

ECONOMIC DEVELOPMENT

GOAL Attract, retain and grow a diverse and stable economic base that supports city revenues, needed goods and services and jobs for residents.

City provides welcoming, supportive environment for businesses

So that...

Kirkland has a healthy business and tourism economy

So that...

Kirkland has a diverse, business-friendly economy that supports the community's needs

MEASURE	2009	2010	2011	2012	2013	Target
Number of businesses helped with consultant services	148	161	173	183	187	N/A
Office space vacancy rate	30.4%	24.2	7.9%	8.4%	7.6%	Eastside: 12.9%##
Lodging tax revenue	\$235,000	265,000	\$205,583	\$220,145	\$247,075	Increase
Net new businesses	606	469	1,475	471	641	Increase
Visits to ExploreKirkland.com	148,442	*	N/A	105,570	90,523	Increase
New Green Businesses	30	12	12	9	1#	Increase
Annual number of jobs	30,631	30,492	N/A	***	***	Increase
Businesses are satisfied with Kirkland as a place to do business	**	75%	**	***	***	80%
Residents are satisfied with the availability of goods and services in Kirkland	**	76%	**	81%	**	80%

* No data available due to website server crash

** Community survey occurs in even years

*** Business survey to be conducted in 2014

Green Business program undergoing change (See Environment report for more details)

Updated 10/22/2014 This percentage reflects the 2013 average office vacancy rate for the entire Eastside.

HOW DO WE MEASURE ECONOMIC DEVELOPMENT?

Net new businesses and office space vacancy rates are both indicators of the health of the local business economy. Kirkland's vacancy rates have decreased as the economy continues to recover from the recession. Lodging tax revenue measures the vitality of the hospitality industry, which in turn supports other tourism assets such as restaurants and retail shops. Internet visits to ExploreKirkland.com website demonstrate the public's interest in Kirkland and often translate to actual visits and extended stays in our city. The City's Green Business Program promotes business adoption of efficient and environmentally sound practices, hopefully resulting in more sustainable businesses that can weather difficult economic times and perpetuate stable City services.

HOW ARE WE DOING?

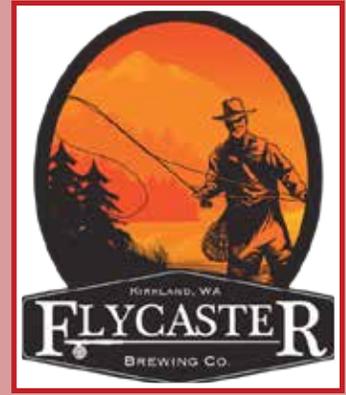
The City helps to grow the Kirkland economy by recruiting and retaining businesses, promoting Kirkland as a business location, and supporting arts and tourism. Together, these activities enhance the quality of life that residents of Kirkland enjoy and have come to expect. The Kirkland Economic Development Program ministers to small and large businesses. It has invested in a Retention Consultant who provides free services to small businesses in the areas of permitting, marketing, networking and expansion. New businesses are welcomed and can take advantage of a monthly orientation program. Technical assistance is provided through individual work sessions and group seminars and periodic education and networking events. The City-staffed Kirkland Business Roundtable offers CEO-level networking and input on City policy through quarterly meetings. In the past years, the Roundtable has weighed in on the 2035 Comprehensive Plan Update Economic Development Element, Downtown vision, and the Cross Kirkland Corridor.

The Tourism Program promotes recreational and leisure opportunities in Kirkland, and brings outside revenues into the City. Exposure to Kirkland through a business trip or attendance at an event can lead to a decision to relocate a home or business here. This past year the City has refreshed its website ExploreKirkland.com with professional photographs, distributed \$50,000 in lodging tax funds to agencies for tourism marketing and programs, and met with tourism assets such as the major hotels to get their input of the best ways that the City can help them.

WHAT ARE WE DOING?

The City helps develop the economy of Kirkland through supporting businesses and promoting tourism. Kirkland's Economic Development Program promotes a quality business climate for Kirkland businesses, assists businesses in locating in Kirkland and provides a liaison with City departments. The success of economic development efforts is highly dependent on the general economic climate, regional policies and competing cities' policies regarding business. Local programs help sustain businesses through economic cycles by being responsive to business needs.

In an effort to encourage more businesses like Flycaster Brewing Co., zoning has been adopted for parcels that border the Cross Kirkland Corridor in Totem Lake. The goal is to attract retail uses that have been associated with and brought economic development to corridors. Restaurants, breweries, wineries and distilleries are now allowed in areas of Totem Lake that were formerly zoned for industrial use only, with the expectation that high tech office will follow on the heels of this retail revival and eventually transform the district.



Attracting Business to the Cross Kirkland Corridor Flycaster Brewing Co.

Being located within one-tenth of a mile of the Cross Kirkland Corridor in the Totem Lake Business District ensures a future stream of thirsty bicyclists, walkers and runners. Flycaster Brewing Co. opened its doors at 12815 124th Street, in the heart of the Totem Lake Business District, in May 2014. This is exactly what the City Council envisioned when it approved the purchase of the Cross Kirkland Corridor and in November 2013 adopted code amendments that would provide for more retail establishments like Flycaster in Totem Lake.

Its owner, Jeremy Eubanks, began honing his craft as a home brewer over a decade ago. With the encouragement of his wife, Tara, he decided to take the plunge and open his own nanobrewery and tasting room to share his creations with the public. Along with beer brewing and tasting, Jeremy's other passion in life is fly fishing. His fishing trips are routinely paired with visits to local microbreweries. Hence the name for his enterprise – Flycaster Brewing Company. And, with names like Bonefish Blonde, Rocky Ford IPA, Yakima River Red, and Hopper Pale Ale, the company's beers sport names that include references to fly fishing experiences. Kirkland's Totem Lake Business Park meets his needs; a suite with high ceilings and roll-up door along with an area that could be converted to a taproom.