



City of Tacoma Economic Development Committee Minutes

747 Market Street Tacoma, WA 98402

Conference Room 248

November 25, 2014

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 10:02 a.m.

Present: 4 - Boe, Campbell, Mello and Walker

Council Member Walker participated telephonically.

Approval of Minutes

- 1. 14-1164** Approval of the minutes of October 28, 2014
MOTION: Council Member Boe moved to approve the minutes of the October 28, 2014 meeting.
SECONDED BY: Council Member Mello.
ACTION: Voice vote was taken and carried. The minutes were approved.
Ayes: 4 - Boe, Campbell, Mello and Walker

Briefing Items

- 2. 14-1204** Foss Waterway Development Authority Esplanade Status and Marina Lease Amendment
[Su Dowie, Executive Director, Foss Waterway Development Authority]

Su Dowie, Executive Director, Foss Waterway Development Authority (FWDA), gave an overview of the project status of the Foss Esplanade, displaying which sites are complete, under construction, permitted, need repair, or do not yet have an esplanade. Discussion ensued regarding marketing possibilities for Site 10 and potential grants or unspent funds that can be used for the esplanade projects. Ms. Dowie then presented on the marina lease amendment, including reviewing the FWDA Board goals, and the lease area

and facilities. She stated the amendment extends the term of the lease by adding ten five-year extensions subject to the Department of Natural Resources aquatic lease in force, then reviewed tenant and landlord obligations. She discussed a Development Contribution Agreement at \$1.5 million, \$1 million for the FWDA general fund loan and \$500,000 for the Foss Park Maintenance Fund held by the Greater Tacoma Community Foundation. She stated the FWDA Board has already approved this lease and is seeking approval from the City Council, preferably before the end of the year. Discussion ensued regarding legal review and next steps.

MOTION: Council Member Boe moved to recommend this item and move it forward to the full Council, pending legal review and continued outreach to Council Members not in attendance.

SECONDED BY: Council Member Mello.

ACTION: Voice vote was taken and carried. The motion was adopted.

Ayes: 4 - Boe, Campbell, Mello and Walker

3. 14-1165

18-Month Review of Economic Development Action Plan
[Ricardo Noguera, Director, Community and Economic Development]

Ricardo Noguera, Director, Community and Economic Development, discussed five major elements that represent the strategic framework and highlighted specific projects and programs that represent each element. He stated the first framework is business attraction, expansion, and retention and he highlighted the retention of State Farm and the Bank of New York Mellon. He stated the second element is small business development and entrepreneurship services, and discussed the Spaceworks Program, One Million Cups, special events, and small business façade loans. He stated the third element is international development and relationships and discussed outbound trade missions, international consulting services, a redesign of the Japanese Garden at Point Defiance, Tacoma Community College international students, and the Biot, France cultural exchange. He stated the fourth element is downtown development and revitalization and he highlighted activities at the Foss Waterway, such as the Henry Apartments, the KS Murano, and Johnny's Seafood Renovations; the Convention Center Hotel and development agreement; the Tacoma Art Museum expansion; the expansion of the University of Washington Tacoma campus; the Prairie Line Trail; Pacific Avenue Streetscape; the Winthrop Hotel; and several breweries. He then provided an update on McMenamins, noting the developers are now putting together their financing plan and are working to have renovations begin in early 2016. Mr. Noguera stated the fifth element is neighborhood revitalization and business district activities and reviewed activities in 6th Avenue, the Stadium District, Hilltop District, Proctor District, Dome District, Lincoln Neighborhood Business District, South Tacoma Way

Neighborhood Business District, McKinley District, Pacific Avenue, and the Fern Hill District.

Mr. Noguera then reviewed regional and national retailers who opened in Tacoma, port and industrial activities, and education and medical institutions. Discussion ensued regarding the expansion of St. Joseph's Hospital. Mr. Noguera then discussed arts and cultures projects and murals and connecting marketing, tourism, and arts cultural. He then reviewed participation in the City's Small Business Enterprise (SBE) and Local Employment and Apprenticeship Programs (LEAP). He then highlighted major initiatives for 2015-2016 with regard to art programs and economic development, SBE and LEAP, and special events, noting the initiatives were presented to the Council during the budget work session. Discussion ensued regarding marijuana retail facilities, development by the Puyallup Tribe, the purchase of Simpson by RockTenn, the County Consolidation Plan, and proactively marketing Tacoma to create an environment where businesses of all sizes in the private sector want to be and will flourish.

4. 14-1166 Third Quarter 2014 Economic Indicators Report
[Debbie Bingham, International Program Development Specialist, Community and Economic Development]

Debbie Bingham, International Program Development Specialist, Community and Economic Development, stated overall the local economy has continued to improve from 2013 to 2014, noting sales tax and business and occupation tax revenues have increased and unemployment has decreased. She reviewed the percent of change from the prior year for the top five economic sectors in terms of sales tax revenue and business and occupation tax revenue. She then reviewed statistics relating to building permits, development and industrial performance. Council Member Boe requested information on the average lease rates for commercial office space. Ms. Bingham then reviewed employment rates, noting unemployment decreased 20 percent from 2013. She reviewed employment by cluster, new business growth, and small business engagement. She noted the information is generally aligned with trends seen across the country.

Topics for Upcoming Meetings

5. 14-1167 December 9, 2014 - Urban Clean Water Innovation Partnership Zone, Update on Tier 1 Property Disposition, and Update on Tacoma Dome Patch Test

Anita Gallagher, City Manager's Office, stated the next meeting will be held December 9, 2014 and will include a presentation on the Urban Clean Water Innovation Partnership Zone, an update on tier 1 property disposition, and an update on the patch test on the Tacoma Dome roof.

Other Items of Interest

Chair Campbell stated there are some FWDA Board of Directors appointments due and there are two individuals who are seeking reappointment, noting both were appointed to fill vacant positions one year ago. Discussion ensued regarding whether to schedule interviews or move forward with reappointments, given the timeframe since the last appointments.

MOTION: Council Member Boe moved to forward the reappointment of William Driscoll and Jay Jetter to the Foss Waterway Development Authority Board of Directors to the City Council.

SECONDED BY: Council Member Mello.

ACTION: Voice vote was taken and carried. The motion was adopted.

Ayes: 3 - Boe, Campbell and Mello

Absent: 1 - Walker

Public Comment

There was no public comment.

Adjournment

There being no further business, the meeting was adjourned at 11:42 a.m.



Marty Campbell, Chair



Wendy Fowler, City Clerk's Office