



MEMORANDUM

Date: March 18, 2014
To: Planning Commission
From: Janice Coogan, Senior Planner
Ellen Miller- Wolfe, Economic Development Manager
Subject: Comprehensive Plan Update, File No. CAM13-00465 #5

This memo addresses the following Comprehensive Plan Update topic:

- Economic Development Element Update, Study Session #1

I. RECOMMENDATION

Review the list of issues below and provide preliminary direction to staff on potential revisions to the Economic Development Element of the Comprehensive Plan.

Based on Planning Commission direction, staff will report back with a draft of the Economic Development Element in May. Note, however, the Element will continue to be shaped by the following ongoing processes:

- Neighborhood Plan update discussions
- Land Use and Transportation Elements
- Public input
- EIS analysis of growth alternatives
- Economic development related studies underway such as the Light Industrial Lands Study, Tourism Re-branding Study, and Waterfront Optimization Study

II. BACKGROUND DISCUSSION

The existing [Economic Development Element](#) is in chapter VIII of the Comprehensive Plan and [Implementation Strategies](#) for the Element in Chapter IV. The last major update of the existing Element was in 2004. An Economic Development Action Plan was adopted by City Council to implement the Element's goals.

The Economic Development office located in the City Manager's Department, includes one full time manager, several part-time employees and consultants that work on economic development, tourism and cultural affairs aspects of the program such as:

- business retention and recruitment to assist businesses in locating and expanding in Kirkland. Unique to the region is a part-time consultant whose role is to work with small businesses on a variety of issues they face and may not have the capacity to solve.
- promote Kirkland as a place to do business
- coordinate the [Kirkland Green Business program](#)
- conduct [Kirkland Business Roundtable](#) events
- manage the tourism program and the [Explore Kirkland tourism website](#)
- staff support to the Cultural Arts Commission and Tourism Development Committee
- conduct biannual business satisfaction and competitive assessments
- collaborate with local, state, regional organizations, and trade groups representing high technology, aerospace and hospitality sectors to promote economic development in Kirkland.

III. EXISTING CONDITIONS

At an earlier study session, the Planning Commission was briefed on the draft [Kirkland Community Profile \(2013\)](#) and [ARCH Housing Needs Assessment](#). The Countywide Planning Policies establish the additional job and housing targets that the city must accommodate in its plan. Our completed [land use capacity analysis](#) concludes that we have the existing zoning to meet these targets however there may be other reasons to consider in directing where growth should occur. The following Economic development related information will be updated in the Element. For more detail see the [Community Profile](#):

- **Major employers:** Evergreen Healthcare, Google, City of Kirkland, Kenworth Truck Co, Costco, Evergreen Pharmaceutical LLC, IsoftStone, Inc. IBM, Waste Management of Washington, Inc.
- **Number of Kirkland business licenses:** 4,688 (May 2013)
- **Home based businesses:** 1,972 (May 2013)
- **Existing Employment:** 31,745 jobs (2011) (Highest percent in services at 50%; government at 13%, retail at 11%; lowest in manufacturing at 4%)
- **Employment targets:** 22,435 additional jobs (2013-2035 CPP's)
- **Employment forecasts:** 58,721 (2030 PSRC)
- **Employment capacity:** 22,944 to 51,758 additional jobs
- **People who live and work in Kirkland:** 18%
- **Existing housing units:** 37,221 (2013)
- **Median household income:** \$84,700
- **City Government annual revenue:** \$97,679,962 (2012 Financial Report)
- **City annual sales tax revenue** of \$14,810,263 ranking by sectors: Auto/gas retail, contracting, other retail, general merchandise, services, retail eating/drinking
- **Assessed property valuation:** \$13.9 billion (2013)

IV. STATUTORY AND POLICY GUIDANCE FOR UPDATE

In preparation for the update of the Element, staff has reviewed the documents below and identified issues that should be considered as part of the Comprehensive Plan Update process. Attachment 1 contains a checklist of key state, regional and local requirements and guidance for the City's update. On most topics, the existing Economic Development Element is compliant with State statutes and regional and local policies however, Section V below contains a discussion on some compliant issues and suggested recommended changes to the existing Element.

Here are documents that we will consider as part of our review of the Economic Development Element:

- [Department of Commerce's Update Comprehensive Checklist](#) for GMA statutory requirements adopted since 2003 and guide to the elements (Attachment 1)
- Puget Sound Regional Council's [Vision 2040](#)
- Puget Sound Regional Council's Economic Development Strategy
- King County [Countywide Planning Policies](#)
- [Smart Growth Principles](#)
- Sustainable Communities Principles
- General themes from the fall Visioning Conversations
- Revised Vision Statement and Guiding Principles (see Attachment 3)
- City Council [goals](#)
- Annexation area considerations
- Potential growth alternatives to be addressed in the Draft Environmental Impact Statement
- List of potential issues, corrections and general edits that Staff has maintained over the past few years for this Plan Update

V. KEY POLICY ISSUES FOR DISCUSSION

The following issues have been identified for initial Planning Commission direction. The issues are indexed by a number listed within the existing Economic Development Element contained in Attachment 2. Note that as staff drafts edits to the existing Element we will seek to significantly pare down the word count in order to create a more concise and usable document.

Issue 1: Does the existing "Economic Development Concept" and Goals in the Element accurately reflect the draft Vision Statement and Guiding Principles in Attachment 3?

Background: The current Economic Development Element of the Comprehensive Plan contains seven Economic Development goals and related policies. The following "*Economic Concept*" outlines the overarching theme under which the goals and policies of the Element are crafted.

*The **economic concept** for the future of the Kirkland economy is a three-pronged strategy:*

- ***Diversify our tax base***
- ***Provide job opportunities***
- ***Provide goods and services to the community***

The challenge will be to provide an economic climate that maintains a healthy economy for jobs and businesses without sacrificing the qualities that make Kirkland a desirable place to live.

To accomplish this, the Economic Development Element encourages and promotes:

- *Economic growth while **maintaining attractive residential neighborhoods and a healthy natural environment.***
- *Growing a **diverse economy** that has a variety of business sectors.*
- *A **positive business climate** so businesses will grow and enhance Kirkland's role in the Eastside and Seattle Metropolitan economy.*
- ***Strengthening our retail shopping areas**, including specialty retail in the Downtown, destination retail in Totem Lake, providing local goods and services in our neighborhood commercial areas and encourage attractive commercial and mixed-use development.*

The Planning Commission may want to consider the following questions as you review the economic concept, goals and Element:

1. *What role should the City play in promoting economic development?*
2. *Revisit the challenge statement in the Economic Concept section on page VIII-3. What is our challenge looking forward? Is this statement necessary?*
3. *Are any fundamental, large-scale changes to the goals anticipated?*
4. *Are there new goals and policies that are needed to create a fiscally sound, healthy, sustainable economic future that the City can control?*
5. *Are there any changes needed to reflect the new draft vision statement and guiding principles?*

The Planning Commission, City Council and Transportation Commission have completed review of a revised draft Vision Statement and Guiding Principles. Some themes from the **visioning conversations** and **neighborhood plan update meetings** related to the Economic Development Element include:

- Vibrant, attractive, welcoming places to live, work and play
- Thriving neighborhood business districts and employment centers within walking distance of home
- Maintain quality of life and be a model, sustainable city, preserving and enhancing our natural environment
- Kirkland is Livable, Sustainable, Connected

- Residential neighborhoods and commercial districts are diverse and affordable
- Maintain quality of Downtown with lower buildings; water related activities, restaurants, farmers markets, entertainment, historic buildings; an idea to rename Central Business District to Waterfront District; redevelop Park Place like University Village;
- Mixed use villages in commercial areas in each neighborhood business districts like Juanita Village with open spaces as gathering places
- Our economy is vibrant offering choices in jobs, businesses, services and entertainment throughout the community
- Encourage higher paying jobs such as high technology, medical, aerospace, light industrial, small businesses
- Kirkland is a tourism destination (waterfront, recreation, art galleries, piggyback on wineries, and brewery growth); not only during the summer
- Need more diversity in retail businesses
- Cross Kirkland Corridor will be a catalyst for economic development and multi model transportation system connecting to neighborhoods
- Match Kirkland businesses with Lake Washington Technical College to create job opportunities

Staff Response: The Commission should discuss the questions above and provide direction to staff if fundamental changes are anticipated to the Element at this stage in the process. Economic Development Element concept and goals capture the proposed community vision of providing vibrant, attractive, welcoming places to live, work and play.

Issue 2: Discuss additional policies or edits to existing policies that are recommended to comply with King Countywide Planning Policies and PSRC Vision 2040 Plan Review Certification.

Background: The checklist in Attachment 1 shows how the Kirkland Economic Development complies with the 2012 King Countywide Planning Policies (noted as EC policies) and PSRC Vision 2040 strategies (noted as MPP-EC policies). Below are policies that are currently not included in the Economic Element or that could be revised to support the recommended to support the Countywide or Vision 2040 policies:

- a) Policy to encourage businesses in the **ten industry clusters that export goods and services, import capital and have growth potential** (MPP-EC-3 and EC-3)

Business clusters are concentrations of industries that export goods and services that drive job creation and import wealth into the region. The [Regional Economic Strategy for the Central Puget Sound Region](#) produced by the PSRC identifies **ten industry clusters** that should be promoted in the region. These include aerospace, clean technology, information technology, life sciences and global health, maritime, military, philanthropies, tourism and visitors, transportation and logistics. The Countywide Planning Policies also are consistent in supporting these industry clusters.

Kirkland contains businesses or education facilities involved in all of these sectors except military and maritime production. Kirkland has seen a decrease in traditional

light industrial manufacturing jobs that have been replaced with high technology, small aerospace companies, clean technology and health service jobs. The Kirkland economy continues to be strong in the areas of health care, auto sales, and business services to support the above businesses and seeing a growth in small high technology firms.

Staff Response: In response to the PSRC and CCP assessment, Policy 1.5 could be revised to add the word "industry" in front of clusters and text revised to specifically list businesses involved in aerospace, high technology and healthcare businesses because of the value they export goods and services to the region.

- b) Policy to support **businesses, ports and agencies involved in international trade** related activities (MPP-EC-4)

Staff Response: Although Kirkland does not contain ports or agencies directly involved in international trade like Seattle, the Element could add a policy that encourages Kirkland businesses to support the county and regional international trade policies.

- c) Policy to **support businesses that are business start-ups, small businesses** and locally owned to help them continue to prosper (MPP-EC-5)

Staff Response: Options to include this policy would be to:

- 1) Revise Policy ED 1.8 that supports for home based businesses to add business start- ups and small businesses or
- 2) Revise Policy ED 1.3 that encourages a range of businesses that provide goods and services, to add start-ups and small businesses.

- d) Policy to encourage **private, public and non-profit sectors to incorporate social responsibility in their practices** (MPP-EC-7)

- e) Policy to ensure economic development **sustains and respects the region's environmental quality** (MPP-EC-15). Countywide Policy EC-17 also promotes working with local businesses to protect and restore the natural environment in a manner that is efficient and predictable and minimizes impacts on businesses.

Existing Policy 3.2 encourages businesses to develop and operate in a manner that enhances the character of the community, minimize impacts on surrounding development and the natural environment. What's missing is the theme that private, public and non-profit sectors should also encourage social responsibility in their

practices (*is this beyond the City's control?*). The Vision 2040 policies do not provide examples of what is considered social responsible activities.

Staff Response: Options to address the MPP-EC-7 and 15 and EC-17 policies are:

- 1) Revise Policy 3.2 to add non- profit, private and public sectors, sustain and enhance the natural environment in a manner that is efficient, predictable and minimizes impacts on businesses and add encourage social responsibility in their practices or
 - 2) Keep Policy 3.2 and create a new policy that encourages all sectors to incorporate environmental and social responsibility into their practices.
- f) Policy to focus growth into 1) **distressed areas**, 2) recognize the **contributions that special needs and assets of disadvantage** and 3) **culturally diverse populations in the region's economy** (MPP-EC-11-13).

The three Vision 2040 policies encourage cities to establish a policy to recognize the special assets that disadvantaged populations contribute to improving the region's economic future, the importance of targeting economic growth in distressed areas to benefit residents of those areas and the contributions that culturally and ethnically diverse communities contribute to expanding the region's international economy.

Staff Response: Kirkland does not have what are considered to be economically distressed areas. However, Kirkland does have members of the community who are economically disadvantaged and underdeveloped properties with growth opportunities for employment and housing development. Consistent with MPP-EC-12 and 13 Staff recommends adding two new policies related to contributions that special needs and disadvantage population and culturally diverse populations make to the Kirkland economy.

- g) Policy to support **agricultural and aquatic uses that produce local, fresh food** (MPP-DP-47)

The intent of this PSRC policy is to promote fresh food consumption to improve the health of the community, encourage local food and farm based businesses, and to ensure we have access to fresh food grown locally for a more sustainable community and in time of natural disasters. Countywide Policy EC-16 also encourages healthy life styles of all people through safe and convenient access to local services, neighborhood oriented retail and purveyors of healthy food (e.g. farmers markets) and transportation choices.

Staff Response: Two options to address this policy would be to:

- 1) Add a new Policy under Goal 1 that supports access to and businesses that produce, process, wholesale and distribute local agricultural food and food products within Kirkland to encourage the health and wellbeing of people. Or
 - 2) Revise Policy 1.3 to add these types of businesses to the list of desired businesses Or
 - 3) Address all of the new food policy issues in the Natural Environment Element and make reference to those food policies in the Economic Development Element.
- h) Policy to **facilitate redevelopment of contaminated sites** through local, county and state financing that assist with **funding environmental remediation** (EC-20)

Staff Response: We rely largely on the private sector to remediate contaminated sites as part of redevelopment. Options to address this policy are to add a new economic development policy, revise Policy 3.2 or include this topic in the Natural Environment Element.

Issue 3: Are there other tourism goals that should be incorporated into the Element?

Background: Policy ED-1.7 relates to Kirkland's tourism marketing focus on cultural arts, eco-tourism and recreation destination. Kirkland's tourism marketing focus is still on the above areas. The tagline on the ExploreKirkland.com tourism website shows a logo of a stylized sailboat with the words "*Water. Colors. Everything*". The website contains a guide for things to do, where shop and eat and stay in Kirkland. Over the next couple of months, the Tourism Development Committee will be conducting a new branding study and therefore the marketing focus may change.

Staff Response: Keep the general concept of the existing policy.

Issue 4: Goal ED-3: Strengthen the unique role and economic success of Kirkland's commercial areas.

- a. Should Policy ED 3.1 be deleted because the Land Use Element describes the hierarchy of business districts and the types of uses allowed in each area?
- b. Should Policy ED-3.3 regarding infill and redevelopment of existing commercial areas be combined with 3.5 encouraging mixed use development within commercial areas?
- c. Should ED 3.1, 3.3 and 3.5 be revised or combined to emphasize that by **designing and creating great places** within commercial areas it will contribute to the quality of life and

integrate economic activity, transportation facilities, open space and pedestrian amenities?

Background: The text in Policy 3.1 describes the role that each commercial, industrial, or neighborhood commercial area plays in the city and to discourage expansion of commercial area boundaries. These two examples are redundant with the Land Use Element (describes the hierarchy of neighborhood and business districts and discusses transitions between lower and higher density uses. Nowhere in the element does it discuss the importance of creating great designed places to attract economic development. King County policies recommend we include a policy about this and therefore it should be added.

Staff Response: Three options to address this policy would be to:

- 1) Delete text in Policy 3.1 because business districts are described in the land use element.
- 2) Revise Policy 3.5 to reflect creating great places. If Planning Commission agrees, provide direction on what the key priorities should be and staff will prepare draft policy options.
- 3) Combine Policy 3.5 and 3.3 to encourage infill and redevelopment of commercial areas into mixed use development consistent with the role of each neighborhood.

Issue 5: Is it important to single out the role of the industrial areas in the Element?

Background: Countywide Planning Policies EC-14, EC-18 and EC-19 encourage maintaining adequate industrial land and limit the loss of industrial land to support economic development and promote employment growth in Urban Centers and industrial centers. The [Heartland Light Industrial Study](#) evaluates the best use of industrial land in four study areas of the City. The types of uses in industrial areas and zoning adjacent to the Cross Kirkland Corridor are also under consideration with the Land Use Element. The Land Use Element contains Policies LU 6.1 and 6.2 that establish policy guidance to provide opportunities for light industrial and high technology uses and locations for businesses providing primary jobs.

Staff Response: A policy could be added in this Element that discusses the role and appropriate uses for the individual industrial areas or to address this in the Land Use Element. The Planning Commission should give direction to staff if policies should be added or revised related to the four industrial areas from an economic development standpoint.

Issue 6: Should Policies 6.1 and 6.3 referring to the importance of the City partnering with various organizations to promote economic strategies be combined?

Background: Goal ED-6 promotes collaborative partnerships among community interest groups to achieve desired economic goals. Policy ED-6.1 discusses the need to actively work with local and regional business organizations and community groups to promote economic development. ED-6.2 promotes education and communication to ensure the community understands the

linkage between having a strong economy and the City's role in providing needed city services and infrastructure.

Staff Response: Yes, Policies 6.1 and 6.3 can easily be combined to support collaboration and partnership with diverse business community and organizations to implement economic strategies such as transportation issues.

VI. PUBLIC OUTREACH

In preparation for the Planning Commission study session, staff conducted public outreach activities with the Kirkland business community to discuss new issues that should be addressed in the Element. As part of the visioning and neighborhood plan update outreach process the community was also asked what their vision related to the Kirkland economy looked like.

Notes from each meeting or activity are found in Attachments 3-7 and summarized below:

- At the January 22, 2014 Kirkland Business Roundtable meeting approximately 35 attendees voted on specific questions related to the Economic Development in Kirkland. Following each question was a panel discussion of representatives from Lake Washington Institute of Technology, Colliers International, Webtellec, Nytec and Evergreen Health. The results of the polling are available on the [Kirkland 2035 website](#) (Attachment 4)
- In February 2014, City staff facilitated a discussion with nine members of the Kirkland Chamber of Commerce Policy Committee (Attachment 5 provides the discussion comments from the nine attendees). The policy committee met a second time to discuss preliminary issues to forward to staff. Below is a summary of their comments (See Attachment 6; More formalized comments will be given later in 2014):
 - Increase parking Downtown
 - Switch the location of Parkplace and Lee Johnson baseball field
 - Construct a large parking lot in Parmac
 - Provide a park boulevard from Marina park to 6th ST and allow high density development on both sides; redevelop Lakeshore plaza with parking garage
 - Increase building height at the Antique Mall site (current zoning in CBD 1B allows 55' above the street)
 - Provide incentives such as increased height to build stacked parking garages
 - Maybe it is time to revisit developing Lake and Central parking lot?
 - Retail is changing; this may impact Downtown and Totem Lake Mall? Totem Lake Mall should be developed like Juanita Village
 - Think progressively how to offset property taxes in the future
 - One member advocates for a new Goal ED-6, but it is not clear how it should change. Creating a positive business climate is already addressed in ED-2.
 - Allow zoning for two or four-plexes' on corner lots in residential areas

- Comments from the neighborhood plan update meetings related to economic development are available on the [Kirkland 2035 website](#).
- On March 14, 2014 City staff and the Ryan James art gallery in Totem Lake hosted an annual meeting of the commercial real estate brokers. The City Manager reported on the City's 2014 work program. Members of the City Council Planning and Economic Development Committee were also present. Staff facilitated a discussion of questions related to changes they may want to see the economic development element address as well as the role of the City in economic development (Attachment 7).
- On the [Ideasforum website](#) a survey of 8 questions was held from February 13-March 7th. Only 7 people participated. Attachment 8 contains the responses.

Conclusions

Staff and the Planning Commission will continue to consider input from the business community and community at large regarding potential changes to the Element.

VII. NEXT MEETING

Staff will report back with a draft of the Economic Development Element in May 2014 for further discussion. The Element will continue to be shaped by updates to the rest of the Comprehensive Plan particularly the Land Use Element.

Attachments:

1. Economic Development Element Compliance Checklist
2. Existing Economic Development Element with mark-ups
3. Revised Vision Statement and Guiding Principles
4. Results of Kirkland Roundtable panel discussion and pulse pad voting exercise
5. Staff's summary of responses of questions posed to the Chamber of Commerce Policy Committee on the Economic Development Element
6. Minutes from Chamber of Commerce Policy Committee meeting on the Economic Development Element
7. Commercial Brokers annual meeting
8. Results of Ideasforum survey on the Economic Development Element

**Economic Development Element Compliance
Key Statutory & Policy Requirements/Guidance**

GMA Statutory Requirements	Response
<p><u>RCW 36.70A.070</u>. 7 GMA – Mandatory elements</p> <p>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. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.</p>	<p><i>Done. Will update economic and demographic data. Requirements are linked with other General Elements such as Land Use, Transportation, Housing, Natural Environment</i></p>
<p>PSRC Vision 2040</p>	
<ul style="list-style-type: none"> • Include economic development element that address: business, people and places (Ec-Action-6. MPP-Ec-1 through 22) • Include provisions that address industry clusters (MPP-Ec-3) • Focus retention and recruitment efforts on business that provide family wage jobs, industry clusters that export goods and services, and small/start-up companies that are locally owned MPP-Ec-1, 3, 4, 5) • Include provisions and programs for distressed areas or areas with disadvantaged populations MPP-Ec-11 and 12) • Ensure adequate housing growth in centers working collaboratively with the private sector – through provision of infrastructures (MPP-Ec-6, 18, 20) 	<p><i>Will update Element to include:</i></p> <ul style="list-style-type: none"> • Business that are part of international gateway (MPP-Ec-4) • Support business start-ups, small businesses and locally owned businesses (MPP-Ec-5) • Encourage private, public and non-profit sectors to incorporate environmental and social responsibility in to their practices (MPP-Ec-7) • Support culturally and ethnically diverse community in helping regional continue to expand its international economy (MPP-Ec-13). • Support agricultural and aquatic uses that produce local fresh food (MPP-DP-44-47) • Policy on industrial clusters for those that export goods and services,

	<p>import capital and have growth potential (MPP-Ec-3)</p> <ul style="list-style-type: none"> • Policy to sustain and respects regional’s environmental quality (MPP-Ec-15) • Policy to address special needs and assets of disadvantaged and culturally diverse populations (MPP-Ec-11 thru 13)
<p>Population and Employment Growth (MPP-G-4, 5; MPP-DP-1 through 28, 33 through 42, 48 through 56; MPP-H-1 through 9, MPP-Ec-1 through 22; MPP-PS-2, 4, 5, 21 through 24)</p> <p>Explain how the plan guides residential and job growth. At a minimum, please discuss the following:</p> <ul style="list-style-type: none"> • Planning targets (housing and employment) that align with VISION • Planning for and achieving housing production (to meet the needs of all income levels and demographic groups) • Adequate infrastructure and financing to serve existing communities and future development (including amenities) • Promoting centers and compact urban development (including density, redevelopment and infill, design) • Economic development 	<p><i>Done throughout Comprehensive Plan Elements: Housing, Parks, Recreation & Open Space, Utilities, Transportation, Capital Facilities, Public Services, Land Use and Economic Development.</i></p>
<p>PSRC Economic Strategy</p>	
<p>Ensure the Economic Element is consistent with the goals of the Regional Economic Strategy for the Central Puget Sound Region Report prepared by the Prosperity Partnership in 2012</p>	<p><i>Will do.</i></p>
<p>Countywide Planning Policies</p>	
<p>EC-1 Coordinate local and countywide economic policies and strategies with Vision 2040 and the Regional Economic Strategy (see above)</p>	<p><i>Done</i></p>
<p>EC-2 Support economic growth that accommodates employment growth targets (see table DP-1) through local land use plans, infrastructure development, and implementation of economic development strategies.</p>	<p><i>Done</i></p>
<p>EC-3 Identify and support industry clusters and sub-clusters within King County that are components of the Regional Economic Strategy or that may otherwise emerge as having significance to King County’s economy.</p>	<p><i>Policy will be revised</i></p>
<p>EC-4 Evaluate the performance of economic development policies and strategies in business development and job creation. Identify and track key economic metrics to help jurisdictions and the county as a whole evaluate the effectiveness of local and regional economic strategies.</p>	<p><i>Ongoing as part of performance report.</i></p>
<p>EC-5 Help businesses thrive through:</p> <ul style="list-style-type: none"> • Transparency, efficiency, and predictability of local regulations and policies; • Communication and partnerships between businesses, government, schools, and research institutions; and 	<p><i>Some variation of this is in existing Policy. Could revise.</i></p>

<ul style="list-style-type: none"> Government contracts with local businesses. 	
EC-6 Foster the retention and development of those businesses and industries that export their goods and services outside the region.	<i>Revise/add</i>
EC-7 Promote an economic climate that is supportive of business formation, expansion, and retention and emphasizes the importance of small businesses in creating jobs.	<i>Done</i>
EC-8 Foster a broad range of public-private partnerships to implement economic development policies, programs and projects	<i>Done</i>
EC-9 Identify and support the retention of key regional and local assets to the economy, such as major educational facilities, research institutions, health care facilities, manufacturing facilities, and port facilities.	<i>Done</i>
EC-10 Support the regional food economy including the production, processing, wholesaling, and distribution of the region's agricultural food and food products to all King County communities. Emphasize increasing access to those communities with limited presence of healthy food options.	<i>Add</i>
EC-11 Work with schools and other institutions to increase graduation rates and sustain a highly-educated and skilled local workforce. This includes aligning job training and education offerings that are consistent with the skill needs of the region's industry clusters. Identify partnership and funding opportunities where appropriate.	<i>Could revise to include policy</i>
EC-12 Celebrate the cultural diversity of local communities as a means to enhance the county's global relationships.	<i>Add</i>
EC-13 Address the historic disparity in income and employment opportunities for economically disadvantaged populations, including minorities and women, by committing resources to human services; community development; housing; economic development; and public infrastructure.	<i>Add</i>
EC-14 Foster economic and employment growth in designated Urban Centers and Manufacturing/ Industrial Centers through local investments, planning, and financial policies.	<i>Done for Urban Centers. N/A for other centers</i>
EC-15 Make local investments to maintain and expand infrastructure and services that support local and regional economic development strategies. Focus investment where it encourages growth in designated centers and helps achieve employment targets.	<i>Done</i>
EC-16 Add to the vibrancy and sustainability of our communities and the health and well-being of all people through safe and convenient access to local services, neighborhood-oriented retail, purveyors of healthy food (e.g. grocery stores and farmers markets), and transportation choices.	<i>Add</i>
EC-17 Promote the natural environment as a key economic asset. Work cooperatively with local businesses to protect and restore the natural environment in a manner that is efficient and predictable and minimizes impacts on businesses.	<i>Revise</i>
EC-18 Maintain an adequate supply of land within the Urban Growth Area to support economic development. Inventory and monitor land supply and development capacity for manufacturing, industrial, commercial and other employment uses.	<i>Ongoing</i>
EC-19 Support manufacturing/industrial Centers by adopting industrial siting policies that limit the loss of industrial lands, maintain the region's economic diversity and support family wage jobs.	<i>N/A. Kirkland does not have such designated centers</i>
EC-20 Facilitate redevelopment of contaminated sites through local, county and state financing and other strategies that assist with funding environmental remediation.	<i>Add</i>

Economic Development Implementation Strategies – Comprehensive Plan Chapter XIV	
Create steering committees or action teams within each major commercial district to lead implementation of economic development components of neighborhood plans.	<i>Action teams are no longer used.</i>
Conduct an assessment of economic benefits of Kirkland's cultural, historic and recreational resources.	<i>Done</i>
Develop a system of economic indicators to monitor the Kirkland economy such as employment growth, wage rates, tax revenue, business starts, and commercial vacancy rates.	<i>Ongoing as part of the City's Performance Measurement program and annual budget review process.</i>
Update the Economic Development Element to include 2010 US Census Data and 2011 annexation	<i>Will revised Element with updated information in the 2013 Community Profile.</i>
<p>Ongoing activities:</p> <ol style="list-style-type: none"> a. Implement and update the Economic Development Action Plan b. Implement and update the Downtown Strategic Plan (Completed in 2007) c. Partner with community stakeholders to oversee implantation and community outreach of strategies and priorities d. Conduct business retention and recruitment programs e. Implement the Tourism marketing and promotion plan through the tourism program and Lodging Tax Advisory Committee f. Continually improve permit processes and customer service g. Monitor City policies and revise those that unreasonably restrict opportunities for economic development h. Monitor commercial and industrial land use trends, vacancies and capacity to match the needs of the economy (See Heartland light industrial study in progress) i. Where authorized by State statutes use public/private finance or regulatory incentives to implement economic development opportunities j. Coordinate and implement telecommunications transportation infrastructure improvement and permit process improvement with other cities on the Eastside. k. Monitor and update information concerning economic indicators 	<p><i>Many of the strategies in the Action plan and tourism marketing and promotion have been incorporated into the ongoing Economic Development Division work program.</i></p> <p><i>The draft 2013 Community Profile and ARCH Housing Needs Assessment provided updated economic development and demographic information</i></p> <p><i>See draft 2014 Industrial Study report by Heartland.</i></p> <p><i>See Development Services Study in Zucker Report- in process</i></p>

VIII. ECONOMIC DEVELOPMENT



CHARTING A FUTURE COURSE

◆ RELATIONSHIP TO THE FRAMEWORK GOALS ◆

The **Economic Development Element** highlights the following Framework Goals:

- ✓ **FG-1 Maintain and enhance Kirkland’s unique character.**
- ✓ **FG-2 Support a strong sense of community.**
- FG-3 Maintain vibrant and stable residential neighborhoods and mixed-use development, with housing for diverse incomes, ages, and lifestyles.
- ✓ **FG-4 Promote a strong and diverse economy.**
- FG-5 Protect and preserve environmentally sensitive areas and reduce greenhouse gas emissions to ensure a healthy environment.
- ✓ **FG-6 Identify, protect and preserve the City’s historic resources, and enhance the identity of those areas and neighborhoods in which they exist.**
- FG-7 Encourage a sustainable community.
- FG-8 Maintain and enhance Kirkland’s strong physical, visual, and perceptual linkages to Lake Washington.
- FG-9 Provide safety and accessibility for those who use alternative modes of transportation within and between neighborhoods, public spaces, and business districts and to regional facilities.
- FG-10 Create a transportation system which allows the mobility of people and goods by providing a variety of transportation options.
- FG-11 Maintain existing park facilities, while seeking opportunities to expand and enhance the current range and quality of facilities.
- FG-12 Ensure public safety.
- ✓ **FG-13 Maintain existing adopted levels of service for important public facilities.**
- ✓ **FG-14 Plan for a fair share of regional growth, consistent with State and regional goals to minimize low-density sprawl and direct growth to urban areas.**
- ✓ **FG-15 Solve regional problems that affect Kirkland through regional coordination and partnerships.**
- FG-16 Promote active citizen involvement and outreach education in development decisions and planning for Kirkland’s future.
- ✓ **FG-17 Establish development regulations that are fair and predictable.**

VIII. ECONOMIC DEVELOPMENT

A. INTRODUCTION

A healthy economy plays an important role in ensuring that Kirkland remains a vibrant community for living and working. The purpose of the Economic Development Element is to establish the goals and policies for economic growth and vitality that will enhance the City's character and quality of life.

This element describes Kirkland's economic role locally and within the context of the Countywide and regional economy. This element also discusses the importance of business retention and recruitment, the types of businesses and jobs to be encouraged, and a summary of the strengths, weaknesses and strategies to address future economic needs of the community.

What is economic development?

Economic development can be defined as public and private initiatives that promote job creation and business retention and recruitment, increase goods and services to residents and businesses, and provide job training programs, all of which contribute to a strong tax base.

Key issues for the Economic Development Element are:

- ◆ How can Kirkland create a strategy that promotes and guides economic vitality, including local jobs and revenue for public services?
- ◆ How can the Kirkland economy become more diversified and what types of businesses should be encouraged to achieve this?
- ◆ How can all stakeholders in the community, including businesses, neighborhoods and government, find common ground to develop specific strategies and actions that achieve Kirkland's desired economic future?

EXISTING CONDITIONS

Kirkland was founded by Peter Kirk, an entrepreneur who envisioned Kirkland as the "Pittsburgh of the West." Instead, Kirkland commerce evolved from a ship building center in the 1940s to a suburb of Seattle throughout the 1960s and 1970s.

Today, Kirkland contains a balance of jobs and housing and is interrelated to other Eastside cities and the Puget Sound region. In 2000, Kirkland contained 22,100 housing units and 32,384 jobs. The median household income in 2000 was \$60,332, compared to \$53,157 throughout King County. It is estimated that Kirkland's average wage rate is slightly higher than King County's figure which, in 2002, was \$25,300 per worker per year¹.

The majority of Kirkland businesses are in the small to medium size range (50 or fewer employees). Of the 3,460 licensed businesses in 2003, the largest number were in (1) the service sector (i.e., personal services, contracting services), (2) professional offices, (3) retail, (4) medical/dental, (5) other, (6) wholesale trade, and (7) manufacturing. Kirkland's largest employers represent a broad range of business types including health care, government, groceries and housewares, and high technology. (Source: City of Kirkland Business Licenses Division.)

Kirkland is a desirable place to do business and has the infrastructure to support businesses. Kirkland is accessible from freeways, water and rail, and is close to major markets, high technology and medical clusters. The cost of doing business is competitive in Kirkland. A range of housing types exists in addition to quality schools, parks and health care facilities. Our beautiful waterfront setting and strong community support for recreation, cultural and arts activities also contribute to a positive business environment.

Economic data will be updated based on 2013 Community Profile

1. Economic data does not include the 2011 annexation of Finn Hill, North Juanita, and Kingsgate.

VIII. ECONOMIC DEVELOPMENT



Evergreen Health Care Center

FUTURE TARGETS, TRENDS AND CAPACITY

Kirkland is part of a regional, national and international economy. While we can work to attract and retain residents and businesses through policies that

promote economic development and a high quality of life, many economic trends are beyond the City's control. Regional and national trends show an increase in service, high-technology, communication, and information technology industries, with continued decline in traditional light industrial companies. Kirkland is consistent with this trend.

The King County Planning Policies have assigned Kirkland and other jurisdictions housing and growth targets. Kirkland is expected to grow in population from 45,054 in 2000, to 55,327 by the year 2022. In 2000, 32,384 people were employed in Kirkland. By the year 2022, Kirkland is targeted for an additional 8,800 jobs for a total employment of 41,184. Figure ED-1 below shows that the service industry will be the fastest growing sector in Kirkland. (See *2003 Kirkland Community Profile* for additional economic data.)

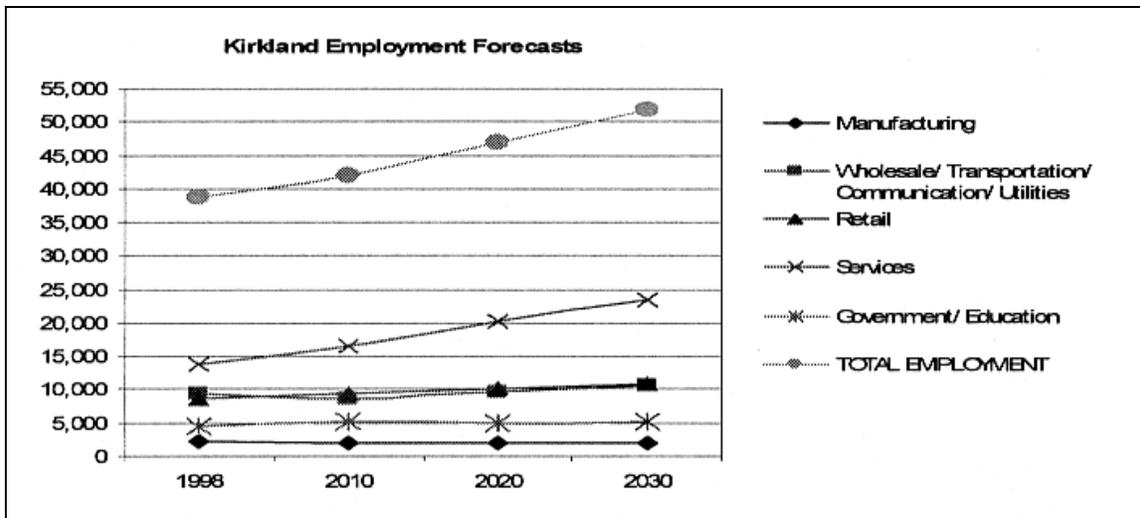


Figure ED-1: Kirkland Employment Forecasts

Source: 2003 Kirkland Community Profile

VIII. ECONOMIC DEVELOPMENT

Key trends that may have an impact on Kirkland and the regional economy are “globalization” of businesses, changes in demographics, and increased immigration. Businesses can now reach international customers and with the “freeing up” of trade agreements and advances in telecommunications, they can locate virtually anywhere. Consistent with our region, Kirkland’s workforce will continually change as the population ages and becomes more ethnically diverse.

RELATIONSHIP TO OTHER ELEMENTS

Other elements of the Comprehensive Plan contribute related goals and policies necessary for a vital local economy. The Land Use Element sets forth the development pattern for the City’s commercial areas and targets new employment growth primarily in the Totem Lake Urban Center and Downtown Activity Area. The Housing Element policies promote a sufficient range of housing options, including increasing the amount of “affordable housing” to support a diverse employment base. The Transportation Element supports an efficient circulation system that enables the mobility of people, goods, services, customers and employees to access Kirkland businesses. The Capital Facilities and Utilities Elements ensure that adequate public infrastructure and facilities such as public utilities, telecommunications, and roads are available to support the economic viability of businesses and private development.

B. ECONOMIC CONCEPT

#1

The following goals and policies provide the framework for a three-pronged strategy for the future of the Kirkland economy: the importance of diversifying our tax base, providing job opportunities, and providing goods and services to the community. The challenge will be to provide an economic climate that maintains a healthy economy for jobs and businesses without sacrificing the qualities that make Kirkland a desirable place to live.

To accomplish this, the Economic Development Element:

- ◆ Encourages economic growth while maintaining attractive residential neighborhoods and a healthy natural environment.
- ◆ Promotes a growing and diverse economy that has a variety of business sectors.
- ◆ Promotes a positive business climate so businesses will grow and enhance Kirkland’s role in the Eastside and Seattle Metropolitan economy.
- ◆ Supports strengthening our retail shopping areas, including specialty retail in the Downtown, destination retail in Totem Lake, providing local goods and services in our neighborhood commercial areas and encourages attractive commercial and mixed-use development.

C. ECONOMIC DEVELOPMENT GOALS AND POLICIES

A healthy economy is an integral part of Kirkland’s high quality of life and an important community value. Kirkland’s economy allows residents access to job opportunities, goods and services, and provides revenue sources that help to ensure needed public services. Economic development should not compromise residential neighborhoods or the natural environment. Balancing economic development with other community values is an overarching philosophy that should be taken into consideration as the following goals and policies are implemented.

VIII. ECONOMIC DEVELOPMENT

#2

Economic Development Goals:

Goal ED-1: Foster a strong and diverse economy consistent with community values, goals and policies.

Goal ED-2: Promote a positive business climate.

Goal ED-3: Strengthen the unique role and economic success of Kirkland's commercial areas.

Goal ED-4: Develop and implement economic development strategies that reflect the role of Kirkland businesses in the regional economy.

Goal ED-5: Provide the infrastructure and public facilities to support economic activity and growth.

Goal ED-6: Foster collaborative partnerships among community interest groups to achieve Kirkland's desired economic goals.

Goal ED-7: Recognize Kirkland's artistic, cultural, historic and recreational resources as important contributors to economic vitality.

Goal ED-1: Foster a strong and diverse economy consistent with community values, goals and policies.

Policy ED-1.1: Work to retain existing businesses and attract new businesses.

Business retention is a number one priority for Kirkland's economic development efforts. Existing businesses are the foundation of the Kirkland economy and are encouraged to thrive and expand. Businesses contribute to a stable tax base and are integral to the community as many business owners and employees are Kirkland residents. Existing businesses are the best source for business expansion and job growth, as 60 to 80 percent of all new jobs typically are created by existing businesses.

Attracting new businesses can help diversify the local economy and strengthen existing businesses. Business recruitment strategies differ for different commercial areas based upon market demand and the desired character of each district. Opportunities exist in several of our commercial areas for redevelopment

to strengthen or intensify commercial development. Ideally, in addition to strengthening retail areas, recruitment efforts should focus on businesses that provide higher paying jobs and draw customers from outside the community to purchase goods and services in Kirkland.



Juanita Village

Policy ED-1.2: Maintain a strong job and wage base.

Businesses that provide new employment opportunities and high wage rates are important to strengthening the economy. Higher than average wages are preferred to maximize the economic benefits to the community. Employment growth and wage rates are a measure of economic success and therefore should be monitored.

Policy ED-1.3: Encourage a broad range of businesses that provide goods and services to the community.

A healthy mix of businesses that provide goods and services for the everyday needs of Kirkland residents and businesses is important for a diverse economy. Businesses that bring customers from outside the City to purchase goods and services bring dollars into the local economy. In Kirkland, businesses in retail sales, service, automobile sales and service, health care, and wholesale distribution and manufacturing serve this purpose.

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Policy ED-1.4: Strengthen Kirkland’s tax base.

Business plays an important role in the City’s tax base. Taxes are a general purpose revenue source which are used to support basic government services such as public safety and parks maintenance. Sales tax is the largest contributor (25 percent) to the City’s revenue. Retail businesses are the largest generator of sales tax followed by contracting, wholesale, and service businesses. The amount of revenue generated by sales tax fluctuates from year to year due to changes in the economy, buying habits of consumers, and the level of construction taking place in the City.

From a geographic standpoint, in 2003, Totem Lake generated the largest retail sales of the City’s total sales tax receipts. Figure ED-2 below shows how all of the key commercial districts and other districts (Houghton, Juanita, and Bridle Trails) contribute to sales tax revenue. Note that the Unassigned Other and Contracting categories comprise the contracting sec-

tor, businesses with no physical location in Kirkland and unassigned small businesses in Kirkland. (Source: City of Kirkland Finance Department.)

In addition to the \$11.9 million (2003) in the General Fund, sales tax is a funding source for transportation-related capital projects (\$670,000 in 2003) and neighborhood capital projects (\$100,000 in 2003).

Operating government with sales tax as a major source of revenue accentuates the importance of having a strong retail sector. Therefore, it is in the community’s interest to encourage businesses that contribute to the City’s revenue base in order to help provide the needed public services to the community. Fluctuations in the retail sector can, however, have significant impact to the City’s primary revenue source and thus City services. Steps should be taken to provide economic balance by maintaining a diversity of retail and other businesses that generate sales tax.

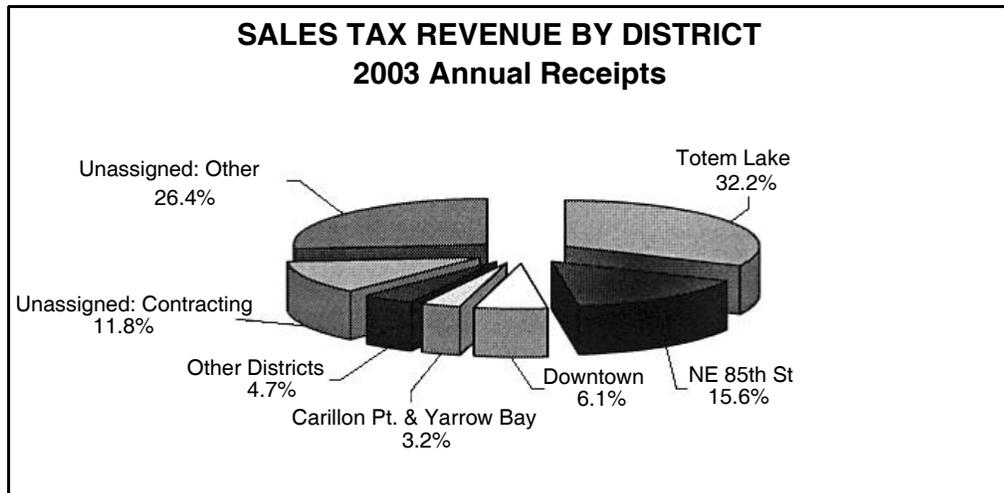


Figure ED-2: Sales Tax Revenue By District
Source: City of Kirkland Finance Department

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Businesses also make a significant contribution to the City's property tax base.

With the above in mind, economic strategies in Kirkland should strive to achieve:

- ◆ A net importation of sales tax (reduce sales leakage to other jurisdictions), and
- ◆ A diversity of business sectors that contribute both jobs and revenue, such as high-technology; start-up companies; wholesale; manufacturing; contracting; and businesses involved in the emerging arts, tourism and recreation.

The mix of businesses in the community should be monitored so that business recruitment efforts can adjust to maintaining a diverse tax base.

Policy ED-1.5: Encourage clusters of complementary businesses.

Industry clusters are geographic concentrations of mutually supportive businesses. In 2003, the prominent business clusters were in the areas of automobile sales and services, art galleries, health care, restaurants, high technology, and furniture sales. Encouraging clustering of complementary businesses helps diversify our local economy. Businesses can foster a competitive economic advantage by locating near each other to draw consumers, to be near the wholesale distributor or to attract employees. For example, many businesses and professional services involved in the medical field locate near Evergreen Medical Center. In Downtown Kirkland, restaurants, galleries, shops, hotels and performing arts organizations work together to promote the area as a destination. Economic development efforts should strive to develop new business clusters and identify ways to strengthen existing clusters, both locally and within the region.

Policy ED-1.6: Strive to maintain a balance of jobs and housing.

Job growth should be accompanied by growth in housing opportunities for workers filling those new jobs. When a significant percentage of the population

can both work and live in Kirkland, economic vitality, quality of life and civic involvement are enhanced and transportation problems are mitigated. In 2000, Kirkland's ratio of jobs to housing was approximately 1.5 (similar to the region as a whole). As growth occurs, Kirkland should strive to maintain this balance. As discussed in the Housing Element and the Affordable Housing Strategy, Kirkland should also seek to encourage a variety of housing types including housing that is affordable to a range of income levels.

Policy ED-1.7: Promote Kirkland as a visitor destination.

#3

Tourism is another economic development tool to help diversify the economy. Visitors from outside the community spend money in local shops, restaurants, stay in hotels, and attend performing arts events. Tourism also creates jobs. Tourism promotion also benefits residents by providing increased amenities, community events and shopping opportunities.

Kirkland's tourism marketing focus is on promoting Kirkland as a cultural arts, eco-tourism and recreation destination. The targeted audiences for tourism promotion are visiting friends and relatives of residents, and business travelers. Kirkland is a unique destination on the Eastside and region because of its beautiful setting, pedestrian-oriented Downtown, art galleries, restaurants, performing arts facilities, retail shops, and parks. The Totem Lake and Juanita areas offer visitors nature and recreational experiences, lodging in close proximity to I-405, and the nearby attractions of Woodinville wineries, breweries, and other East King County destinations.

Policy ED-1.8: Support home-based businesses that are compatible with neighborhood character.

Home-based businesses continue to be a growing trend as telecommunication infrastructure and computers have increased opportunities to allow for integration of home and work. Many of Kirkland's small businesses began as home-based businesses and now are a source for new jobs. Home-based businesses can also reduce commuter traffic and increase security for neighborhoods while other residents are away at work.

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Development standards should be maintained to minimize impacts of home-based businesses on residential neighborhoods by limiting the types of activities that are not complementary to residential areas, such as the number of signs; number of employees; parking; truck deliveries and noise, light, outdoor storage, odors and construction activity. Some businesses by their nature are not compatible with residential neighborhoods and, therefore, should be located in commercial or industrial areas.

Goal ED-2: Promote a positive business climate.

Policy ED-2.1: Recognize that businesses are a valued part of the community.

Businesses play important roles in our community. They contribute a high percentage of public revenue to enable government to provide public services, facilities and community amenities. Our commercial areas contribute to the distinctive character of our City and neighborhoods and provide valuable goods and services to our residents. Kirkland strives to provide a positive business climate by nurturing business success through business retention programs, and values business interests in both community discussions and in making policy decisions.

Kirkland is committed to providing excellent customer service to all sectors of the community. Business customer service needs are distinct from those of other customers and can be a factor in whether or not a business chooses to stay or locate in Kirkland. The City should continue to assess customer service and provide open communication to ensure business needs are being met.

Policy ED-2.2: Create and maintain a tax and regulatory environment that is reasonable, responsive and timely.

A business climate that combines a fair and competitive tax environment with a positive regulatory environment contributes to business success. Kirkland has favorable tax rates and user fees compared with other cities in the region. The City should proactively work

with businesses and neighborhoods to improve the business climate in our community for everyone's benefit. Businesses are encouraged to work with the City and neighborhood organizations to identify and make recommendations for changes to regulations and improvements to permit processes. Having clear and reasonably fast permit processes in government also contributes to a positive business climate. The City should remove unnecessary barriers to economic development and provide a regulatory environment that allows for flexibility without sacrificing community standards. Improvements to permit processes should be continually made so that permits are handled in a reasonable, responsive and timely manner.

Policy ED-2.3: Foster a culture of creativity and innovation.

A business climate that supports the entrepreneurial, creative and innovative spirit of business owners ensures a healthy economic future for Kirkland. Kirkland is unique as a center for such creativity and innovation. It is strong in arts, culture, and amenities for both residents and visitors to enjoy. Kirkland attracts living wage employers, strives to provide the highest quality technology infrastructure, and supports emerging trends in industry sectors such as staggered work times and use of shared business facilities.

Policy ED-2.4: Consider the economic effects on businesses and the economic benefit to the community when making land use decisions.

Land use regulations, and the decisions made in the implementation of these regulations, can impact the business community. The City should periodically review its regulations and, where appropriate, modify those which unreasonably restrict opportunities for economic development. At the same time, economic development should conform to the goals, policies and development standards established by the Comprehensive Plan and City codes. It will be necessary to work closely with the Chamber of Commerce and other business organizations to ensure potential economic impacts of regulations are identified and considered to meet the intent of this policy.

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When considering commercial land use decisions, City decision makers should carefully evaluate the short- and long-term economic benefits to the community in addition to social, environmental and aesthetic concerns. Economic factors to consider may include such things as the number and type of new jobs created, the types of goods or services provided, and fiscal benefits that businesses will contribute to the community.

Policy ED-2.5: Support the provision of educational and training opportunities to maintain a skilled work force.

A vital economy relies on maintaining educational and job-training programs that keep up with business trends. In the future, a factor for business success will be workers' ability to keep up with accelerating changes in the work place, especially in the areas of technology. Kirkland is fortunate to have a high-quality K – 12 public school system, a university, a community college and other community education programs. Local, State and federal educational and job training programs are available. Partnerships between educational institutions and the business community, with the City's support, should continue.

Policy ED-2.6: Establish or support incentives to encourage economic development.

Providing incentives as a way to attract and retain quality businesses or create new jobs may be necessary to create a positive business environment. Washington State statutes strictly limit the types of incentives that cities may use to attract or retain private business.

Types of incentives that could be explored are:

- ◆ Public/private development agreements for construction projects;
- ◆ Recruitment strategies that will result in new jobs;
- ◆ Tax deferrals or credits to certain industries;
- ◆ County-sponsored industrial revenue bonds;

- ◆ Participating in County, State or federally sponsored low interest loans or grants;
- ◆ Installing infrastructure improvements;
- ◆ Use of special taxing districts;
- ◆ Expediting permitting and regulatory incentives.

Goal ED-3: Strengthen the unique role and economic success of Kirkland's commercial areas.

#4

Policy ED-3.1: Promote economic success within Kirkland's commercial areas.

The Land Use Element sets forth the general land use development pattern for Kirkland's commercial areas. Consistent with each Neighborhood Plan there will be opportunities to strengthen commercial areas in the types of businesses provided and redevelopment opportunities. Following is a summary of the role of each commercial area.

- ◆ Totem Lake's role is an Urban Center that serves as a community and regional center for destination retailing, health care, automobile sales, high technology, light industrial, professional offices and housing.
- ◆ Downtown's role is an Activity Area that serves as a community and regional center for professional and government services, specialty retail, tourism, arts and entertainment, neighborhood services and housing.
- ◆ The Yarrow Bay and Carillon Point Business Districts provide corporate headquarters, professional offices, professional services, restaurants and housing.
- ◆ The Rose Hill Business District along NE 85th Street provides regional and neighborhood services in general retail, automobile sales, high technology, small office parks and housing.

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- ◆ The North Rose Hill Business District provides both regional and neighborhood services, retail stores and housing.
- ◆ The Market, Juanita, Houghton and Bridle Trails Neighborhood Centers provide neighborhood retail stores, professional services, recreation and housing.
- ◆ The Everest and Norkirk Industrial Areas provide opportunities for small businesses in light industrial, manufacturing, wholesale, office and high technology. Within the Norkirk Industrial Area, environmentally sustainable technology and clean energy commerce is encouraged.
- ◆ The Residential Markets along Lake Washington Boulevard provide convenience commercial goods and services.

Policy ED-3.2: Encourage businesses to develop and operate in a manner that enhances the character of the community, minimizes impacts on surrounding development, and respects the natural environment.

As members of the community, businesses should be corporate stewards of the environment as well as good neighbors to adjacent less intensive uses. In some instances, economic activities may create impacts on surrounding development because of the way the business functions or building location and site design. Impacts may include open storage, large structures, poorly maintained grounds, parking lots, signs, exterior lighting, noise, air or water pollution, and pedestrian or vehicular traffic and may be especially noticeable along transition areas of commercial areas.

These adverse visual or other impacts created by economic activities should be minimized through development standards that maintain the character of adjacent development. Development standards should ensure that outdoor storage areas, parking lots, and structures are adequately buffered with landscaping or some other appropriate means, and that on-site debris and waste are removed. Landscaping, both within and around the edges of development, can

serve to provide visual screening and separation, as well as help to decrease surface runoff. Additional standards may include noise limitations, appropriate setbacks, open space requirements and building design guidelines. Even with efforts taken by businesses to reduce impacts, residential uses located along commercial area boundary edges may continue to experience some level of unavoidable impact.

Policy ED-3.3: Encourage infill and redevelopment of existing commercial areas consistent with the role of each commercial area.

#4

Kirkland's commercial areas have the potential for increasing economic activity by infilling underutilized land or redeveloping without expanding district boundaries. Consistent with the Land Use Element and Neighborhood Plans, commercial areas are encouraged to be intensified where it will result in superior redevelopment. Expansion of commercial area boundaries should be discouraged and considered only when adequate transitional uses or buffer issues can be resolved to reduce potential adverse impacts. To maintain the land use capacity to support the local economy, it will be necessary to encourage full utilization of planned development potential within employment centers, monitor commercial development activity, and maintain efficient infrastructure systems.

Policy ED-3.4: Establish development standards that promote attractive commercial areas and reflect the distinctive role of each area.

Businesses with attractive site and building design, landscaping, and signs that blend in with the context of the neighborhood or commercial area show pride in ownership and contribute to the economic success of the commercial area. Commercial area revitalization programs are encouraged. Gateway or unique signage, attractive public spaces, decorative pedestrian lighting and other urban design improvements help promote economic development by creating an inviting environment. Depending on the commercial area, specific design standards tailored to the unique characteristics and natural features of the neighborhood, may be appropriate. Public and private sector invest-

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ment and commercial development that adheres to development standards will ensure that Kirkland's positive civic image and character will be maintained.



Downtown Kirkland

Policy ED-3.5: Encourage mixed-use development within commercial areas.

A mix of uses improves the vitality of commercial areas. Mixed-use residential and commercial development provides the opportunity for residents to live, shop and work in commercial areas. Mixed-use development encourages one-stop shopping when a variety of businesses are located in close proximity to each other and shared parking is provided. Mixed-use development, when combined with multi-story structures, promotes a more compact and sustainable land use pattern and encourages walking and transit use to reduce dependence on automobiles.

#5

Goal ED-4: Develop and implement economic development strategies that reflect the role of Kirkland businesses in the regional economy.

Policy ED-4.1: Enhance the competitive advantage of Kirkland businesses.

The City and business organizations should take a proactive role in the region to promote Kirkland as a place to do business. To stay competitive, Kirkland should be aware of and respond to international, national and regional trends, continue to provide excellent government customer service and a positive business climate,

and provide sufficient public infrastructure to support economic development opportunities.

Policy ED-4.2: Collaborate with other cities and agencies to enhance economic growth on the Eastside and region.

Economic activities are not defined by political boundaries. Kirkland's economy is interrelated with other cities on the Eastside and King County and, therefore, it is important to cooperate with other cities and the region toward a common regional economic strategy.

Goal ED-5: Provide the infrastructure and public facilities to support economic activity and growth.

Policy ED-5.1: Build and maintain infrastructure systems for utilities, transportation and telecommunications to optimize service delivery to the business community.

Providing superior utilities, transportation and telecommunications networks to the community supports business growth and maintains Kirkland's competitive advantage to attract and maintain jobs. Emphasis should be on providing telecommunication and transportation infrastructure in higher density mixed-use employment and housing centers such as in the Totem Lake, Downtown and Rose Hill commercial areas.

Funding for infrastructure improvements comes from a combination of private and public sources. The City allocates public funds through capital improvement programs for transportation, sewer and water service and surface water management facilities. The private sector installs needed improvements with new development. The City should explore and encourage innovative and entrepreneurial efforts to provide technology infrastructure and communication services by forming public/private partnerships to facilitate or leverage funds for infrastructure improvements that will increase economic opportunities. The City, through the Capital Facilities and Utilities Elements, should continually assess our capacity and infrastruc-

VIII. ECONOMIC DEVELOPMENT

ture needs as they relate to the needs of the business community, especially in the area of advanced-technology infrastructure.

Policy ED-5.2: Create strong circulation linkages to and within commercial areas.

Improving circulation within commercial areas and connecting neighborhoods to commercial areas, with both motorized and nonmotorized options, make it easier for customers to access businesses. In some cases, this may require new street connections to break up large blocks or improve circulation. As the City becomes more developed, pedestrian improvements should be encouraged to reduce vehicle congestion. Standards should be in place to minimize the impacts generated by economic activities on pedestrian and vehicular traffic. For example, the location and number of access points should be controlled, and, where necessary, on- or off-site improvements should be made to ensure the safe passage of pedestrians and vehicles.

Policy ED-5.3: Support regional infrastructure initiatives that will enhance economic development opportunities.

Kirkland participates in regional partnerships to install transportation and telecommunications infrastructure. Partnering regionally keeps Kirkland competitive with other cities from an economic development standpoint, and preserves financial resources for other infrastructure improvements. Partnerships should continue between the City and other public/private organizations or agencies to support regional infrastructure.

Goal ED-6: Foster collaborative partnerships among community interest groups to achieve desired economic goals.

Policy ED-6.1: Actively work with business organizations and community stakeholders to ensure a prosperous Kirkland economy.

The City should actively work together with organizations such as Kirkland Downtown on the Lake,

Greater Kirkland Chamber of Commerce, Seattle King County Economic Development Council and other organizations to implement business retention, recruitment, tourism promotion and other strategies. Each of these groups plays a role in promoting Kirkland as a place to do business. As representatives on various task forces, they can provide a business perspective and assist in policy development. Formation of business associations or community working groups within each commercial area is encouraged to help develop and implement neighborhood plans, urban design projects, economic development strategies and promotional programs.

Policy ED-6.2: Support a partnership of diverse community representatives to develop and implement economic development strategies.

To achieve Kirkland's desired economic future and implement the goals and policies of this element, the City should support a partnership of representatives from residential, neighborhood, business, government, education and faith-based organizations. The partnership's role should be one of advocate on behalf of economic development activities. The partnership should focus on community education around the linkage between a strong economy and needed City services, and improving communication between residential and business organizations to resolve potential conflicts between business and other community interests.

Goal ED-7: Recognize Kirkland's artistic, cultural, historic and recreational resources as important contributors to economic vitality.

Policy ED-7.1: Support businesses and organizations involved in the arts, historic preservation and civic activities.

Businesses and organizations involved in the fine arts, cultural and performing arts, and historic preservation play an important role in diversifying Kirkland's economy, attracting visitors and businesses, and enhancing our distinctive character. Kirkland's hotels, restaurants, shops, galleries, entertainment and performing arts complement each other to create a vi-

VIII. ECONOMIC DEVELOPMENT

brant destination for both visitors and residents, producing economic returns to the community. Kirkland is one of the older communities on the Eastside and contains buildings and places of historical significance. An assessment of the economic benefits of Kirkland's art, cultural, historic and recreational resources should be undertaken.

Draft Vision Statement

Kirkland is one of the most livable cities in America. We are a vibrant, attractive, green and welcoming place to live, work and play. Civic engagement, innovation and diversity are highly valued. We are respectful, fair, and inclusive. We honor our rich heritage while embracing the future. Safe, walkable, bikeable and friendly neighborhoods are connected to each other and to thriving mixed use activity centers, schools, parks and our scenic waterfront. Convenient transit service provides a viable alternative to driving. Diverse and affordable housing is available throughout the city. Kirkland strives to be a model, sustainable city that values preserving and enhancing our natural environment for our enjoyment and future generations.

Draft Guiding Principles (to replace Framework Goals)

I. **Livable**

Quality of life: *safe and well-maintained neighborhoods with convenient access to parks, recreational facilities, the waterfront, community gathering places, excellent schools, and nearby services.*

Diverse and Affordable: *neighborhoods containing homes and businesses for a variety of incomes, ages and life styles.*

Community Design: *High quality and attractive architectural design and landscaping, and preservation of historic buildings and sites.*

II. **Sustainable**

Ecological: *natural systems and built structures that protect and enhance habitats, create a healthy environment, address climate change and promote energy efficiency.*

Economic: *a vibrant economy offering choices in living wage jobs, businesses, services and entertainment throughout the community.*

Social: *health and human services that fulfill the basic needs of all people without regard to income, age, race, gender or ability.*

III. **Connected**

Sense of Community: *community involvement in government, schools, civic events and volunteer activities creating a sense of belonging through shared values.*

Accessible: *safe, well maintained and extensive systems of roads, bicycle routes, pedestrian paths, and transit corridors for all users that interconnect neighborhoods and connect to the region.*

Technology: *reliable, efficient and complete systems for residents and businesses to be connected, informed and involved.*

KIRKLAND BUSINESS ROUNDTABLE

Panel Discussion and Instant Polling
Exercise: Economic Development Element
of the City's Comprehensive Plan

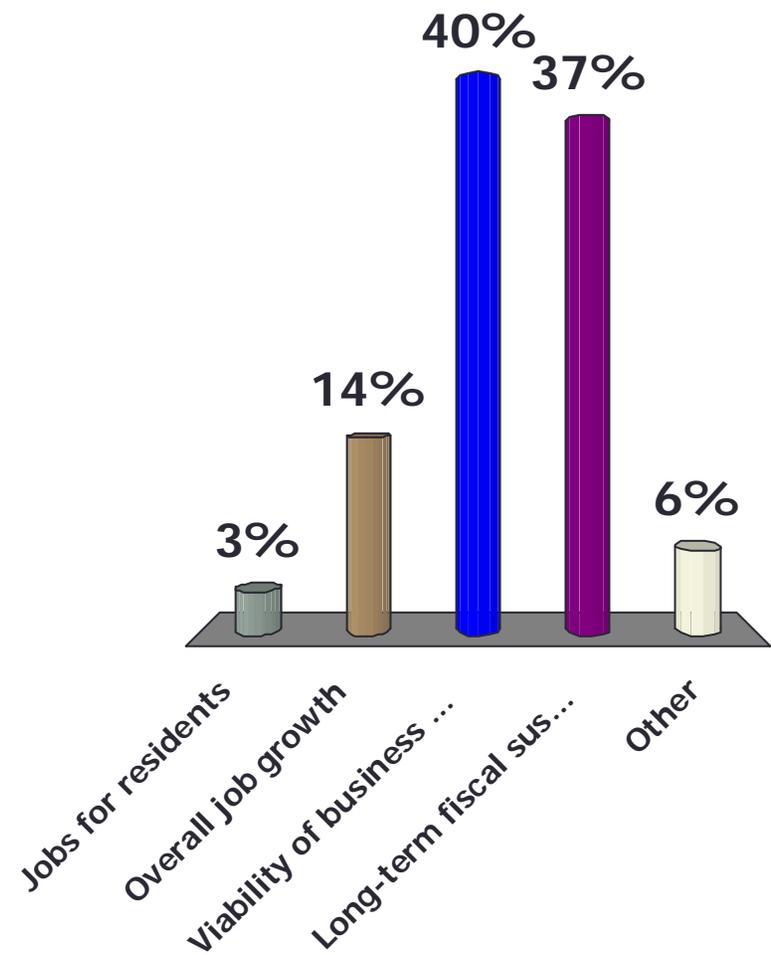


City's role in Economic Development

- Provide jobs for residents
- Provide overall job growth
- Ensure the viability of business districts
- Ensure the long-term fiscal sustainability of City services

Q1: Most important role in Economic Development

- A. Jobs for residents
- B. Overall job growth
- C. Viability of business districts
- D. Long-term fiscal sustainability
- E. Other



Current Economic Development Goals & Policies

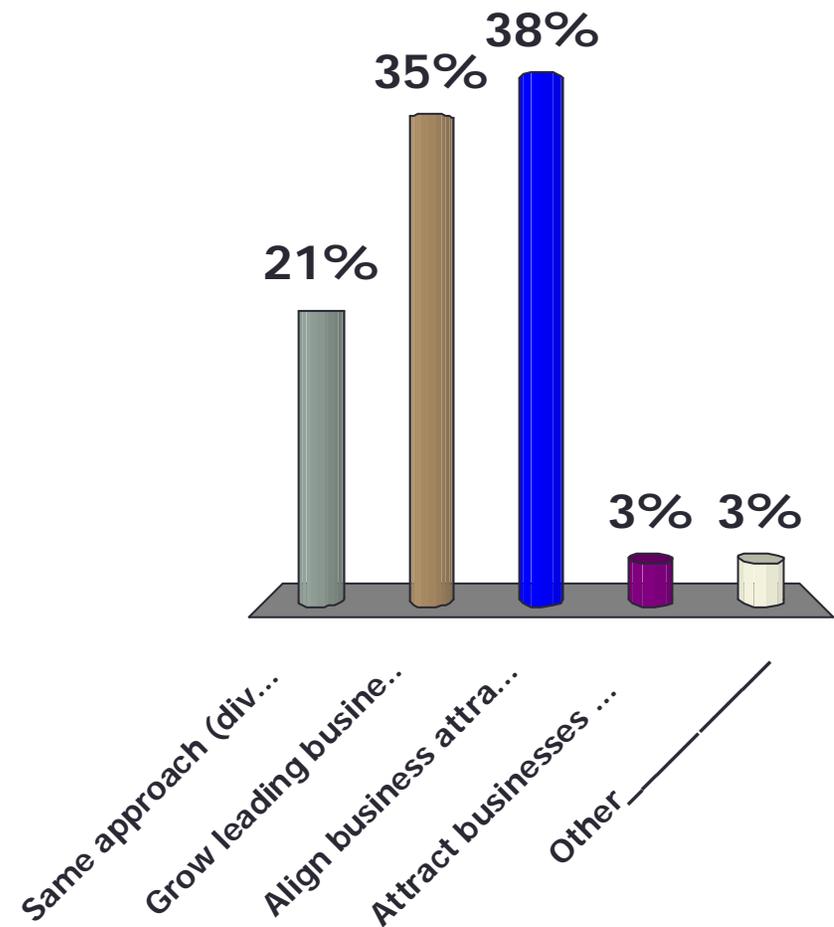
- **Goal ED-1: Foster a strong and diverse economy consistent with community values, goals and policies.**
 - Businesses retention and recruitment
 - High wage jobs
 - A diversity of businesses that provide goods and services
 - Strengthen the tax base (diversity of sales tax generators)
 - Businesses that import sales tax; high technology and startup companies, wholesale, manufacturing, contracting, arts, tourism and recreation
 - Clusters of complementary businesses
 - Balance of jobs and housing
 - Home based businesses

What should the City's approach be?

- Continue to focus on a diverse economy
- Grow our leading business clusters (professional services, software development, and auto retail)
- Align business attraction with regional business clusters (such as software development, aerospace, medical device technology)
- Focus on attracting businesses whose salaries align with the local cost of housing
- Other ideas?

Q2: Maintaining a diverse economy or try something new?

- A. Same approach (diverse economy focus)
- B. Grow leading business clusters
- C. Align business attraction with emerging regional business clusters
- D. Attract businesses whose salaries align with housing cost
- E. Other _____



Local & Regional Partnerships

- **Goal ED-6: Foster collaborative partnerships among community interest groups to achieve Kirkland's desired economic goals**
 - Collaborate with business organizations and community stakeholder to ensure a prosperous economy
 - Partnerships of diverse community representatives to develop and implement economic development strategies



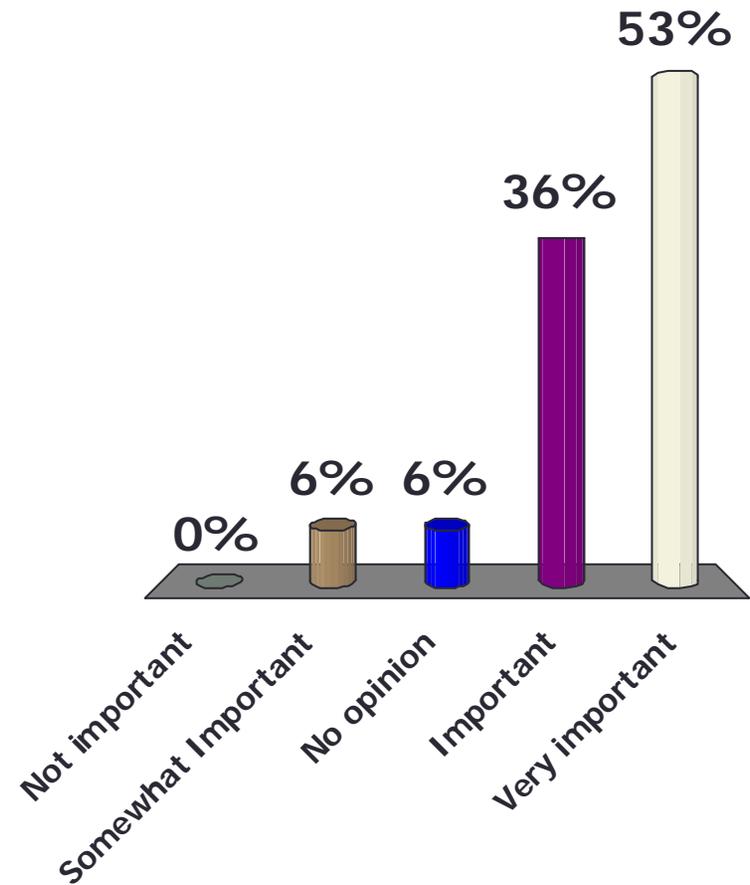
Understanding that many residents commute to jobs outside of Kirkland and many local businesses and non-residents rely on a reasonable commute to jobs inside Kirkland....

How important is it for Kirkland to adopt a more aggressive Eastside approach to economic development, especially in the area of employee transportation mobility?

- Not important
- Somewhat Important
- No opinion
- Important
- Very important

Q3: Transportation: More aggressive Eastside approach

- A. Not important
- B. Somewhat Important
- C. No opinion
- D. Important
- E. Very important



Education & Training Facilities

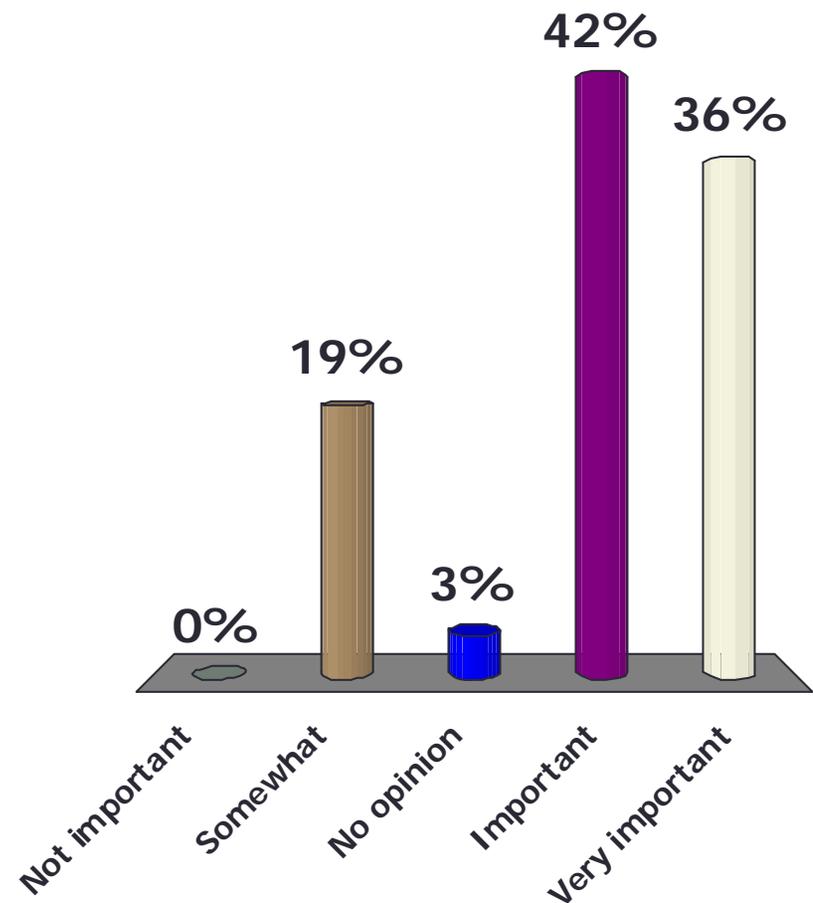
- **Recognizing that many jobs require a science, technology, engineering and math (STEM) skill base and in the Information Technology (I.T.) and manufacturing sectors, higher education in engineering and related skills...**

How important is it for Kirkland's economic development policy to take a stronger role in advocating for education and training facilities on the Eastside to meet current and future workforce needs?

- **Not important**
- **Somewhat important**
- **No opinion**
- **Important**
- **Very important**

Q4: Advocacy: Education & Training Facilities

- A. Not important
- B. Somewhat
- C. No opinion
- D. Important
- E. Very important

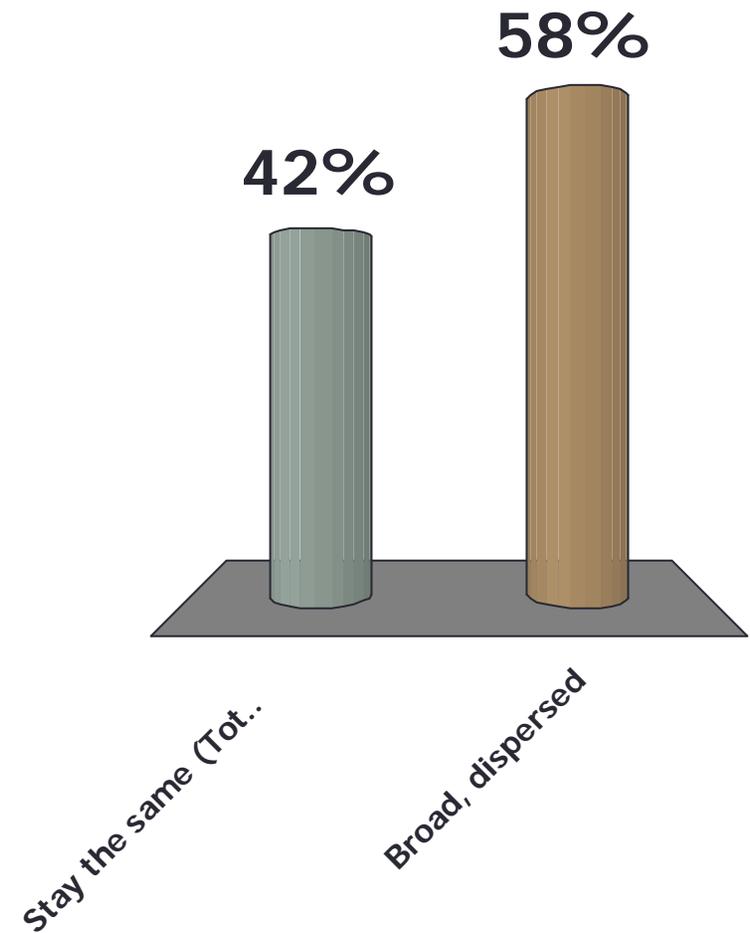


Employment Density

- **Current Comprehensive Plan policy has major employment density focused on Totem Lake and Parkplace. Should the City....**
 - Maintain current policy
 - Adopt a broader, more dispersed approach to business development and employment to major neighborhood districts

Q5: Employment Density

- A. Stay the same
(Totem Lake -
Parkplace)
- B. Broad, dispersed



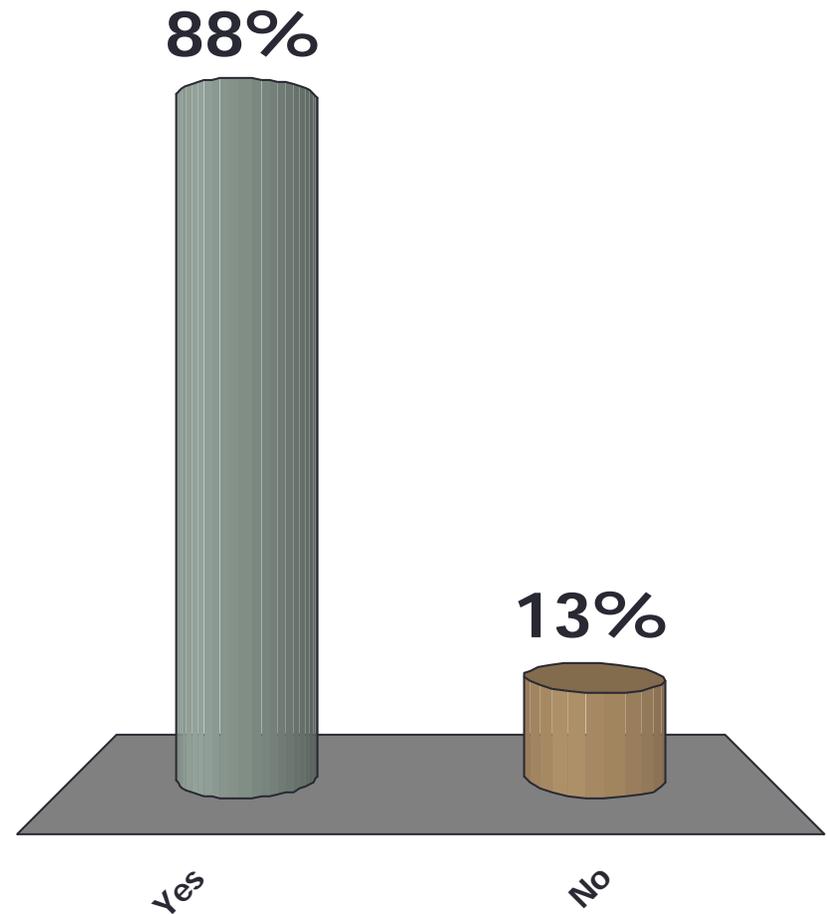
Investments/Business Attraction

- **Recognizing that to attract jobs, the City may need to make major investments; especially in the case of PARMAC. Should Kirkland's economic development policy focus on capital improvements to build infrastructure and amenities?**
 - **Yes**
 - **No**

Q6: Investments/Business Attraction

A. Yes

B. No



Positive Business Climate

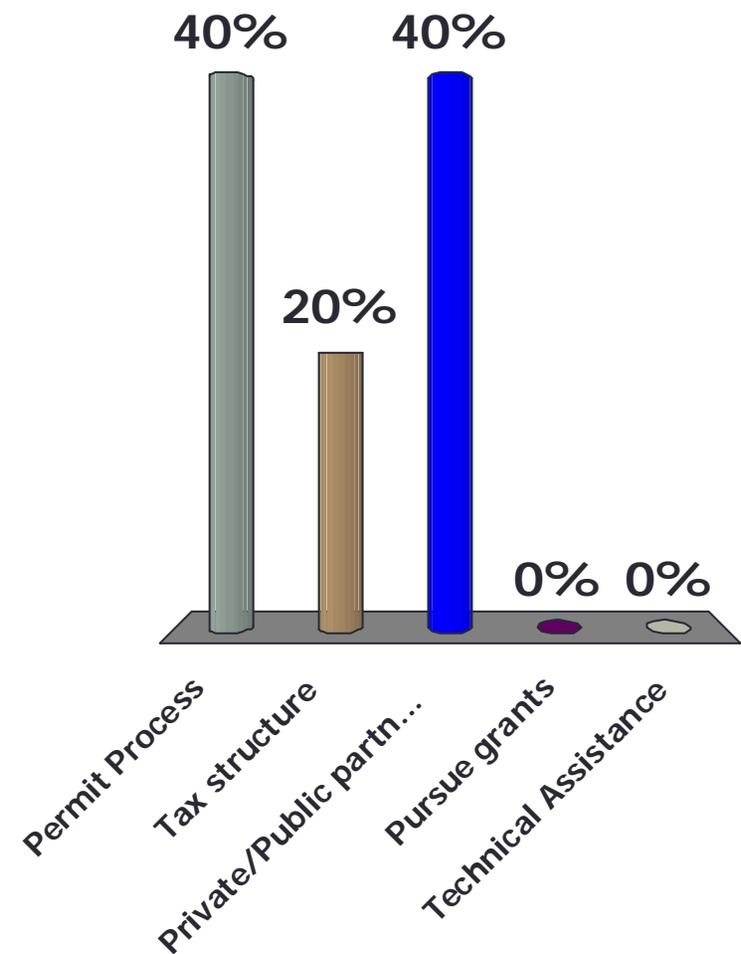
- **Currently, the Economic Development Policy (ED-2.6), identifies tools that should be used to provide a positive business climate. By rank, choose which tools are most important**

Most Important Tools Positive Business Climate

- Permit process that provides certainty and speed for new and expanding business
- Tax structure aligned with the major business clusters that Kirkland wants to sustain and attract
- Public/Private partnerships and other means of investing public money as opportunities arise
- Aggressive pursuit of grants
- Technical assistance to small and start-up businesses

Q7: Most Important for Positive Business Climate

- A. Permit Process
- B. Tax structure
- C. Private/Public partnerships
- D. Pursue grants
- E. Technical Assistance



THANK YOU

Kirkland Chamber of Commerce Policy Committee
Discussion of the Economic Development Element Update

February 3, 2014

At the February 3, 2014 Policy Committee city staff Ellen Miller Wolfe, Economic Development Manager and Janice Coogan, Senior Planner provided a summary of the current Economic Development Element in the Comprehensive Plan and implementation activities the City has completed or ongoing since the last major update in 2004. Below are the Committee's comments to the questions.

1. *What do you see as the City's primary role in economic development?*

- a. *Provide opportunities for jobs for residents*
- b. *Provide overall job growth*
- c. *Ensure the viability of business districts*
- d. *Ensure the long term fiscal sustainability of City services*
- e. *Other*

Comments:

- Several of the members expressed the opinions that the City's role is to c. ensure the viability of business districts and d. the long term fiscal sustainability of City services.
- One member said that the City needs to reduce spending and sacrifice services just as residents and businesses do; and should not rely on permanent levies.
- Several members said that to gain the most efficient returns the City should:
 - Advertise the services that the business retention specialist Duncan Milloy provides to the business community. Many people don't know he is available and what he does. One asked whether Duncan might attend a policy meeting to provide an update on the types of businesses he helps.
 - Support and coordinate job training efforts between schools, LWTC, and businesses
 - Invest in kids in early education programs
 - Foster innovation
 - Provide alternative modes of transportation like zip bikes
 - Improve pedestrian connections and signs between Downtown and Rose Hill
 - Show support for business community by creating a good climate for business success, help businesses grow, discourage a head tax

2. What do you see as the Chamber of Commerce's role in economic development?

Comments:

- The Chamber will discuss at their retreat
- Facilitate discussions between Chamber and City
- Advocate for businesses at the City, State and National level
- Be a communication resource both internally and externally for the business community
- Network between the Chamber and businesses
- Chamber could take a more active role to provide support to new businesses looking to locate in Downtown e.g. help with business plans

3. Current Economic Element goals and policies focus on maintaining a diverse economy (ED-1). What should be the City's approach?

- a. Continue to focus on diverse economy
- b. Grow our leading business clusters (professional services, software development, and auto retail)
- c. Align business attraction with regional business clusters (such as software development, aerospace, medical device technology)
- d. Focus on attracting businesses whose salaries align with the local cost of housing

Comments:

- Continue focus on a diverse economy
 - Allow services above the ground floor
 - Focus on issues about the mix of businesses primarily in downtown
 - How important is retail on the ground floor?
4. *Did not have time to discuss*- Current Economic Development Element encourages local and regional partnerships (ED-6). Understanding that many residents commute to jobs outside of Kirkland and many local businesses and nonresidents rely on a reasonable commute to jobs inside Kirkland. ..
- How important is it for the City to adopt a more aggressive Eastside approach to economic development, especially in the area of employee transportation mobility?*
- a. Not important
 - b. Important
 - c. Very important
 - d. No opinion

5. *Did not have time to discuss*- Recognizing that many jobs of the future require a science, technology, engineering and math (STEM) skill base...
How important is it for the City's economic development policy to take a stronger role in advocating for education and training facilities on the Eastside to meet current and future workforce needs?

- a. *Not important*
- b. *Important*
- c. *Very important*
- d. *No opinion*

6. **Current Comprehensive Plan policy has major employment density and growth focused on Totem Lake and Parkplace. *Should the City...***

- a. *Maintain this policy*
- b. *Adopt a more dispersed approach to business development and employment to major neighborhood business districts*
- c. *Other*

Comments:

- Main focus of growth should continue to be Totem Lake and Parkplace
 - Add more density to other business districts
 - One member recommended rebranding Totem Lake
 - One member recommended to provide more flexibility in zoning in light industrial areas to allow for innovative companies and to be ready as change occurs
7. *Did not have time to discuss*- Recognizing that to attract jobs, the City may need to make major investments in infrastructure and amenities (especially in the case of PARMAC)
What infrastructure improvements or amenities should the City provide that will attract jobs?
8. *Did not have time to discuss*- Regarding the Cross Kirkland Corridor, to what extent does the change from heavy rail corridor to pedestrian and bike corridor change the way you think about the highest and best use of adjoining industrial lands?
9. *Did not have time to discuss*- Currently the Economic Development Element identifies tools that should be used to provide a positive business climate (ED-2.6).
Which tools are most important?
- a. *A permit process that provides certainty and speed for new and expanding business*
 - b. *A tax-structure aligned with the major business clusters that Kirkland wants to sustain and attract*

- c. Public/Private partnerships and other means of investing public money as opportunities arise*
- d. Aggressive pursuit of grants*
- e. Technical assistance to small and start-up business*

Next Steps-Opportunities

- Chamber policy committee will meet again to discuss potential changes to see to the element and provide feedback to City staff by 1st of March 2014
- Have Duncan Milloy, Business Retention Consultant, attend an upcoming meeting to provide an overview of assistance he provides to businesses
- The committee suggested staff look at other nearby cities to compare the Economic Elements, programs and strategies
- Staff will report back with a copy of the draft vision statement, number of business licenses and home occupations, a copy of the revised Community Profile

Minutes - Public Policy Committee
 Kirkland Chamber of Commerce
 Monday Feb. 24, 2014

Attendance – Doug Davis, Patti Smith, Todd Woosley, Jeff Cole, Penny Sweet, Mike Nykreim, Brenda Nunes and Walt Krueger.

2035 Planning – The City is seeking grass roots input from the business community on the Economic Element. This document will be finalized in 2015.

1. More parking in downtown Kirkland. Doug Davis advocates rather than tear down Parkplace move it to the park and then rebuild baseball field where Parkplace is located. Doug has spoken to a lot of people about it including Lee Johnson family who are not against it. The baseball field is the most under-utilized park in the system and most expensive to maintain. With the densities of people in Google and Carillon we may have the density to justify a people mover. Brenda in favor of innovative parking and Patti too. Support a swap if the private wants to do it.
2. Put a huge parking lot at Parmac. 405 Plan calls for 4,000 parking spaces for park and ride.
3. Kirkland is at a crossroads to make 100 year decisions. Create a place to attract retail economic vibrancy. We are the only city that can be turned to the water. City should look at zoning to get businesses to make that turn. Many advocate for a park all the way from the water to 6th street with high density on both sides. Zoning would need to be changed. We are zoned for 8 stories at Park Place and that is the highest the City is willing to go. Retail success is directly proportional to adequate parking. Structural challenge in that there is no money in the Lake – needs to be a regional destination. Parking is paramount. Public – private partnership possibly. Need to look at the zoning for the antique mall to increase the height. Mike was on parking community and after six months he recommended that it be disbanded. Flexible parking standards could allow parking stands with 5 additional feet for stacked parking. Recommend to the City innovative parking standards or technologies that help increase parking capacity. Mike asked, “Has the city looked at the transit mitigation fees for transit? Sales tax, excise tax, b&o tax, property tax need to be taking into consideration before impact fees are considered by the City.”
4. Downtown retail – what will it look like? Restaurants have to turn and we are at capacity for the first load and the second cannot find parking. With another hotel downtown Kenmore Air could deliver passengers. We can support more restaurants. Retail is down with Amazon. Places to go – wifi, wine bar, and sales taxes continue to decline. Crush wants to be here and figure out how to be successful. Businesses are trying to work together to make it happen. The new

- places are experiential. Possibly a covered walkway for winter weather. We don't want to compete with Bellevue. We could have smaller wine shops. Bring back some galleries. More of an entertainment and experiential destination. Art, acting, music, recitals, etc. Cleanup costs for gas station at corner need to be figured out before any construction there.
5. It does not work to put limits of the kinds of businesses that can exist – you should not legislate how many nail salons and restaurants you can have. If you try to legislate to a use, it will not work. Work on the parking and access to bring people to the business area and the rest can happen. Retail is changing and no one knows what the business community will look like. The city is trying to protect community standards but that contradicts a free market economy. It is about flexibility and the council is currently more flexible.
 6. Is it time to talk about Lake and Central? Half yes and half no. A lot of building purchasers bought at cap rates too low and so the rents are not affordable. You will need to permit higher buildings to help reduce the rents. Is Totem Lake an affordable retail center? If retail's face is changing, and more internet sales, then what would Totem Lake look like? Hire Jim Hebert to find out what the market would be. Two story retail does not work.
 7. Totem Lake in the future will not be car lots. You will go to European type office and order your car and it will be delivered. Mixed use like in Juanita. Juanita style at Totem Lake.
 8. Early Childhood Education as economic development – for every \$1 invested it returns \$3.15.
 9. Parking lot at three levels you hit water. Technologies will change – innovative parking and if zoning adds 6 feet and you can double the parking at small expense. Marina development with parking pad. Fun place to come to without cars. Finn Hill now doing its first neighborhood planning. Process to separate business from neighborhood. Everest revolted against it. Penny thinks Bridle Trails is the one we should focus on because they want it.
 10. Need to think progressively on how to offset property taxes in the future. Too many citizens think all is fine if we do not grow. We have had a debate in this City over Potala Village. Let's talk about the policies to see where we can agree. Then follow the policies that we all have agreed upon.
 11. Todd advocates for a new Goal ED -6 –Create a climate for business success in attracting new businesses, keep existing businesses and help all businesses grow. Foster innovation and flexibility, including innovative parking for downtown Kirkland and Totem Lake.

12. Two or four plex zoning for corner lots in residential area. Craig Krueger at Mithun Architects does a presentation called – Honey I shrunk the lot.
13. Todd believes the Economic Development Committee of the Chamber Board should consistently agree on principles to present a position to the Council. This is not being done now. There is a need for unified position.

Annual Commercial Brokers Meeting March 14, 2014

Discussion of Economic Development Element Policies

(Notes- from Janice consolidated with input from Duncan Milloy and Ellen Miller-Wolfe)

1. Current Economic Element goals and policies focus on maintaining a diverse economy (ED-1). What should be the City's approach?
 - a. Continue to focus on diverse economy
 - b. Grow our leading business clusters (professional services, software development, and auto retail)
 - c. Align business attraction with regional business clusters (such as software development, aerospace, medical and device technology)
 - d. Focus on attracting businesses whose salaries align with the local cost of housing

Comments

- i. Provide flexibility in the types of uses within zones and building envelope to respond to the market needs. Do no harm. Let the market decide.
 - ii. City's role is to create a positive business climate
 - iii. Add that Hospital Healthcare district and related businesses are an important business sector to encourage
 - iv. Continue promoting a diverse economy to respond to market conditions
2. Current Comprehensive Plan policy has major employment density and growth focused on Totem Lake and Parkplace. Should the City...
 - a. Maintain this policy
 - b. Adopt a more dispersed approach to business development and employment to major neighborhood business districts
 - c. Other

Comments

- i. Yes both
 - ii. Will need more multi-family to accommodate employment targets
 - iii. Be sure to increase "place making" and access to transit in new mixed use development in commercial areas. This is especially important to Millennial and Generation X's.
 - iv. The most successful cities focus on specific areas to maximize the effect of limited dollars. Advise against spreading a little bit of "peanut butter" everywhere.
3. Regarding the Cross Kirkland Corridor, to what extent does the change from heavy rail corridor to pedestrian, bike and eventual transit corridor change the way you think about the highest and best use of adjoining industrial lands? Does it increase the development potential of these properties?

Comments

- i. Don't expect the Cross Kirkland Corridor to be a catalyst for economic development of commercial uses anytime soon (look at Burke Gilman trail; this has not occurred).
- ii. Provide incentives for commercial property along corridor like expediting permitting
- iii. The CKC should be considered an amenity for multi-family as open space, pedestrian and bicycle path.
- iv. The CKC should be promoted as an increase in transportation capacity and be paved; support a shuttle along corridor

4. Are there other areas of the city where zoning is a challenge to redevelopment?

Comments

- i. Lack of flexible permitted uses in the LIT zones precludes an auto broker from operating an indoor auto showroom
5. Currently the Economic Development Element identifies tools that should be used to provide a positive business climate (ED-2.6). Which tools are most important?
- a. A permit process that provides certainty and speed for new and expanding business
 - b. A tax-structure aligned with the major business clusters that Kirkland wants to sustain and attract
 - c. Public/Private partnerships and other means of investing public money as opportunities arise
 - d. Aggressive pursuit of grants
 - e. Technical assistance to small and start-up business

Can we improve our performance?

Comments

- i. Counter planners need to be consistent with interpretations of uses and zoning information provided
- ii. It would be helpful to require planners assigned to commercial developments to be familiar with the zoning, types of allowed uses and have packets of information for potential tenants
- iii. Need more tax increment financing and lift programs. Such as the City dedicating half of business license fees to benefit transportation infrastructure.

Economic Development Survey (Ideas Forum)

2/13/2014 21:54

Q1: what-is-the-most-important-role-for-the-city-in-economic-development	Q1 OTHER: what-is-the-most-important-role-for-the-city-in-economic-development-other-value	Q2: current-economic-development-policy-identifies-tools-that-should-be-used-to-provide-a-positive-business-climate-which-tool-is-the-most-important-to-achieve-this-goal-select-one	Q3: understanding-that-many-residents-commute-to-jobs-outside-of-kirkland-and-many-local-businesses-and-non-residents-rely-on-a-reasonable-commute-within-kirkland-how-important-is-it-that-the-city-adopt-a-more-aggressive-eastside-approach-to-economic-develo	Q4: recognizing-that-many-jobs-require-a-science-technology-engineering-and-math-stem-skill-base-in-the-it-manufacturing-higher-education-engineering-and-related-fields-how-important-is-it-for-kirkland-to-take-a-stronger-role-in-advocating-for-education-a	Q5: current-comprehensive-plan-policy-has-major-employment-density-focused-on-totem-lake-and-parkplace-should-the-city-maintain-this-current-policy-or-adopt-a-broader-more-dispersed-approach-to-business-development-and-employment-to-major-neighborhood-dis	Q6: recognizing-that-to-attract-jobs-kirkland-may-need-to-make-improvements-especially-in-the-case-of-the-parmac-light-industrial-area-should-kirkland-focus-on-capital-improvements-to-build-infrastructure-and-amenities	Q7: current-economic-development-goals-are-for-the-city-to-foster-a-strong-and-diverse-economy-consistent-with-community-values-goals-and-policies-what-should-the-citys-approach-be-to-achieve-this-goal-select-one	Q7 OTHER: current-economic-development-goals-are-for-the-city-to-foster-a-strong-and-diverse-economy-consistent-with-community-values-goals-and-policies-what-should-the-citys-approach-be-to-achieve-this-goal-select-one-other-value	OPEN: what-other-comments-ideas-suggestions-do-you-have-about-the-economic-development-element-of-the-comprehensive-plan-to-view-the-current-chapter-http://www.kirkland.wa.gov/kirkland2035-and-select-comprehensive-plan-update-
ensure-viability-of-business-districts		tax-structure-aligned-with-the-major-business-clusters-that-kirkland-wants-to-sustain-and-attract	very-important	somewhat-important	adopt-a-broader-dispersed-approach	yes	focus-on-attracting-businesses-whose-salaries-align-with-the-local-cost-of-housing		Question 5 states the current comprehensive plan is focused on totem lake and parkplace, but both of these locations are virtually vacant and vastly underutilized. Both locations do provide space and access for a d
ensure-long-term-fiscal-sustainability-of-services		aggressive-pursuit-of-grants	somewhat-important	not-important	maintain-current-policy-totem-lake-parkplace	no	focus-on-attracting-businesses-whose-salaries-align-with-the-local-cost-of-housing		
ensure-viability-of-business-districts		permit-process-that-provides-certainty-and-speed-for-new-and-expanding-businesses	somewhat-important	very-important	adopt-a-broader-dispersed-approach	yes	align-business-attraction-with-regional-business-clusters-such-as-software-development-aerospace-medical-device-technology		
ensure-viability-of-business-districts		public-private-partnerships-and-other-means-of-investing-public-money-as-opportunities-arise	important	not-important	maintain-current-policy-totem-lake-parkplace	yes	align-business-attraction-with-regional-business-clusters-such-as-software-development-aerospace-medical-device-technology		
ensure-viability-of-business-districts		permit-process-that-provides-certainty-and-speed-for-new-and-expanding-businesses	somewhat-important	somewhat-important	adopt-a-broader-dispersed-approach	yes	continue-to-focus-on-a-diverse-economy		
provide-overall-job-growth		tax-structure-aligned-with-the-major-business-clusters-that-kirkland-wants-to-sustain-and-attract	important	important	maintain-current-policy-totem-lake-parkplace	yes	focus-on-attracting-businesses-whose-salaries-align-with-the-local-cost-of-housing		Continue to attract companies that pay above average salaries. To do so, build our office market in quality buildings
provide-overall-job-growth		permit-process-that-provides-certainty-and-speed-for-new-and-expanding-businesses	important	important	adopt-a-broader-dispersed-approach	yes	align-business-attraction-with-regional-business-clusters-such-as-software-development-aerospace-medical-device-technology		In the mid term the economic impact of cycling and pedestrian tourism on the CKC and larger ERC is significant for retail clusters with trail access. See studies from Portland and use data from other similar trails like the Centennial Trail
other	Provide Infrastructure and regulations that support economic development	public-private-partnerships-and-other-means-of-investing-public-money-as-opportunities-arise	very-important	somewhat-important	maintain-current-policy-totem-lake-parkplace	yes	other	Create a more flexible environment where the private sector market can flourish	Create a more competitive environment (compared to neighboring cities) through infrastructure investment, flexible land use codes, innovative approaches to transportation (e.g. high tech vehicles on the Cross Kirkland Corridor).
provide-jobs-for-residents		tax-structure-aligned-with-the-major-business-clusters-that-kirkland-wants-to-sustain-and-attract	very-important	very-important	maintain-current-policy-totem-lake-parkplace	yes	focus-on-attracting-businesses-whose-salaries-align-with-the-local-cost-of-housing		