



City of Tacoma Economic Development Committee Minutes

747 Market Street Tacoma, WA 98402

Conference Room 248

February 24, 2015

10:00 AM

Chair Marty Campbell, Vice Chair David Boe,
Ryan Mello, Lauren Walker, Robert Thoms (alternate)

Call To Order

Chair Campbell called the meeting to order at 10:06 a.m.

Present: 3 - Campbell, Mello and Thoms

Absent: 2 - Boe and Walker

Council Member Walker arrived at 10:09 a.m.

Approval of Minutes

- 15-0185** Approval of the minutes of February 10, 2015
MOTION: Council Member Mello moved to approve the minutes of the meeting of February 10, 2015.
SECONDED BY: Council Member Thoms.
ACTION: Voice vote was taken and carried. The motion was adopted.
Ayes: 3 - Campbell, Mello and Thoms
Absent: 2 - Boe and Walker

Briefing Items

- 15-0186** Foss Waterway Development Update
[Su Dowie, Executive Director, Foss Waterway Development Authority]

Su Dowie, Executive Director of the Foss Waterway Development Authority (FWDA) introduced Betsy Stauffer, Board President, consultants Matt Anderson and Kevin Cook from Heartland, who conducted the feasibility study, and past president Gary Pederson. She provided a brief update on the south end of the waterway, including the construction of The Henry, and stated the FWDA is now getting ready to market the central area. She noted the sites

in this area are narrower and there may be difficulty creating density on these sites.

Council Member Walker arrived here, at 10:09 a.m.

Mr. Anderson discussed the feasibility study that was done on sites 8 and 9, noting they conducted a full market analysis to study the site as a developer would, and they reviewed options for the sites as individual sites as well as options if the sites were combined. Ms. Dowie noted this feasibility study was funded by a grant, which is why it was limited to the two sites, but the information could be used on the other sites in the central area of the waterway due to the similarities in lot size and barriers. Mr. Cook discussed buildable area, noting the sites are limited in depth and variances would be required to make the sites attractive to developers. He discussed high-rise, mid-rise, and low-density development scenarios, noting high-rise is not feasible, mid-rise is not feasible or near-feasible, and low density is near feasible or feasible, depending on the specific scenario or project. He provided sample development scenarios and discussed financial feasibility and the benefits and challenges of each scenario. Mr. Anderson stated the sites need to be combined for any of the scenarios to work and the density and parking are the big trade-offs due to the challenging site dimensions.

Ms. Dowie stated this Committee indicated a preference for mid-rise development and noted, given this assessment, it's not very feasible for sites 8 and 9. She asked for concurrence that low-density is an acceptable alternative. Discussion ensued regarding the environmental impact on the sites and remediation that may need to occur, the inability to dig due to the characteristics of the site, and the option of capping the site with 6 inches of impermeable surface and making a temporary surface parking lot. Discussion continued regarding possible regulatory changes to help attract developers or relieve barriers to development, affordable housing options on the waterway, the esplanade, parking options, and how a cap, surface parking lot, or low density use would impact the future marketability or use of the site. Committee Members expressed a need for additional time to consider the options. Ms. Dowie stated the FWDA Board of Directors would like to issue a Request for Qualifications this spring and it would be preferable to hear back from the Committee prior to April 2015.

- 3. 15-0187** Economic Indicators Report for Fourth Quarter 2014
[Debbie Bingham, International Program Development Specialist, Community and Economic Development]

Debbie Bingham, Community and Economic Development, reviewed the Fourth Quarter 2014 Economic Indicators, stating overall the local economy has improved slightly over 2013 in Sales and Business and Occupation tax revenues, as well as in employment. She reviewed fourth quarter data and

compared year-end 2014 to 2013 for building permits, development and industrial performance, economic sectors, employment sectors, unemployment rates, business start-ups and closures, workforce development, and small business engagement. Discussion ensued regarding combined data from the Ports of Tacoma and Seattle, and Committee Members requested additional information and data specific to the Port of Tacoma. Chair Campbell requested additional information on where restaurants and retail services fall into the economic cluster data presented. Discussion ensued regarding the business license data.

Topics for Upcoming Meetings

4. 15-0188 March 10, 2015-RockTenn briefing and Spaceworks update

Anita Gallagher, City Manager's Office, stated the next meeting is March 10, 2015 and will include a briefing from the Chief Executive Officer of RockTenn and an update from Amy McBride on Spaceworks. Discussion ensued regarding the distribution of work at the City Council Standing Committees. City Manager T.C. Broadnax stated the Council and staff could review the Committee manual and discuss this item at Committee of the Whole.

Ms. Gallagher introduced Brad Forbes who is transitioning into the committee liaison role for the City Manager's Office.

Other Items of Interest

There were no other items of interest.

Public Comment

There was no public comment.

Adjournment

There being no further business, the meeting was adjourned at 11:21 a.m.



Marty Campbell, Chair



Wendy Fowler, City Clerk's Office