



TO: Economic Development Committee
FROM: Ricardo Noguera, Director, Community and Economic Development Department
COPY: Elizabeth Pauli, City Manager
SUBJECT: REVIEW OF 2016 & PROJECTIONS FOR 2017 – FINAL TWO YEARS OF THE CITY'S FIVE YEAR ECONOMIC DEVELOPMENT FRAMEWORK STRATEGIC PLAN (2013-17)
DATE: June 13, 2017

SUMMARY:

This report represents a summary of the accomplishments of the City's Economic Development Framework Strategic Plan in 2016 and goals for 2017. We are in the midst of 2017 and many of the goals, projects and programs are also included in the City Manager's and CEDD's goals for 2017-18 and are consistent with the goals of 2025.

Last year (2016), economic development efforts focused on significant design, planning and assembly of properties. This year (2017) represents the "Year of the Crane"; at least 10 cranes will be active in the Greater Downtown area and the community will witness significant construction activity in the Tideflats & Nally Valley; Neighborhood Business Districts; Point Ruston and throughout the Downtown, especially in the Brewery District. Private investment and development activity will be undertaken by a combination of local, regional, out-of-state and international developers. Restaurants and commercial establishments will open Downtown and throughout NBDs. Tacoma will continue to thrive and experience a vibrant and healthy resurgence.

Key Accomplishments: 2016

The Tacoma housing market has continued to witness unprecedented growth, with four key projects having broken ground in 2016, and representing more than 600 multi-family units (Grand on Broadway, Stadium Mixed Use, The Napoleon, and The Baker). Last year, Neighborhood Business Districts (NBD) and Revitalization activities made great strides in the Lincoln, South Tacoma Way and Hilltop Districts. The Lincoln District is now home to a satellite City office to better serve the residents and businesses of the district and prepare for the Streetscape Improvements planned along 38th Street. In 2016, the Office of Arts & Cultural Vitality was established and has completed a five year strategic plan to identify strategies to strengthen the arts in Tacoma and foster the local creative economy. The Mayor's trips to China and Vietnam (2015-16) are resulting in huge gains for the City: Convention Center Hotel; Town Center; and a mixed-use development to be developed on the City's Public Library parking lot (Vietnamese developer), for a minimum of \$250 million in foreign investment alone. In addition, 100 Tacoma Public School students travelled to China and visited our sister cities. Overall, 2016 was a very successful year for the City of Tacoma.

Projects for 2017

This year represents the "Year of The Crane" and the City will witness a number of developments breaking ground. Additionally, CEDD has continued to focus on the recruitment and facilitation of developers and businesses in order to foster an environment Downtown where new housing and retail



amenities will reshape the community. Additionally, this environment should foster new office and the tech startups. Here is a snapshot of what is anticipated in 2017:

- **Facilitate New Office Development.** North Park Garage. City releases Request for Information (RFI) and selects office developer and negotiates development agreement to build approximately 100,000 square feet office and up to 200 parking stalls.
- **Facilitate New Office Development.** Pursue master lease with State Department of Enterprises to develop Class A office space along Market Street
- **Foster Tech Growth.** Foster the promotion of start-up and small tech firms including the expansion of such companies as Infoblox.
- **Market Rate Housing Development.** Break ground on approximately 1,500 multi-family units Downtown and in NBDs
- **Conversion of Historic Properties.** Washington Building. Unico, a Seattle-based developer, will commence conversion and renovations of this historic building this summer.
- **Creative Arts.** Facilitate the build-out of 3 Creative Projects: McKinley Lofts, Alma Mater and a craft furniture production maker space.
- **Cultural Plan.** Complete a Culture & Transportation Plan for the Theater District funded by Pierce Transit and a National Endowment for the Arts, Our Town grant.
- **Arts College.** NCAD opens in Downtown Tacoma.
- **Industrial Development.** Break ground on 3m sf of industrial development in the Tideflats.
- **International Investments.** Break ground on the three international developments: Convention Center Hotel, Town Center and Mixed-Use Development.
- **Land Redevelopment.** Pursue conversion of public properties to private developments and placement on the tax rolls.
- **Community Events.** Festival of Sails, which is planned for four days along the Foss Waterfront.
- **Disparity Study.** Select consultant to complete Disparity Study on public works projects and commence work.

ISSUE:

This is an informational briefing only. There is no issue.

ALTERNATIVES:

This is an information briefing only. There are no alternatives presented.

FISCAL IMPACT:

This is an information briefing only. There is no fiscal impact.

RECOMMENDATION:

This is an information briefing only. There is no recommendation.