

City of Edmonds

2009 Annual

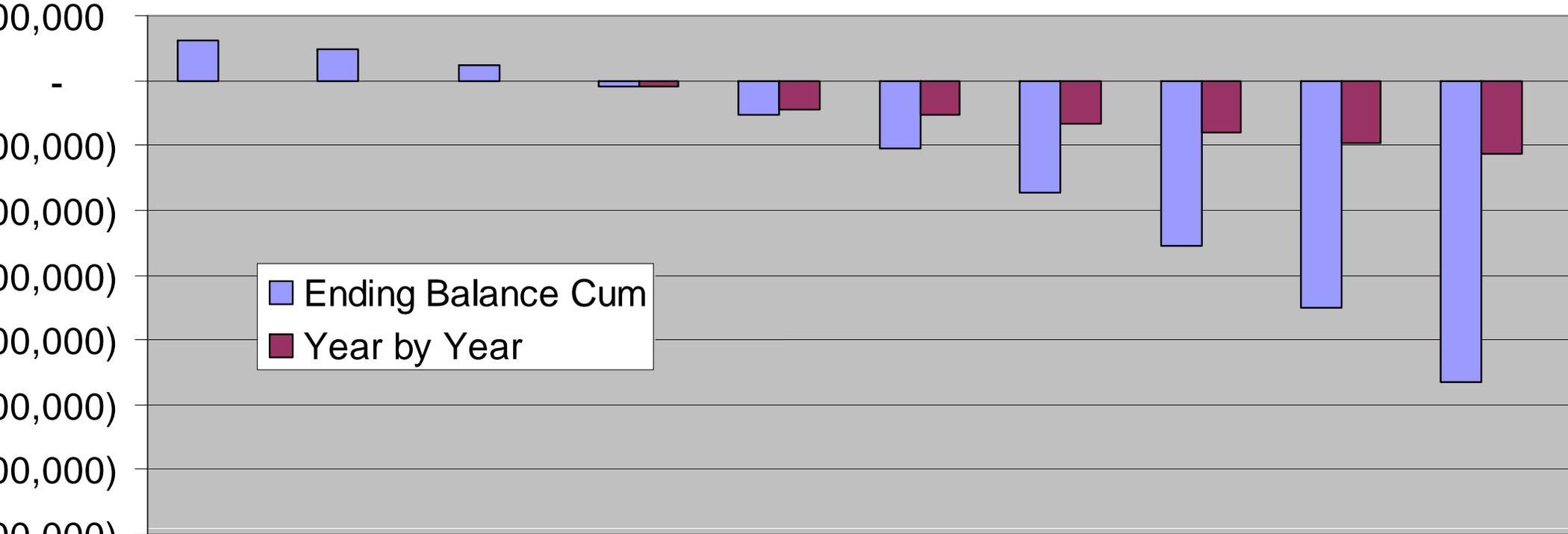
Economic Development Reports
from the

Economic Development Commission
and
Planning Board

THE CHALLENGE

- City of Edmonds data shows that annual revenues will fall below expenses in year 2013:
 - Projected expenses will outstrip revenues and continue for the foreseeable future if nothing is done to improve revenue flow
 - (\$500,000 deficit in 2013 increasing to \$6,500,000 in year 202
 - Results in a cumulative increase of \$1,700 per household to sustain existing services
- Reducing and eliminating expenses, including contracting with Fire District 1 and furlough programs has only solved a portion of the gap temporarily
- Edmonds must increase existing revenues and create new revenue streams to be sustainable

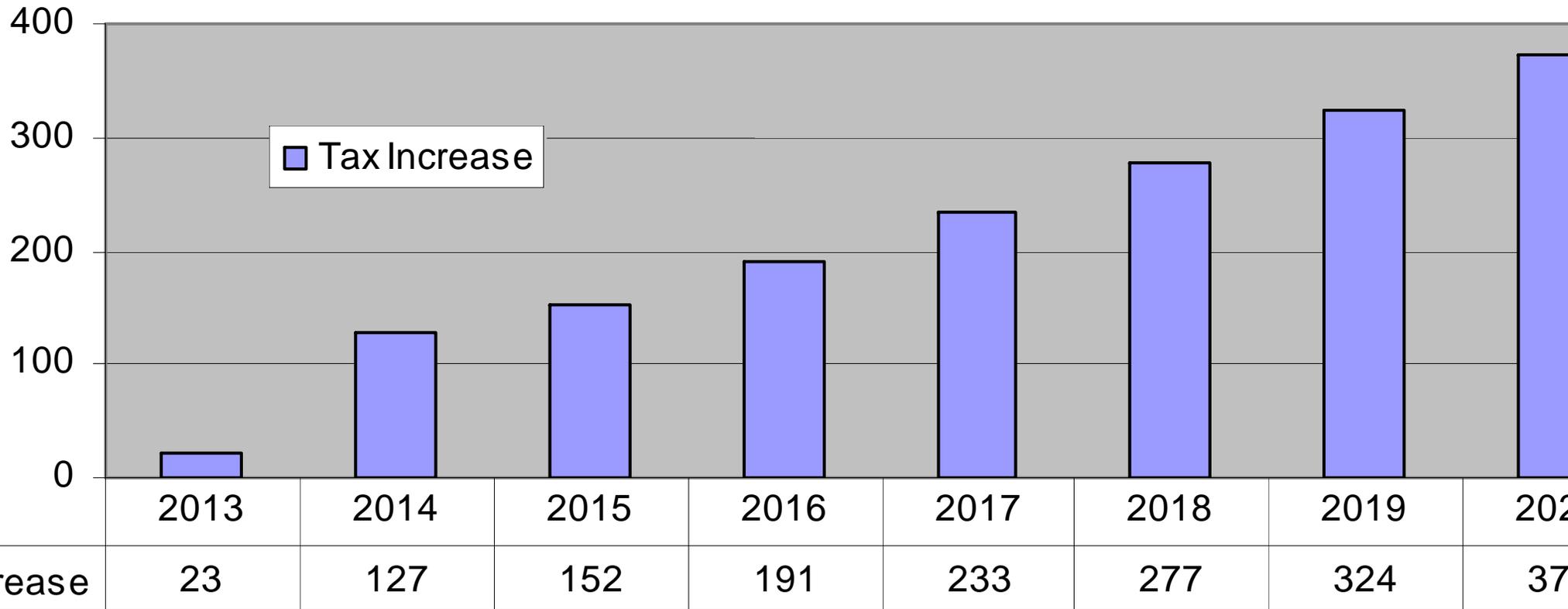
Edmonds Budget



Ending Balance Cum
Year by Year

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Ending Balance Cum	3,026,674	2,388,064	1,244,080	(402,124)	(2,633,035)	(5,291,777)	(8,634,408)	(12,711,862)	(17,565,435)	(23,238,284)
Year by Year				(402,124)	(2,230,911)	(2,658,742)	(3,342,631)	(4,077,454)	(4,853,573)	(5,672,849)

Tax Increase Per Household



BACKGROUND

- In an effort to look long term towards a more balanced financial future the Edmonds City Council did the following:
 - April 21, 2009 - Passed Resolution 1198 which directed City of Edmonds staff to create an Ordinance, where if approved, would create a Citizens Economic Development Commission.
 - June 2, 2009 - Passed Ordinance 3735 and amended the Edmonds City Code, Title 10, adding a new Chapter 10.75 Citizens Economic Development Commission.

CITIZENS ECONOMIC DEVELOPMENT COMMISSION

- **Membership**

- Consists of 17 members appointed by the Mayor and City Council

- **Powers**

- Commission is charged with advising and submitting recommendations to the Mayor and City Council related to the following:
 - Determine new strategies for economic development within the City of Edmonds
 - Identify new sources of revenue for consideration by the City Council
 - Review and consider strategies for improving commercial viability
 - Tourism development

THE FOUR PRIMARY GOALS CONTAINED WITHIN THE EXISTING CITY OF EDMONDS ECONOMIC DEVELOPMENT PLAN:

- Foster a healthy business community that provides employment and other economic opportunities
- Revitalize the City's business districts, balancing redevelopment, preservation and the need for consumer amenities
- Diversify the tax base and increase revenues to support local services
- Strengthen the quality of life add vitality of the community for residents, workers and visitors to enjoy

WHAT IS ECONOMIC DEVELOPMENT

- A program or group of policies or activities that seek to improve the economic well being and quality of life for a community
- Ideally, an Economic Development Program:
 - **creates and retains employment**
 - **facilitates growth**
 - **provides a stable tax base**
- Economic development programs can take numerous approaches as no single strategy, policy, or program can assure success for a community
- The structure of the City's economy ultimately influences the City's physical development and determines the City's capacity to fund essential services

Why should we care about Economic Development?

It impacts your quality of life.

- Clean and green environment, e.g., air, water, soil, habitat, etc.
- Efficient public safety services
- Vibrant and diverse business climate
- Well managed roads and public transportation
- Adequate sidewalks
- Libraries
- Cultural amenities, e.g., arts, parks and recreation
- Responsible development and redevelopment
- Quality Schools

YOUR QUALITY OF LIFE IS THREATENED WHEN:

- Afraid of Change: Communities are realizing that there is no such thing as a “static” or fixed economy, local economies are always changing
- Unaware of surrounding competition: Communities are impacted not only by local issues but by national and state economic cycles, competition from surrounding cities for desirable businesses, local and regional land use changes, residential and commercial real estate trends
- Failure to work on a plan and incorporate for a Sustainable Economy
- Ignoring past history and not allowing for a vision for the future to guide them through changes needed to prosper

PROGRESS TO DATE - WHAT HAVE WE BEEN DOING?

- Three joint meetings were held with the Planning Board that included presentations from the Snohomish County EDC, Port of Edmonds and local surrounding cities of Bothell, Mountlake Terrace and Lynnwood
 - ✦ From these presentations, one strong message was prevalent in order for economic development to succeed, that was to **require strong and steady leadership from the city council and alignment of goals and visions among all, including the cities who impact the situation**
- Edmonds is 96% built out. The City must be creative in our use of existing land and structures and acknowledge that future development will be primarily in the form of redevelopment within the City of Edmonds.

ADDITIONAL FINDINGS AND OBSERVATIONS NECESSARY FOR THE CITY TO BE SUCCESSFUL

- City Staff and Council must work closely together in support of common goals
- Open community involvement and input
- Insure a “green” and sustainable development and redevelopment
- A positive corporate culture that encourages collaboration and innovation
- Processes and regulations must be aligned with goals
- Zoning is to be designed to proactively attract new business development
- Economic Development goals are kept highly visible and tracked for progress and completion
- Community branding is critical
- City must present and participate in regional forums
- Partnerships between the City and other entities, groups, businesses and organizations are essential

● **Act Now!**

- Find a way for the city's economic development position to devote full time to economic development activities and adequately fund proposed programs and activities
- Create a strategic plan that will focus on Economic Development that requires regular follow up and public disclosure of its status
- Initiate neighborhood business center plans for Westgate and Five Corners, rezone the areas to attract new business and residence, allowing for strategic rather than reactive growth
- Evaluate the Harbor Square plan and support the process to start redevelopment with public involvement to further Edmonds "green" initiatives
- Initiate and fund marketing plan for city owned fiber optic network
- Appoint two council members to the Economic Development Commission
- Request the council to respond to the Economic Development

- **CONCLUSION**