospering and sustainable regional economy by supporting businesses and job creation, investing in all people, sustaining environmental quality, and creating great central places, diverse communities, and high quality of life. It goes on to state:

VISION 2040’s economic goals and policies promote a sustainable economy that creates and maintains a high standard of living and quality of life for all. To create stable and lasting prosperity, VISION 2040 focuses on businesses, people, and places, recognizing that growth management, transportation, economic, and environmental policies must be integrated, and must take social, economic, and environmental issues into account while preserving key regional assets.

Growth Management Requirements

Each comprehensive plan shall include a plan, scheme, or design for...A land use element ...(to) include population densities, building intensities, and estimates of future population growth. -- RCW 36.70A.070

(1) GMA Mandatory Elements. An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs. -- RCW 36.70A.070

(7) GMA Mandatory Elements

Snohomish Countywide Planning Policies

The countywide planning policies for economic development are intended to promote economic development in Snohomish County consistent with the goals and policies of Vision 2040.

Snohomish County is an important international center for the aerospace industry, and the home of the Boeing Company’s largest aircraft manufacturing complex. This county also accounts for about one-fourth of the biotech industry in the State of Washington. Looking into the future, the Economic Development Council of Snohomish County has identified three industry clusters as the ultimate focus of Snohomish County. These three industry clusters are Aerospace, Life Sciences (Biotech and Medical Devices), and Technology Manufacturing.

To achieve sustainable economic vitality for all the communities of Snohomish County, jurisdictions are required to incorporate an economic development element in their comprehensive plans. Coordination of economic development planning with the other required elements of comprehensive plans is vital to attracting new business, promoting economic diversity and encouraging expansion and retention of existing businesses.

Snohomish County residents provide a skilled workforce for many businesses in both King and Snohomish counties. An important part of creating sustainable communities and improving the quality of life will be realized by creating more opportunities for residents of Snohomish County to work closer to home. The CPPs, as the framework for local comprehensive plans, support the integration of economic opportunities, transportation improvements, investments in education, protection of environmental quality, and focusing of growth in designated centers, consistent with the RGS in Vision 2040.

Organization

Under Vision 2040, the Economic Element is divided into three topic headings:

1. Business
2. Places
3. People

Editor's Note

The following draft goals and policies are built on the framework of the City of Sultan 2008 Revised Comprehensive Plan.

Goals and policies in the 2008 Revision are not numbered. The goals and policies proposed for the 2011 Comprehensive Plan Update are numbered in the proposed version to allow readers and comments to be easily referenced. A numbering system will be adopted in the final revision of the 2011 Update

New proposed text and policies are shown as underline. Text and policies proposed to be deleted are shown as ~~strikethrough~~.

Goal ED-1 Develop a sound fiscal base Support business and job creation**Goal ED-1 ~~Develop a sound fiscal base.~~ Support business and job creation**

~~Help market local socioeconomic resources~~ Support economic development activities to increase employment opportunities that provide family-wage jobs, develop office and industrial park properties diversify the city's business community, and work to provide a sound tax base for Sultan a sound tax base. (MPP Ec-1) PB 06-15-10

ED1. 1 Job creation

Foster a supportive environment for businesses in Sultan to Hhelp create employment opportunities within the Sultan economy, particularly for residents who now commute to other distant employment areas within Snohomish and King Counties. (MPP Ec-5)

ED 1.1.1 Leverage Sultan's unique physical location as a recreation destination by supporting tourist related activities.

ED 1.1.2 Participate with other public agencies and private interests in marketing development projects, labor force training programs, and other efforts to attract new businesses to the Sultan area. (MPP Ec-2)

ED1.2 Site identification

Work with other public agencies and private interests to identify and promote sites that can be suitably developed for a variety of local employment projects including business and industrial parks, office and professional centers, and specialized commercial and entertainment centers—as ~~proposed within the recently adopted Sultan Industrial Park Master Plan (Appendix M).~~ (MPP Ec-2)

ED1.3 Site efficiencies

~~Work with property owners to determine the effective development capacity of sites having employment center possibilities. Determine the costs involved with providing sewer, fire and police protection, access roads, recreational areas, and other Sultan services and amenities versus the public benefits that may be realized by the creation of local jobs and tax potentials.~~ Editor's Note: Move ED1.3 Site efficiencies to implementation strategies.

ED1.4 Capture revenues

~~Withhold Sultan services, sewer in particular, unless potential property developers agree to annexation and the payment of local property or other revenue taxes, and associated road, school, and park impact fee assessments.~~

Goal ED-2 Increase local economic opportunities**ED2. Goal: Increase local economic opportunities**

~~Support~~ Facilitate local business development efforts, property investment projects and programs, ~~and that protect~~ enhance Sultan economic opportunities. (CC 07-15-10 replace “protect” with “enhance” CC 08-24-2010 replace “support” with “facilitate”)

ED2.1 Small business development

Encourage local business development opportunities, ~~particularly~~ for small ~~or~~ start-up business concerns that may be owned by or employ Sultan residents. (CPP ED-2) (CC 08-24-10 delete “particularly”) (CC 09-02-10 add “or” between “small” and “start-up”)

ED 2.1.1 Promote the local use of ~~special~~ small business financing and management assistance programs through direction or referral to available programs. (CC 09-02-10)

ED 2.1.2 Help identify facilities, through a buildable lands survey or similar studies, that may be used for small business start-ups including older structures that may be suitably reused for business purposes ~~— particularly within the downtown area.~~ (CC 08-24-10 add “through a buildable lands survey...”)

ED2.2 Property revitalization

Assist ~~with special planning and~~ property owners with development efforts to reuse older buildings, redevelop vacant properties, and revitalize the existing downtown business district within Sultan.

~~Help structure~~ Support local marketing efforts ~~physical improvements programs,~~ parking and building improvements, special management organizations such as downtown business groups, and other actions that ~~will~~ can ~~may~~ revitalize opportunities ~~properties.~~ (CC 09-02-10 add “such as downtown business groups”. Replace “can” with “may”)

ED2.3 Financial programs

~~Help~~ Encourage local private groups to structure special improvement districts including parking and business improvement authorities, local improvement districts, or other programs ~~necessary to the effective revitalization of the existing downtown business district of Sultan.~~ ~~ED 2.3.1~~ ~~Participate in special public/private ventures~~ when such ventures provide public benefits and are appropriate to Sultan's long range goals. (PB 06-15-10) (CC 09-02-10 replace “help” with “encourage”)

ED2.4 Future development opportunities

~~Monitor proposed urban zoning designations and developments elsewhere within the Skykomish River Valley. Determine market requirements and potentials for commercial, office, and industrial uses to protect Sultan's interests in the allocation of future development opportunities. (Editor's Note: Move to implementation strategies)~~ Protect existing commercial and business developments within the Sultan area from over-zoning.

ED 2.4.1 ~~Concentrate a significant amount of~~ Encourage concentrated economic growth in designated centers in order to strengthen Sultan's economy and to ~~promote~~ facilitate job opportunities. (MPP Ec-18. Small group support 01-12-10). (CC 08-24-10 replace “concentrate a significant amount” with “encourage concentrated”. Replace “promote” with “facilitate”)

ED 2.4.2 Ensure economic development policies are consistent with existing or planned capital and utility facilities. (CPP ED-9. Small group support 01-12-10)

ED2.5 Base employment land allocations

Reserve certain capable lands and sites for employment related developments as proposed within the Sultan Industrial Park Master Plan. Provide ~~Zone~~ **for** a suitable supply of commercial, retail, business, office, and industrial lands ~~to create~~ **encourage** a closer balance between jobs and housing consistent with the regional growth strategy. ~~that will provide for all Sultan area sustenance requirements and reduce commuting requirements to outside areas for base related employment opportunities. (MPP Ec-17) (CC 07-15-10 replace “provide” with “zone” to read “Zone a suitable supply of commercial, retail...” (CC 08-18-10 replace “create” with “encourage” to read, “encourage a closer balance...” (CC 09-02-10 add “for” after “zone” to read, “zone for a suitable...”)~~

ED 2.6 Sustenance requirements Jobs Housing Balance (MPP Ec-17 / CPP ED-13)

~~Zone for an adequate supply of land suitable for commercial activity to ~~create~~ **encourage** local employment, shopping, and other urban service activities that will reduce Sultan's dependence upon and local resident travel requirements outside of the area. to:~~

- a. support economic activity;
- b. ~~encourage~~ **create** a closer balance between jobs and housing
- c. reduce the need for residents to travel outside the area for goods and services;

(CC 07-15-10 replace “provide a suitable supply of land...” with “Zone adequate land suitable for commercial activity...” (CC 09-02-10 add “for” to read, “Zone for an adequate... Replace “create” with “encourage” to read, “encourage local employment... In b) replace “encourage” with “create”)

ED 2.7 Economic promotion(s)

Establish a local marketing strategy for Sultan's downtown and industrial business districts. Develop a detailed strategy for marketing and promoting the development of Sultan's commercial and industrial land opportunities. (Editor's note: Move ED 2.7 Economic Promotion to implementation strategies)

Goal ED-3 Invest in Community Members

ED 3 General

ED 3.1 Do not expand city limits or allow major additional residential development within the urban growth area boundaries until or unless the economic/fiscal strategies produce public tax revenues sufficient to support additional urban populations and services.

ED 3.2 Limit potential population growth that could occur from development or annexation within city boundaries until or unless an employment and tax base has been created.

ED 3.3 Complete development of the available lands that are within present city limits.

~~ED3.4 Develop to the maximum extent practical the industrial park master plan proposals for commercial, industrial, office, and other economic opportunities within the available and environmentally capable lands along the U.S. 2 corridor between Sultan Basin and Sultan Startup Road.~~

Editor's note: delete ED 3 – General Policies inconsistent with direction provided at the small group meeting on January 12, 2010. The small group participants were in favor of letting market forces drive development whether it is residential development or retail/commercial development. The direction was to remove policies that favor one type of development over another type of development from the city's comprehensive plan.

ED3. Goal:

~~ED 3.1— Promote economic activity and employment growth that sustains to~~ Encourage a diversity of family-wage jobs for the city's residents. (CC 07-15-10 replace "that sustains" with "to encourage" to read, "growth to encourage a diversity...") (CC 08-24-10 delete "Promote economic activity and employment growth")

~~ED 3.2— Support the Sultan School District and other public and private educators to provide high quality education systems accessible to Sultan residents.~~

ED 3.3 Support working relationships with the Sultan School District and other public and private educators ~~to~~ who provide high quality and accessible training programs that give people opportunities to learn, maintain, and upgrade skills necessary to meet the current and forecast needs of the regional and global economy. (CC 07-15-10 add the word "relationships" after "support working" to read, "support working relationships with the ..."

Implementation Strategies

ED1.3 Site efficiencies

Work with interested property owners to determine the effective development capacity of sites having employment center possibilities. Determine the costs involved with providing sewer, fire and police protection, access roads, recreational areas, and other Sultan services and amenities. ~~versus~~ When feasible, calculate the public benefits that may be realized by the creation of local jobs and tax potentials. (CC 07-15-10 add the word "interested" to read, "work with interested property owners..." Add "when feasible calculate" to read, "When feasible, calculate the public benefits that may be realized...")

ED 2.7 Economic promotion(s)

~~Establish a local marketing strategy for Sultan's downtown and industrial business districts. Develop a detailed strategy for marketing and promoting the development of Sultan's commercial and industrial land opportunities. (CC 08-24-10 delete ED 2.7)~~

~~**ED 3.5 Resolve urban growth boundaries** to include housekeeping proposals and a 20-year growth allocation. (PB 06-15-10)~~

~~**ED 3.6 Designate downtown-Sultan the Urban Center Zones** - for mixed-use office, commercial, and residential uses to maximize local services and the-historicalpromote pedestrian-oriented village-centers. (PB 06-15-10) (CC 07-15-10 change title to read "Designate Urban Center Zones)~~

~~**ED 3.7 Designate the north side of U.S. 2 between Sultan Basin Road and 339th Ave** for office and business use because these lands provide the most amenities but the least accessible traffic patterns. (CC 07-15-10 delete policy)~~

~~**ED 3.8 Designate the south side of U.S. 2 and Cascade View Drive between 10th Street and Sultan Cemetery** for lower density industrial uses to reflect current land use patterns. (CC 07-15-10 delete policy)~~

~~**ED 3.9 Designate the land between U.S. 2 and Cascade View Drive, and Sultan Basin Road and 330th Ave** for commercial and retail uses because this site has the most visibility and flexible access. (CC 07-15-10 delete policy)~~

~~**ED 3.10 Designate the north side of U.S. 2 between 339th and 140th Street** for commercial and retail uses because this site has the most flexible access to the plateau and U.S. 2 and the greatest retail development capacity. (CC 07-15-10 delete policy)~~

~~**ED 3.11 Designate the south side of U.S. 2 and Sultan Startup Road** for commercial and business uses because this site has the most visibility and flexible access. (CC 07-15-10 delete policy)~~

~~**ED 3.12 Work to Ddesignate land on upper Sultan Basin Road** for a small mom and pop or neighborhood commercial use to service residential areas on the plateau Identify and designate mixed use developments on the plateau to serve the surrounding residential neighborhoods. (CC 07-15-10 delete policy)~~

~~**ED 3.13 Designate land on U.S. 2 at 299th Ave** for commercial services as this site has visibility and could have back-door access. (CC 07-15-10 delete policy)~~

Regional Context

Vision 2040 states the following “overarching goal” for economic development:

The region will have a prospering and sustainable regional economy by supporting businesses and job creation, investing in all people, sustaining environmental quality, and creating great central places, diverse communities, and high quality of life. It goes on to state:

VISION 2040’s economic goals and policies promote a sustainable economy that creates and maintains a high standard of living and quality of life for all. To create stable and lasting prosperity, VISION 2040 focuses on businesses, people, and places, recognizing that growth management, transportation, economic, and environmental policies must be integrated, and must take social, economic, and environmental issues into account while preserving key regional assets.

Growth Management Requirements

Each comprehensive plan shall include a plan, scheme, or design for...A land use element ...(to) include population densities, building intensities, and estimates of future population growth. -- RCW 36.70A.070

(1) GMA Mandatory Elements. An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs. -- RCW 36.70A.070

(7) GMA Mandatory Elements

Snohomish Countywide Planning Policies

The countywide planning policies for economic development are intended to promote economic development in Snohomish County consistent with the goals and policies of Vision 2040.

Snohomish County is an important international center for the aerospace industry, and the home of the Boeing Company’s largest aircraft manufacturing complex. This county also accounts for about one-fourth of the biotech industry in the State of Washington. Looking into the future, the Economic Development Council of Snohomish County has identified three industry clusters as the ultimate focus of Snohomish County. These

three industry clusters are Aerospace, Life Sciences (Biotech and Medical Devices), and Technology Manufacturing.

To achieve sustainable economic vitality for all the communities of Snohomish County, jurisdictions are required to incorporate an economic development element in their comprehensive plans. Coordination of economic development planning with the other required elements of comprehensive plans is vital to attracting new business, promoting economic diversity and encouraging expansion and retention of existing businesses.

Snohomish County residents provide a skilled workforce for many businesses in both King and Snohomish counties. An important part of creating sustainable communities and improving the quality of life will be realized by creating more opportunities for residents of Snohomish County to work closer to home. The CPPs, as the framework for local comprehensive plans, support the integration of economic opportunities, transportation improvements, investments in education, protection of environmental quality, and focusing of growth in designated centers, consistent with the RGS in Vision 2040.

Organization

Under Vision 2040, the Economic Element is divided into three topic headings:

1. Business
2. Places
3. People

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