

RESOLUTION NO. 347

A RESOLUTION OF THE CITY OF WOODINVILLE ADOPTING THE ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN AND AUTHORIZING FORMATION OF AN ADVISORY GROUP TO ASSIST WITH DEVELOPMENT OF IMPLEMENTATION PROGRAMS.

WHEREAS, the City of Woodinville recognizes the long term value of the economic development strategic action plan which will benefit the residents, businesses, and long term financial health and independence of the community; and

WHEREAS, a key goal of the Growth Management Act (GMA RWC 36.70A020(5)) encourages economic development that is consistent with adopted comprehensive plans; and

WHEREAS, the Economic Development Strategic Action Plan (EDSAP) is designed to achieve the following broad goals including: Grow the City's Diverse and Vital mix of Businesses; Ensure Future Development Advances the City's Vision; Enhance Woodinville's Livability for a Range of Residents; Grow and Benefit the City's Tourism Sector; Promote the City's image and identity; and

WHEREAS, adoption of the EDSAP is an implementation strategy to achieve these community goals; and

WHEREAS, adoption of the EDSAP will require the on-going involvement of stakeholders including: citizens, businesses and organizational representatives from a broad cross section of our community;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODINVILLE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

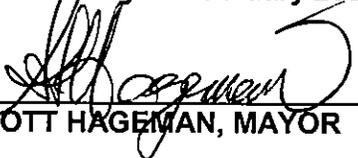
Section 1. Plan Adopted. The Economic Development Strategic Action Plan, dated January 2008, and its Technical Appendixes, are hereby approved and adopted.

Section 2. Advisory Group. The City Manager is hereby authorized to form an ad hoc advisory group or committee to assist the City staff to develop implementation programs for the Economic Development Strategic Action Plan.

The advisory group shall be broad based and include members to adequately represent the business, residential, and social communities of Woodinville. Membership shall only be limited to ensure efficient and effective conduct of their meetings and no compensation shall be paid by the City for service to the advisory group.

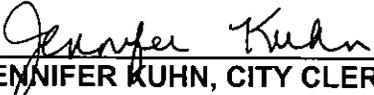
The City Manager or his designee shall serve as the Chair of the committee or advisory group.

RESOLVED this 5th day of February 2008.



SCOTT HAGEMAN, MAYOR

ATTEST/AUTHENTICATED:

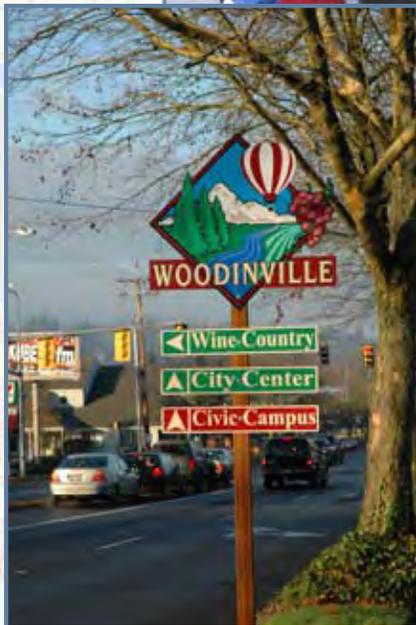


JENNIFER KUHN, CITY CLERK/CMC

CITY OF WOODINVILLE

ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

*Volume 1: Strengthening Our Unique
Community & Economy*



Adopted January 2008



BERK & ASSOCIATES



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Founded in 1988, we are a multi-disciplinary strategy and analysis firm providing integrated, creative and analytically rigorous approaches to complex policy and planning decisions. Our team of strategic planners, policy and financial analysts, economists, cartographers, information designers and facilitators work together to bring new ideas, clarity, and robust frameworks to the development of analytically-based and action-oriented plans.

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All pictures are credited to the City of Woodinville.

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INTRODUCTION

Scope and Objectives

Woodinville's future health and identity are strengthened by a strong economic base and are intertwined with the values that define us as a community.

The Economic Development Strategic Action Plan (EDSAP) embodies the collective effort and insight of stakeholders from across the Woodinville community who have generously dedicated their time and expertise to create a framework upon which the economic strategy – and all derivative and related work that arises in the City of Woodinville – should subscribe. The EDSAP recognizes that a strong economy, powered by an engaged and civic-minded private sector, will generate the resources and participative climate necessary to stimulate public economic development, as well.

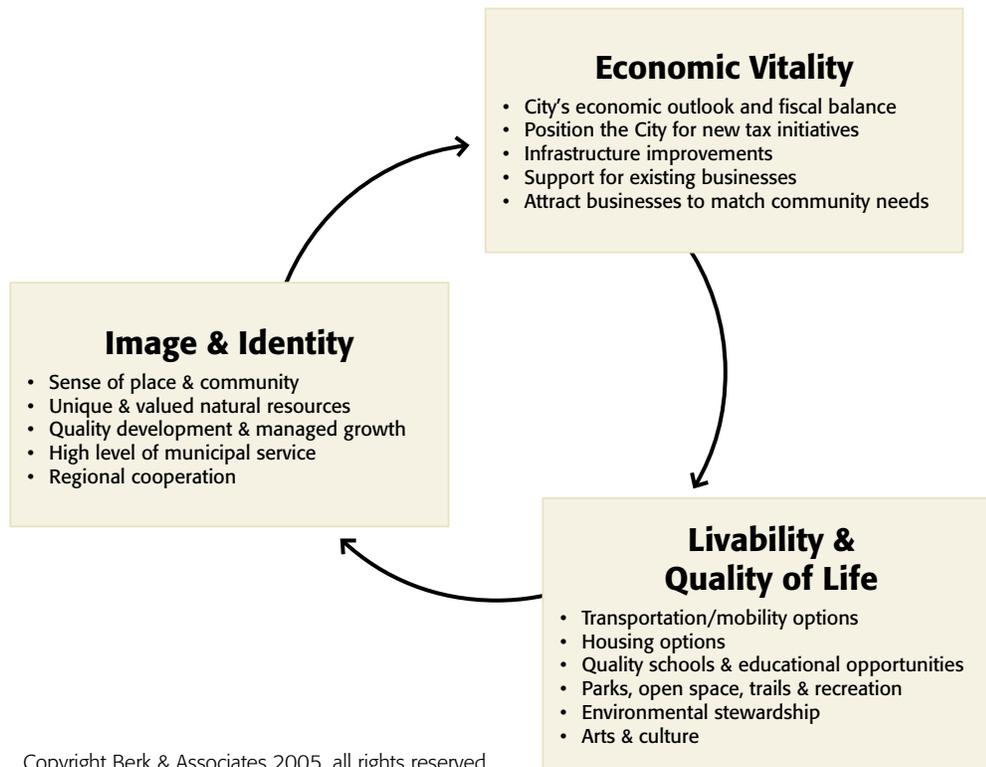
The EDSAP is designed to lay out, in clear and unequivocal terms, the vision, goals, and defining values of the Woodinville community in the context of economic development. At the same time, the EDSAP is not intended to be a comprehensive action project plan. While the EDSAP does establish, both explicitly and implicitly, a prioritized order of actions requiring immediate attention, it is understood that specific action items will be developed, refined and executed as follow-up activities.

Plan Purpose and Desired Outcomes

This primary goal of this Plan is to facilitate a viable, stable, healthy and diversified economy for Woodinville. Recognizing the links between the City's economy (the vitality of existing and future businesses), its community character and livability (Downtown vibrancy, transportation, housing, schools, parks, environment, the arts), and the City's image and identity (as a tourism destination, a business location, and a residential community), the Plan's recommendations encompass much more than purely economic issues. For Woodinville's economy to function optimally, strategies related to the City's residential quality of life and attractiveness as a tourism destination are crucial.

The diagram on the following page illustrates the interconnected nature of these elements.

Economic Development Planning Framework



With implementation of this Plan through the concerted efforts of the City of Woodinville and community partners, it is hoped that the following outcomes will be seen over the coming years:

- A vital and diverse mix of businesses drawing from historic strengths and targeting desirable new sectors
- An array of strong locally owned small- and medium-sized businesses, with active civic participation by business owners
- A high quality of life for City residents, with heightened attention to transportation, parks, recreation opportunities, schools and a respected natural environment
- A vibrant, pedestrian-oriented, neighborhood-scale Downtown with environs and retail uses that complement the Tourist District
- High quality development with a distinct Woodinville character consistent throughout the City

- A network of parks, open spaces and trails connecting the City's different districts and attractions including Downtown, the Tourist District, residential neighborhoods, wineries and other attractions
- A fiscally sound City government that is customer-service oriented, innovative and facilitates development supportive of the City's Vision
- Everyone who works here should be able to live here; everyone who lives here should be able to work here
- An active and engaged community that is a welcoming and thriving place for families
- An expanded tourism sector, drawing on the City's strengths in wine, agriculture, active recreation, and dining establishments, that benefits local businesses and the fiscal health of the City
- A cohesive community identity and coordinated messages used to represent the City as a family-friendly hometown, a thriving business community and an attractive tourist destination
- A healthy and active array of partnerships between the City and community partners

Economic Development Planning Process

Woodinville's Economic Development Task Force was established and charged by the City Council to make recommendations to improve Woodinville's economy, acting in an advisory capacity to the Planning Commission. The Task Force began work in April, 2005, and brought forward its final recommended Plan for Council consideration in December, 2005.

Task Force members included:

- Cherry Jarvis (Chair), Planning Commission Vice-Chair
- Michael Corning, Planning Commission
- Les Rubstello, Planning Commission
- Ed Anderson, Mead Gilman & Associates
- Victor Orris, Retired Navy Engineer
- Barbara Grube, Woodinville Weekly
- Dan Ramirez, Woodinville Chamber of Commerce
- Paul Sabado, Banner Bank
- Jay Soloff, DeLille Cellars
- Tom Waithe, Willows Lodge
- Susan Webster, Gathering Fabric Quilt Shop
- Gary Whitsell, Miller Rieke Whitsell & Co

The Task Force was supported by Carl Smith, Woodinville City Planner, and Brian Murphy of Berk & Associates, as well as other City and Berk & Associates staff.

The Goals and Strategies encapsulated in the following pages are based on a wealth of quantitative and qualitative information presented to the Task Force. Throughout the body of this Plan, the analytic support for key strategies is presented in exhibits housed in this document's Appendix.

A comprehensive analysis of the City's demographic, economic, market and land use conditions was encapsulated in a report titled Woodinville Economic Development Profile. The City's fiscal conditions and the impacts of various land use choices were captured in another report titled Fiscal Implications of Land Use Alternatives. Another important input for consideration by the Task Force was the summary of 30 interviews with a diverse range of stakeholders, including City staff, developers, local business owners, residents and representatives of various community organizations. Additional public input was gained at a Public Open House held on August 17, 2005.

In addition to the original research described above, summaries of existing documents and reports were also presented to the Task Force, including the 2005 North King County Economic Survey, existing policy direction for economic development (including the Woodinville Vision Statement and Mission Statement; the City Council's 2005-2006 Economic Development Goal; and the Economic Development Element of the City's Comprehensive Plan), the Downtown and Little Bear Creek Master Plan, Development Economics of Mixed-Use with Higher Density, quality of life issues (including current and future plans for parks and recreation facilities), and land use data related to vacant and redevelopable lands.

The information contained in the many sources listed above was compiled into a small number of summary documents which helped to focus Task Force discussion and the eventual development of the Plan's Goals, Strategies and priorities. The results of these reports are included in this Plan's Volume 2, the Technical Annex.



Next Steps: Plan Implementation

The success of this Economic Development Plan will require a broad-based team of players to take ownership of the Plan and provide enthusiastic and committed leadership to implement specific actions spurring and directing Woodinville's economic development.

City actions on the Plan are anticipated to be coordinated by the Community Development Department, working in conjunction with the Planning Commission and City Council. Active participation by other City agencies and by community partners will be vital to the Plan's success as well.

While implementing partners may change over time, an initial list of such key players includes at least the following organizations:

Community Partners

- The Greater Woodinville Chamber of Commerce
- Woodinville Wine Country
- The Woodinville Farmers' Market
- The Friends of the Woodinville Farmers' Market
- The Sammamish Valley Farmland Trust
- The Sammamish Valley Alliance
- The Sammamish Valley Grange
- The Northshore School District
- Woodinville Garden Club
- Woodinville Rotary Club
- Woodinville Heritage Society
- Seattle's Convention and Visitor's Bureau
- Woodinville Senior Center

Volunteer Boards and Commissions

- Planning Commission
- Parks & Recreation Commission
- Tourism Task Force
- Tree Board



Picture a city, in a valley, along a river, nestled among parks, hills and fields.

Picture a pedestrian-friendly village of mixed uses linking a robust Downtown to a historic and attractive tourism district through working farms and picturesque fields by a network of interpretive trails and various modes of transportation.

So well-designed, this is a place where everyone who works here can live here and everyone who lives here can work here.

Imagine the possibilities of a city government working in partnership with an enthusiastic citizen base and resourceful business partners to grow the city and its resources in a unified, sustainable and responsible fashion.

Here, Woodinville becomes a place where the natural meets the innovative, where residents, visitors and businesses alike are encouraged to share their lives, build their community and exchange the benefits of commerce.



Overarching Themes

- Woodinville, as a community, values integrity above all principles. We take pride in our heritage, and we do not tolerate dishonest acts or words in commercial interaction with our City government. We proactively safeguard our integrity by insisting on truthful discourse and the prevention, to the greatest extent possible, of the appearance of impropriety.
- Maintaining an environment that is attractive and high-quality, with a strong, consistent Woodinville identity throughout the City is key to achieving the City's best possible future. This implies both consistent and complementary uses in the City's different districts, connected by a network of attractive roads, pedestrian pathways and open spaces.
- Future development should be consistent with the City's Comprehensive Plan Vision.
- Preserving and enhancing the City's existing identity is vital, while at the same time ushering in and integrating 21st Century technologies and businesses.
- Build on the City's existing strengths: celebrate and support wineries, floral and landscaping businesses, agribusiness and the rural environment and small town character that currently define the City's image.
- Contributions to the City's quality of life, including investments in parks and open spaces, community building, and other efforts are important for both business attraction and enhancing the City's livability.
- Woodinville should provide live, work and play opportunities for a wide range of people.
- Transportation options are imperative for residents, visitors, and work-force.
- Fiscal well-being of the City is critical: consider fiscal impacts to the City and sales tax streamlining implications when considering business attraction and business retention efforts and consider City operating costs before adoption of plans.
- Partnerships with community groups and other entities are desirable to leverage limited City resources with a wide range of perspectives, talents and resources.

I. Grow the City's Diverse and Vital Mix of Businesses

- Priority 1. Focus business attraction and retention efforts on target sectors
- Priority 2. Invest in basic infrastructure and quality of life enhancements appropriate to targeted sectors
- Priority 3. Continue to improve the City's business climate
- Priority 4. Expand Woodinville's unique retail position
- Priority 5. Connect businesses and developers with vacancies
- Priority 6. Support small business, professional businesses, and business that serve minority populations
- Priority 7. Support workforce development activities

II. Ensure Future Development Advances the City's Vision

- Priority 1. Encourage Downtown development that promotes the established Vision: higher density, high quality, well-designed mixed-use development with upscale retail and pedestrian-oriented streetscapes
- Priority 2. Practice "proactive zoning": reevaluate and modify land use zoning to meet City fiscal goals and Vision

III. Enhance Woodinville's Livability for a Range of Residents

- Priority 1. Increase housing options for residents and workers
- Priority 2. Ensure that City policies are family-friendly
- Priority 3. Enhance the City's parks, trails and "green canopy"
- Priority 4. Engage local businesses as strategic partners in making Woodinville a better place to live and work
- Priority 5. Build community and promote neighborhood cohesiveness

IV. Grow and Benefit from the City's Tourism Sector

- Priority 1. Focus on a range of tourism draws including wine, agritourism, food, and active recreation
- Priority 2. Connect wine tourism, agritourism and active recreation uses to Downtown
- Priority 3. Encourage complementary tourism and retail uses in the Tourist District and Downtown respectively
- Priority 4. Enhance the City's attractiveness as an extended destination

V. Promote the City's Image and Identity

- Priority 1. Adopt and implement a compelling and cohesive Woodinville brand, emphasizing the special qualities that residents, businesses and visitors find attractive
- Priority 2. Launch a marketing campaign building on the City's brand

Goal I. Grow the City's Diverse and Vital Mix of Businesses

Woodinville is in a strong economic position, with a diverse and robust mix of businesses. In addition to proactive recruitment of businesses in identified target sectors, the City's greatest influence can be in creating an environment which is attractive to these desired businesses and industries. Important elements of this environment include City investments in basic infrastructure and amenities including the City's parks, open space and trail system and transportation into and within the City. Another important element is the business climate itself: how the City facilitates and supports development and business creation and success. The target sectors listed under Priority 1 below provide focus and coordination for these efforts, allowing the City to build on its strengths, adapt to changes in the environment and marketplace, and proactively shape its mix of businesses into the future. Among the benefits of these efforts, it is hoped that all Woodinville residents will have the opportunity to work locally if they so desire.

*** indicates a specific actionable step**

Priority 1. Focus business attraction and retention efforts on target sectors [See Appendix, Exhibit 1-1]

Professional Service Firms

This includes firms in the information and high-technology, finance and insurance, and medical and biotechnology sectors as well as management companies and corporate headquarters

Targeted sectors include:

- Businesses that support wine-making and agritourism [see sidebar on the next page]
 - Professional services firms [see sidebar to the left]
 - Firms that play supporting roles to the region's industry leaders including high-tech and biotech
 - Mid-sized, locally-owned firms
 - Firms that will contribute to the City's image as an attractive, entrepreneurial market
 - Anchor tenants for multi-tenant commercial development
- A. Dedicate staff resources to business attraction and retention efforts *
 - B. Develop marketing materials, leveraging the Economic Profile, and deliver consistent messages *
 - C. Use a strategic mix of amenities and incentives to facilitate the expansion of existing businesses and the location of targeted businesses [see sidebar on the next page] *

A Strategic Mix of Amenities and Incentives to Retain and Attract Desired Business

Woodinville can draw on many tools to retain existing businesses and attract businesses in the target sectors described on the prior page. While the City must evaluate each opportunity individually, weighing benefits and costs and selecting the most strategic tool to employ, this Plan establishes the overarching principle that the provision of amenities – in the form of an attractive environment and a high quality of life – is preferable to the use of incentives such as reductions or waivers of development fees and regulations.

Woodinville's most valuable and attractive asset is its quality environment. Amenities such as parks, open spaces, trails and recreation facilities; quality schools; efficient vehicular and non-vehicular circulation; a cohesive built environment and a beautiful natural environment; and excellent public safety services are attractive to both residents and businesses. Moreover, these amenities depend on significant investments from business in the form of fees and compliance with development regulations.

Retaining businesses and attracting new businesses by maintaining a high quality community requires balancing the provision of these amenities with the limited use of incentives which reduce the costs that growth or development would otherwise pay. Such incentives may include permitting process assistance or expedited permitting; flexibility in permitting or impact fees; flexibility in development regulations, particularly height limits; and City investments in site improvements, transportation infrastructure or utilities.

By offering a quality environment with attractive amenities, a friendly community, a welcoming business climate (addressed in Goal I, Priority 3 and elsewhere), the opportunity for synergistic clustering of similar businesses, and a "Vision" that establishes a clear understanding of the City's future, Woodinville is in a strong position to attract desired businesses without overly relying on incentives.

From Wineries to a Woodinville Wine Cluster

Woodinville's wineries are one of the City's greatest assets – and one of its principal opportunities. This Plan establishes strategies to expand the City's wine-based tourism, and to connect winery visitors to the City's existing and future retail businesses.

The City has, as well, an opportunity to cultivate a cluster of wine- and agritourism-related businesses. The Woodinville area currently features more than 20 wineries, but few of the services that support these wine makers. As the scale of its wine industry expands, the City will be an attractive location for a wine-based cluster of businesses that provide the inputs and supports the industry depends on, and which it now imports from elsewhere.

The following businesses should be targeted as part of the City's business attraction efforts and be considered in supportive strategies such as infrastructure investments, workforce development and marketing and promotion:

- Producers and distributors of barrels, wine making equipment, bottles, corks, labels, boxes and other inputs
- Downstream distributors and marketers
- Businesses in related industries such as wine-related research and education, restaurants, catering companies and cooking schools

To support this cluster, relevant educational and workforce training opportunities should be made available. These opportunities should be encouraged through partnerships with local educational institutions, with a local college becoming a partner in Washington State University's Viticulture and Enology Education Consortium.

- D. Partner with local organizations where appropriate, including but not limited to the Greater Woodinville Chamber of Commerce, Seattle's Convention and Visitor's Bureau, Woodinville Wine Country, the Woodinville Farmers' Market, the Friends of the Woodinville Farmers' Market, the Sammamish Valley Farmland Trust, the Sammamish Valley Alliance, the Sammamish Valley Grange, the Northshore School District
- E. Collaborate with nearby cities when appropriate
 - i. Coordinate City efforts with the Regional Economic Development Strategy and regional and sub-regional economic development efforts
 - ii. Develop regional transportation strategies
 - iii. Participate in discussions about the future of the Burlington Northern Santa Fe rail corridor, considering economic development impacts of alternatives ★
 - iv. Explore opportunities to share economic development resources ★

Priority 2. Invest in basic infrastructure and quality of life enhancements appropriate to targeted sectors

- A. Support the City's CIP process to prioritize improving traffic access into and within the City
 - i. Support heavier industrial and distribution businesses by managing traffic impacts and access for commercial vehicles
 - ii. Identify and evaluate funding alternatives for road improvements
- B. Treat the City's parks and open space system as a strategic economic asset
 - i. Include analysis of economic benefits when planning future park and open space development ★
 - ii. Utilize the City's parks and open spaces system to enhance the City's attractiveness and create physical connections that encourage walking over driving



- c. Develop a Woodinville Broadband Strategy, based on an assessment of unmet needs and desired outcomes and consistent with other municipalities and federal initiatives and policy [see sidebar]

Priority 3. Continue to improve the City's business climate

- A. Encourage economic development as a central or overarching City priority
 - i. Establish a standing committee to focus exclusively on economic development initiatives, with high-level representatives from the City, Chamber of Commerce and other key stakeholders ★
 - ii. Actively engage the participation of City departments and partners needed for the implementation of this Plan
 - iii. Maintain an attractive, informative website dedicated to promoting economic development ★
- B. Continue to reinforce a customer service orientation in all City services
 - i. Continue to conduct periodic customer satisfaction surveys to gauge the City's performance in providing public services ★
- c. Ensure regular and open City-business communications through proactive outreach; be responsive to business concerns

Strategic Options for the Future of Woodinville's Broadband Strategy

Strategy must guide any informed public policy, and assessment of unmet needs guides strategy. After this assessment is made and related priorities established, Woodinville's Broadband Strategy will fall into one or more of the following strategic categories, none of which are mutually exclusive:

- **Maximize symmetric bandwidth**
 - This strategy maximizes the capacity of the network, supporting highly interactive applications
 - The laying of fiber optic cable throughout the City would be expensive and disruptive to, but would provide excellent access well into the future
- **Provide universal access**
 - In order to allow all citizens have equal access to information, this strategy uses new network technology that is compatible with current systems
 - King County's \$15 million wireless project in White Center is an example of this type of strategy
- **Enable ubiquitous computing**
 - By creating a Woodinville WIMAX network, free and seamless wireless connectivity would be enabled anywhere in the City
 - This is a very inexpensive network technology that requires no disruption of existing streets to lay fiber cables

Under any of the above strategies, it is important to evaluate the costs and benefits of installing such a network, and the appropriate role for the City. Public-private partnerships may be a very suitable mechanism by which to pursue this infrastructure investment.



- D. Assess and modify existing incentives and regulations
 - i. Analyze existing incentives and regulations to understand their net impact on development ★
 - ii. Modify incentives and regulations to ensure future development is in desired locations and of desired character ★
 - iii. Ensure City expectations of developers are clearly communicated ★
- E. Implement changes recommended by the 2005 evaluation of the City's permitting and development services
 - i. Streamline the permit and development review process ★
 - ii. Approve contractors that developers can hire to expedite process ★
 - iii. Evaluate and coordinate development policies and processes among the City, Woodinville Fire & Life Safety District, and Woodinville Water District ★

Priority 4. Expand Woodinville's unique retail position [Exhibit 1-2]

- A. Improve access to retailers through traffic circulation improvements and parking strategies
- B. Support existing retailers through traffic management, parking policies and other City services (street cleaning, infrastructure maintenance, others)
- C. Support existing retail and encourage new quality retail in the Downtown core
- D. Coordinate retail strategies with Tourist District activities for market cross-pollination [related to Goal IV, Priority 2, Strategy C on page 19]

Priority 5. Connect businesses and developers with vacancies

- A. Maintain and make available inventories of vacant or redevelopable properties to aid in development investment decisions
- B. Support the value of on-line information sources such as NWProperty.net
 - i. Provide up-to-date zoning and comprehensive plan information ★
 - i. Provide up-to-date economic development information describing the City's development environment and providing web links and City contact information ★

Priority 6. Support small business, professional businesses, and business that serve minority populations

- A. Preserve lower cost incubator space through zoning and incentives ★
- B. Partner with the Chamber and local educational institutions to provide business support programs
 - i. Be a supportive partner in the development of a UW entrepreneurship center ★
 - ii. Work with the Chamber to create a business assistance center for small businesses ★
- C. Allow warehouse businesses to utilize more space for retail sales [see sidebar] ★
- D. Conduct regular business outreach to understand how the City can ease the challenges of local small businesses, responding to significant concerns ★
 - i. Assess impacts of the City's sign ordinances on small businesses
 - ii. Assess and mitigate the impact of transportation impact fees to small business viability
 - iii. Assess difficulties facing minority-owned businesses, including language barriers and access to City services
 - iv. Assess the workforce skills and education desired by local businesses

Allowance for Additional Retail Uses in Industrial Zones

Business in the City's industrially zoned land can currently use no more than 10% of their floor space for retail purposes. By allowing greater retail usage, the City allows these businesses, some of which are start-up wineries, to diversify their revenue streams. The City is also expected to benefit, as under anticipated implementation of Sales Tax Streamlining, tax revenues from retail uses will be greater than revenues from industrial uses. To address parking and traffic circulation concerns, greater retail usage may be made contingent on the availability of adequate traffic circulation and parking infrastructure.

Priority 7. Support workforce development activities

- A. Partner with Cascadia Community College; the University of Washington, Bothell; Lake Washington Technical colleges and other institutions to provide and promote workforce development programs appropriate to the targeted sectors established in Goal 1, Priority 1 (page 9) ★



Goal II. Ensure Future Development Advances the City's Vision

Land use policy and regulation are crucial foundations for the future economic well-being and quality of life for Woodinville. Guiding the physical development of the City in a manner that reflects the City's Vision will enhance the community and economy by encouraging development patterns that are attractive and functional for citizens, businesses, workers and visitors. This goal also recognizes that the City has a well-thought out set of land use policies that should be implemented so that the Vision can be realized. The development of a vibrant, walkable, attractive Downtown is crucial to the future vitality of the City as an attractive place for businesses, families and tourists.

Priority 1. Encourage Downtown development that promotes the established Vision: higher density, high quality, well-designed mixed-use development with upscale retail and pedestrian-oriented streetscapes

- A. Adopt and implement the Downtown Little Bear Creek Corridor Master Plan ★
- B. Create a vibrant, attractive, pedestrian-oriented Downtown environment
 - i. Use design standards and public investment in community spaces, public amenities and art to promote a high-quality, Northwest Woodland aesthetic
 - ii. Establish neighborhood scale development which encourages walking rather than driving
 - a. Develop north/south grid streets to facilitate traffic flow and create pedestrian scale streets ★
 - b. Create central parking facilities, evaluating options for public investments or public/private partnerships ★
 - c. Allow height limits that support structured parking ★
 - d. Connect Downtown to neighborhoods, the Snohomish River Trail and the new farmers market site with convenient and attractive pedestrian pathways ★



- iii. Encourage village scale mixed-use development with specialty retail, Class A office space, and multifamily housing
 - a. Recruit businesses in targeted sectors to develop mixed-use facilities as satellite offices ★
- iv. Encourage development of small-scale office space above retail



**Priority 2. Practice “proactive zoning”:
reevaluate and modify land use
zoning to meet City fiscal goals and Vision**

- A. Assess current land use zoning and permitted uses and their fiscal implications for the City given expected future trends, including sales tax streamlining [Exhibit 2-1] ★
- B. Modify zoning as necessary to most appropriately respond to market demand given fiscal goals and the City’s Vision
 - i. Consider expanded retail and tourism-related uses in the South Industrial area ★
 - ii. Concentrate industrial and large-scale retail in the North Industrial area ★
- C. Cultivate distinct but complementary district identities [Exhibit 2-2]

Goal III. Enhance Woodinville’s Livability for a Range of Residents

The future well-being of Woodinville’s community and economy are interdependent. Local businesses will benefit if the community can offer their employees Woodinville solutions to their needs for affordable housing, transportation options, excellent schools, parks and recreation opportunities, the arts, a clean and healthy natural environment, as well as the goods and services for daily life. This Goal recognizes that the same attributes that create a high quality of life for residents also contribute to a prosperous business environment by making Woodinville a desirable place to live, work, play, shop and visit for a diverse range of individuals.

Priority 1. Increase housing options for residents and workers

[Exhibits 3-1,2]

- A. Promote the development of a range of multifamily housing options including owner- and renter-occupied housing, market-rate and high-end units and transit-oriented development for residents and workers [Exhibit 3-3]
 - i. Create incentives for the development of affordable housing [Exhibit 3-4] ★
 - ii. Market the City to developers who specialize in affordable housing ★

Priority 2. Ensure that City policies are family-friendly [Exhibit 3-5]

- A. Consider the prevalence of families in the City when evaluating business attraction strategies, infrastructure investments, design standards and other City policies

Priority 3. Enhance the City’s parks, trails and “green canopy”

- A. Prioritize parks and open spaces in future Capital Improvement Plans
- B. Support implementation of the Parks and Open Space Plan
- C. Evaluate funding options to expand the City’s parks, open spaces and recreation facilities ★
- D. Improve motorized and non-motorized connections among the City’s neighborhoods, and Downtown



Priority 4. Engage local businesses as strategic partners in making Woodinville a better place to live and work

- A. Involve the business community in civic duties, creating a culture of business participation
- B. Recognize the contributions of local businesses
- C. Enlist the support of local businesses to vigorously seek funding for a range of transportation options for Woodinville
- D. Encourage innovative approaches by businesses for connecting employees with their workplaces, such as satellite offices, flexible work hours and telecommuting
- E. Support businesses in adopting “Sustainable Development” [see sidebar] practices, with a broad goal of ensuring that community development not only enhances the local economy, but also the local environment and quality of life

According to the North King County Survey 84% of the leaders of local businesses live locally

Priority 5. Build community and promote neighborhood cohesiveness

- A. Work with neighborhood groups to understand their priorities
- B. Continue to provide Small Neighborhood Action Project (SNAP) grants
- C. Hold City-wide and neighborhood events
- D. Celebrate the diversity of the area through City-sponsored events
- E. Use signs to enhance neighborhood identity
- F. Promote use of the Community Center as the City’s central gathering place

Sustainable Development

Sustainable Development has many definitions. The following are a few examples:

- Development that meets the needs of the present without compromising the ability of future generations to meet their own needs
- Seeking improved public health and a better quality of life for all of a community’s residents by limiting waste, preventing pollution, maximizing conservation and promoting efficiency and developing local resources to revitalize the local economy
- The ability to make development choices which respect the relationship between the three “E’s” : economy, ecology and equity:
 - Economy: Economic activity should serve the common good, be self-renewing, and build local assets and self-reliance
 - Ecology: Humans are part of nature, nature has limits and communities can benefit from protecting and building natural assets
 - Equity: The opportunity for full participation in all activities, benefits and decision-making of society

Goal IV. Grow and Benefit from the City's Tourism Sector

Woodinville is already an attractive tourist destination with many complementary strengths. By focusing on these strengths, including wine, agritourism, food and active recreation – and by creating complementary and well-connected environments in the Tourism District and Downtown – Woodinville can continue to benefit from visits by Puget Sound residents and individuals from more distant regions.

Priority 1. Focus on a range of tourism draws including wine, agritourism, food, and active recreation

Priority 2. Connect wine tourism, agritourism and active recreation uses to Downtown

- A. Make it easy to travel between the Tourist District and Downtown by motorized and non-motorized means
 - i. Evaluate convenient and attractive public transportation options that have visitor appeal such as shuttle buses, trolleys, and a river barge; support privately-owned ventures if appropriate ★
 - ii. Provide convenient pedestrian access with clearly signed and attractive trail connections linking Downtown, the Farmers Market, wineries, the proposed GardenWalk and the Tourist District ★
 - iii. Work with King County to use the Burlington Northern Santa Fe rail corridor to provide additional pedestrian connections to wineries and other points of interest ★
- B. Encourage users of the Sammamish River Trail to access Downtown, providing convenient and attractive pedestrian access, good signage and public art ★
- C. Conduct market analysis of tourists and recruit Downtown retail businesses and restaurants attractive to this population [related to Goal 1, Priority 4, Strategy D on page 13] ★



Priority 3. Encourage complementary tourism and retail uses in the Tourist District and Downtown respectively

- A. Promote the development of additional wineries and food-oriented businesses
- B. Encourage family-friendly tourism uses in the Central Business District
 - i. Attract artisans to Downtown as well as the Tourism District
 - ii. Promote the use of and explore the expansion of athletic fields
- C. Promote agritourism by actively partnering with the Farmers Market, the Sammamish Valley Farmland Trust, the Sammamish Valley Alliance, and the Sammamish Valley Grange
- D. Evaluate expanding the Tourism Overlay into the South Industrial Zone to promote the expansion of tourism uses *

Priority 4. Enhance the City's attractiveness as an extended destination

- A. Actively recruit the development of independently owned mid-level lodging and a variety of food related industry (cooking schools, catering, etc.) options *



Goal V. Promote the City's Image and Identity

Woodinville's image and identity can successfully be promoted through branding and marketing. Utilizing a Woodinville brand to enhance the city character and sense of place can provide a coordinated and complementary message to attract tourists and desired businesses while knitting the community together through a consortium of our strengths and special qualities. Marketing the Woodinville brand will help place Woodinville in a distinct regional advantage, building on the iconic themes of the City including family living, agritourism, wine country tourism, festivals, arts, music, recreation and dining. Successfully promoting Woodinville to potential residents, visitors and businesses will benefit the City's fiscal position, allowing for further investments to secure the City's goals.

Priority 1. Adopt and implement a compelling and cohesive Woodinville brand, emphasizing the special qualities that residents, businesses and visitors find attractive

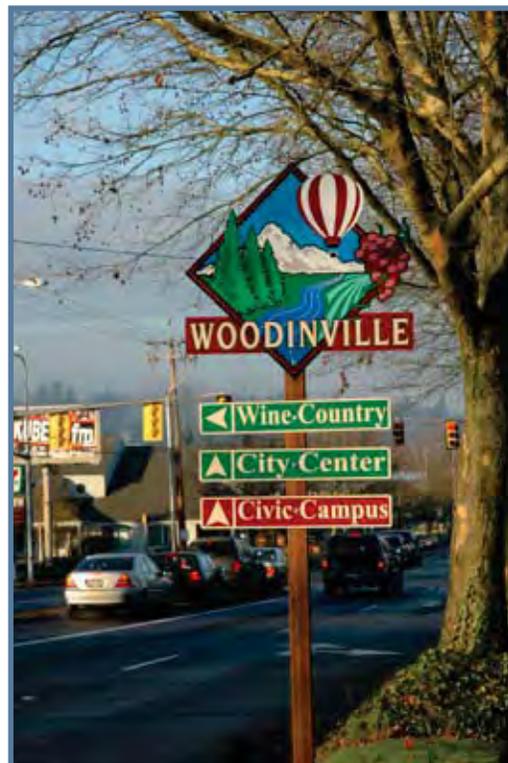
Consider a theme-based community offering a French flare, drawing on the City's chateaus, nurseries, public gardens, farms, boutiques, wineries, villages, parks, trails, and restaurants

- A. Establish a timeline and process for developing Woodinville's brand ★
 - i. Solicit citizen groups to build the brand with City oversight
 - ii. Involve stakeholders from the tourism industry, a range of businesses, citizen groups and the residential community
 - iii. Earmark resources from the lodging tax and the Chamber of Commerce for development of the brand by a professional
- B. Use the City name in a tagline such as "We're Woodinville, growing a community for life"
- C. Use themes of the region in development of the brand: wine country tourism; agriculture; families living and growing; festivals; cohesiveness; country living, city style; etc. [see sidebar] ★



Priority 2. Launch a marketing campaign building on the City's brand

- A. Develop a City Marketing Plan to coordinate complementary messages to key audiences ★
 - i. Draw from stakeholder input received during creation of the Economic Development Plan
 - ii. Involve City staff, the private sector, the Chamber of Commerce and citizen committees
 - iii. Seek partnerships and grants to support implementation of the Marketing Plan
- B. Reinforce the City's core strengths in marketing messages
 - i. Name the infrastructures, facilities, services, telecommunications, cultural landscape and entertainment amenities we have to offer as a City and region
 - ii. Reinforce elements of quality of life and sustainable development in all strategies
- C. Market Woodinville as an interesting and accessible tourism destination
 - i. Incorporate Woodinville's multiple complementary tourism draws: wine, agritourism, food, and active recreation
 - ii. Partner with Seattle and Bellevue hotels
 - iii. Coordinate with Eastside cities to promote the sub-region as a tourism destination





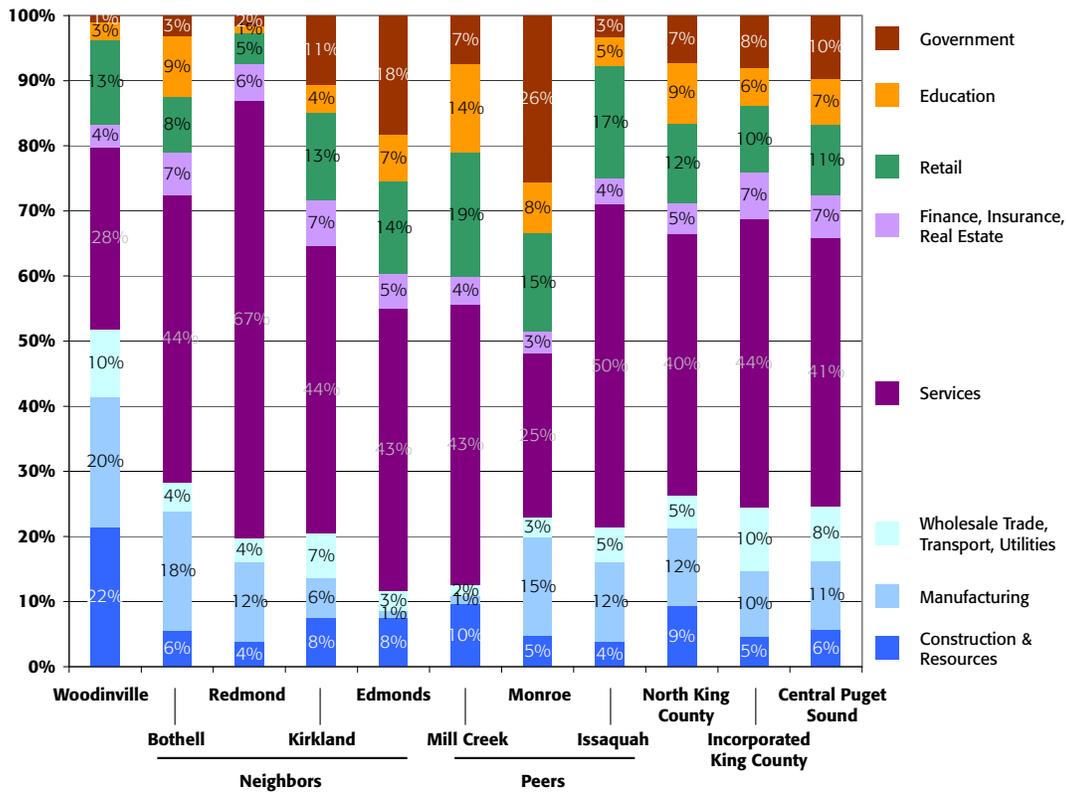
This Appendix excerpts key exhibits from the Woodinville Economic Development Strategic Action Plan Volume 2: Technical Annex.

Exhibit 1-1

Woodinville Areas of Specialization and High Job Counts

- Woodinville has smaller employment base than its peers and neighbors.
- Woodinville's biggest employment sector is Services (3,600 jobs)
- Construction and Resources is a large share of Woodinville's employment base (22%), more than twice any comparable city or the Region.
- Together, Manufacturing and Construction and Resources equal 42%, nearly three times the share for Incorporated King County.
- While the Service sector is Woodinville's largest employment category, it is a smaller share relative to peers, neighbors, and the Region.

Share of Jobs by Sector, 2003



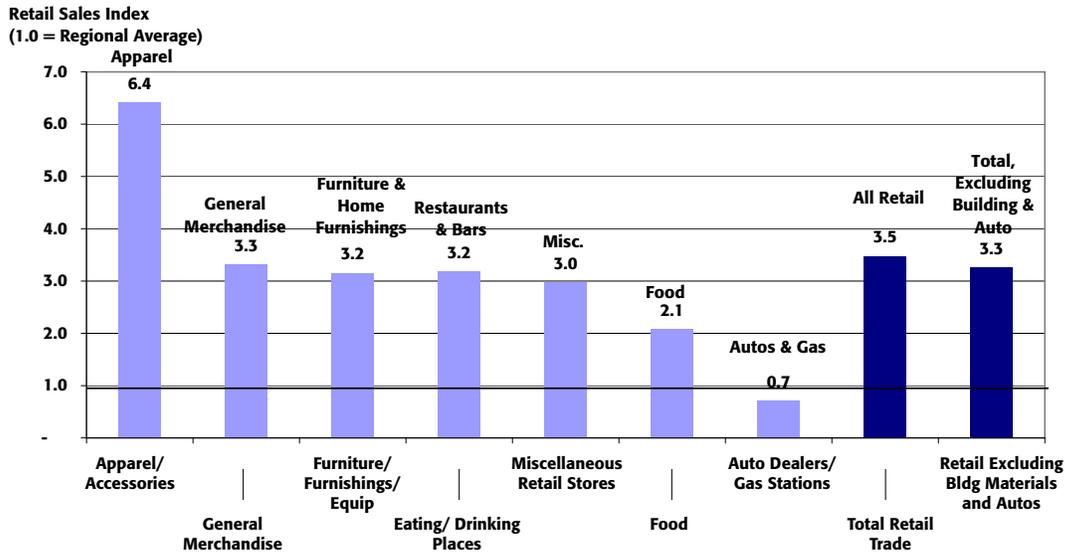
Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

Exhibit 1-2

Retail Market Capture Analysis

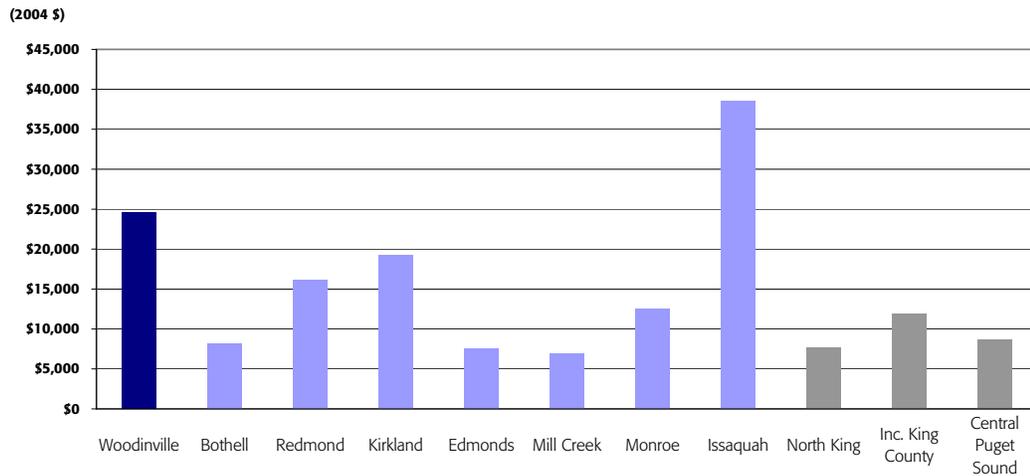
- Woodinville excels as a regional retail center. On a per capita basis, only Issaquah has more retail sales than Woodinville among comparable communities.
- Taxable retail sales per capita in Woodinville were over three times as much as the North King and regional averages.
- Woodinville retailers capture 3.5 times as many sales as would be expected, based on population and adjusting for higher incomes.
 - Performance among retail sectors vary:
 - Building materials capture more than 15 times the amount expected;
 - Apparel stands out as another retail leader;
 - Home Furnishings, General Merchandise and Restaurants and Bars all are strong.
 - Only Auto-Oriented sales lag expectations
- Taxable retail sales for Woodinville retailers increased 12% in 2004, compared to 6% for the three-county region.
 - Prior to 2004, retail growth had only kept pace with regional growth from 1999 through 2003.

Retail Sales Index, 2004



Source: Department of Revenue, 2005

Taxable Retail Sales Per Capita, 2004*



TR\$ Per Capita	\$24,559	\$8,164	\$16,170	\$19,191	\$7,570	\$6,896	\$12,457	\$38,568	\$7,716	\$11,832	\$8,637
2004 Taxable Retail Sales (Millions)	\$244	\$253	\$758	\$879	\$300	\$88	\$193	\$598	\$969	\$16,937	\$27,441
2004 Population	9,915	30,930	46,900	45,800	39,620	12,760	15,480	15,510	125,525	1,431,505	3,177,100

* *Lumber and Other Building Materials* (SIC code 521) is excluded from all TRS totals. Inclusion of this sub-category would skew the results given the substantial level of wholesale sales in this sub-sector in Woodinville. Additional wholesale activity is likely represented in other sub-sectors, which may cause minor skewing.

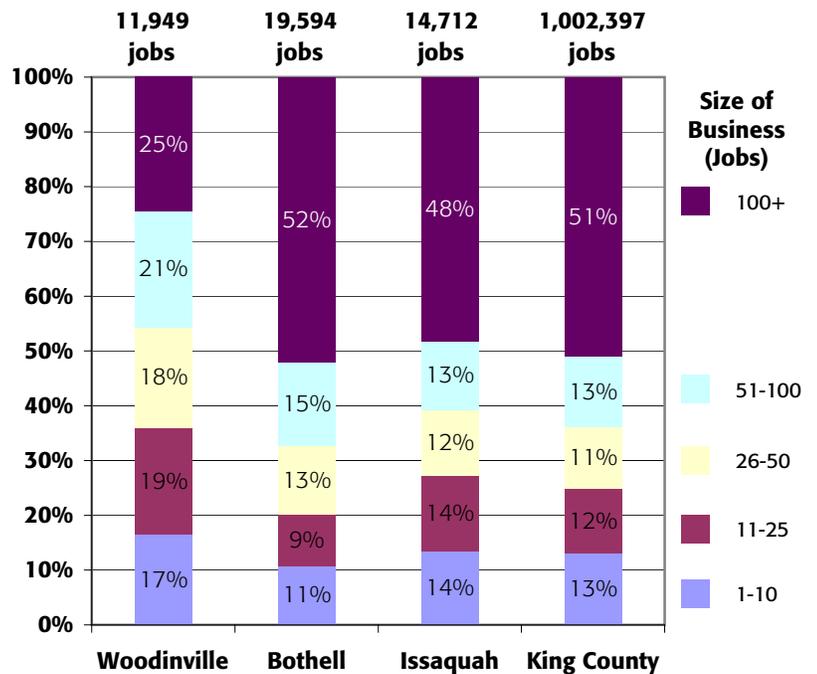
Source: Department of Revenue, Berk & Associates, 2005

Exhibit 1-3

Size of Woodinville Businesses

- Woodinville has a large concentration of mid-sized employers. About 60% of Woodinville jobs are provided by establishments with 11-100 employees.
- The majority of Woodinville businesses are small businesses with 25 or fewer employees (85%).
- A large proportion of Woodinville’s jobs are in small and mid-sized businesses (54% in businesses of 50 or less employees). This is a higher proportion than the King County average (36%), Bothell (33%), and Issaquah (39%).
- About 25% of Woodinville’s jobs are businesses of 100 or more employees, which is about half as much as the King County, Bothell and Issaquah, averages, which all have concentrations close to 50%.

Distribution of Jobs by Size of Business, 2003



* These data under-represent smaller businesses because they only include those employees covered by the State’s unemployment insurance program and those that could be geocoded by the PSRC.

Source: Puget Sound Regional Council; Washington State Employment Security Department, 2005

Woodinville Employment Establishments by Size, 2003

Establishment Size	Number of Establishments	Total Jobs	Percentage of Establishments	Percentage of Total Jobs
1-10	516	1,975	67%	17%
11-25	139	2,316	18%	19%
26-50	63	2,203	8%	18%
51-100	36	2,524	5%	21%
100+	16	2,931	2%	25%
Total	770	11,949	100%	100%

Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

Exhibit 1-4

In January, 2004, the Planning Commission recommended to the City Council a draft Downtown and Little Bear Creek Corridor Master Plan. The draft Plan contains recommendations to implement the City's vision to "create a vibrant, compact downtown Woodinville that is an inviting place to work, shop, live and socialize."

Key features of the Plan include recommendations for:

- "Mixed-use" development and multi-family housing to encourage a more pedestrian-oriented environment
- New permitted uses in the General Business zone to encourage business and employment opportunities that are well-designed and built in an environmentally friendly way
- New grid streets to improve traffic flow
- New pedestrian and bicycle pathways to connect downtown with other areas and provide non-motorized transportation options
- Environmental enhancements for Little Bear and Woodin Creeks
- Additional parks and open space

The complete draft Plan can be viewed at the City's website:

<http://www.ci.woodinville.wa.us>

Woodinville Downtown Master Plan Zoning

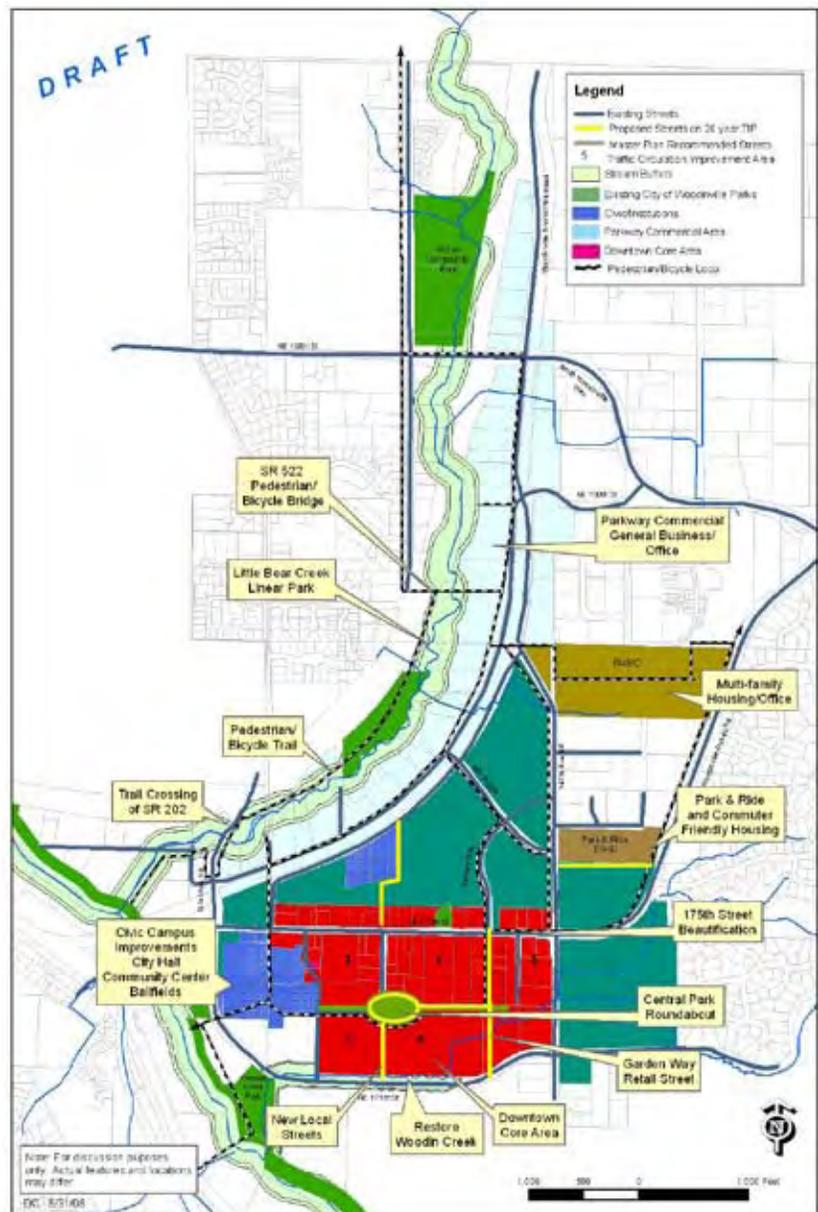


Exhibit 2-1
Woodinville Retail Trade Capture

- Woodinville’s primary retail trade area extends to Duvall in the east and north into Snohomish County.
- Population growth in this area will continue to drive demand for additional retail space in Woodinville.

Woodinville Retail Trade Area

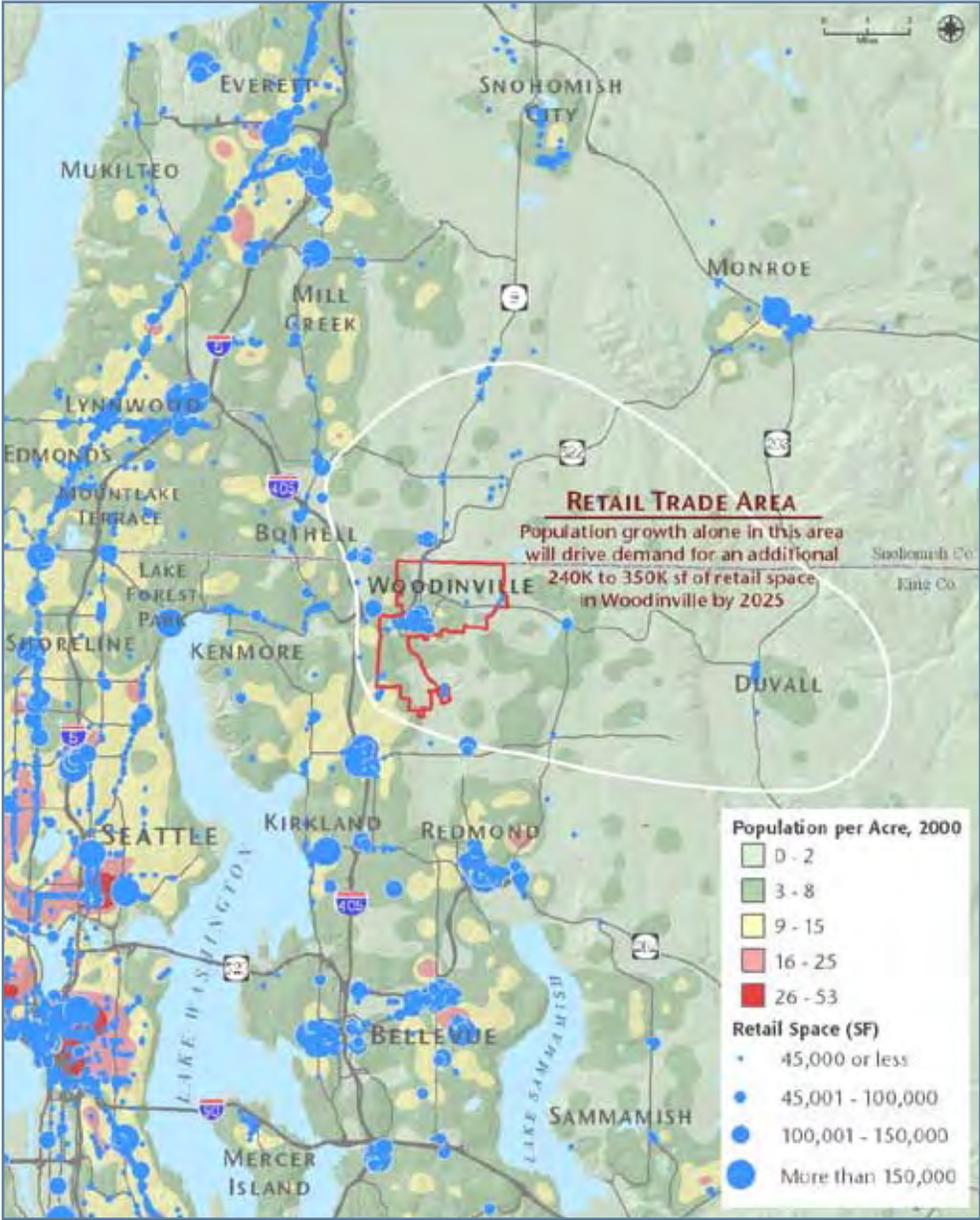
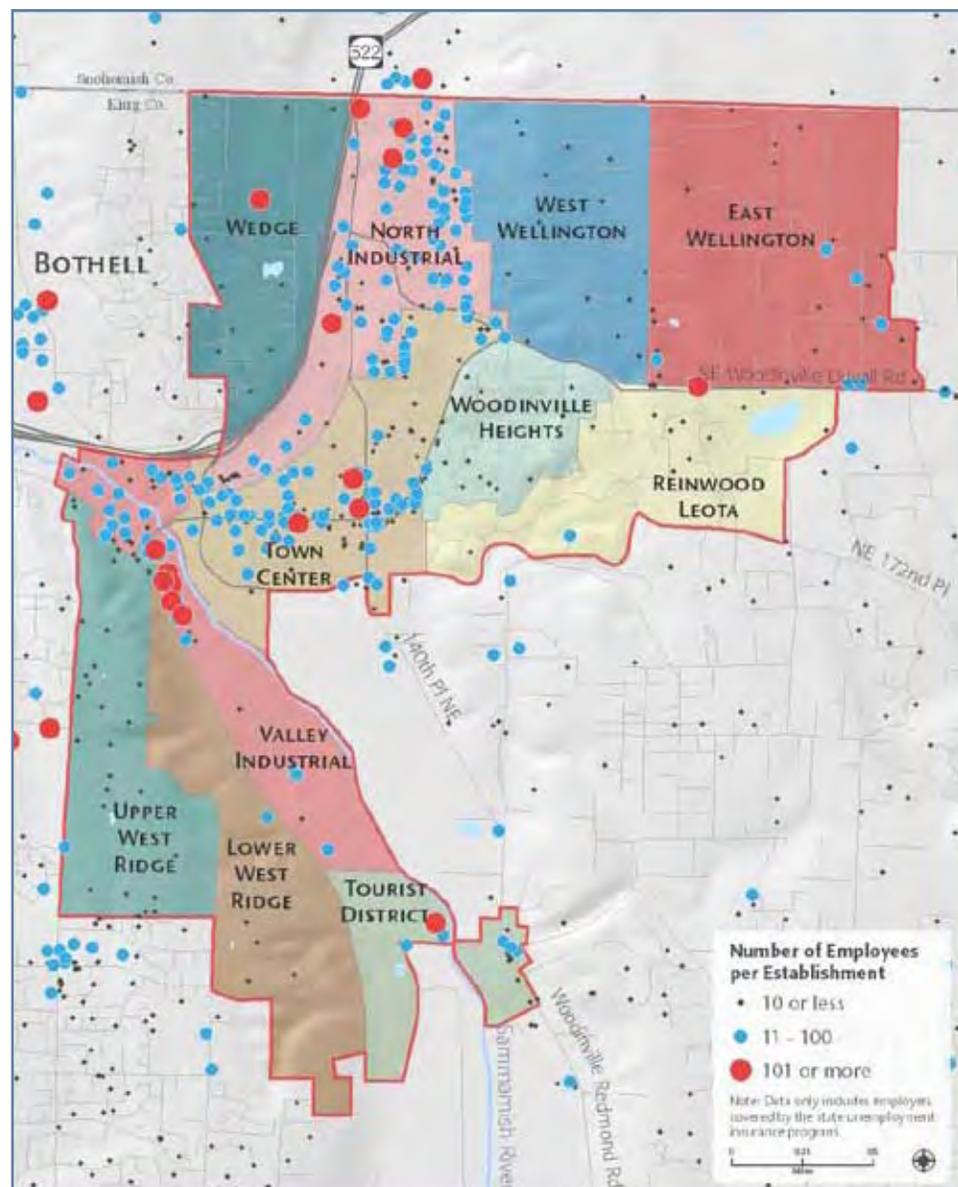


Exhibit 2-3

Employment Distribution

- Most Woodinville employment is located in the North Industrial, Town Center, and Valley Industrial neighborhoods.
- The largest employers are located in the two industrial neighborhoods.
- A smaller cluster of employment is located in the Tourist District.

Neighborhood Employment Distribution, 2003



Source: Puget Sound Regional Council, 2005

Exhibit 3-1

Quality of Life in Woodinville

In 2004, the City conducted a telephone survey of Woodinville residents to gauge public views on a range of topics, including satisfaction with City government services, growth and development policy and overall assessment of the quality of life. The interviewees were asked to respond by ranking their satisfaction to the various questions on a scale from 0 to 10, with 10 being the highest. The chart below presents an excerpt from the responses.

The full results are available at the City's website: <http://www.ci.woodinville.wa.us>

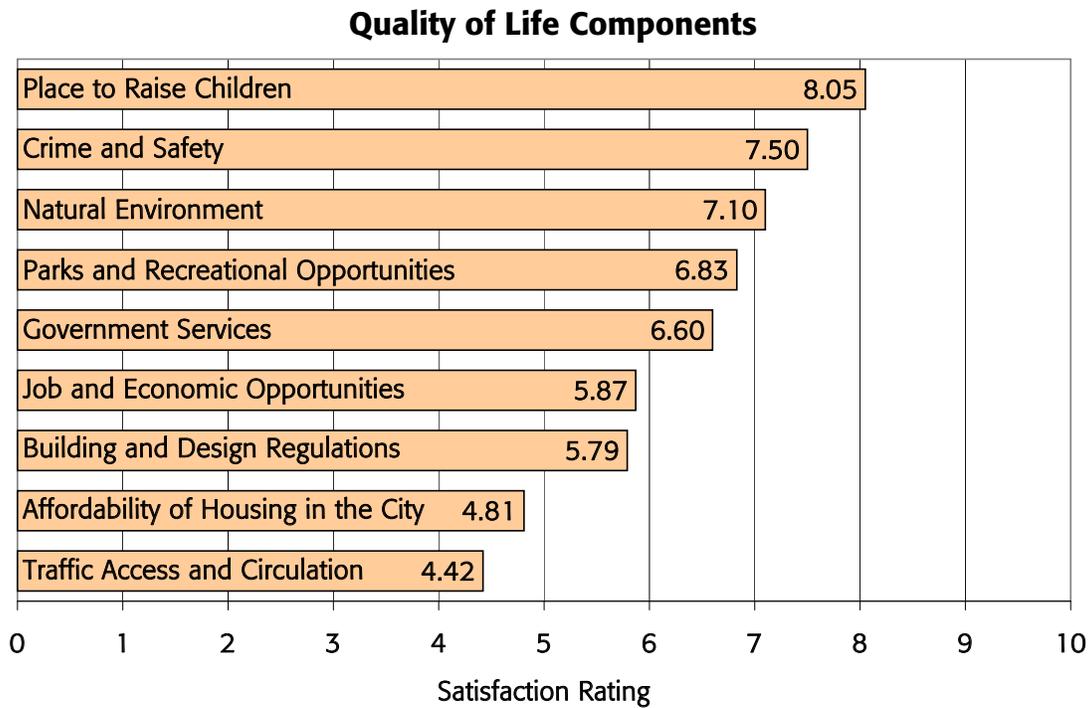


Exhibit 3-2 Population

Historic Population Growth and Population Forecasts

Woodinville Population	1993	2000	2004	Projected 2030
OFM	7,833		9,915	
US Census		9,809		
PSRC Based Forecast				13,222
Average Annual Growth Rate		3.3%	0.3%	1.1%

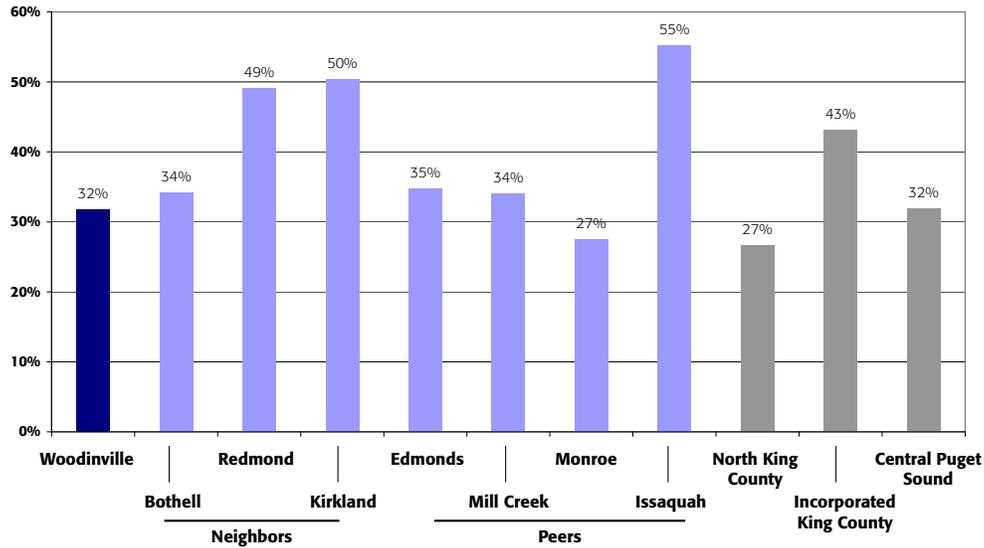
Source: US Census, 2000, Office of Financial Management, 2004 & Puget Sound Regional Council, 2003

Exhibit 3-3

Housing in Woodinville

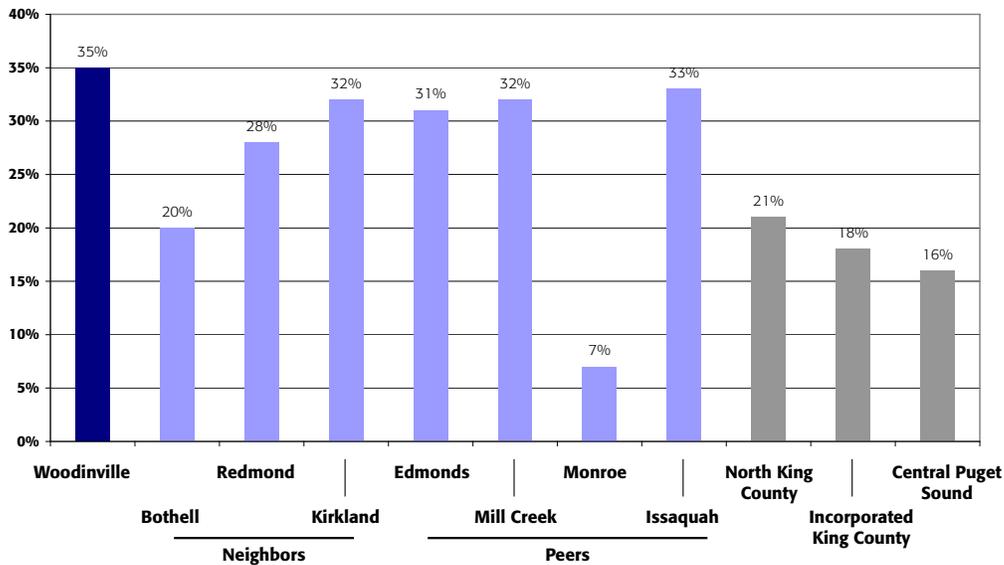
- Multifamily housing as a percentage of all housing in Woodinville (32%) represents a smaller percentage than Incorporated King County (43%), but the same as the region.
- Neighboring cities all have a larger share of housing devoted to multifamily housing.
- Within multifamily, the percentage of units that are owner-occupied is relatively high in Woodinville (35%) compared to other cities and to incorporated King County (18%).

Multifamily Housing Units as a Percentage of All Housing Units, 2000



Source: Office of Financial Management, 2004

Owner Occupied Multifamily Housing Units as a Percentage of All Multifamily Housing Units, 2000



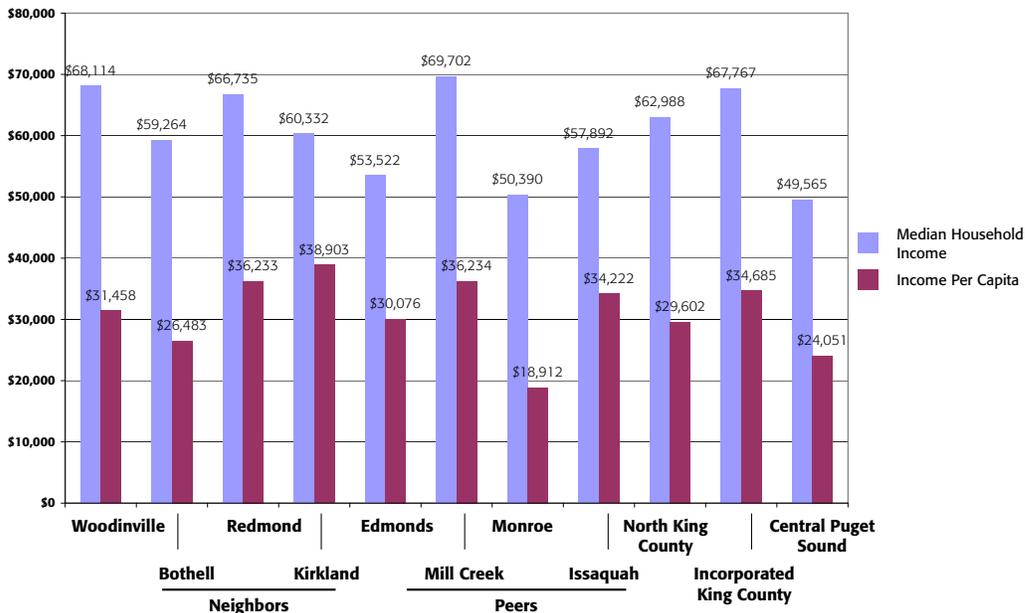
Source: US Census, 2000

Exhibit 3-4

Woodinville Household Incomes

- High median incomes (\$68k in 1999); higher than all neighbors and regional medians.
- Low percentage of households in lower income brackets (19% with household incomes less than \$35,000; compared to 32% for incorporated King and 33% for the region).
- Percentage of households (36%) in lower to middle incomes (\$35,000 to \$75,000) similar to comparable cities, County (37%) and region (38%).
- Woodinville averages more people per household (2.74) relative to most comparable cities and the Region (2.49). This is consistent with the large number of families in the City. Therefore, while Woodinville median household income is high relative to its peers and neighbors, its per capita income is lower.

Median Household Income and Income Per Capita, 1999



Percentage of Total Households by Household Income, 1999

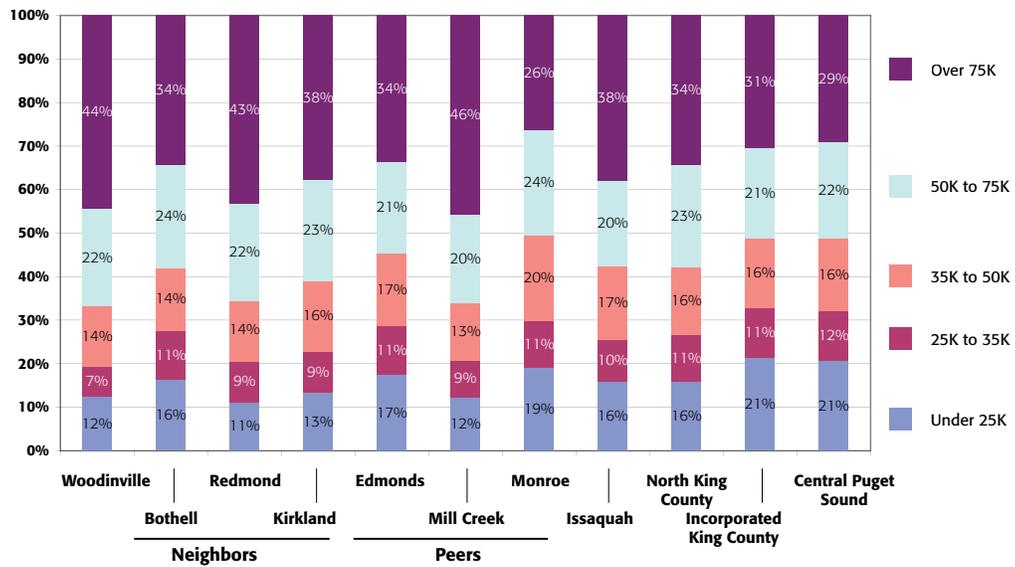
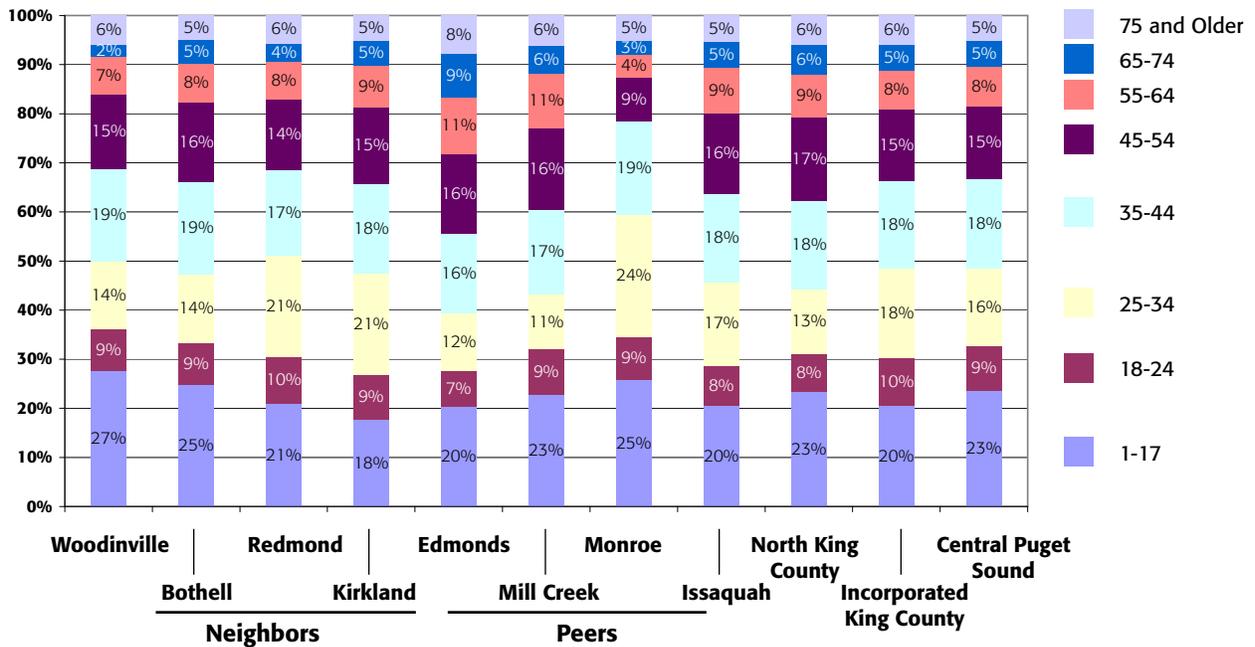


Exhibit 3-5

Age of Woodinville Residents

- Woodinville has a strong family presence with a relatively higher concentration of teenagers and children.
- Between 1990 and 2000 the number of young children in Woodinville aged 11 and under increased by 2,700.
 - Ages 1 to 5 dramatically increased indicating a number of births or family immigration from 1995 to 2000.
- Ages 25 to 44 decreased from 1990 to 2000.

Distribution of Age, 2000



Source: US Census, 2000

Exhibit 4-1**Appeal of Woodinville as a Place to Visit**

	North King County	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville
Appeal of the city as a place to visit	6.35	6.32	4.73	6.44	5.88	7.69

On a scale from 1-10, with 10 being the most appealing place to visit.
Source: North King County Economic Survey, Hebert Research, 2005

CITY OF WOODINVILLE ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

Volume 2: Technical Annex



Adopted January 2008

BERK & ASSOCIATES



“Helping Communities and Organizations Create Their Best Futures”

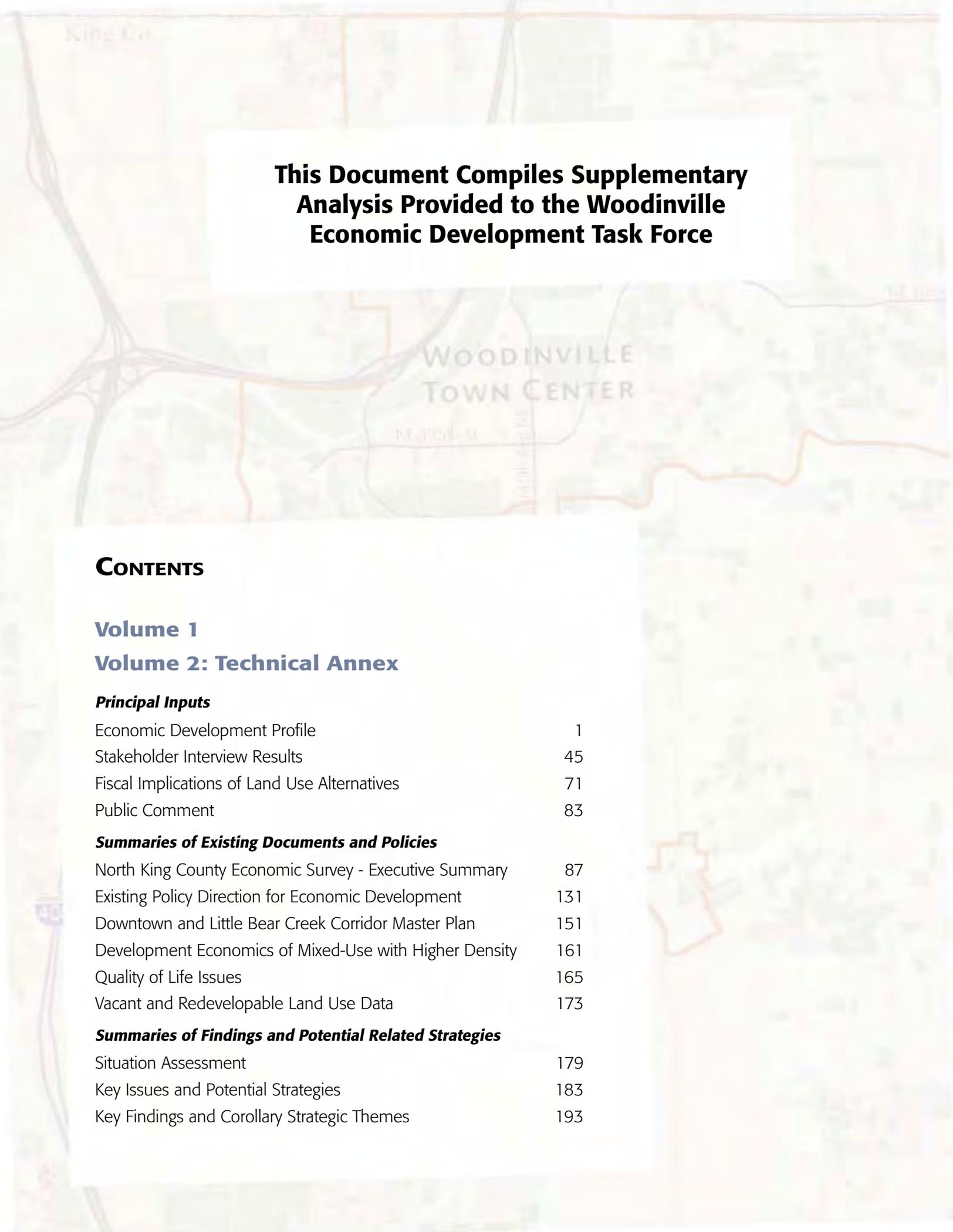
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Kapena Pflum, Meghann Glavin
Report Production: Meghann Glavin

A background map showing the Woodinville Town Center area. The map includes labels for 'King Co.', 'WOODINVILLE TOWN CENTER', and 'NE 175th St'. It shows a network of roads, including a major highway interchange on the left, and various colored zones or boundaries.

This Document Compiles Supplementary Analysis Provided to the Woodinville Economic Development Task Force

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WOODINVILLE ECONOMIC DEVELOPMENT PROFILE



WOODINVILLE ECONOMIC DEVELOPMENT PROFILE



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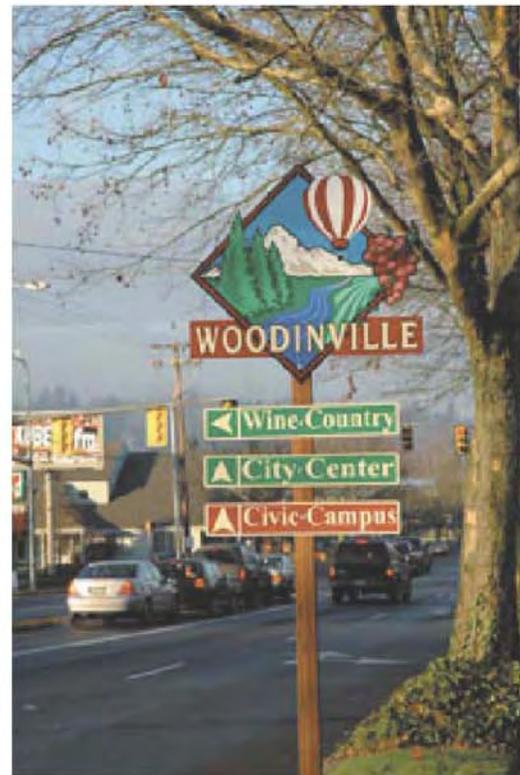
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DEMOGRAPHICS AND HOUSING

Woodinville Population

- Using growth projections from the Puget Sound Regional Council and population estimates from the Office of Financial Management, Woodinville’s population is projected to be 13,222 in 2030 (Exhibit 1).
- Taking annexation into account, there has been little population growth in recent years after strong growth in the latter 1990s; similar to North King County trends (Exhibit 2).

Regional Definitions

Throughout this document the following regions are defined as

North King County:

Woodinville, Lake Forest Park, Bothell (all), Shoreline, and Kenmore

Central Puget Sound:

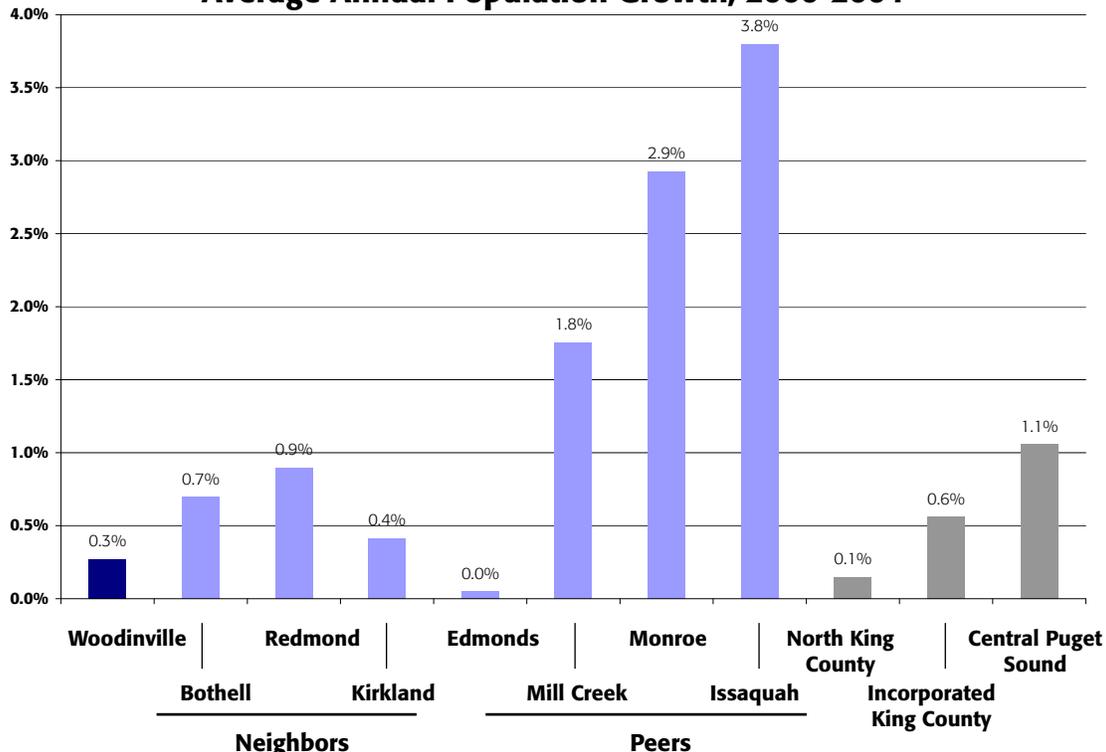
King, Kitsap, Snohomish, and Pierce Counties

**Exhibit 1
Historic Population Growth
and Population Forecasts**

Woodinville Population	1993	2000	2004	Projected 2030
OFM	7,833		9,915	
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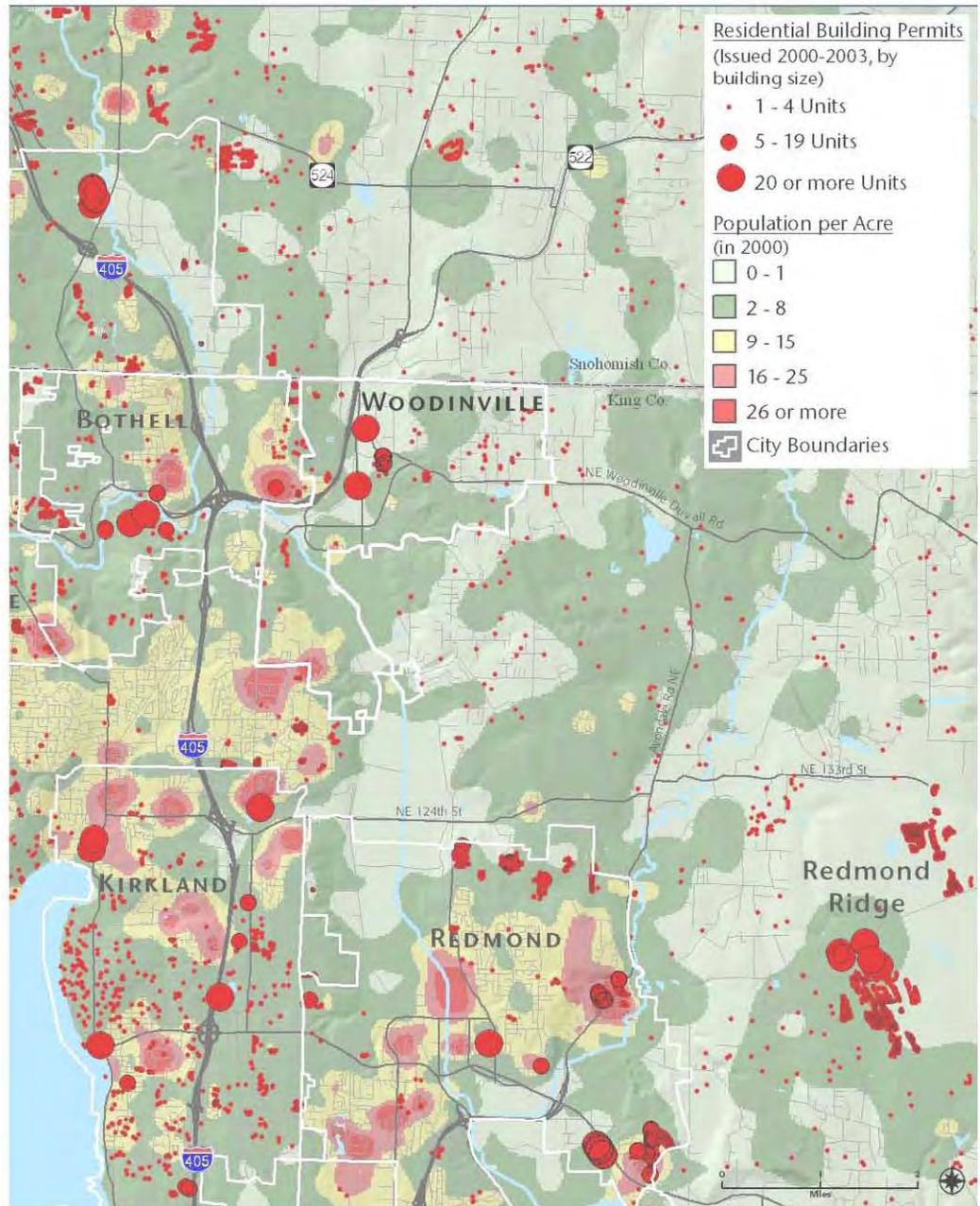
**Exhibit 2
Average Annual Population Growth, 2000-2004**



Source: Office of Financial Management, 2004

- Woodinville is bordered on the west and south by denser urbanized areas and on the east and north by less dense rural areas (Exhibit 3).
- Recent residential building activity in Woodinville is concentrated in the Woodinville Heights neighborhood (75 units).
- 308 residential units were permitted in Woodinville from 2000-2003. 148 of these units (48%) were multifamily, of which the majority (98 units) were for two large senior housing developments.
- Recent permit activity in the vicinity of Woodinville is primarily in Bothell to the west. Redmond Ridge to the southeast is another significant development.

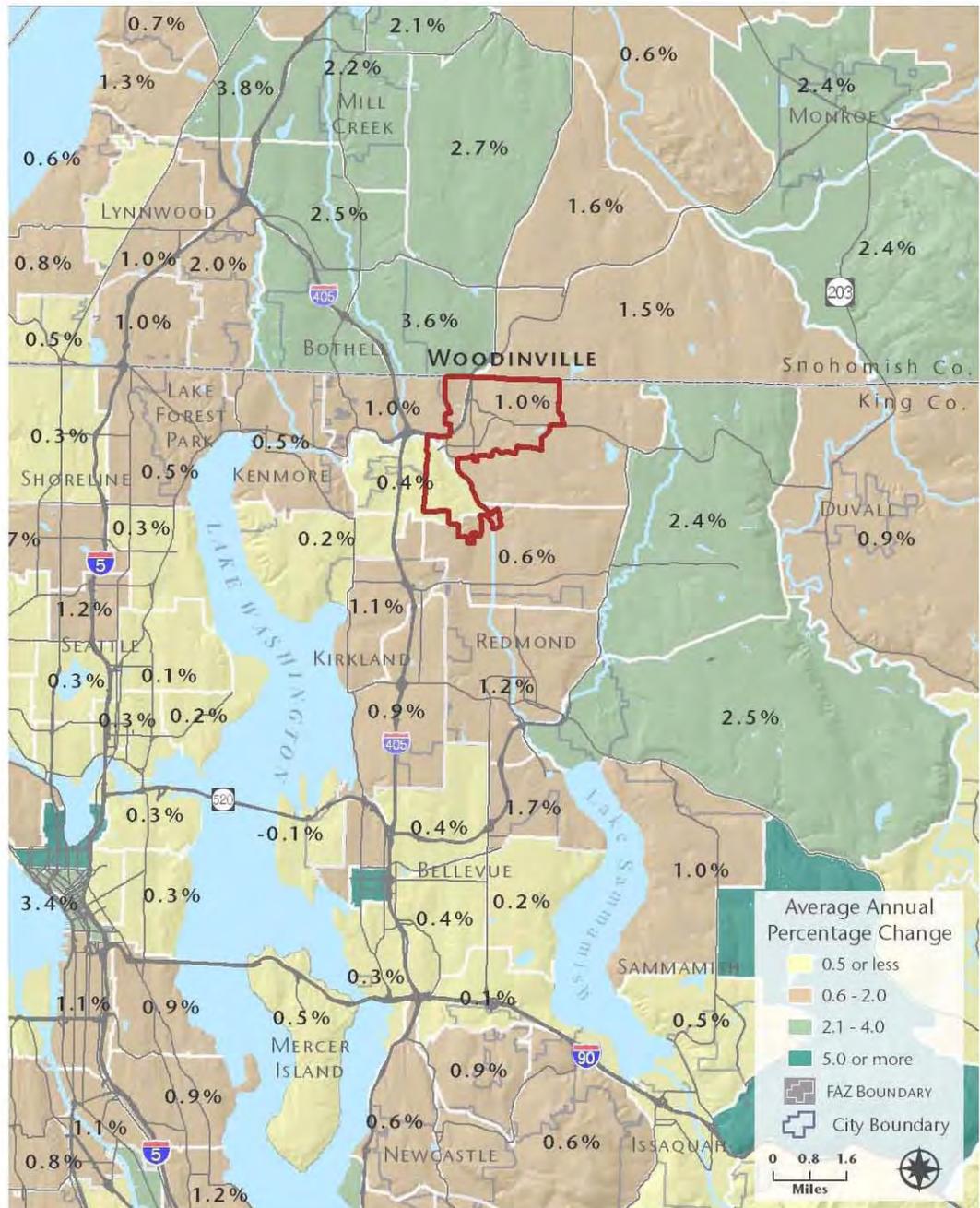
**Exhibit 3
Population Density in 2000
and Recent Housing Permits, 2000-2003**



Source: US Census, 2000 & Puget Sound Regional Council, 2000-2003

- Exhibits 4 and 5 are complementary. Exhibit 4 shows the rate of forecasted population growth and Exhibit 5 shows the magnitude and density of population growth.
- Woodinville’s population is expected to grow at a low to moderate rate over the next 15 years.
- Areas to the north, east, and southeast of Woodinville are expected to grow more rapidly.

Exhibit 4
Population Forecast 2000-2020: Average Annual Percentage Population Change by Forecast Analysis Zone



Source: Puget Sound Regional Council, 2002

Foreign Born and Minority Woodinville Residents

- Local percentage of foreign-born residents (11%) is slightly lower than the County and the Region (Exhibit 7).
 - The foreign-born population percentage has increased since 1990, when it was only 5%.
- Relatively stronger concentration of people from South/Central America: Mexico, in particular (Exhibits 6 & 8).
 - Woodinville’s foreign-born population represents over 30 countries.
- Relatively lower representation of minority races, though comparable to North King County and Eastside King communities as a whole (Exhibit 9).

Exhibit 6
Origin of Foreign Born Population, 2000

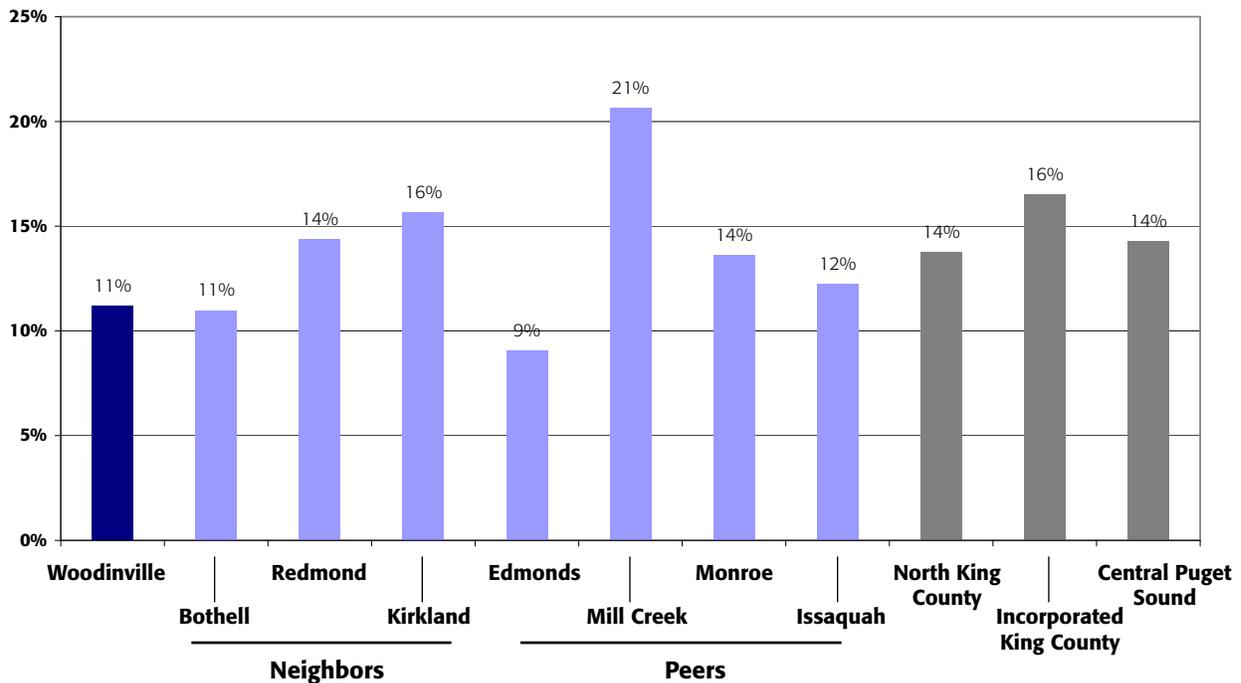
Woodinville		
Mexico	430	33%
China	92	7%
Vietnam	86	7%
Korea	84	7%
Germany	78	6%

Bothell	Redmond	Kirkland
Mexico 373 11%	China 1434 15%	Vietnam 560 9%
China 354 11%	Mexico 1085 12%	China 495 8%
Korea 259 8%	India 1054 11%	United Kingdom 389 6%
Vietnam 223 7%	United Kingdom 538 6%	Korea 348 5%
Philippines 202 6%	Korea 484 5%	Mexico 344 5%

Mill Creek	Monroe	Edmonds
Korea 330 18%	Mexico 731 60%	Korea 555 13%
Philippines 222 12%	Vietnam 99 8%	Mexico 352 8%
Germany 126 7%	Philippines 55 5%	United Kingdom 296 7%
China 104 6%	United Kingdom 46 4%	Philippines 275 6%
Iran 97 5%	India 31 3%	China 275 6%

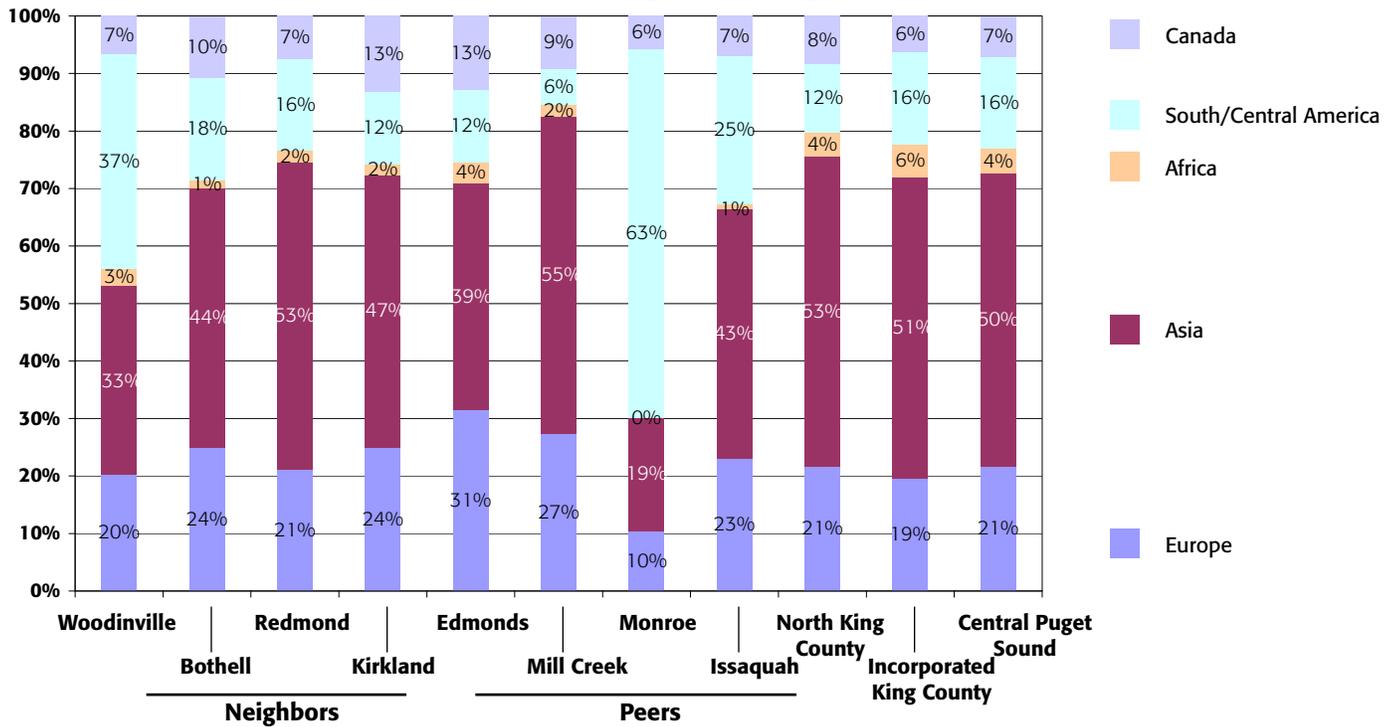
Source: US Census, 2000

Exhibit 7
Foreign Born Population, 2000



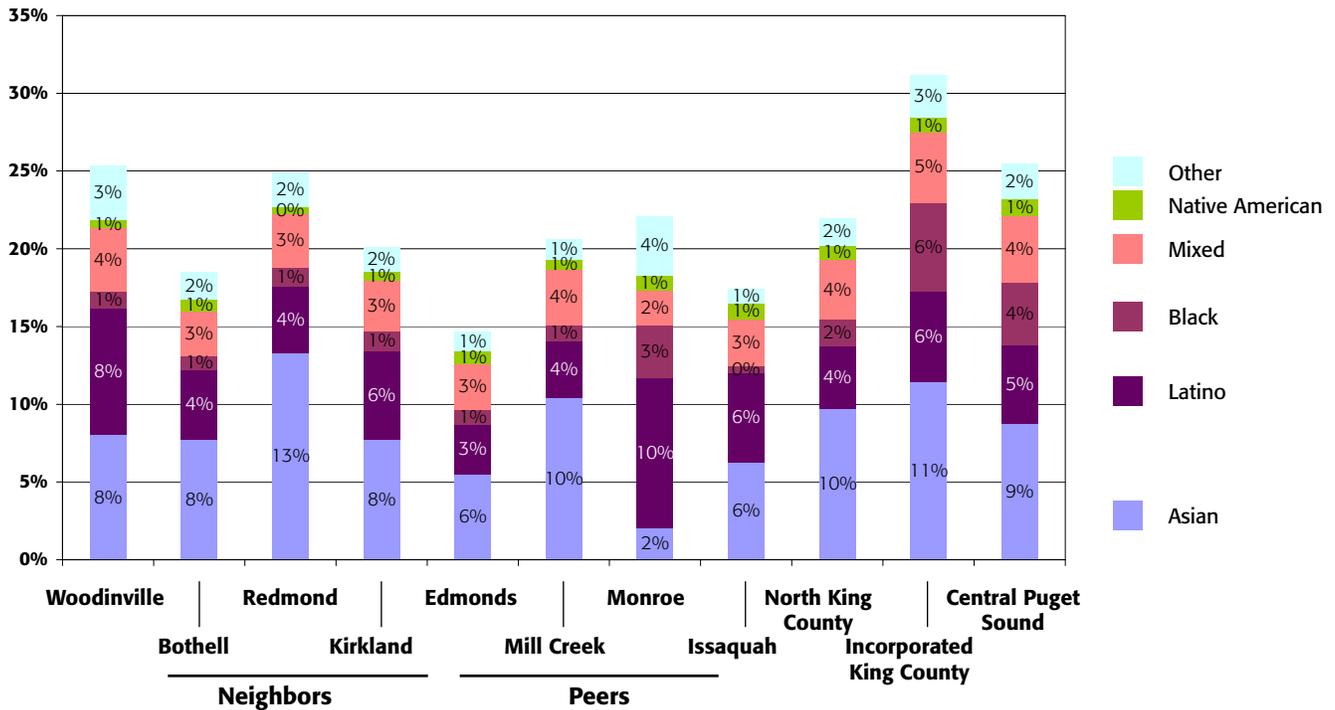
Source: US Census, 2000

**Exhibit 8
Distribution of Foreign Born Population, 2000**



Source: US Census, 2000

**Exhibit 9
Minority Races Share of Total Population, 2000**



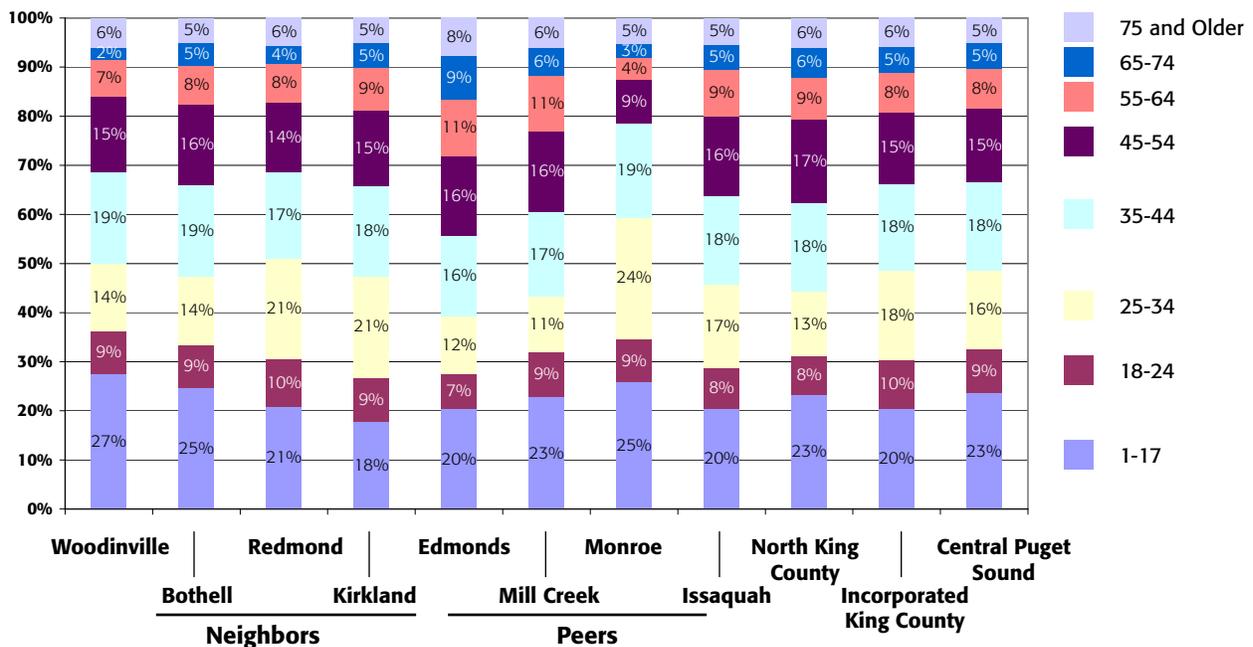
* Latino populations are not additive with other races

Source: US Census, 2000

Age of Woodinville Residents

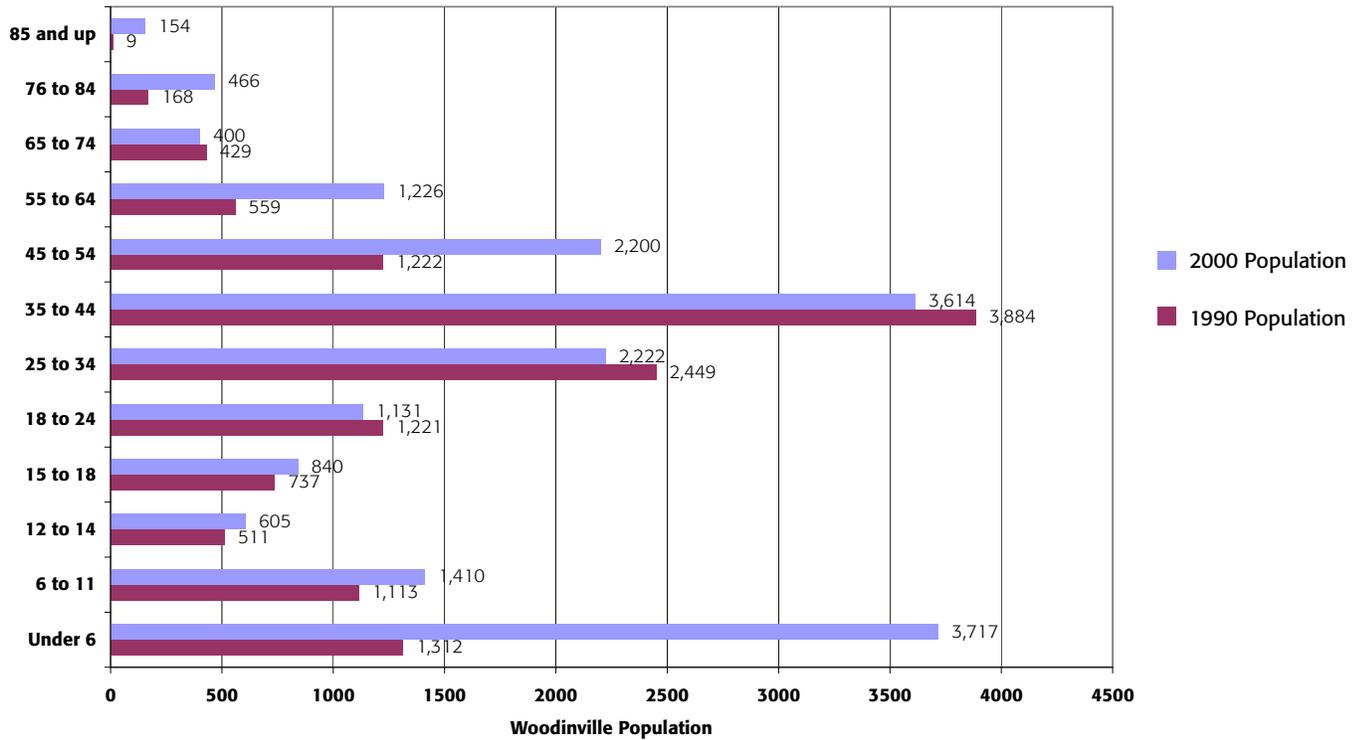
- Woodinville has a strong family presence with a relatively higher concentration of teenagers and children (Exhibit 10).
- Between 1990 and 2000 the number of young children in Woodinville aged 11 and under increased by 2,700 (Exhibit 11).
 - Ages 1 to 5 dramatically increased indicating a number of births or family immigration from 1995 to 2000.
- Ages 25 to 44 decreased from 1990 to 2000.
- The “1990 population aged by ten years” in Exhibit 12 shows the age distribution one would expect in 2000 given no in or out migration, deaths, or births between 1990 and 2000.
 - When the “1990 population aged ten years” is compared to the actual 2000 age distribution, there appears to have been an emigration of the 40 to 59 age group and an influx of those aged 20 to 39. (Exhibit 12).

**Exhibit 10
Distribution of Age, 2000**



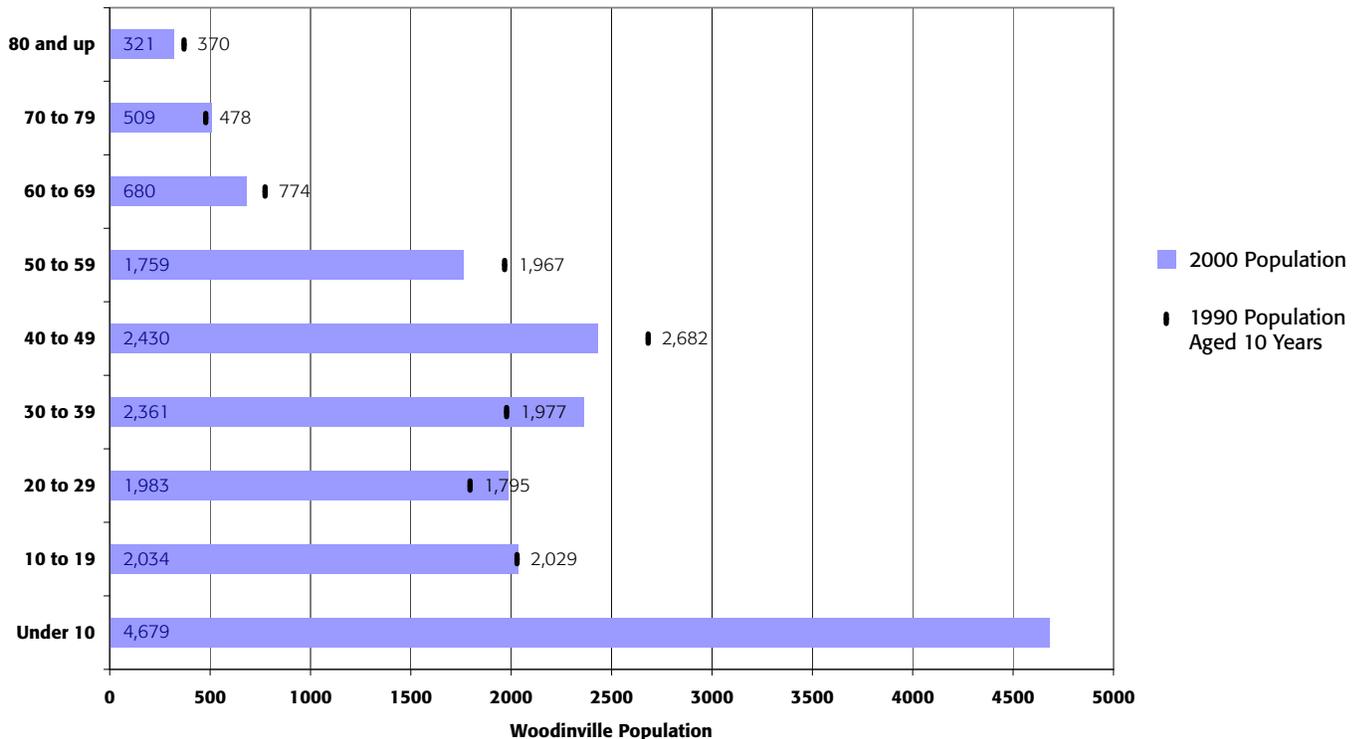
Source: US Census, 2000

Exhibit 11 Comparison of Age Distribution, 1990 & 2000



Source: US Census, 1990 & 2000

Exhibit 12 Age Cohort Analysis, 1990-2000



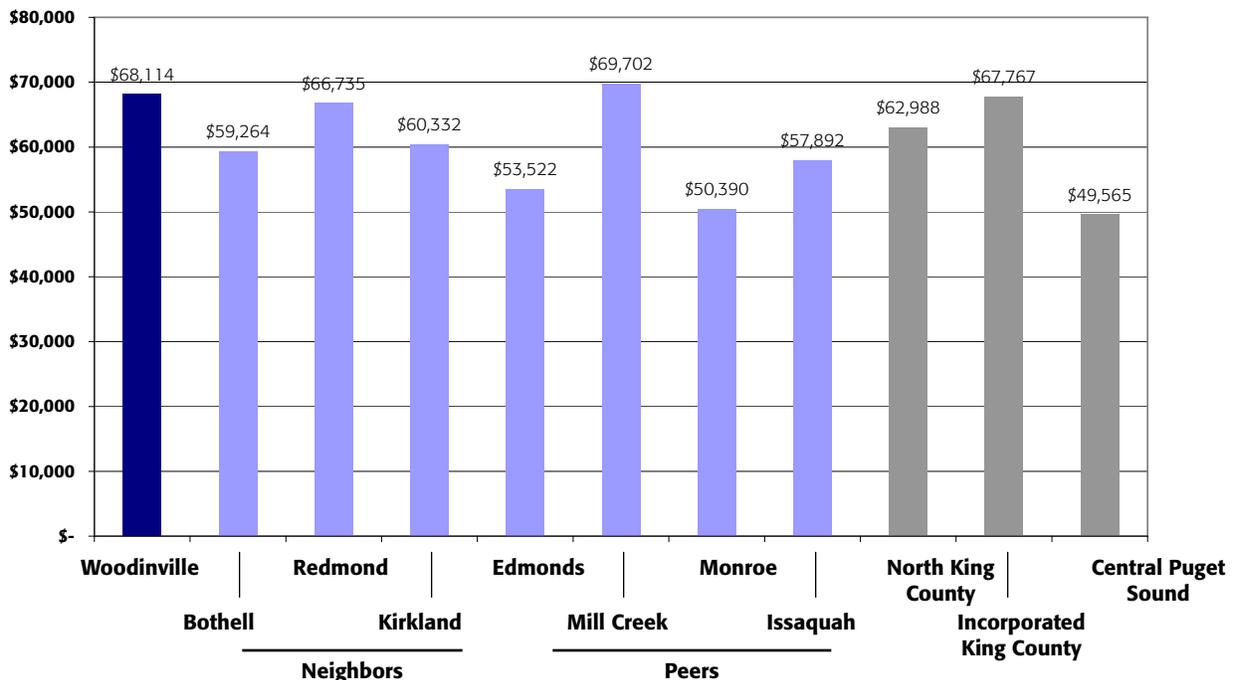
Source: US Census, 1990 & 2000

Woodinville Household Incomes

- High median incomes (\$68k in 1999); higher than all neighbors and regional medians (Exhibit 13).
- Low percentage of households in lower income brackets (19% with household incomes less than \$35,000; compared to 32% for incorporated King and 33% for the region) (Exhibit 14).
- Percentage of households (36%) in lower to middle incomes (\$35,000 to \$75,000) similar to comparable cities, County (37%) and region (38%) (Exhibit 14).
- Woodinville averages more people per household (2.74) relative to most comparable cities and the Region (2.49). This is consistent with the large number of families in the City. Therefore, while Woodinville median household income is high relative to its peers and neighbors, its per capita income is lower (Exhibit 15).

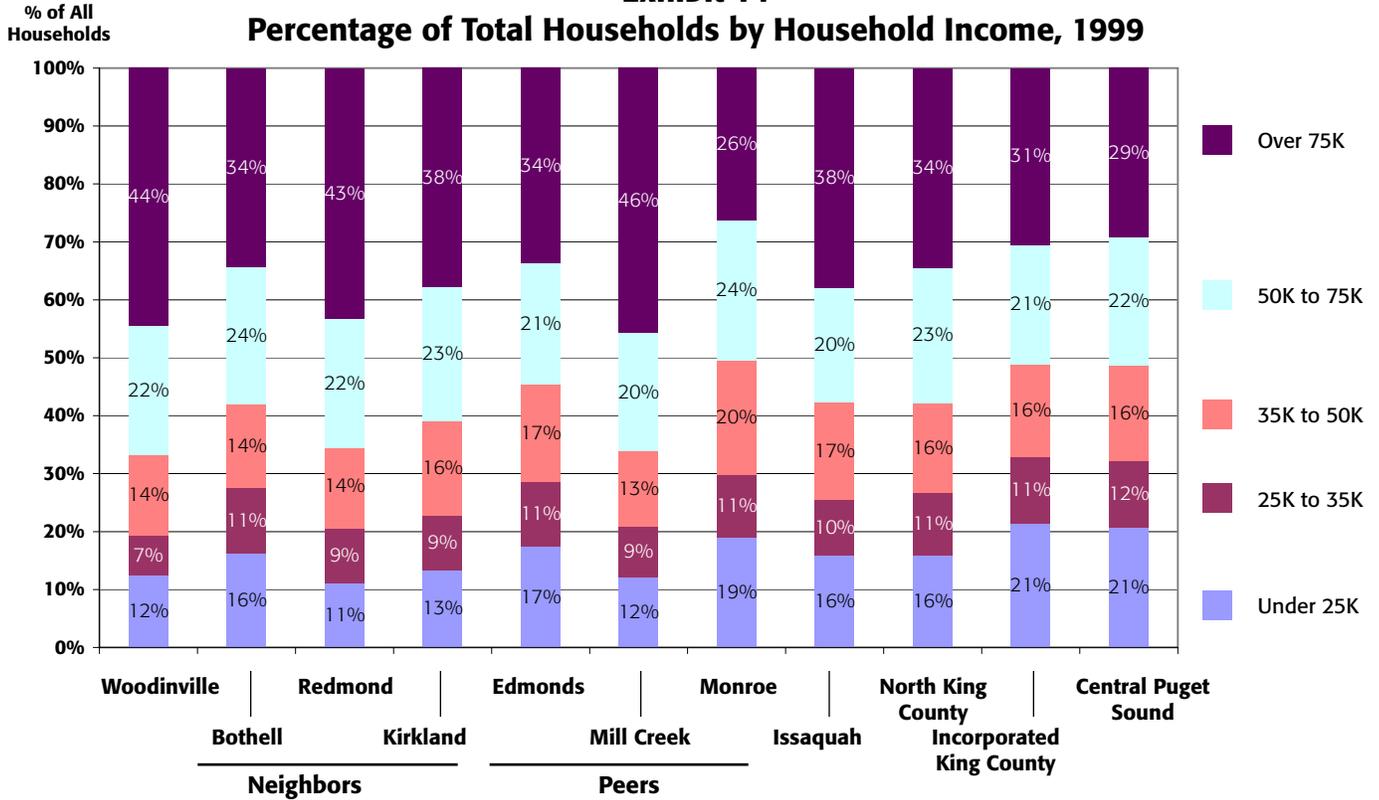
Average Household Income

Exhibit 13
Median Household Income, 1999



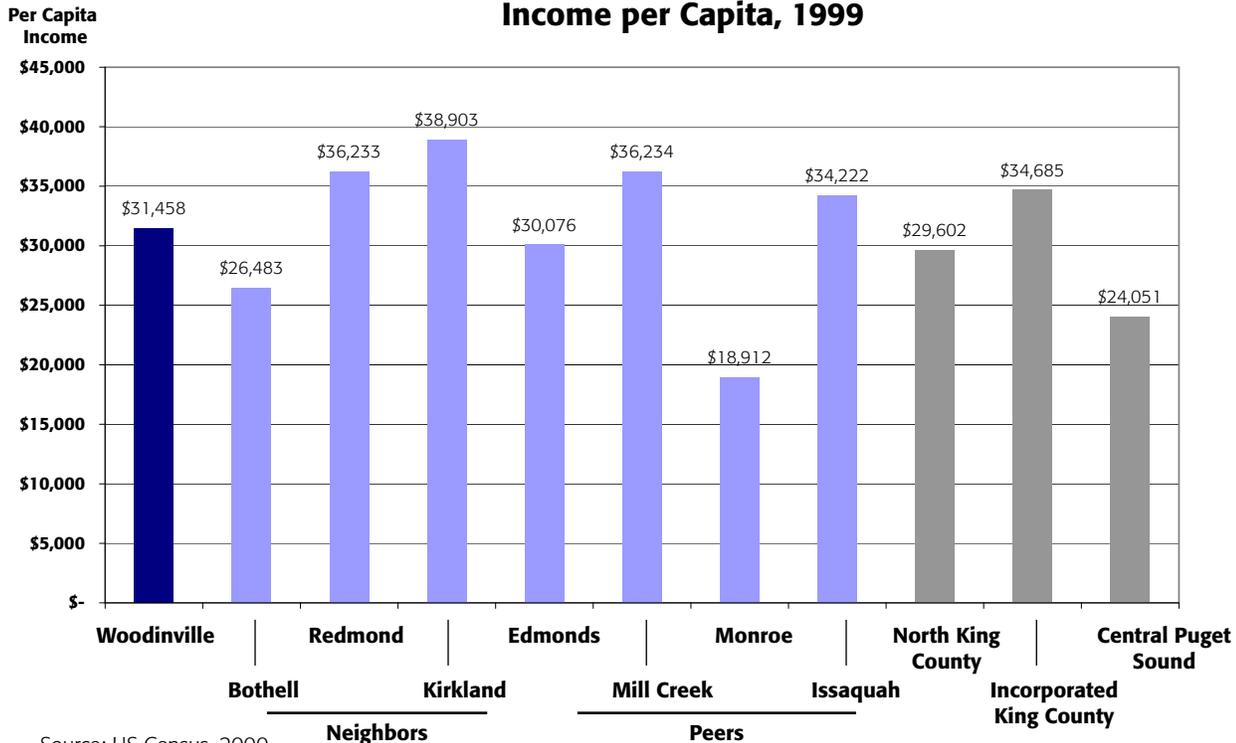
Source: US Census, 2000

Exhibit 14
Percentage of Total Households by Household Income, 1999



Source: US Census, 2000

Exhibit 15
Income per Capita, 1999

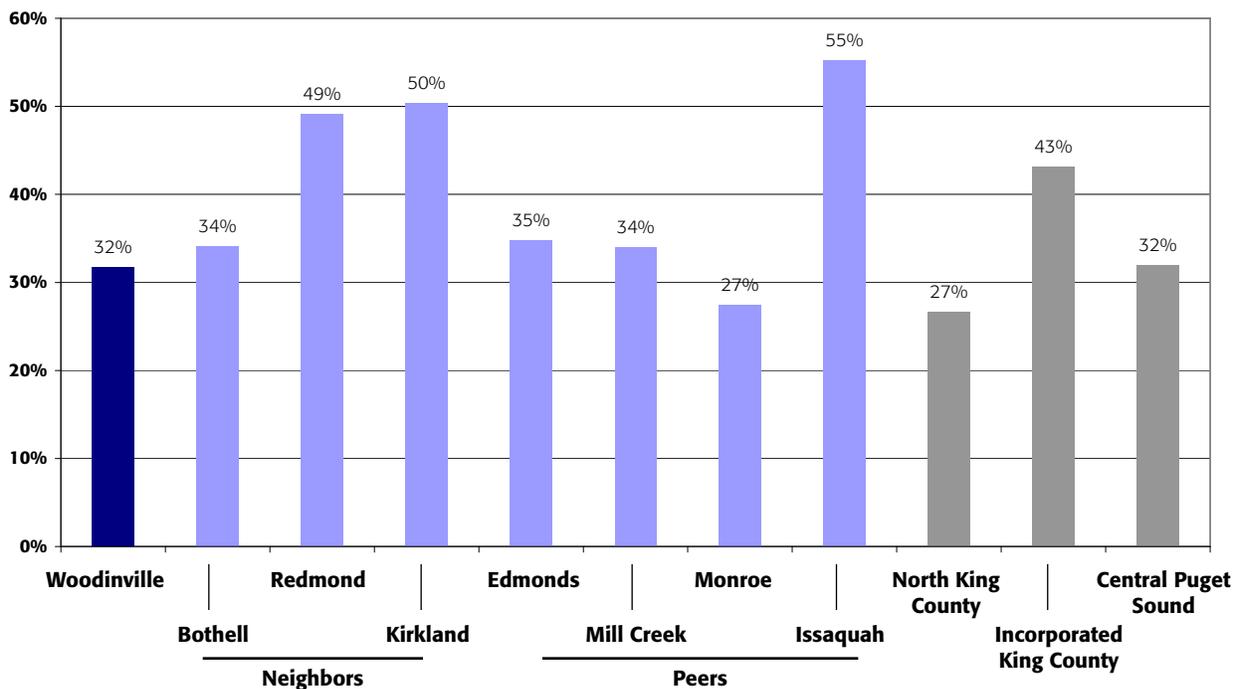


Source: US Census, 2000

Housing in Woodinville

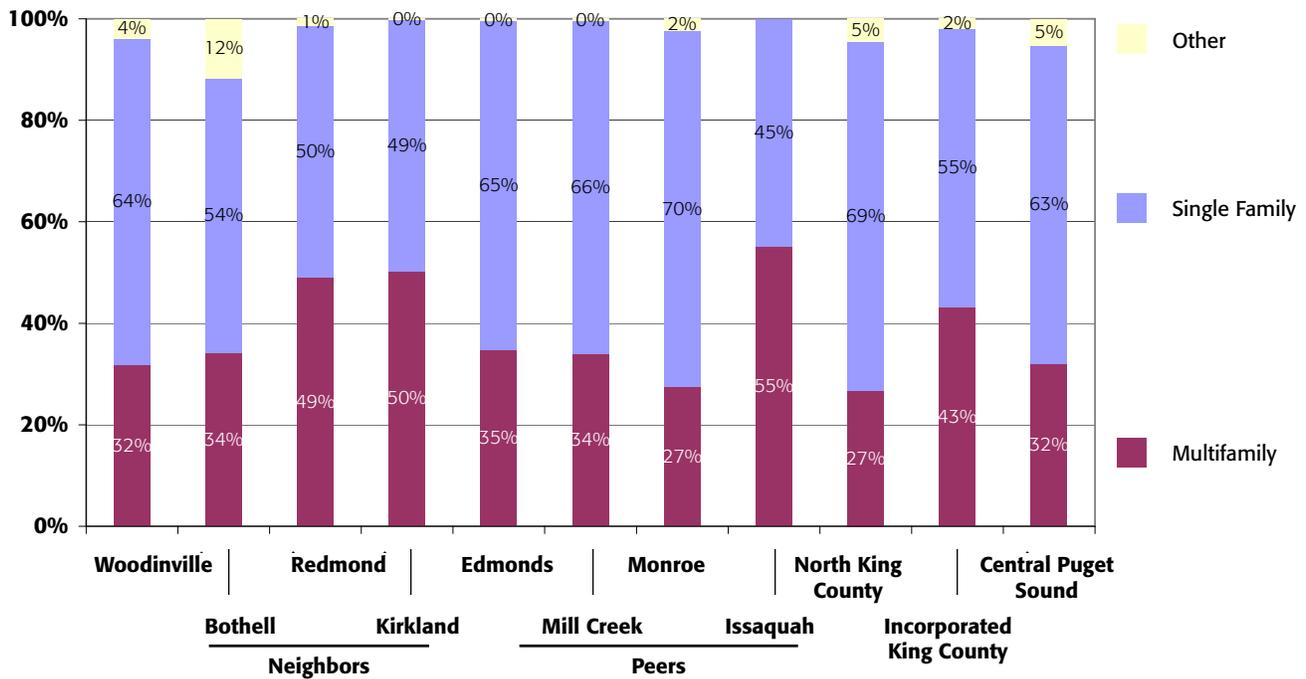
- Multifamily housing as a percentage of all housing in Woodinville (32%) represents a smaller percentage than Incorporated King County (43%), but the same as the region (Exhibit 16).
- Neighboring cities all have a larger share of housing devoted to multifamily housing (Exhibit 17).
- Within multifamily, the percentage of units that are owner-occupied is relatively high in Woodinville (35%) compared to other cities and to incorporated King County (18%) (Exhibit 18).

Exhibit 16
Multifamily Housing Units as a Percentage of All Housing Units, 2000



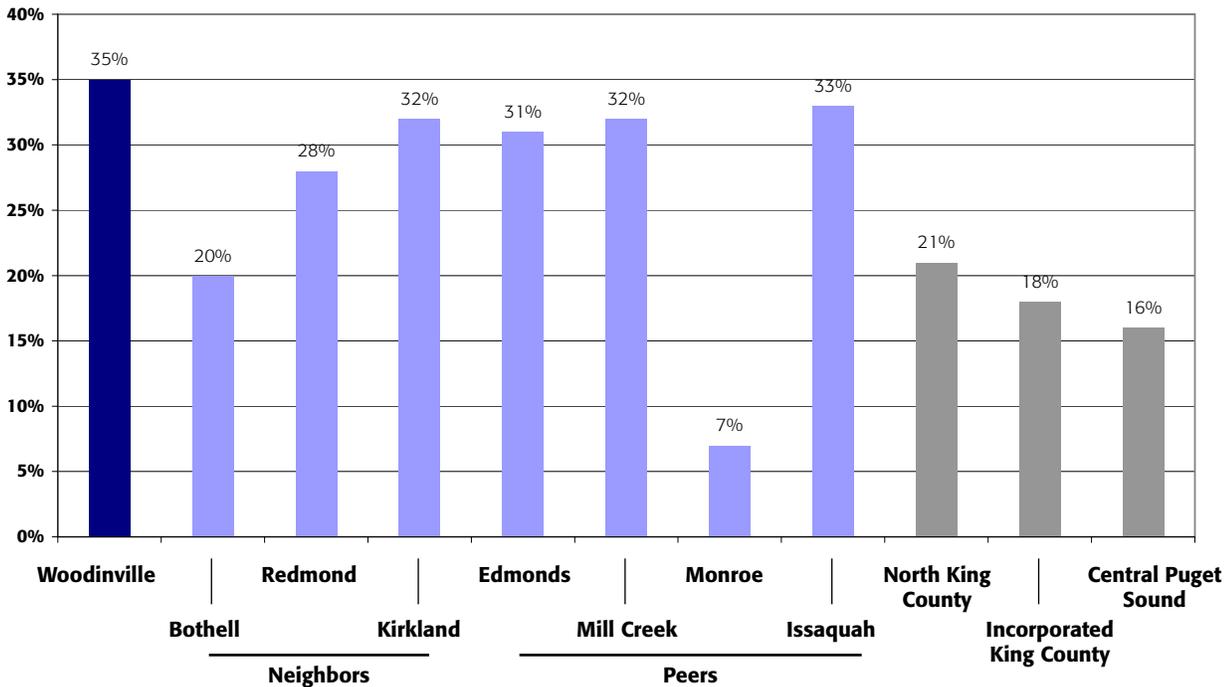
Source: Office of Financial Management, 2004

Exhibit 17
Distribution of Housing Units by Type, 2004



Source: Office of Financial Management, 2004

Exhibit 18
Owner Occupied Multifamily Housing Units as a Percentage of All Multifamily Housing Units, 2000



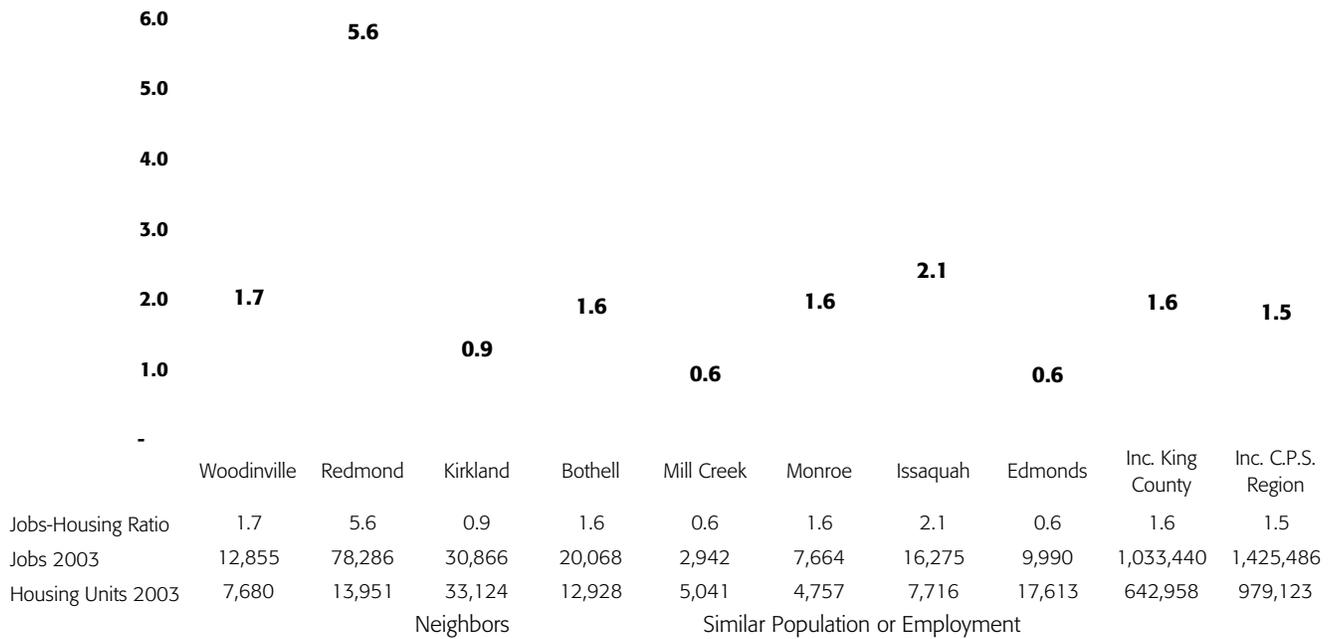
Source: US Census, 2000

ECONOMIC SECTORS

Jobs-Housing Balance

- Woodinville’s jobs-housing balance is 1.7, slightly higher than the totals for incorporated King County (1.6) and for incorporated portions of the Region (1.5) (Exhibit 19).
 - Suggests Woodinville’s employment base is “right-sized” for the City.

**Exhibit 19
Ratio of Jobs to Housing Units, 2003**



Source: Employment Security Department, Office of Financial Management, 2003

Woodinville Workers' and Residents' Journeys to Work

- Woodinville residents work in Woodinville (29%); throughout the Eastside communities including Kirkland, Redmond and Bellevue (28% combined); and in Downtown Seattle (14%) (Exhibits 20, 21).

Exhibit 20 Top Work Destinations, 2000

Destination City	Percentage of Woodinville residents who commute to work
Seattle	18%
Woodinville	17%
Redmond	15%
Bellevue	13%
Kirkland	8%
Bothell	7%

Source: US Census, 2000 (Place-based totals)

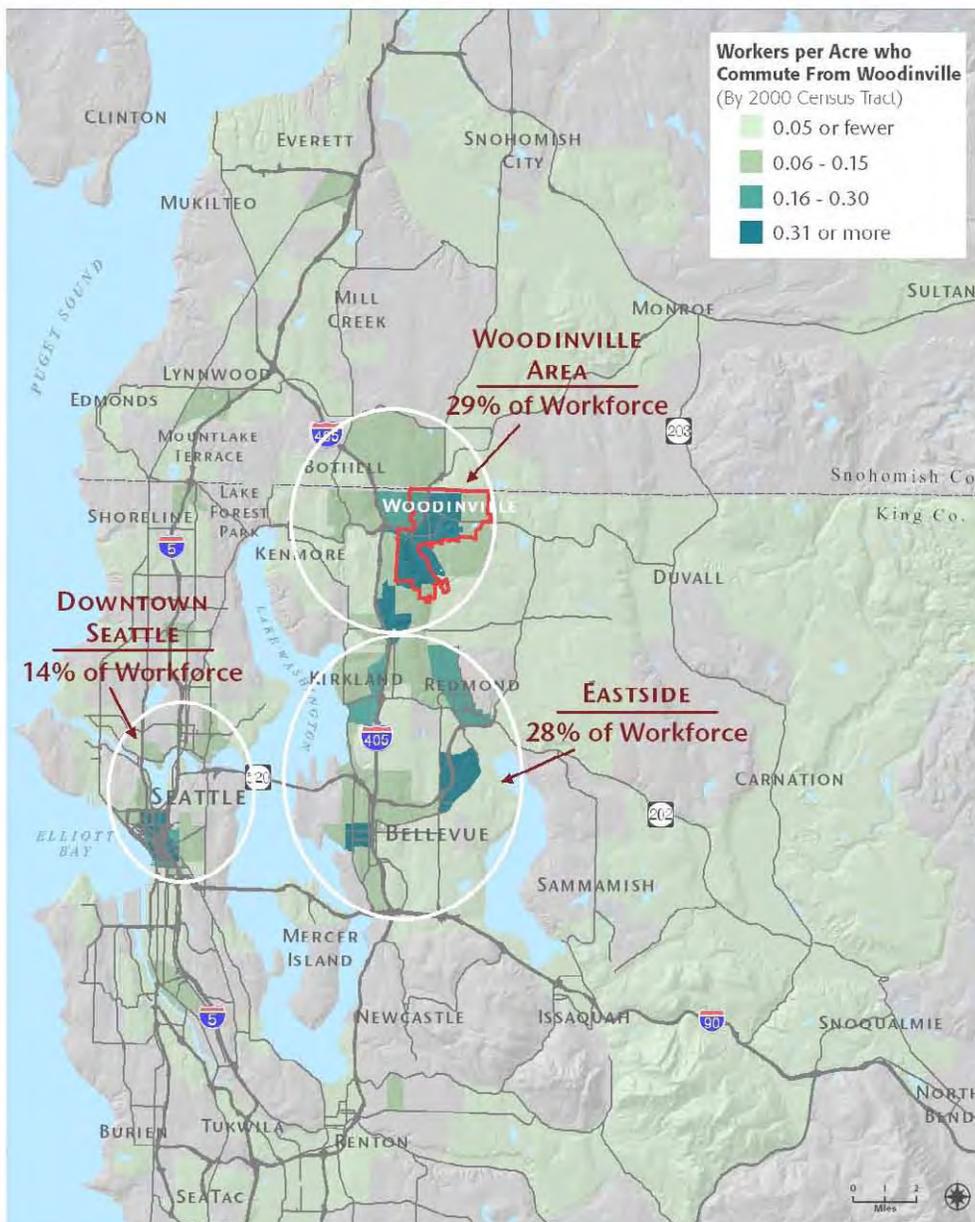


Exhibit 21 Where Woodinville Residents Go To Work, 2000

Source: US Census, 2000 (Tract-based totals)

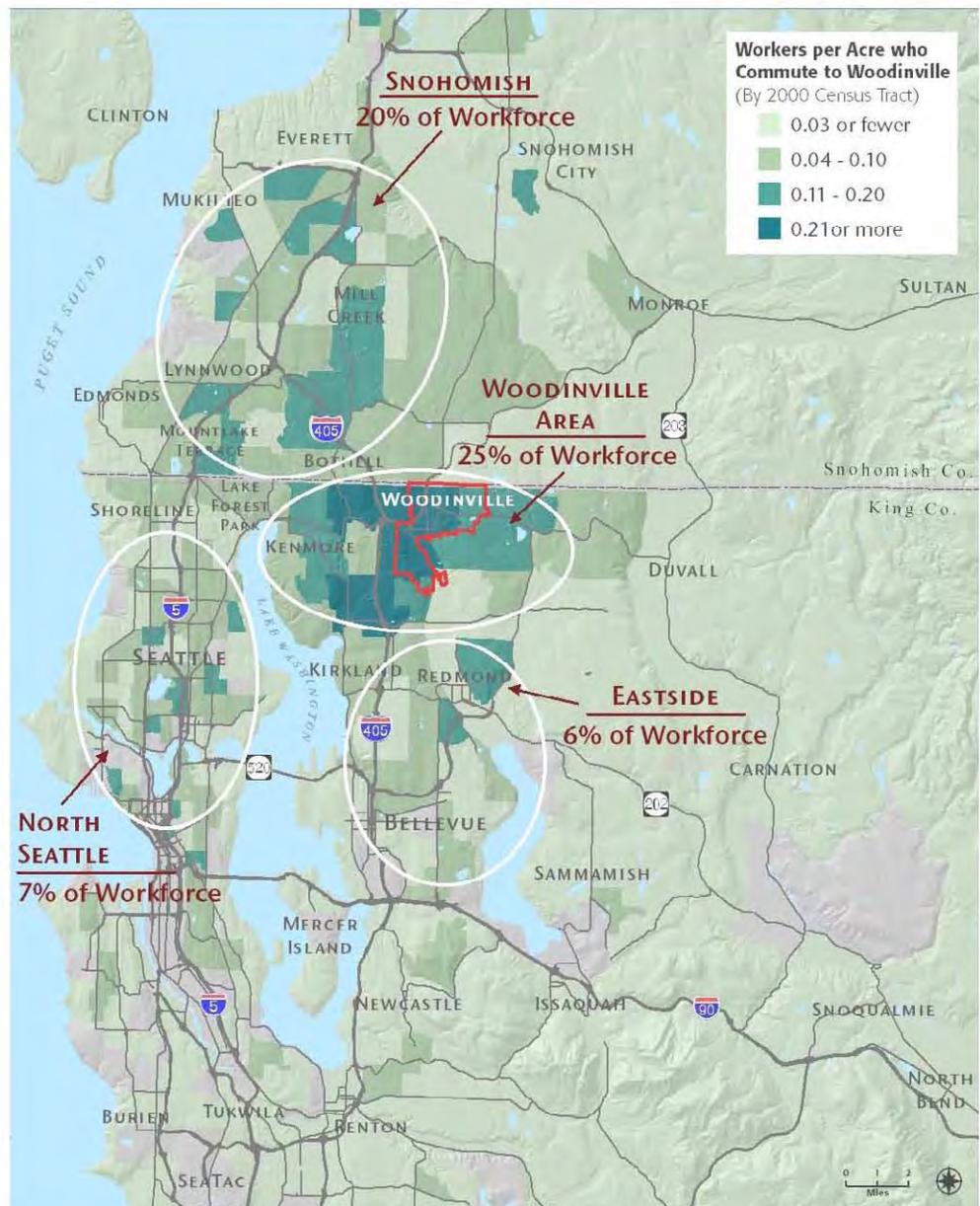
- Workers commute to Woodinville from nearby areas including Kenmore (25%); from Southwest Snohomish County (20%); from Seattle (7%) and from elsewhere on the Eastside (6%) (Exhibits 22, 23).
- Woodinville's location between rural and urban areas allows it to serve as a bedroom community for Seattle and Eastside employees (Exhibits 20, 21) as well as an employment center for surrounding areas and communities to the north (Exhibits 22, 23).

**Exhibit 23
Top Worker Places of Origin, 2000**

Place of Origin	Percentage of all workers commuting to Woodinville
Cottage Lake	9%
Seattle	9%
Woodinville	8%
Bothell	7%
North Creek	5%
Everett	4%

Source: US Census, 2000 (Place-based totals)

**Exhibit 22
Where Woodinville
Workers Commute From,
2000**



Source: US Census, 2000 (Tract-based totals)

Findings Reported in the 2005 North King County Economic Study*

- Retail is strongest source of revenue in North King with 20% of all business revenues in Retail, though Retail jobs in North King represent nearly the same percentage of County jobs as do all industries (5.7% of all County Retail jobs versus 5.2% for all industries).
- Employment strengths also in Construction and Manufacturing.
- Employment in other sectors perform at or near regional average: Manufacturing (excluding wineries); Tourism; Services; Non-Profits and Public Sector.
- Transportation/Communications/Utilities lag the most in North King (2% of all County and MSA jobs) relative to other sectors; Finance/Insurance lag some but closer to average of all industries.
- Most of Woodinville's Services employment is concentrated in Accommodation and Food Services.

* The 2005 North King County Economic Survey was conducted by Hebert Research. Given differing assumptions and definitions, the results of the Hebert work may vary from the findings of this study.

Woodinville Areas of Specialization and High Job Counts

- Woodinville has smaller employment base than its peers and neighbors (Exhibit 24).
- Woodinville's biggest employment sector is Services (3,600 jobs)
- Construction and Contractors (1,500 jobs—a subset of all Construction and Resource jobs)
- Wineries and Breweries (1,200 jobs)
- Manufacturing (4,300+ jobs, according to the North King County Study; 2,500 jobs in 2003, according to State ESD in 2005, shown below)
 - Measuring and Analyzing Instruments (900 jobs)
 - Commercial Machinery (400 jobs)
 - Fabricated Metal (300 jobs)
 - Electronic Equipment, no computers (200 jobs)
 - Furniture and Fixtures (200 jobs)
 - Miscellaneous (200 jobs)
 - Apparel and Other Fabric Products (150 jobs)

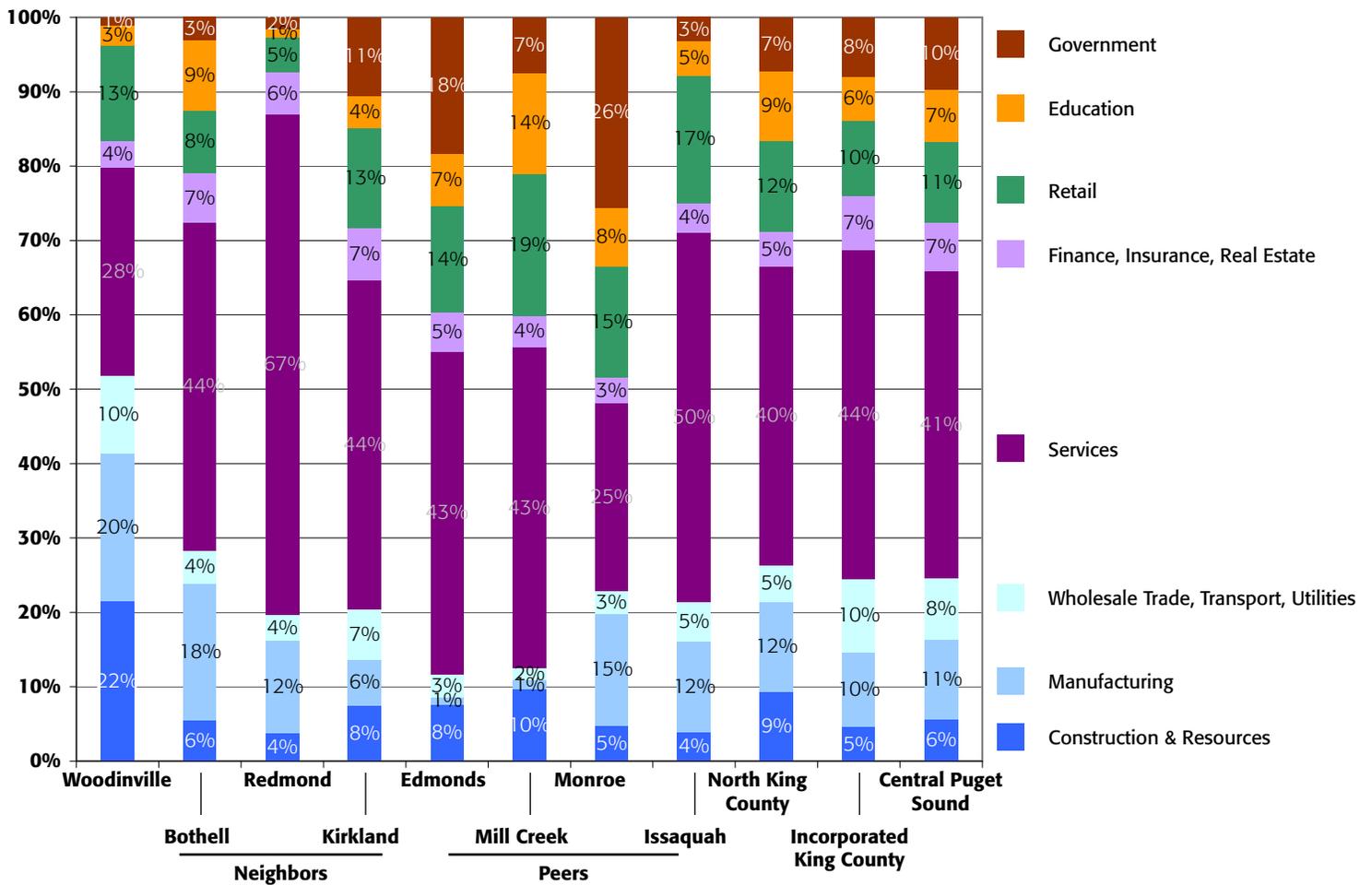
Exhibit 24 Employment Summary by Sector, 2003

	Woodinville	Bothell	Redmond	Kirkland	Edmonds	Mill Creek	Monroe	Issaquah	North King County	Inc. King County	Central Puget Sound
Construction & Resources	2,766	1,107	2,957	2,316	754	284	363	634	5,145	47,715	90,992
Manufacturing	2,553	3,696	9,672	1,902	105	37	1,156	1,985	6,563	103,759	170,165
Wholesale Trade, Transport, Utilities	1,345	892	2,777	2,090	303	48	240	851	2,759	101,340	132,728
Retail	1,656	1,691	3,706	4,164	1,418	563	1,149	2,792	6,659	104,702	172,360
Finance, Insurance, Real Estate	458	1,340	4,394	2,156	532	124	262	646	2,629	75,126	104,144
Services	3,589	8,831	52,675	13,656	4,337	1,268	1,929	8,099	21,929	457,422	660,738
Education	350	1,889	890	1,314	711	400	607	745	5,170	60,739	114,139
Government	138	621	1,216	3,267	1,830	219	1,958	521	3,935	82,637	155,137
Total	12,855	20,068	78,286	30,866	9,990	2,942	7,664	16,275	54,788	1,033,440	1,600,403

Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

- Construction and Resources is a large share of Woodinville’s employment base (22%), more than twice any comparable city or the Region (Exhibit 25).
- Together, Manufacturing and Construction and Resources equal 42%, nearly three times the share for Incorporated King County.
- While the Service sector is Woodinville’s largest employment category, it is a smaller share relative to peers, neighbors, and the Region.

Exhibit 25
Share of Jobs by Sector, 2003



Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

- As Woodinville has a smaller employment base than its peers and neighbors, it has a smaller job count in each detailed service sector (Exhibit 26).
- Of the 3,500 nearly 1,300 are in Accommodation and Food Services, 565 are in Professional, Scientific, and Technical, and 478 are in Administrative, Support, Waste Management and Remediation Services.

Exhibit 26 Employment by Detailed Service Sectors, 2003

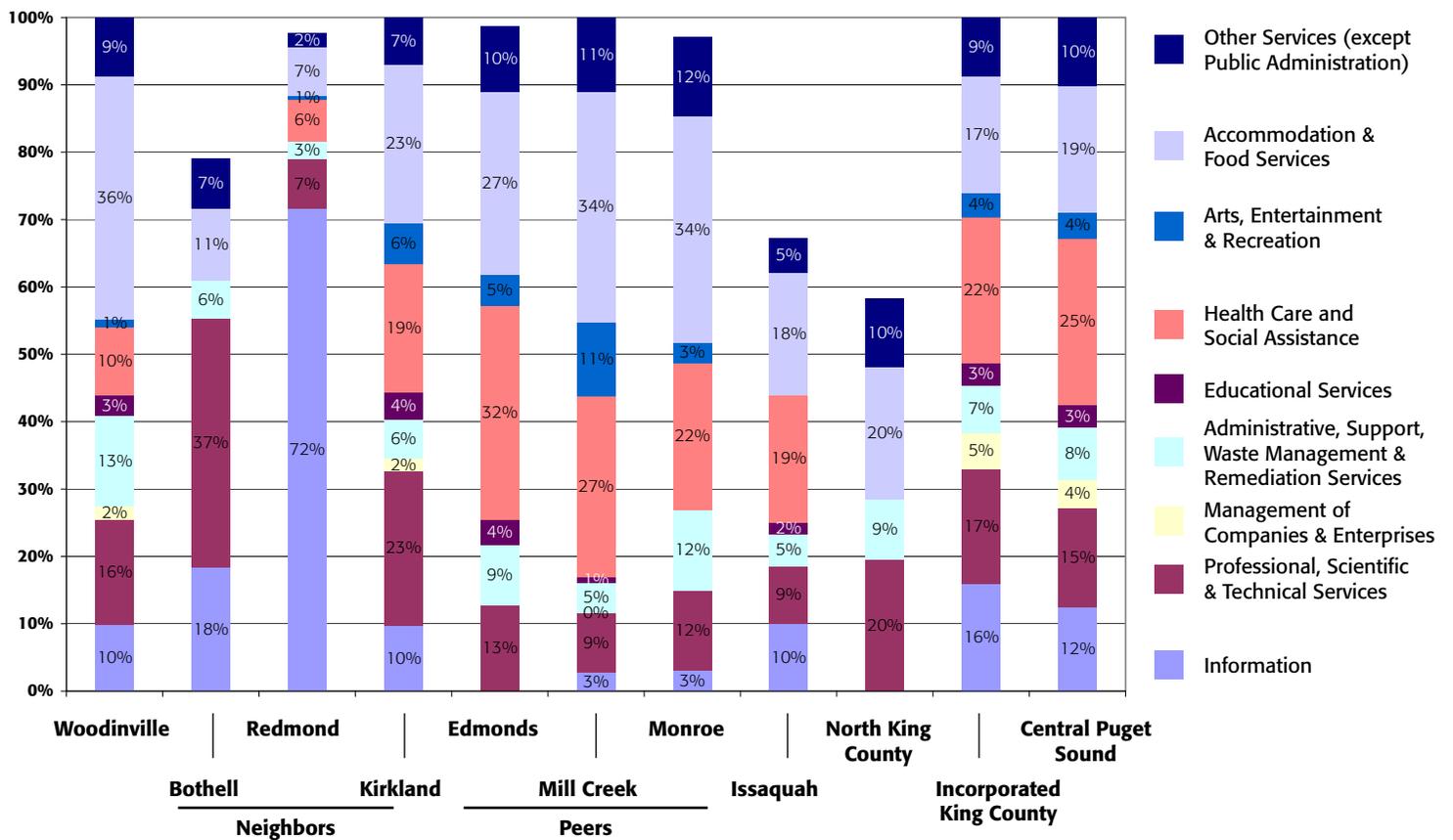
	Woodinville	Bothell	Redmond	Kirkland	Edmonds	Mill Creek	Monroe	Issaquah	North King County	Inc. King County	Central Puget Sound
Other Services (except Public Administration)	316	659	1,138	957	421	140	227	411	2,243	39,729	67,114
Accommodation and Food Services	1,292	955	3,803	3,208	1,179	433	648	1,474	4,284	79,387	124,210
Arts, Entertainment and Recreation	41	*	281	827	200	140	57	*	*	16,354	25,303
Health Care and Social Assistance	362	*	3,270	2,610	1,377	339	421	1,529	*	99,187	163,820
Educational Services	113	*	*	544	164	11	*	148	*	15,064	21,535
Administrative, Support, Waste Management and Remediation Services	478	496	1,419	794	382	58	232	376	1,974	32,564	51,174
Management of Companies and Enterprises	71	*	*	258	*	0	*	*	*	24,346	27,755
Professional, Scientific and Technical Services	565	3,256	3,842	3,129	557	111	230	692	4,288	78,105	98,097
Information	350	1,622	37,730	1,329	*	35	58	814	*	72,687	81,729
Total Services	3,589	8,831	52,675	13,656	4,337	1,268	1,929	8,099	21,929	457,422	660,738

* Data have been suppressed for confidentiality purposes (occurs either when employment for any one firm is more than 80% of cell total or when fewer than three firms are represented)

Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

- Accommodation and Food Services is large share of Woodinville's service employment base and is high compared with peers, neighbors, and the Region (Exhibit 27).
- Woodinville has a relatively low share of Information related jobs compared with the Region.

Exhibit 27
Share of Employment by Detailed Service Sector, 2003



* Data suppressed for confidentiality purposes are not shown here. Due to this suppression, city totals may not sum to 100%.
Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

Size of Woodinville Businesses

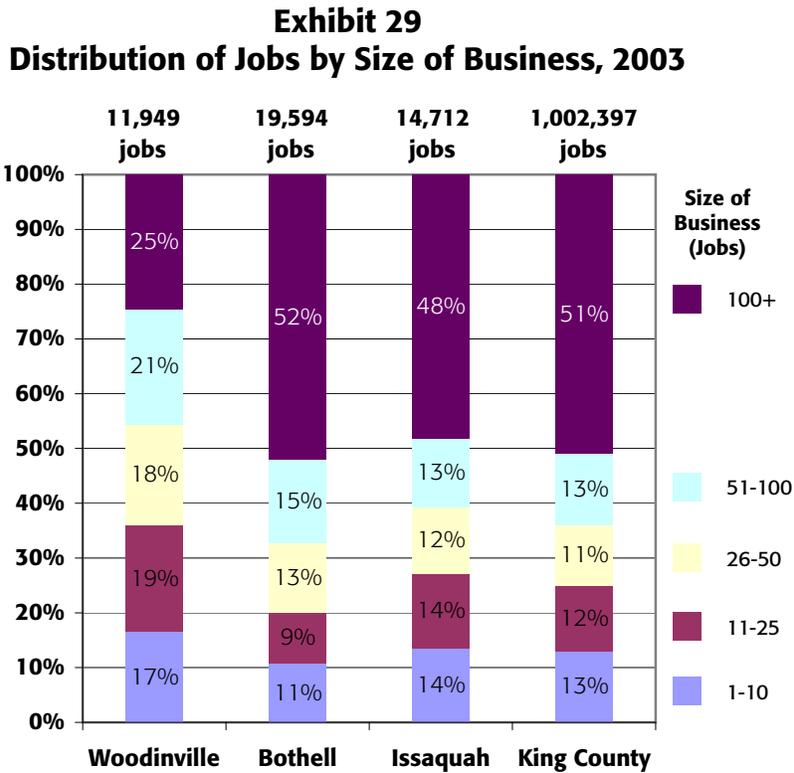
- Woodinville has a large concentration of mid-sized employers. About 60% of Woodinville jobs are provided by establishments with 11-100 employees (Exhibit 28).
- The majority of Woodinville businesses are small businesses with 25 or fewer employees (85%) (Exhibit 28).

Exhibit 28
Woodinville Employment Establishments by Size, 2003

Establishment Size	Number of Establishments	Total Jobs	Percentage of Establishments	Percentage of Total Jobs
1-10	516	1,975	67%	17%
11-25	139	2,316	18%	19%
26-50	63	2,203	8%	18%
51-100	36	2,524	5%	21%
100+	16	2,931	2%	25%
Total	770	11,949	100%	100%

Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

- A large proportion of Woodinville’s jobs are in small and mid-sized businesses (54% in businesses of 50 or less employees). This is a higher proportion than the King County average (36%), Bothell (33%), and Issaquah (39%) (Exhibit 29).
- About 25% of Woodinville’s jobs are businesses of 100 or more employees, which is about half as much as the King County, Bothell and Issaquah, averages, which all have concentrations close to 50% (Exhibit 29).



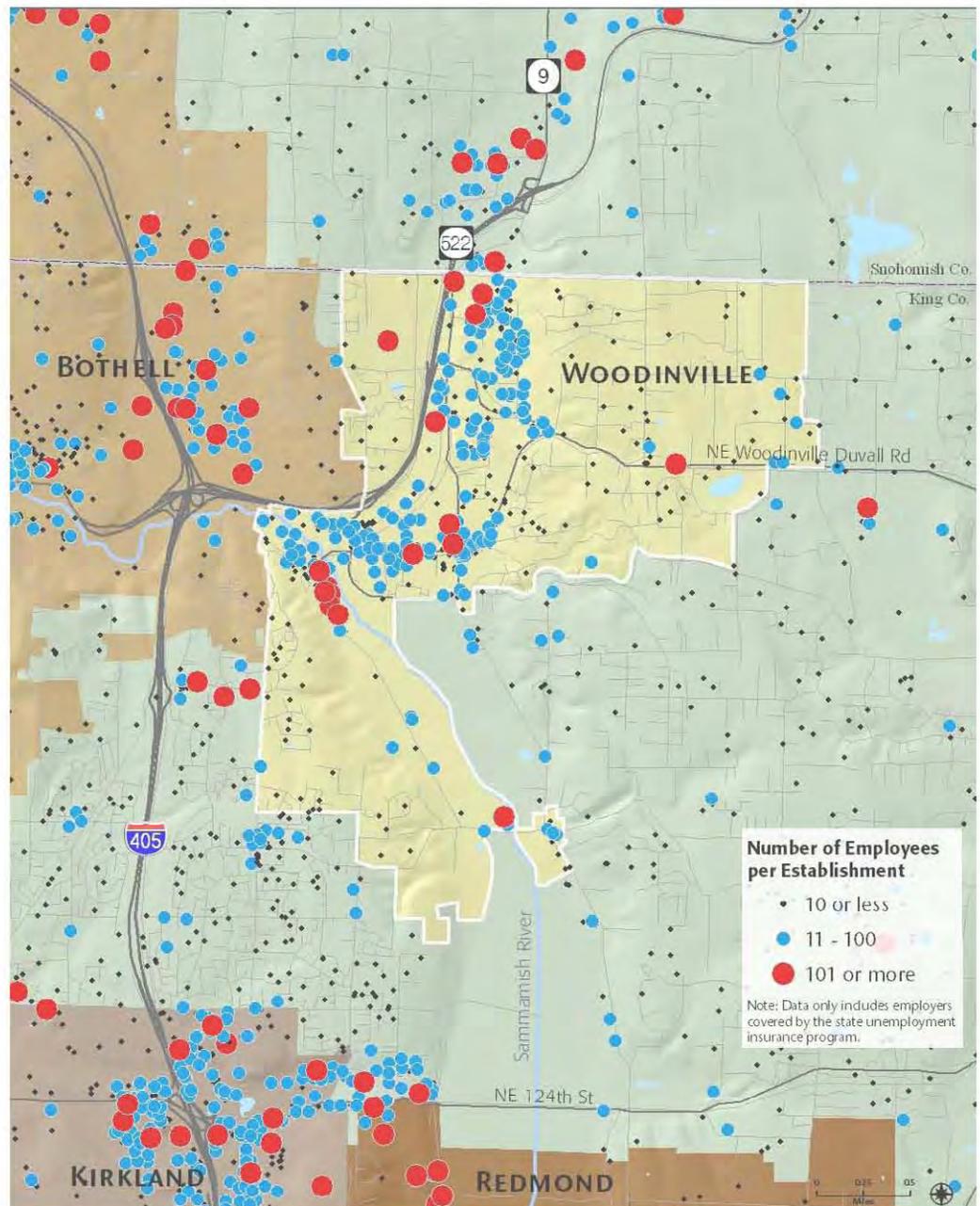
* These data under-represent smaller businesses because they only include those employees covered by the State’s unemployment insurance program and those that could be geocoded by the PSRC.

Source: Puget Sound Regional Council; Washington State Employment Security Department, 2005

Location of Woodinville Businesses

- The nearest employment clusters are in Bothell to the west and Kirkland to the south (Exhibit 30).

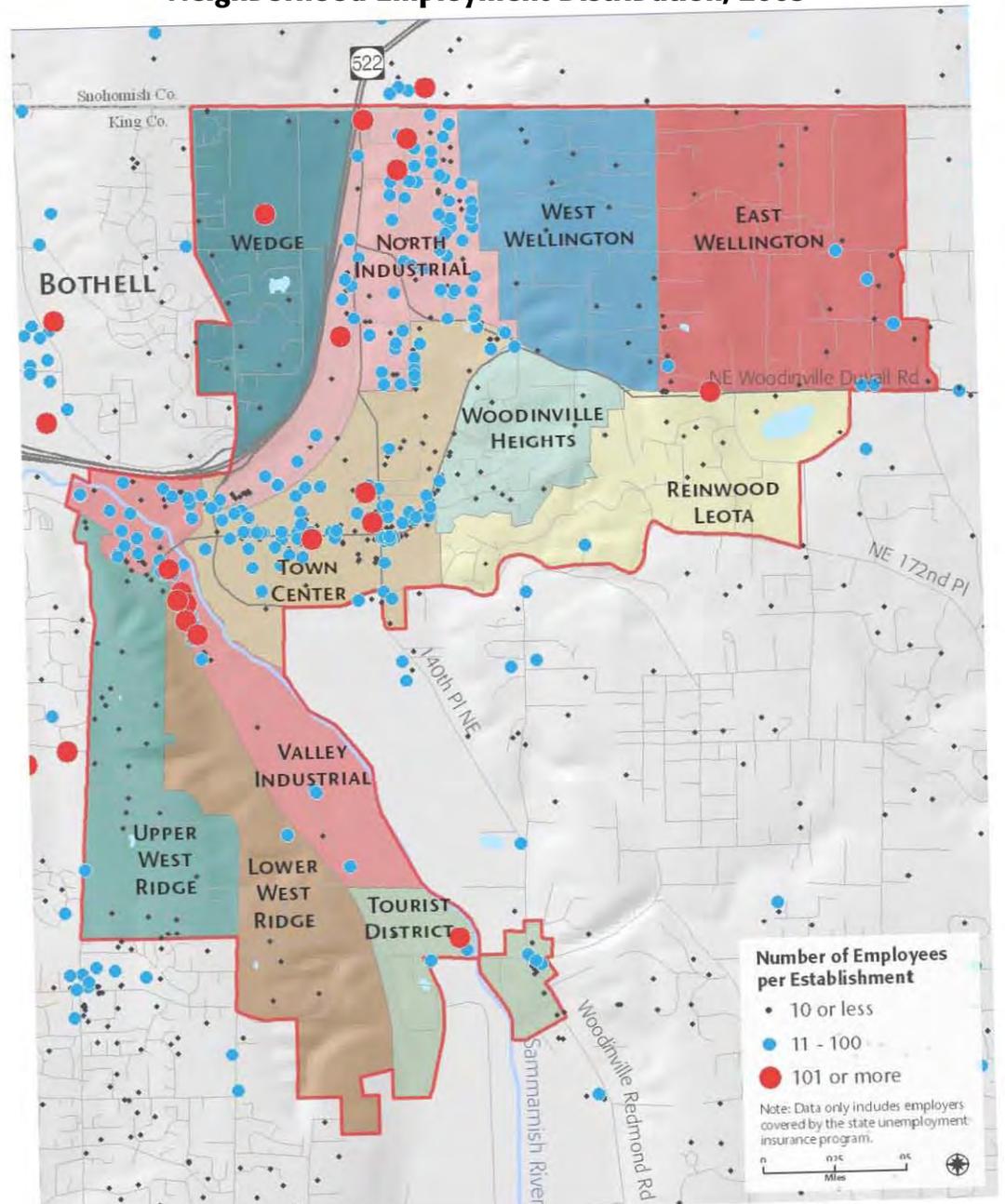
**Exhibit 30
Regional Employment Distribution, 2003**



Source: Puget Sound Regional Council, 2005

- Most Woodinville employment is located in the North Industrial, Town Center, and Valley Industrial neighborhoods (Exhibit 31).
- The largest employers are located in the two industrial neighborhoods.
- A smaller cluster of employment is located in the Tourist District.

**Exhibit 31
Neighborhood Employment Distribution, 2003**



Source: Puget Sound Regional Council, 2005

Neighborhood Commercial Area Profiles

- Jobs are concentrated in three neighborhoods: 92% of citywide jobs are in North Industrial (4,300 jobs); Town Center (3,400 jobs); Valley Industrial (2,900 jobs) (Exhibit 32).
- North Industrial:
 - Construction and Resources (36% of neighborhood jobs);
 - Manufacturing (34% of neighborhood jobs)
- Town Center:
 - Retail (27% of neighborhood jobs);
 - Services (48% of neighborhood jobs)
- Valley Industrial:
 - Manufacturing (28% of neighborhood jobs);
 - Wholesale, Transportation, and Utilities (25% of neighborhood jobs);
 - Services (28% of neighborhood jobs)
- Tourist District:
 - More than 200 jobs in 16 companies
 - Accommodation and Food Service based

Exhibit 32
Selected Neighborhood Sectoral Employment, 2003

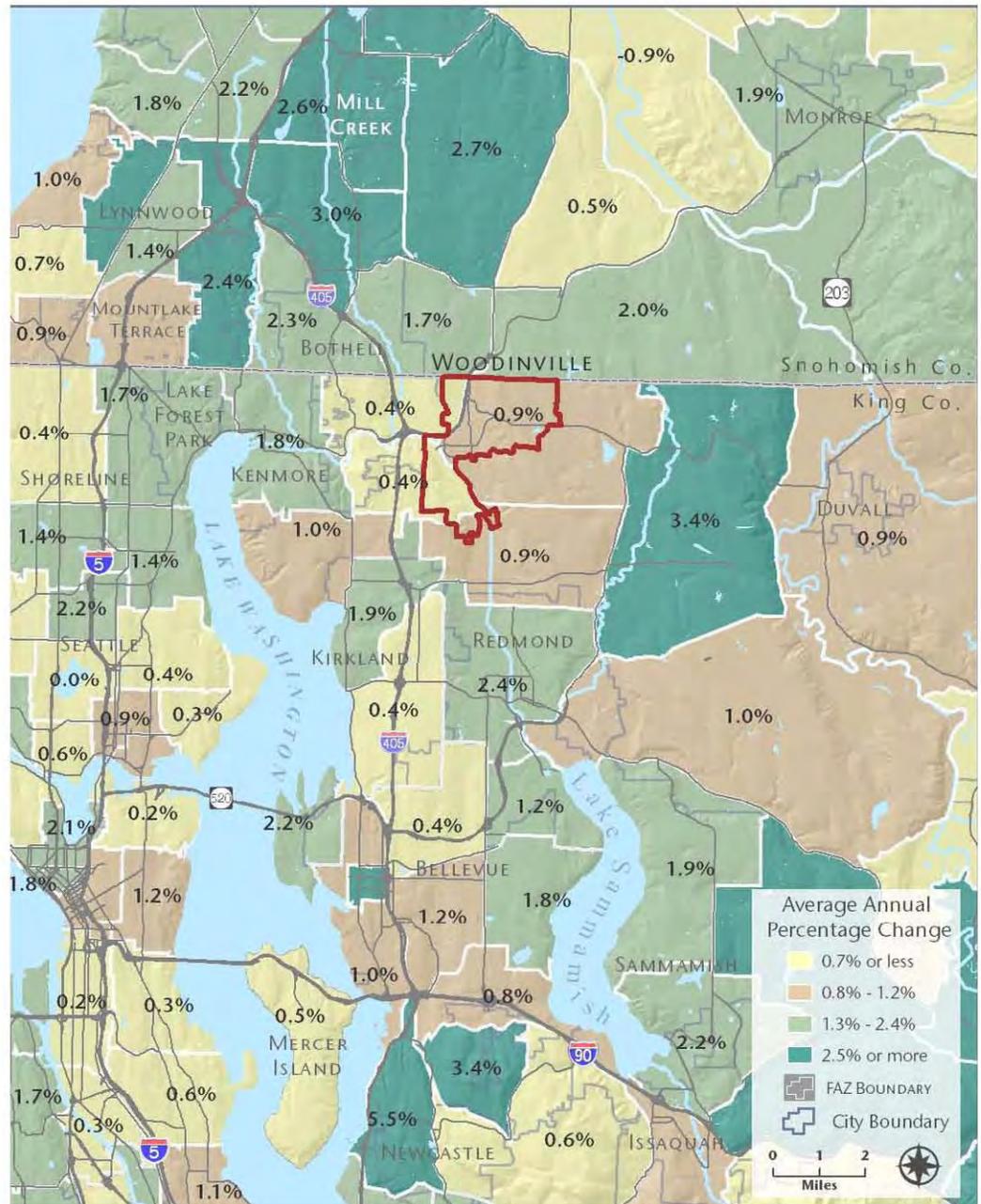
	North Industrial	Town Center	Valley Industrial
Construction & Resources	1,569	307	332
Manufacturing	1,482	130	811
Wholesale, Transp. & Utilities	376	82	731
Retail	427	927	153
Finance, Insurance, Real Estate	75	307	32
Services	393	1,625	815
Total	4,322	3,378	2,874
Construction & Resources	36%	9%	12%
Manufacturing	34%	4%	28%
Wholesale, Transp. & Utilities	9%	2%	25%
Retail	10%	27%	5%
Finance, Insurance, Real Estate	2%	9%	1%
Services	9%	48%	28%
Total	100%	100%	100%

Source: Puget Sound Regional Council, Washington State Employment Security Department, 2005

Regional Employment Forecasts

- Exhibits 33 and 34 are complementary. Exhibit 33 shows the rate of forecasted employment growth and Exhibit 34 shows the magnitude and density of employment growth.
- Employment in Woodinville is expected to grow at a relatively low to moderate rate compared to surrounding areas (Exhibit 33).
- Nearby areas with high expected growth rates include Redmond, Mill Creek, and the area between Woodinville and Duvall.

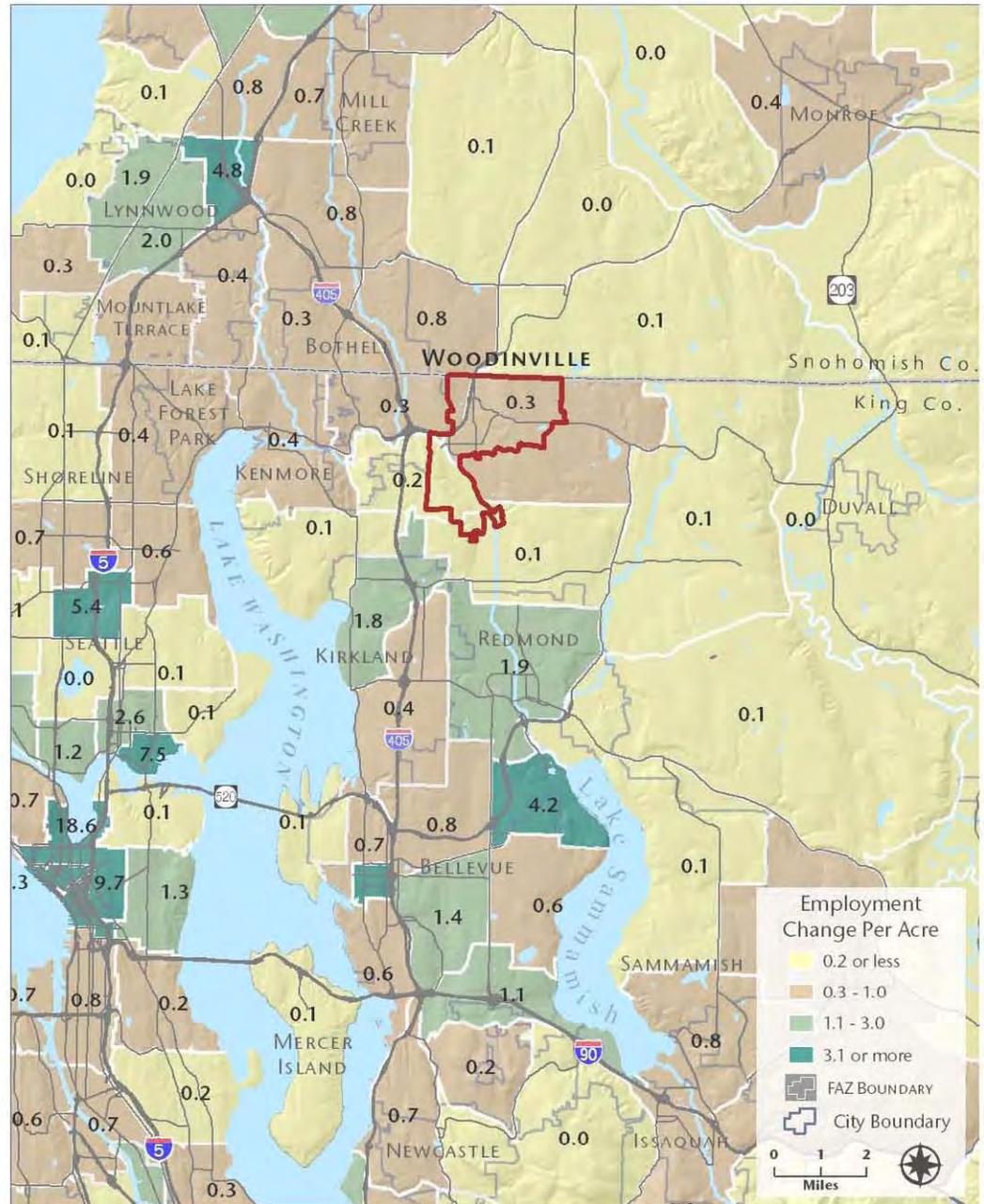
Exhibit 33
Employment Forecasts 2000-2020: Average Annual Percentage Employment Change by Forecast Analysis Zone



Source: Puget Sound Regional Council, 2003

- Similar to population projections (Exhibit 5), employment density in areas east of Woodinville is not expected to increase by much (Exhibit 34).
- The highest employment density increases are expected in the Eastside and Seattle employment centers.
- Employment density in areas to the northwest (Bothell, Mill Creek, Mountlake Terrace) is expected to increase moderately over the next 15 years.

Exhibit 34
Employment Forecasts 2000-2020:
Employment Change per Acre by Forecast Analysis Zone



Source: Puget Sound Regional Council, 2003

MARKET ANALYSIS

Retail Market Capture Analysis

- Woodinville excels as a regional retail center. On a per capita basis, only Issaquah has more retail sales than Woodinville among comparable communities (Exhibit 35).
- Taxable retail sales per capita in Woodinville were over three times as much as the North King and regional averages.

**Exhibit 35
Taxable Retail Sales Per Capita, 2004**

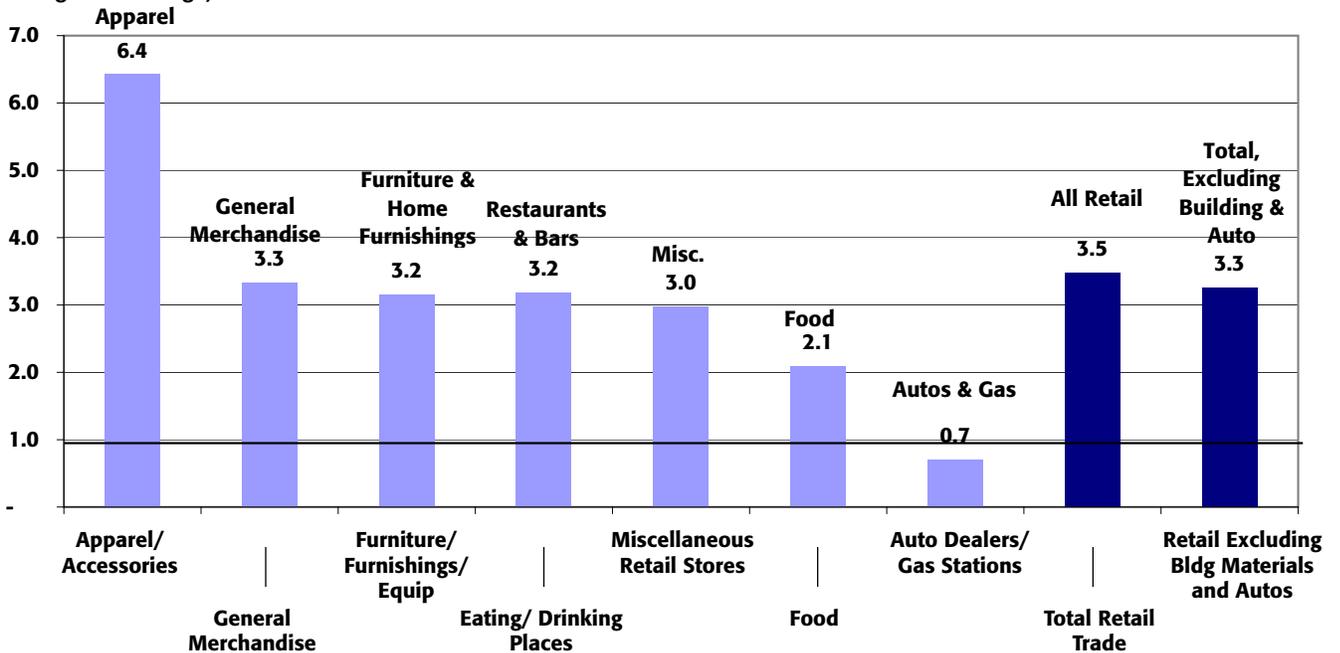


Source: Department of Revenue, 2005

- Woodinville retailers capture 3.5 times as many sales as would be expected, based on population and adjusting for higher incomes (Exhibit 36).
 - Performance among retail sectors vary:
 - Building materials capture more than 15 times the amount expected;
 - Apparel stands out as another retail leader;
 - Home Furnishings, General Merchandise and Restaurants and Bars all are strong.
 - Only Auto-Oriented sales lag expectations
- Taxable retail sales for Woodinville retailers increased 12% in 2004, compared to 6% for the three-county region.
 - Prior to 2004, retail growth had only kept pace with regional growth from 1999 through 2003.

**Exhibit 36
Retail Sales Index, 2004**

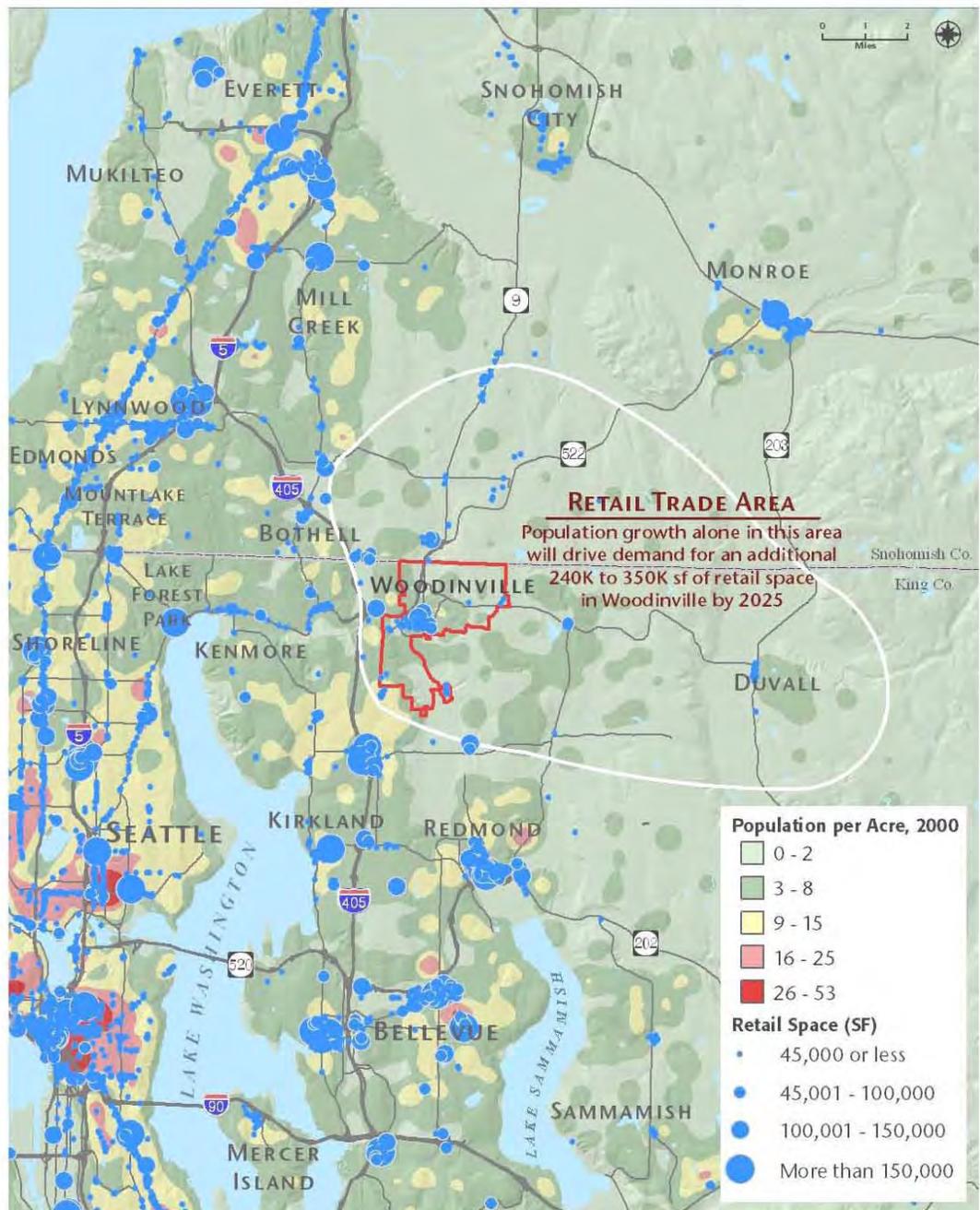
Retail Sales Index
(1.0 = Regional Average)



Source: Department of Revenue, 2005

- Woodinville’s primary retail trade area extends to Duvall in the east and north into Snohomish County (Exhibit 37).
- Population growth in this area will continue to drive demand for additional retail space in Woodinville.

**Exhibit 37
Woodinville Retail Trade Area**



Source: US Census, 2000, King & Snohomish County Assessors, 2003

- Over the next 20 years, population growth alone will drive demand for an additional 240,000 to 350,000 s.f. of retail space in Woodinville (Exhibit 38).
- These projections assume Woodinville maintains its current level of retail sales capture relative to competing retail centers.

Exhibit 38 Retail Space Demand Projections, 2004-2025

Consumer Buying Power Spending-Based Projections (Method 1)

		Total Retail Spending	Restaurants and Bars	Groceries	General Retail (Clothing, Home Furnishings, Other)
Total Households Within Study Area, 2004	29,500				
Population Growth of Trade Area (AAGR), 2004 - 2025	1.1%				
Total Households Within Study Area, 2025	37,222				
Total Spending Per Household in Study Area, 2004		\$50,947	\$7,722	\$9,365	\$33,860
Woodinville's Current Trade Capture, 2004		20%	20%	26%	27%
Increase in Dollars Spent in Woodinville from Population Growth Alone		\$78,678,639	\$11,924,939	\$18,801,282	\$70,593,088
Dollars per s.f. of Retail Space		325	275	300	350
Total Increase in Retail Space Demand, Driven by Population Growth (s.f.)		242,000	43,000	63,000	202,000

Taxable Retail Sales-Based Projections (Method 2)

		Total Retail Spending	Restaurants and Bars	Groceries	General Retail (Clothing, Home Furnishings, Other)
Population Withing Study Area, 2004	80,830				
Population Growth of Trade Area (AAGR), 2004 - 2025	1.1%				
Population Within Study Area, 2025	101,987				
Income Adjusted Retail Revenue (GBI) Per Capita, 2004		\$13,565	\$1,557	\$3,717	\$8,291
Woodinville's Current Trade Capture, 2004		40%	39%	26%	44%
Increase in GBI in Woodinville from Population Growth Alone		\$114,801,871	\$12,843,610	\$20,127,549	\$76,357,645
Dollars per s.f. of Retail Space		325	275	300	350
Total Increase in Retail Space Demand, Driven by Population Growth (s.f.)		353,000	47,000	67,000	218,000

CBP Sensitivity (Method 1)

Growth	Trade Capture		
	20%	25%	30%
1.1%	242,000	242,000	242,000
1.5%	339,000	339,000	339,000
2.0%	477,000	477,000	477,000

TRS Sensitivity (Method 2)

Growth	Trade Capture		
	40%	45%	50%
1.1%	353,000	353,000	353,000
1.5%	495,000	495,000	495,000
2.0%	696,000	696,000	696,000

Source: Claritas Inc., Washington State Department of Revenue, Berk & Associates, 2005

- Exhibit 39 compares estimated retail spending by households in the City and Trade Area to the revenue collected by Woodinville businesses.
- Aside from the auto purchases category, Woodinville retail is drawing in retail spending from outside the City.
- There is still room for Woodinville retailers to capture more sales, signified by the “spending occurring elsewhere” in the trade area.

Exhibit 39 Retail Leakage Analysis, 2004

		Citywide	Trade Area
Households 2004		3,902	29,500
2004 Household Spending Directly Related to Retail	Household Average	Total Household Spending	
		Citywide	Trade Area
Restaurants and Bars	\$7,722	\$30,132,764	\$227,792,398
Groceries	\$9,365	\$36,544,913	\$276,265,833
Auto Purchases, Gas, Service	\$17,647	\$68,864,435	\$520,589,297
All Other Retail (Clothing, Home Furnishings, Other)	\$33,860	\$132,132,984	\$998,875,798
Total Retail Spending	\$68,594	\$267,675,095	\$2,023,523,325
	Woodinville Business Revenue (2004)	Sales in Excess of Spending (Spending Occurring Elsewhere)	
Restaurants and Bars	\$45,105,600	\$14,972,836	(\$182,686,798)
Groceries	\$72,392,140	\$35,847,228	(\$203,873,692)
Auto Purchases, Gas, Service	\$23,996,520	(\$44,867,915)	(\$496,592,777)
All Other Retail (Clothing, Home Furnishings, Other)	\$268,062,537	\$135,929,554	(\$730,813,260)
Total Retail Spending	\$409,556,798	\$141,881,703	(\$1,613,966,527)
Trade Capture		Citywide	Trade Area
Restaurants and Bars		150%	20%
Groceries		198%	26%
Auto Purchases, Gas, Service		35%	5%
All Other Retail (Clothing, Home Furnishings, Other)		203%	27%
Total Retail Spending		153%	20%

Source: Claritas, Inc., Washington State Department of Revenue (2005)

Vacant Parcels Analysis

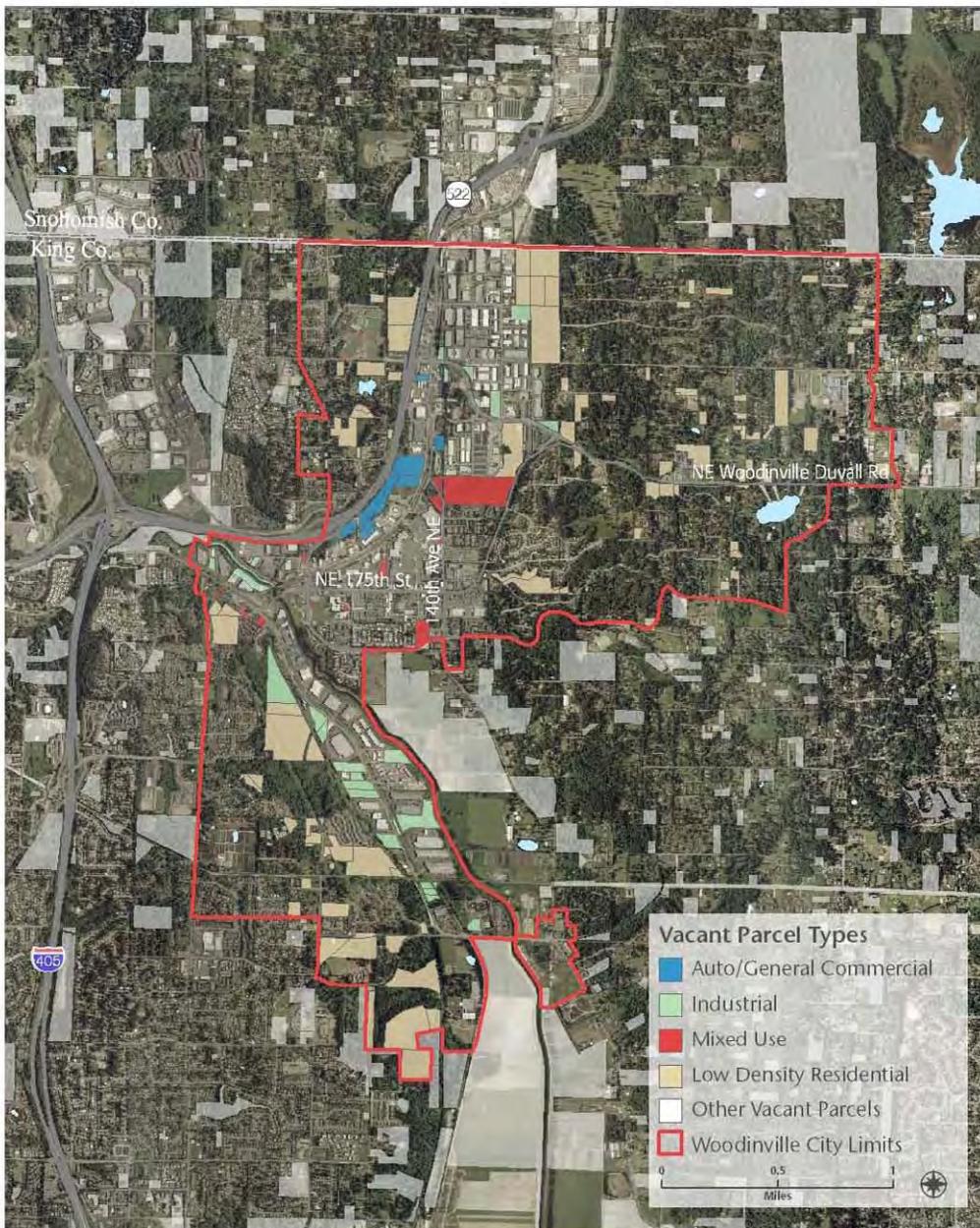
- The majority of vacant land in Woodinville is zoned for low density residential use (72%) (Exhibits 40, 41).
- Industrial vacant land (14% of vacant acreage) is split between the Little Bear Creek and Valley Industrial areas.
- There is relatively little vacant land available for high density residential and mixed use commercial uses.

Exhibit 40 Vacant Parcels Statistics, 2005

	Total Acres	Parcel Count
Low Density Residential	342.2	171
Industrial	67.4	33
Mixed Use	35.1	27
Auto/General Commercial	24.4	10
Neighborhood Business	4.1	4
Med/High Density Residential	0.2	2
Office	0.2	1
Total Vacant Parcels	473.6	248

Source: King County Assessors, 2005

Exhibit 41 Vacant Parcels in Woodinville, 2005

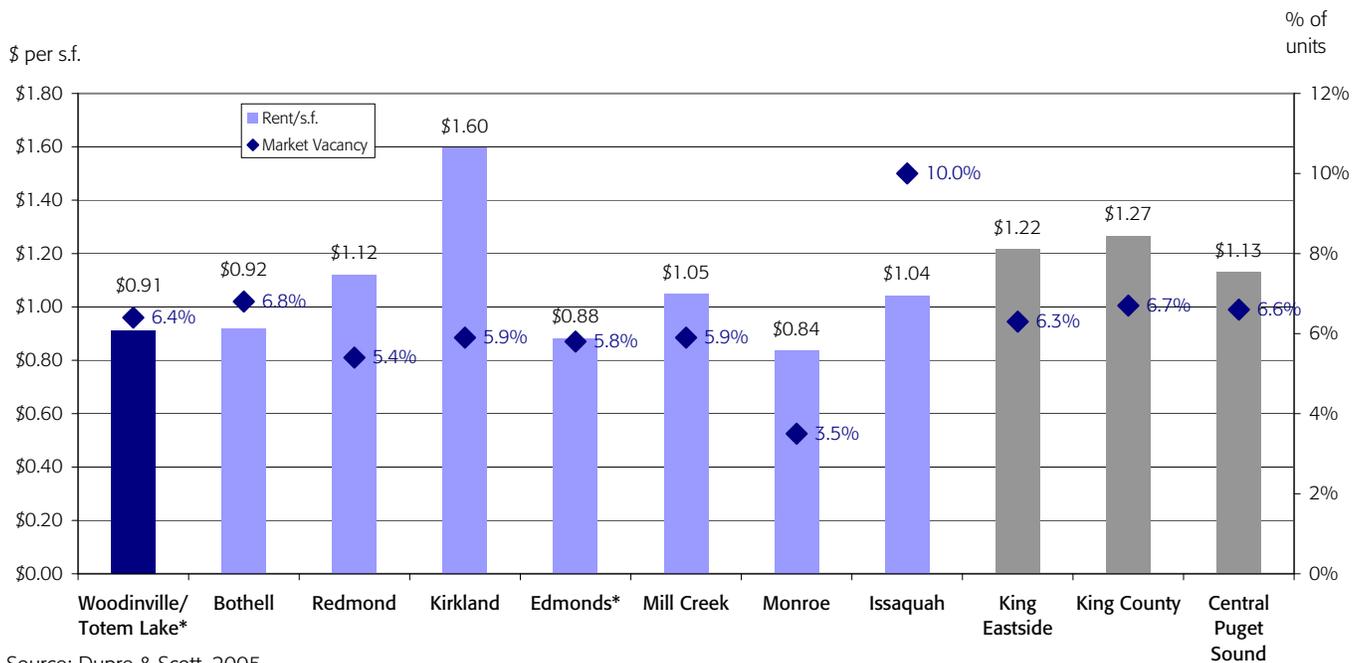


Source: King County Assessors, 2005

Rental Market Conditions

- Woodinville rents lag County and regional trends, with rents higher than only Edmonds and Monroe (Exhibit 42).
- Higher rents support newer construction
- Woodinville has a relatively older stock of rental housing, contributing to lower average rents.
- In Woodinville’s case, without an abundance of rental housing, newer units would probably command higher rents.
- In King County, newer units command 25% higher rents.

**Exhibit 42
Apartment Rental Market Data for Newer Units, Spring 2005**



Source: Dupre & Scott, 2005

- Exhibits 43 through 45 detail office and industrial market statistics for Woodinville and surrounding Eastside areas.
- Woodinville has a relatively small inventory of office space with a low vacancy rate and high average rental rate (Exhibit 43).
- The industrial market is much more significant in Woodinville (over 7 million s.f.) and almost 200,000 sf was absorbed in the past year (Exhibit 44).
- The bulk of Woodinville's industrial space is in manufacturing (2.7 million s.f.) and warehouse and distribution (3.6 million s.f.). Much of the industrial absorption occurred in warehouse and distribution (160,000 s.f.) (Exhibit 45).

Exhibit 43
Eastside Suburban Overall Office Market Statistics, 2004 Q4

Market	Inventory (SF)	Overall SF Available	Vacancy Rate	2004 Absorption (SF)	Direct wtd. Avg. Rental Rate
Bothell/Woodinville	976,952	74,875	7.7%	41,573	\$23.23
405 Corridor	2,681,974	389,958	14.5%	47,279	\$20.44
520 Corridor	3,069,435	424,328	13.8%	124,794	\$19.84
I-90 Corridor	5,552,800	544,852	9.8%	187,832	\$22.81
Bel-Red	1,469,172	213,512	14.5%	109,553	\$18.51
Redmond	1,205,660	132,379	11.0%	-9,826	\$19.44
Kirkland	2,091,618	254,244	12.2%	11,428	\$24.93
Total	17,047,611	2,034,148	11.9%	512,633	\$21.21

Source: Cushman & Wakefield, 2004

Exhibit 44
Eastside Overall Industrial Market Statistics, 2004 Q4

Market	Number of Buildings	Inventory (SF)	Overall SF Available	Vacancy Rate	2004 Absorption (SF)
Woodinville/522 Corridor	141	7,054,221	740,258	10.5%	184,197
Bellevue	90	4,769,214	260,250	5.5%	155,696
Issaquah/East I-90	25	2,413,569	293,208	12.1%	30,761
Redmond (Overlake)	25	2,859,815	221,674	7.8%	101,074
Redmond (Willows)	113	6,036,856	1,118,391	18.5%	113,096
Redmond (East)	72	3,944,009	441,950	11.2%	140,999
Kirkland	71	2,942,935	748,827	25.4%	-77,882
Bothell	114	7,414,274	1,271,745	17.2%	121,358
Total	651	37,434,893	5,096,303	13.6%	769,299

Source: Cushman & Wakefield, 2004

Exhibit 45
Eastside Industrial SubMarket Statistics, 2004 Q4

Market	Number of Buildings	Inventory (SF)	Overall SF Available	Vacancy Rate	2004 Absorption (SF)
HIGH TECH					
Woodinville/522 Corridor	2	52,902	8,171	15.4%	-8,171
Bellevue	9	415,019	32,185	7.8%	125,075
Issaquah/East I-90	10	892,078	104,367	11.7%	0
Redmond (Overlake)	7	1,217,160	91,695	7.5%	12,513
Redmond (Willows)	53	3,457,373	795,983	23.0%	-10,403
Redmond (East)	26	1,398,861	337,185	24.1%	-49,800
Kirkland	8	326,059	73,130	22.4%	-6,939
Bothell	73	4,968,617	967,150	19.5%	142,187
Total	188	12,728,069	2,409,866	18.9%	204,462
MANUFACTURING					
Woodinville/522 Corridor	63	2,667,746	220,958	8.3%	-4,582
Bellevue	13	745,641	36,668	4.9%	6,500
Issaquah/East I-90	4	151,310	30,250	20.0%	-4,250
Redmond (Overlake)	4	240,518	864	0.4%	2,976
Redmond (Willows)	21	952,471	75,530	7.9%	47,044
Redmond (East)	7	207,646	4,000	1.9%	2,000
Kirkland	21	982,215	294,194	30.0%	-40,727
Bothell	7	889,457	74,783	8.4%	-26,783
Total	140	6,837,004	737,247	10.8%	-17,822
OFFICE SERVICE CENTER					
Woodinville/522 Corridor	14	693,393	112,174	16.2%	35,384
Bellevue	33	1,618,711	97,419	6.0%	10,591
Issaquah/East I-90	6	659,442	13,571	2.1%	19,305
Redmond (Overlake)	11	1,135,559	129,115	11.4%	85,585
Redmond (Willows)	23	1,070,967	134,882	12.6%	56,850
Redmond (East)	19	829,187	81,361	9.8%	-11,934
Kirkland	27	970,055	134,260	13.8%	11,887
Bothell	6	440,624	40,390	9.2%	470
Total	139	7,417,938	743,172	10.0%	208,138
WAREHOUSE AND DISTRIBUTION					
Woodinville/522 Corridor	62	3,640,180	398,955	11.0%	161,566
Bellevue	35	1,989,843	93,978	4.7%	13,530
Issaquah/East I-90	5	710,739	145,020	20.4%	15,706
Redmond (Overlake)	3	266,578	0	0.0%	0
Redmond (Willows)	16	556,045	111,996	20.1%	19,605
Redmond (East)	20	1,508,315	19,404	1.3%	200,733
Kirkland	15	664,606	247,243	37.2%	-42,103
Bothell	28	1,115,576	189,422	17.0%	5,484
Total	184	10,451,882	1,206,018	11.5%	374,521

Source: Cushman & Wakefield, 2004

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Stakeholder Interview Results

Woodinville Economic Development Action Plan

Stakeholder Interview Results June 30, 2005

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Overview of Stakeholder Interviews Conducted

This document summarizes the results of phone conversations conducted with 30 stakeholders in May and June 2005. A summary of responses organized by theme follows below.

Attachment A shows a complete list of individuals interviewed and Attachments B shows the interview questions posed to stakeholders. Each interview was conducted as a conversation, focusing on areas relevant to the particular stakeholder and using the interview questions as a guide.

Interview Responses

What is your vision for Woodinville: what do you hope it is like 20 years from now?

- We need to adopt small town charm with big-city technology. I love the idea of wireless connectivity, but I also think we need to cultivate our small town charm. We can be both.
- I'd like to see the same configuration we have now: a dense Downtown, surrounded by neighborhoods staying at today's lower density.
- My vision is live, work, play Woodinville, with an integrated, comprehensive City with employment as well as residential opportunities.
- See the Council vision statement – I still think it's valid: "Woodinville is a safe, friendly, family-oriented community that supports a successful balance of neighborhoods, parks and recreation, tourism and business. We have preserved our northwest woodland character, our open space, and our clean environment. We have enhanced our ability to move freely throughout the community by all modes of travel. Woodinville is a pleasant place in which to live, work, play, and visit, with a compact, inviting downtown that is attractive and functional."
- I'll tell you what I don't want to see. I *don't* want us to be a major shopping destination for non-residents. I'd like enough options for local residents, but not drawing people from outside. We don't want to be another Lynwood.

Downtown

- I'd love to see an active Downtown, with lots to do: you could spend your Saturday there.
- One of the most exciting things is the potential for housing Downtown. If this comes to fruition, this could be a much more exciting little city, with lots more in the way of restaurants and things to do after 5:00. Now, after work hours people scatter, leaving little vitality Downtown. Living in Downtown Woodinville 10 to 15 years from now could be a really great experience: the center of lots of activity, access to open space, all the benefits of living in a small, concentrated city with strong community, small businesses, access to agricultural lands, views of Mt. Rainier, and easy access to downtown Seattle and the mountains.
- I'd like to see growth largely funneled into Downtown where we have a better handle on the infrastructure and can support it there. I'd like to preserve character of neighborhoods, making sure they're not overrun with development pressure for commercial, retail, and residential growth
- We're moving towards a more urban feel Downtown. I'm ok with that, but I want to see it happen while preserving the essence of Woodinville and staying family-friendly, with a range of housing options from affordable to up-scale.

Trails and Transportation Linkages

- I want to see safe connections and trails for non-motorized transit so it's safe for my children to go miles to skateboard park by themselves.
- I want to see us moving freely by all modes of transportation. We need to do a lot more for non-motorized transport. This is where I'd personally like to see the most emphasis, though I recognize vehicular constraints as well. In 20 years I'd like to see a lot accomplished: bike lanes and walking trails making it easy for people to get around Downtown, from the neighborhoods to Downtown, and to regional trails. With more population we'll reach a critical mass and have better bus service and scheduling options.

Thinking about economic development broadly, considering economic vitality, livability/quality of life, and community identity, what are Woodinville's greatest strengths and assets?**Geographic Location between Seattle and the Mountains**

- We have easy access to Seattle, access to the mountains, immediate access to wineries. Great access to Eastside cities and Seattle.
- We benefit from the proximity to Seattle, but are separate, have our own identity.
- Because of our location at the northeast corner of King County, on edge of the urban growth boundary, our retail draws on populations to the north and east.
- Our location is strength and a weakness: there are opportunities for people to get here – especially highway access – but this is also a challenge in terms of traffic. Being at a crossroads has its plusses and minuses.

A Small Town Feel and a High Quality of Life

- Woodinville is such an attractive residential market because of its "country living, city style." We've got access to the city, the Eastside; and three Starbucks in town, but we still have trees and a feeling more like the foothills than the suburbs. There's a relaxed feel to city. We have horses, and trails – the Sammamish Trail has been a boon, the Sammamish slough is a nice element.
- We're truly a community: we have defined borders and people who live and work here. We have a sense of community which makes people more accountable to one another, both in business and living here. This is good for kids, meaning strong support for schools and young people and it makes kids accountable.
- It's a place that people that want to live – it's a desirable residential community.
- The City's rural character is also a plus, as rural as it is – though it's really not very rural.
- The trees are an integral part of the quality of life.
- The City has done a good job promoting community spirit so we're not an anonymous suburb.
- The All Fools Day Parade is quintessential Woodinville: sophistication and small town feel.
- We have a high quality of life and pretty good levels of service, certainly in terms of police and fire. The schools do a nice job.
- Woodinville is a desirable place to live and work. We're known for Molbak's and wineries: plants and wine, what could be better? We have a good school system, easy access from highways. The fastest growing part of Snohomish County is just outside the city limits. We have a strong retail center, though there are lots of complaints about its design.

Stakeholder Interview Results

- Parks and open space is somewhat underserved, but what we have is quality, and we have plans for more in the future.

A Good Business Mix: a Diverse Economy and Variety of Services for Residents

- A lot of our needs can be met here: both for work and shopping – don't have to go out of town for very much.
- Our economy is remarkably diverse for a city our size, with strong retail and industrial.
- Downtown has a variety of services, so you don't have to go elsewhere to get things done or to get things you need. If people do need to go to Lynnwood or Bellevue, they're not that far away.
- Our small professional businesses are an asset: we have a lot. They're locally owned and active.

The City as a Destination

- The Tourist district is a draw which helps bring business to the city, and they add to our quality of life in terms of open space and recreation options.
- I do believe that from an economic and a tourism standpoint we've made huge strides in the past years in getting the regional visitors bureau attuned to what we're doing here and willing to partner with us. We've just begun to develop a product as in Napa. The more wineries we have open with tasting rooms, the more we can draw people here.
- The Wine Village is a huge step in the right direction.
- The development of the wineries as a destination is working and great things are to come.

Woodinville Residents

- Friendliness is the number one word used to describe Woodinville in a recent citizen survey. This describes community cohesiveness.
- We're a family-oriented community, which means we're active, engaged and stable.
- The people that live here are pretty well educated and savvy.

Strong Schools and Institutions

- Our community is very supportive and proud of our schools though only 35% of households have school-aged children. As opposed to Seattle, the market share of public schools has increased relative to private schools. According to the North King County Survey, the second most competitive factor for us is the quality of K-12 education.
- There are many higher education institutions located nearby: Cascadia, Lake Washington Technical College, the UW.
- There's an outstanding relationship between the Chamber and the City.
- We have a high quality City administration: this is a strength for the public as well as developers. The City is business friendly and get permits turned around in a timely fashion. Customer service is high for developers as well as public.

What are the City's greatest challenges?

Transportation and Traffic

- Clearly traffic is the number one issue. Time is money. Certainly this is a major issue for manufacturers. Please people avoid coming town if traffic is bad.
- Transportation is a big deal. Getting people off of I-405 and onto 175th is life and death for this center. The main interchange to get traffic onto 175th is the big thing.
- Traffic and circulation is our biggest challenge, but we need to focus on access points, not internal circulation. Woodinville is place people typically drive through.
- We're a pass-through community. It's been estimated that 80% of our traffic is pass-through. This is also an opportunity if we can capture them as they drive through town – the retail taxes we gain can help us pay for transportation infrastructure!
- We need another bridge crossing the river. You can only cross the bridge in two spots and one more bridge is needed to alleviate the traffic problem.
- Trying to find money to deal with the transportation issue is tough because state and county partners are also stressed. Sometimes it's not only difficult to get money from partners, but even to get them on the same page through relationships and interlocals with neighboring cities. We're willing and able to partner, but they're not coming to the table very often.
- Traffic is obviously a mess and I think it will get worse before it gets better. The City has been innovative and up front about addressing. They have gotten money, made plans, leveraged resources, gotten grants, partnered with other cities and state and railroad. I think they're doing what they can.
- Non-motorized transit is challenging given our topography: ravines, steep slopes, and hilly areas.

Growth: Ensuring High Quality Development

- A huge challenge is growth. The City is growing very rapidly and that growth has to be managed.
- We have to grow in a measured manner, making sure new development fits in is functional and attractive.
- How do we say no to developers who don't share our vision?
- Ensuring quality development and maintaining high standards is our challenge.
- A challenge is the trade-off of preserving the valley and producing income. Opponents want no development, keeping the valley rural: country-living ideals in conflict with economic development.

The Need for a City Vision

- The City government needs to be more decisive, establishing a vision and making decisions that advance that vision.
- The issue long-term for Woodinville is to figure out what they want to be when they grow up. The City is constrained by topography and other factors, there is a tree-hugging mentality in the neighborhoods and not a lot of support to expand the Downtown. It makes more sense long-term to encourage higher density uses to conserve land.

Stakeholder Interview Results

- Woodinville has prospered, blossomed not because of what government has done, but in spite of it. The City has presided over growth, like riding a wave. The City has grown, but not through planned development. We need aggressive, far-sighted leadership with a plan – a vision – and the willingness to pursue it. This is different than the traditional “don’t tinker with it” mentality. If we take that attitude, Woodinville will miss its highest and best calling. If we want trees, quality development, and Woodinville as a light rail hub, we need to do more than go with the flow!

Affordable Housing

- What are we doing for people on the lower end, aspiring end? Woodinville is struggling for how to handle affordable housing for entry level workers. There is a full awareness among City staff, but the City is schizophrenic when it comes to affordable housing. The City has to address it, because people are there and can’t afford the \$460,000 average cost of home on Eastside.
- The free and reduced lunch program, an indicator of poverty, has gone up from 4 to 12% over past 10 years. Some of this is because of recession and layoffs in technology field. We’re also seeing more people who are immigrants, poor, more children with at-risk characteristics; more transiency. It’s not huge yet. The Hispanic population in Woodinville has exploded from nothing to substantial. Manufacturing and service industries in town have recruited employees from Central America and Mexico. We’re also seeing more homelessness and more signs among parents of stress – usually financial stress. I’m glad to see a proposal for affordable housing at the park and ride in Woodinville: this is an important issue.
- Canterbury Square is an asset – it’s good to have those people Downtown, and good to have a non-commercial area Downtown. It’s an important option for seniors who aren’t ready for an assisted living center.

Reservations about Affordable Housing

- Since we have a limited space for business and commercial development, and since Woodinville is already known as upscale, the Downtown should be very upscale, including residential development. We should not under any circumstances have what is called affordable housing in Downtown. There’s a place for it, but not in Downtown Woodinville. If there were more room for Downtown to spread out, then we could include affordable housing.
- Woodinville is an upscale area with relatively high prices. Land is scarce. Woodinville should not expend its residential area in the City with affordable housing because residential areas are a net loss to the City. Affordable housing residents will not be able to shop here, probably won’t even buy gas here because 5 to 15 cents higher. They won’t infuse the local economy.

Land Constraints and Land Affordability

- We have topographic challenges which limit land to grow. We’ve got hills, railroads, and farmland, all of which leaves us a small place to site industrial and business uses.
- The only place Woodinville can development economically, is along the Woodinville-Snohomish road. Can’t go south due to the agricultural uses; can’t go east because it’s all houses; can’t go West (Bothell). Woodinville can only go north.
- A finite amount of space available for business expansion. Woodinville should come to grips with that. Because of that, Woodinville will never be like Redmond, Kirkland or Issaquah.
- We could certainly move the business and in fact we’ve moved our warehouse because it’s too expensive to be here. Maltby might be an option for us. It’s truly difficult to justify doing business here because of land costs. For commercial it’s pricier than other areas around here, and there’s no real benefit we get from being here other than it’s close to my house – a personal preference.

- Affordability in the City is a challenge. Land prices and rental prices are high. I'm on the board of a non-profit in Woodinville. They're paying premium prices now and could relocate anywhere.
- We're planning to build or buy facility of our own. There's not a lot of commercial land available. In fact, I don't know if there's any commercial land available, though buildings pop up now and again.

The City's Financial Position

Taxes and Fees

- The City has no B&O tax, so its ability to raise revenue based on activity is a concern.
- We don't have a B&O tax and I wouldn't anticipate imposing one: it was talked about a lot at cityhood, but it's a moot issue now. We do have a utility tax, but it is nowhere near maxed out – I could see this increasing.
- We need to consider tax implications: we may want to increase taxes, but not if it will deter attractive businesses. We need to look at taxes and implications for specific sectors.
- We have no B&O tax, no head tax, and no business license fee – though there is a business registration fee. It would be possible to increase our utility taxes. A B&O tax would generate revenue, but I wouldn't recommend it, and it certainly might not get passed. 55% of the City's General Fund revenues come from sales tax – is it fair to expect more of our businesses?
- People want more services, but without taxes – it's the same as everywhere. The business community would be squarely against a general B&O tax, though perhaps you could gain support if there were explicit understanding about what the funds would be used for and a clear sunset clause.
- I'm supportive of creating a traffic fee, so long as fees actually go for roads, and not into the City's General Fund.

Sales Tax Streamlining

- Now the City is very profitable, but Sales Tax Equalization could take a whack out of revenues.
- With sales tax streamlining coming, I see a real need to look at industrial areas with the possibility of opening them to retail and allowing designs that we wouldn't permit Downtown. We'll need to do this to offset predicted losses of \$1 million on the \$5.8 million in sales tax revenues the City currently draws. If we don't allow retail development in industrial areas, industrial lands will only be valuable in terms of jobs, not revenues for the City,
- Woodinville will be particularly hard hit by the proposed changes – its unique mix of businesses may make it the greatest per capita loser in the state and we're just not sure what mitigation might be available.
- If sales tax streamlining does get passed, we're going to have to look at commercial uses which won't generate revenue but will cost us a lot in terms of services.

Opportunities to Increase Revenues

- I hope Woodinville is seriously considering annexation of areas to increase its tax base.
- The best retail category for us to see is a large store like a Target which draws people from the surrounding area. Maybe a big hardware store or a Wal-Mart. The TRF development has been a boon for us, with lots of revenue and some of the highest sales tax generation per square foot.
- We need to pump up the Downtown to generate more revenue for the City by increasing the residential density there. This will bring more businesses here to serve them and create more sales tax revenues. This is a challenge because not everyone supports the height limits and FARs we're discussing. We need to sell the Downtown Plan's vision.

Other Challenges Noted

- Funding the City's 20 year CIP is going to be a challenge.
- In fifteen years our population will double, driving demand for services and development.
- Brightwater is a concern. I worry about the impact on the environment and on our image.
- There's talk again of redevelopment at Totem Lake. They have great freeway access and could be all things to all people: retail, medical, residential. It's a huge asset for Kirkland because it's separate from their downtown.
- Just don't let them take our rail spur away. Besides ourselves, many other businesses rely on that rail spur. The Dinner Train is an asset, too.
- Because we're not in Downtown, the biggest challenge for us is letting people know we exist.

What are the City's greatest opportunities?

The City as an Agritourism Destination

- The sky's the limit! More than three million people live within a short drive of Woodinville, with lots of money in Redmond and Eastside. It's all in place for an opportunity. We need to preserve the rural feel and a consistent brand. So far, so good: Pete Rose and the County are all on target.
- The biggest opportunity is our ability to create an agritourism destination. We used to be known as the City of wine and roses.
- Woodinville should leverage what it's known for. What comes to mind for Woodinville? Wine and plants! Plants come from Molbak's and Flowerworld. Wine is Chateau Ste. Michelle. Molbak's and Chateau Ste. Michelle are the anchors. We could be the landscape and wine capital of the area. This was the thought that started the wine village concept.
- The opportunity for Woodinville to develop into a Napa style development is there.
- People have a sense of connection to the soil, natural resources. Finding ways to hone in on that connection is difficult, but can be done with wineries, garden centers. We can be an outlet for city folks. This creates a connection between farmers' issues and population centers, especially because city people are looking for ways to connect to the outdoors.
- Woodinville ought to be known as the place to go for wine and landscaping. The City should be doing anything it can to encourage that brand and those business. Offer low-interest loans to wineries. Make money on fostering the brand.

Farmers Market

- The Farmers Market will be Downtown's "south anchor" as Ray Sturtz and Pete Rose have expressed it.
- The Farmers Market 21 Acres Project could also be connected to Downtown – it's only a block away. It'll be a unique tourist facility if it's put together as they're hoping it can. It would be nice to have a festival street on the north/south road connecting Downtown to the 21 Acre Project
- Only recently has the Farmers Market group reached critical mass with a functional site plan. What they're doing is really exciting, with great opportunity to knit together tourism benefits and promote economic development Downtown. People who come for agritourism will also spend money in our town. This is a unique opportunity that we have and need to capitalize on.
- The new Farmers Market site should be strongly connected to the Burke trail.

Heritage Gardens

- The idea is about world class display gardens which would be a large attraction for a range of people. The Garden will have a physical connection to the Farmers Market, so this should give local farmers a boost. We need to create marketing opportunities for farmers: my sense is farmers need marketing more than anything
- The same population is interested in wineries and garden walks: think about Napa Valley and, parts of France. Wineries usually have nice gardens as part of their design.

Tap into the Business Community

- According to the North King County Survey, 80% of CEOs live locally. This is an extraordinary asset we should take advantage of.
- We should draw on local business owners, including their sense of entrepreneurial spirit and commitment to the community.
- The Chamber has a ways to go to solidify its relationship with major business in Woodinville. There seems to be riff in the past that we're working on, though they've made a lot of growth during the past year. There's continued upside to have the major players participate.
- I live on Hollywood Hill, so am not a part of City formally but I feel commitment to the community based on benefits my business has received.
- It's hard now to try to get business participation liking sponsoring July 4th celebrations or a community ice cream social. In a community like Edmonds, there is a business tradition of putting hours into community events, but here parades are seen as interruption of business. They are struggling, nose down, elbows up, without a history of participation in community building.

The Arts

- When we talk about our established vision for Downtown, with a non-motorized, pedestrian friendly, human scale, art is an important piece of that. Art can help get people out of their cars.
- I would love to see more art in town: events with sculpture unveiling, community galas, art walks. This would draw artists from all over. Downtown Puyallup has done this and draws people from all over the country, even different countries.
- A new performing center is being built in Bothell in a partnership between the Northshore School District and the Northshore Artistic Foundation. The school district and community will both be able to use it. This facility could be paired with wineries: wine, lunch at the Herb Garden, and classical music at the performing arts center.

Other Opportunities Noted

- What about a cooking school or cooking program, in partnership between the City and a local college? Or a biosphere project in partnership with the university? That would put us on the map!
- Woodinville Village is a great opportunity to demonstrate quality mixed-use development.
- Certainly something could be done with a river walk connecting Woodinville and Redmond on the opposite bank from the county trail.
- The City's responsibility is not bound by city limits: these grey, not black lines. Pete Rose and Dan Ramirez are both great leaders, looking beyond the City. Woodinville, Redmond are partnering for a regional fireworks display

What are examples of successes elsewhere that we should try to duplicate in Woodinville?"

- Portland is a great model, particularly related to planning.
- St. Helena and Leavenworth are both examples of desirable development. So is Snohomish.
- Kirkland city center has lots of parks along the waterfront, with ball fields in the middle, performing arts, and a library. And in the midst of it all there is retail and dense condos: a great environment.
- Kirkland has a very user friendly, inviting downtown with mixed use. Lots of trails and pathways – people go there just to walk. They've done a nice job tying business in: on farmers market days, local businesses have special sales or dinners.
- Mill Creek created a central core, which is reasonably dense in the center.
- Woodinville's master plan for the tourist district in 1997 referenced La Conner.
- Whistler, Blackcomb has a great natural environment with hiking all around, and the center is a dense urban village with a mix of uses that blend nature with economic development.
- Lower Queen Anne.
- The Fremont area, especially mixed use buildings. They have been able to retain the character of the community despite lots of growth.
- Boise.
- Portland is fabulous, especially the Pearl District. Without allowing as much height, the concept there is amazing, with lots of people and great access.
- Oregon is amazing: long-term goals aren't just about the dollars, but also sustainability. It's more about people than the economy. They were way ahead on the organic movement and solar: always a bellwether.
- Healdsburg, California has a cute, small downtown which they're starting to redevelop with some mixed use. Gig Harbor is another good example.
- College towns that are dynamic and have retail and cultural things to do. Ashland and Burlingame, California, are models I like. Burlingame has two major streets downtown with gridded streets that carry traffic. Big business is located separately, on the other side of the highway.

What are examples elsewhere that we should try to avoid?

- There are too many examples of things to avoid to mention!
- I don't like downtown Redmond. It's just unappealing, as is Juanita.
- I want to avoid becoming like Redmond, with lots of one-way streets.

What businesses or industries are appropriate to target in attraction efforts given the City's strengths and position in the regional economy?

Business Attraction Strategies

- We need a diversified plan. Woodinville has a tourist district: we need to do what we can to nurture it. We also have some import/export businesses here – a natural for this area. Biotech is certainly a possibility, especially with Bothell so close. We have an opportunity in this area to be a leader in alternative health and medicine with location of Bastyr in Kenmore. Urban agriculture is also a strength with lots of Hmong people, organic farms and Molbak's.

- We need to identify where we think we're under or over served, what we should try to encourage. Then tweak zoning and make other fixes to encourage those businesses to come here. Center transportation strategies on these targets. We also need to work with businesses that are here and want to expand, though I doubt we'd spend public money trying to keep them here.
- We should make a concerted effort to present the City as an opportunity for business, letting them know the opportunities here – marketing the City's strengths, opportunities and advantages for business. We have a relatively lower tax rate, there are a lot of people here with a lot of disposable income, a highly educated workforce, our schools are some of the highest in the state in terms of test scores and levy support. We need to let businesses know – these are selling points.
- When considering locating my professional office here, I did Internet research, looking at Census data related to demographics, income, and the number of existing providers per capita. The City could help attract professional offices by gathering statistics and marketing the City via professional associations.
- We need good anchor tenants to create critical mass. It would be good to identify what those anchor uses or businesses are. These might be the ones we want to target, making it easy and convenient for them to locate in Woodinville.
- Politics in Woodinville tend to be driven by small mom and pop businesses, yet we're surrounded by larger businesses. This is typical for a small town, but we're now on the cusp – who do we want to become? The City and Chamber should organize a think-tank to meet once or twice a year, talking about what City can do to meet needs of larger businesses so we can recruit them. We need to consider fairness of tax policies to small and large businesses.
- This economic development planning should result in concrete advice for what kind of businesses would be a match for Woodinville. We want good, long-term partners, who will support Woodinville's quality of life. I think we're now in an awkward phase. We have some big companies that are managed elsewhere, and they're not engaged. We also have small local companies that are so small it's a stretch for them to play ball, join Chamber, get involved in Rotary. We need more mid-range businesses that are locally owned and operated, or have a local presence.

Office

- We have a good mix now – a lot more retail and industrial than you would expect. The one aspect we're missing is office – what could we expect? Do we want it based on the fiscal implications? If so, what would we have to do to attract it?
- We're shy on office space and need to change our zoning to encourage it.
- I'm not sure zoning will be enough to attract office. We've kicked around the idea, as many others have, of the biotech industry. High tech is also attractive. These businesses like to cluster around other high tech firms in a symbiotic relationship. We should be able to extend Bothell high-tech into Woodinville.

Retail and Restaurants

- We need more specialty shops and day-time dining options, with higher end retail like small clothing stores.
- We need some mid-range restaurants. Red Robin and Ruby's are nice for high school students, but there's not much for others.
- The retail segment is underserved: the question is does the City want to have more mainstream retail?

Stakeholder Interview Results

- We need to augment our existing retail and restaurants with options that aren't discount (Target) or high-end (the Herb Farm).
- Do we need to diversify away from retail? We're strong now, but don't want to become dependent on retail, especially with sales tax streamlining.

Business Headquarters

- Woodinville can attract headquarters. Woodinville is fairly upscale – perhaps a wine commission office, a tourism office, or firms in the insurance, medical consulting, or biomedical industries.
- Woodinville would be perfect for an insurance home office. It won't bring in lots of sales tax revenue, but it creates an opportunity for people to live and work in town. These live/work opportunities are what I'd like to see us pursue.

Are there ways the City's tourism sector could be grown? Are there ways to better capitalize on existing tourism?

- We have three tourism draws: wineries, agribusiness (Molbak's, farmers market, and a new venture being talked of), and culinary (high-end restaurants, destination restaurants). Wine and food weekends seem a natural for us.
- We need to diversify our tourism draw away from just wineries.
- Having the City as a participant in the Tourism Task Force is a huge step.
- We need to expand our attractions and really market the City. We're now a destination, but not an overnight destination. We also need more lodging options, perhaps something like the Embassy Suites in Lynwood which hosts conferences. I could see something like this west of McLendon Hardware 10 or 15 years from now. Or perhaps another Wine Village could be located here.
- The new Wine Village is a tremendous bonus for Woodinville. The City should be very friendly toward that development on that property. Woodinville is fortunate that one developer is able to accumulate the whole thing and do a single design. In that area, all businesses should be wine and tourism oriented; not regionally oriented large grocery stores. Small shops that cater to local residents would be fine. The Village needs to serve those condos without drawing people in from other areas for shopping. Preserve the boutique nature of development there to fit the theme. Encourage upper scale lodging, but not as high priced as Willows Lodge. Encourage more family-oriented restaurants. Upper scale that will draw clientele from people living in the immediate area.
- I'd love to see glass blowing in the Tourist District.

More Lodging Options

- We don't have any hotels other than Willows, which fills a very high-end niche. If people want to come and stay, they can be hard-pressed.
- We need more lodging at varied price points, perhaps near 522.

Image and Identity: A Consistent Identity Which Includes Wines, Gardens, Business and Livability

- The City's image should be more than more than Woodinville wine country, including both wines and gardens.
- We need to brand Woodinville with a consistent character. The Tourism Task Force is focusing on wine, but we need something broader that also incorporates livability and business.
- I want everyone at City Hall to agree to a positioning statement that brands the City. We need everyone to buy in to a single vision.

- The City needs to maintain identity of Woodinville as a unique tourism destination, while at the same time collaborating with other valley cities like we've done with 4th of July.
- The Passport to Woodinville is great, drawing a more sophisticated, higher income bracket. This kind of activity-based marketing is very effective, rather than price-based marketing. Developing a real identity, a theme, tagline is very important. We need to market not just the Tourist District, but Woodinville in total – our flavor. We have done wineries and hot air balloons but we need something that doesn't leave anyone out, including businesses.
- Our branding and character should be consistent throughout town, from the Tourist District to Downtown. If the aesthetic and shopping and eating options are of the same character, this will pull people Downtown.

Connecting the Tourism District and Downtown

Currently Not Leveraging Opportunities – A Disconnect between the Tourist District and Downtown

- Molbak's is the largest private horticultural distribution center in the country. We've not gotten as much mileage out of this as we could. Ste. Michelle is the same. Typically if you ask individuals about Ste. Michelle, they don't associate it with Woodinville.
- Our shop doesn't benefit from people coming to town for the wineries. The demographics are different. Shoppers Downtown are family shoppers as opposed to tourist shoppers. We do benefit from Molbak's which draws from a wider base.
- Our clientele is 25-55, more affluent. We have not had people come from Molbak's or from the wineries. No one walks around Downtown Woodinville. Maybe we need a park or something to encourage foot traffic.
- Alcohol sales tax doesn't benefit Woodinville. We need to do a better job capturing people's spending in restaurants and retail.
- There's not much benefit from active recreation from the Burke Gilman and Tolt trails. Users pass through without stopping, or stop at Wilmont Park. We need a strategy to bring them in.
- Downtown is the weakest link in the chain: there's not enough to keep you in Downtown.
- The proposed MJR development, with housing in the Tourism District, will help bridge the gap.
- Downtown Woodinville needs to be connected to the wine district. Carillon Point and downtown Kirkland is the best analogy to the tourist district connection. Both are assets and should leverage each other.

Need for a Transportation Link

- We talk about drawing people into town, but we have got to talk about how to move them around on shuttles, otherwise we exacerbate our traffic problems. Once we draw people here, we need to move them around efficiently. We need to look the area as a theme park: once you're there it's the park's responsibility to get you around
- It would be nice to offer different forms of transportation like a boat or horse carriage.
- There has been talk over the years of different kinds of trolleys. A trolley on a track is very expensive – a shuttle loop would likely be cheaper. The fact it's a loop makes it prime for a shuttle system. We could draw in people from the soccer fields with time between games and connect south to Redmond.
- King County purchased 50 feet of right of way on west side of the trail, with idea of separating bike and horse traffic from walking traffic. Woodinville could purchase the land and do this, as King County is not going to be able to do it financially.

Stakeholder Interview Results

- There needs to be an easy loop, for both car and non-motorized transit, from Downtown to the Tourist District. This would be great for both residents and tourists.
- I haven't followed Downtown planning, but it must be connected to the Tourist District. If Tom Quigley develops his 100 acres, then you could develop the Willows side of the river and not need to go over the 145th bridge. It feels like a different community right now, Downtown versus tourist district.

What supports exist to strengthen the City's workforce? What more should be done? What should the City's role be?

Most respondents stated they did not know what the City's role should be in this area. Those with ideas focused on the importance of affordable housing.

A Preference for Hiring Woodinville residents

- We one employee – a Woodinville resident. It's nice to have people from nearby, so we'd like to hire others who are nearby.
- About 90% of our employees live in Woodinville. I take this into account when I hire. As an employer, I feel a responsibility to get cars off roads. Also, it keeps employees accountable because they live and work here, and see customers on the street.

The Affordable Housing Connection

- At this facility we have 20 employees. Finding employees hasn't been a difficulty. Most come from outside of town. I don't think we have any Woodinville employees, including 10-12 paid on an hourly basis. I think it would be pretty difficult for people to live here on an hourly wage. There's not adequate housing for lower income families.
- Most don't live here in the community. Affordability of housing is keeping the workforce away.
- Of our 25 or 30 employees, only three upper managers live in Woodinville. Everyone else comes in from Monroe or south Snohomish County.
- The Eastside is generally a good place to find employees, and Woodinville is easily accessible so we're able to draw people from a broader population than just Woodinville.

What supports exist to strengthen entrepreneurship and the success of new businesses? What more should be done? What should the City's role be?

Most respondents stated they did not know what the City's role should be in this area. Those with ideas focused on the importance of affordable space for small businesses.

Maintain Affordable Space

- Small business owners often don't take advantage of resources available to them. I think the most important thing is the provision of low-rent space. Zoning can support this, and maybe we need to annex to expand the availability of cheaper land.
- We have to preserve access to cheap space and the north industrial "incubator area." These are old buildings that are available at low rents, great for wineries and other small businesses. Unless we protect the area, it could be rezoned.
- I just bought land at \$44 per square foot in Northgate, where I can get higher rents. Construction costs are the same if not more in Woodinville.

Other Ideas and Comments Noted

- The impacts of individual small businesses aren't seen – we need to understand the impact of the sector as a whole.
- Small businesses are desirable for their contributions to the City's social fabric, small town feel.
- The City doesn't provide any support for small business currently, in fact some may say the City works against them through its sign codes banning A-boards.
- There's an initiative to build an entrepreneurial center at UW Bothell, based on Entrepreneurial Centers in Bellingham and Bellevue. It will bring resources together: financial, marketing, real estate, and legal resources, helping train, support, mentor people who want to start small businesses. There will be a focus on minority groups. They're raising start-up funds now.
- When we first opened, the Chamber of Commerce people came by and we debated whether or not we should join. It has been a great experience for us. The more we got to know people, we got more and more business. Maybe 40-55 people from the Chamber or people they have referred have come. The best thing was the amazing sense of community.

How would you describe the business environment in the City, considering such factors as taxes, permitting, the regulatory environment and other City policies and practices?**General City-Business Relationships**

- My interactions with the City have been great: people are very helpful and it's been a great experience.
- City Planning and the Mayor are outstanding. If we see something that needs to be addressed, I feel they would get on it.
- You don't need a business licenses – just need to register with City at now cost. It's very, very easy. The hardest part was finding a location. The sign process very smooth. The City is very approachable – you can always get someone on the phone or by email.
- They're extremely friendly; they try extremely hard. A few individuals are not great. They do a wonderful job; they listen; they work hard.
- Outside our building is a sign that is deteriorating, but the landlord cannot put up a sign in the same place because the code doesn't allow it. If the sign comes down, that's it – you can't put it back up. A multi-million corporation could likely do it, but the City wouldn't allow a mom and pop to do it. Seems like politics. Doesn't seem rational, seems inconsistent with the rest of the City. Otherwise they are very friendly and supportive.
- We've considered moving our business out of Woodinville because of the hassles we've been through with the City. They really take the wrong approach to working with business: the City is of no help to businesses, serving only as a regulator and enforcer.

The Permitting and Development Review Process: Positive Reviews

- The City has a reputation for being strict related to building permits. I like that they're strict because that maintains the value of the community. The City was responsive when we built, but they could certainly communicate more, providing information about the process, resources and data, and leads for space or open property.
- I'd give the City a B grade. They could streamline the permit process like Redmond has done.
- We built a 20,000 square foot warehouse last year; it's been a pleasant experience.

Stakeholder Interview Results

- Working with the City is “typical”: the process we went through is really typical of what you’d expect from a city government. People were cordial and helpful, but some departments really didn’t talk with others: there could be smoother communication, consistency. Like with any small city, success depends on your relationship with staff. If you work with them, they work with you. They’re no worse than any other city, and always very pleasant.
- We’re feeling good about the level of attention we’re getting. Initially, we did not have that support. It took a lot of education with the City to get them to support this.

The Permitting and Development Review Process: Negative Reviews

- Woodinville is a tough city to build things in. There’s been lots of staff turnover, though this has improved. More importantly, there are no incentives to do anything here. I have yet to bring the City a project and have it be embraced. Instead, I run into hurdles in the permitting process and the development review process. Staff are confrontational and more about compliance than being helpful. We work in other states and Woodinville is absolutely one of the worst cities to work with! There’s no flexibility and generally a lack of process. For example they have no wetland banking program, so there’s no process to deal with scattered, sparse wetlands.
- Make it really easy to develop. Fast-track permit. Don’t have ridiculous traffic mitigation fees.
- We need to expedite permitting and be generally friendlier to business and developers. The City can be inflexible and anal. We want the reputation of being business-friendly, of having a business-friendly culture. The Fire Department needs to work with us on this, even though they’re a separate district. We have to be honest and up front with our expectations of developers.
- With separate water and fire districts, developers have three separate fiefdoms to negotiate with. There needs to be more collaboration and alignment of policies among the three.

What are the City’s key infrastructure needs? Are limitations in any of these negatively impacting your business?

Other than streets, basic infrastructure was not described as a limiting factor. There was one comment that “We couldn’t get cable TV. Apparently it’s available around Downtown, but not in Downtown.”

Traffic

- We need less band-aids; more real things. Little fixes here and there. Most of the major intersections need work.
- Roads are generally inadequate. My office is not too far from Costco going in and I’m concerned about additional traffic
- I live along Woodinville-Duvall road and that road is absolutely terrible – bumper to bumper from Woodinville to Carnation.
- It’s a chicken and egg thing: roads and population. There are only two east-west routes between Woodinville and Redmond and both are inadequate. City traffic is bad also: it’s difficult to move around town. I think the City should invest in this. Also parks – the new skate park is nice, but the City needs more parks of all sorts.
- I would like to see an overpass or pedestrian byway over 522 connecting the neighborhood by the high school to Downtown. High school kids aren’t comfortable crossing at 522. Girls have expressed reservations about crossing in front of cars stopped at the light.
- Roundabouts are good idea; the European feel fits with the winery feel. That would help set Woodinville apart.

- It all hinges on improvements in transportation. We're blessed by being a nexus of transportation systems. But this leads to traffic jams, strip malls: part of Woodinville's emerging image. We need rapid transit using the existing BNL line to have light rail to Renton and Monroe: make Woodinville not only a car nexus, but also a major stop along a Renton/Monroe rail line. The City can help a lot by actively pursuing partnerships with owners of private land Downtown to facilitate development. The City should do more around light rail – be a more aggressive stance, champion for light rail.

Parks and Open Space

- The parks/open space system is still fairly new. A big reason behind incorporation was the lack of parks and rec opportunities in community. It's still a relatively new system and there's lots of work to bring it up to national standards. The facilities that have been established are first-class. Since incorporation Council has given parks and rec high priority relative to other improvements.
- The quality of parks and open space system establishes visual cues for what kind of community we are. Lots of local publications feature our Wilmont Park as a landmark. Our identity as a community is tied into the design and maintenance of our parks.
- The Burke Gilman is a huge asset as it connects neighboring communities, brings people together. Wilmont Park across from City Hall is great – built so well, nice facilities, grass, shade. We need more assets like this that give people things to do, enhances livability of Woodinville.
- We are now adopting a parks and open space plan that calls for more neighborhood parks. Up to now we have focused on the civic campus and large Downtown parks. In coming years there will be a greater emphasis on neighborhood parks, pocket parks and neighborhood parks that can support parks/playgrounds.
- People are proud of their parks and want more parks in closer proximity. But I don't think we're ready yet for a parks bond issue. There's work to do cultivating community support.
- It's really important to maintain parks/rec services to serve the new population Downtown.
- There's discussion now of where to site a new pool for the school district.
- I like the idea of a trail that connects the Burke Gilman and Snohomish trails, through the Little Bear Creek Corridor, along the rail line. This would connect two of the four sides of Downtown.
- We could really use a dog park. Parks could be a real hub for the community.
- We have to make sure that private facilities help compliment what the City provides, so that public and private sector facilities work together to provide comprehensive services.

Would you benefit from investment in data transmission infrastructure? Is this a role you would like to see the City play?

Need for More Study

- I have no problem with the City exploring it. Once we have the data we can make a decision. I wouldn't want to throw a ton of money on a study of it, but would support getting more information. Seems well too early to tell, though other cities seem to be convinced it holds a bonanza for them.
- I really don't know what we have, what we do. Many businesses rely on high speed Internet access. We've got to have it to be competitive.

Supportive

- I think a wireless network would be a real asset. Many of my best clients work in high tech, and they would certainly appreciate it.
- Yes, it'd be appropriate for the City to invest in data transmission infrastructure. Most school communication is by email, web, and 95% of families have access at home.
- There's a lot of thinking that wireless and mixed-use augment each other. Families used to live above their retail space, and then our society moved away from that. Now with softer industries, you can go back to that model.
- There's a generation of Microsoft workers retiring in 10-15 years. They'll downsize in living space, but not in productivity, so they'll continue to work. To do that they'll need access to technology.

Not a Priority or Not an Appropriate City Role

- Wimax not a City issue.
- There is an underwhelming demand for it now: see the results of the North King County study. We maybe don't have heavy data users because we don't have a lot of office use. We may need it in the future, but I wouldn't want the City to do a huge initiative. We should make investments when we have the opportunity, if a street is torn up for another reason.
- I'm not sure it's necessary. I think there are other things that make sense than that. Roads and parks would be a higher priority – none of us are having trouble communicating.
- I wouldn't want to see the City play a role in broadband access – that's something that should remain in the realm of the private sector.
- A wireless would be fine, but who's going to pay for it?
- We have broadband access here at work and at home – so it's not been a problem.

What role would you like the City play in terms of economic development? What are the top two or three actions you would like to see the City take?

Downtown

The Need for Mixed Use, Residential

- Woodinville's future hinges on willingness to use mixed use in Downtown
- We need a Downtown mixed use project to really kick things off.
- First, Canterbury Square project has to develop the right way. Second, make sure we work closely with developers to make sure that new development fits. Extend the north/south road next to Molbak's into the TRF development.
- We need to interest the private sector in providing housing Downtown. Until we have a volume of multifamily housing Downtown, we'll continue to have a bedroom community feel. It's the housing that creates the additional demand for business. We already have a great retail core, but need the population to drive the concentration of shops, restaurants.
- If we get mixed use in Downtown, we'll see the costs of service increase as well, particularly with regard to police and parks and rec. Also Public Works, but to a smaller degree. We have to think about the operating costs of plans being developed. People always talk about increases in property taxes as land becomes more valuable through investments, but no one talks about offsetting costs of operating more parks or putting more police on the streets.
- There's not much market anymore for garden style condominiums. The City has evolved beyond that, to a denser more urban type of multifamily housing.

- Condos are moving briskly, about \$160,000 on the low end and \$300,000 on the high end. Kirkland has \$1-2 million condos along lake. Woodinville does not have this upscale condo market. We are sorely lacking because of that: can't offer something to people downsizing from Hollywood Hill, looking to stay in Woodinville. This is a gap in market offerings though there are movements afoot: Woodinville Village plans hold for higher-end condos.
- It's impossible to get anyone excited about condos because of legal liabilities and tort reform. It's still not sane to be in that market, so most experienced developers will not do that, with the exception of the steel high-rises.

City Investments in Downtown Infrastructure

- The City should establish grid roads Downtown.
- The City can really support Downtown development by investing in streets, especially the north/south grid. That will bring a small scale back to Downtown, making it walkable. The biggest impediment to multifamily development right now is the lack of cityscape: smaller streets, corners, ambience.
- If we want people Downtown, we need to provide parking or they'll go elsewhere. We're requiring developers to build right up to the street, and people can't park at the TRF center and go into Downtown. There's an opportunity for a public-private partnership to provide more parking.

Downtown Master Plan

- The Downtown/Little Bear Creek Corridor Master Plan passed from the Planning Commission to the Council about a year and a half ago. We've got to get this going – we're leaving property owners in the lurch, uncertain of the future. If necessary, let's take out hot button items like the green belt or park blocks and get this past Council!
- The Downtown/Little Bear Creek plan is good. Parks, highway improvements are all good. It looks about as good as you can squeeze out of Woodinville. It's a well-conceived plan.
- The City needs to be careful. They're taking lots of land out of the hands of businesses – tax generators. You've seen this for City Hall, the Sorenson property, and for Downtown.
- My only concern about the Downtown Plan is that it would suck people away businesses elsewhere in town. We're in the City limits, so need to be covered in City promotions and signage.

Development Standards

Ensure Quality Development

- We need more than stores Downtown: we need an environment that has charm!
- We need to have our own identity: northwest woodland character. City Hall and other buildings are starting to emulate this which is good. I would like to see public art in this same northwest woodland character. This builds continuity and a sense of place.
- The Target development could have been our Downtown. You'd go to Target to get food, get in your car to go to Top Foods, and then get in your car to go to a restaurant. You need to do more to get people out of their cars than put in minimal sidewalk infrastructure! You have to invite people to walk. We're trying to get at what Kirkland has done so people will be invited to come out, go to a café, walk to the Burke Gilman trail, walk to the downtown to shop.
- Housing has to be attractively built. If that happens we'll attract a great population to live Downtown. The only way we can screw it up is not have housing, or do low quality housing. If we do it right we'll attract active seniors and young families because it's a great opportunity to walk wherever you need, to shopping, Wilmont park, and the civic center.

Stakeholder Interview Results

- We really have to preserve open space in order to keep our current quality of life. Even benches and trees Downtown. Our planning has to include really attractive streetscapes. That is the bar that has been set with City Hall and Wilmont Park. It's critical that we maintain this quality development.
- We could do more planning for shopping. Look to Redmond Town Center as a model; get people on the sidewalk. Here you only see cars.
- There is a bike trail connecting the Burke Gilman and Wilmont Park to Downtown, but Downtown development now is strip mall, nothing unique. We need to make development more unique to draw people in. The only draw now is Molbak's.
- If the City does put in the Garden Way, I would love to see farm-support retail: small retail, like in France, with specialty shops such as high quality bread and cheese shops that would support a local farm by being its retail outlet.
- For industrial development, themes (design standards) could be improved.

Resist Big Box Retail in Downtown

- There's a lot of pressure for big box for Downtown Woodinville. They should not be allowed Downtown. With them would come a lot of surface parking that would be forever dedicated that purpose.
- I hope we don't have more of the monochromatic businesses. I would love to see smaller development required on the trailer park – no Wal-Marts!
- Having the mobile home park developed the right way is crucial for Downtown. It can't become a discount store! No offense to discount stores, but we don't want this for our Downtown!

Incentives and Restrictions Need to be in Line

- The government should be there to encourage instead of discourage. We need more incentives rather than regulations – carrots instead of sticks. Use incentives to steer development as desired, making desirable development more economically feasible to developers. Time is money, so one of the biggest incentives is creating a more streamlined permitting process, getting it down to 30 or 60 days.
- There should be an incentive matrix so that the more positive things developers do, they more they get.
- The City should entitle density that can support structured parking.
- The City's height restriction is a limitation restricting the market. The City needs to address flexibility and latitude.
- Redmond height limits nearby have more flexibility.
- Woodinville should consider taller heights and height limits should be defined by the number of floors, not the number of feet. It's important to have a height limit, but if it's by floors, floor heights can differ and lead to more interesting development. For upper scale mixed use, the market demands 10' ceilings: depending on the style of roof, a developer will run out of height.

Other Desired Outcomes Noted

- The City has to address the number one issue: traffic.
- Ideally we know our needs and the desired mix of businesses through this study, and then we go out and actively recruit. I would not support giving tax breaks – being held ransom – to land a business in town, though I would support infrastructure investments that benefit everyone.
- I'm a firm believer in a City economic development position, either a full FTE or a partial FTE.

- Maybe we'll hire an economic development position, though we may have to share the expense with neighboring cities
- Land acquisition is a role the City can play, though it's likely not going to be possible given the cost of roads that need to be built.
- Promote Woodinville as a destination – that will benefit everyone.
- The main thing is to see the community as beyond the wineries and the downtown, embrace the broader community.
- We need policies to back up our vision. We need more choice, power to negotiate with developers, providing incentives in trade for parks and trails. If they're doing large development, we'd love to see a neighborhood park. If they're up against trail system, want a connection to that trail to Downtown.
- The City should act as a facilitator – bringing together private sector, which is going to have to do the bulk of work.
- Woodinville has done a very good job with Brightwater. I hope they support the mitigation. There is a plan on the table, for a state of the art environmental education facility similar to Vancouver, Washington's center.

Ideas for Other Geographic Areas

- I would hate to see more Class B, light industrial, big box development to the north. I'd like to see good mixed use north side of town as well as to south. It would be nice to have a mixed character, other shopping options.
- Little Bear Creek and Grace would be great areas to locate big box stores and the like, keeping them separate from the Downtown.
- It would be great to connect the real estate between Molbak's and Redhook.
- I would love to see a business park that allows employees to walk to amenities.
- In the southwest portion of town, wineries on the hillside should be promoted.
- Development along the slough or river is the right way to go. Increase height and have lifestyle centers.
- People are thrilled with Costco coming in, despite their hatred of big-box stores – it's just enough outside of town. It will draw lots of people from Monroe and other cities to the north.

Annexation of Grace

- Grace is an opportunity. We can annex the land and locate bigger businesses there, separate from the Downtown.
- We don't have a lot of open land, but there are a lot of opportunities. We are looking at annexing Grace, which would give us a lot of developable or redevelopable land. I think we should continue to pursue this annexation.

ATTACHMENT A: STAKEHOLDERS INTERVIEWED

1. Terry Brown, Sports Art Fitness
2. Tim Bruce, Owner/Manager, Windermere Realty
3. Rebecca Clark, General Manager, Brittany Park
4. Roger Collins, President, Sierra Construction
5. Martha Danker, Owner, Stallion Hill Business Center
6. Cristin Dowd, Dentist
7. Gretchen Garth, President, Friends of the Woodinville Farmer's Market Board
8. Jeff Gelenaw, Branch Supervisor, Bluelinx (formerly Georgia Pacific)
9. Terry Jarvis, President, Jarvis Properties
10. Dr. Karen Forys, Superintendent , Northshore School District
11. Mike McClure, MJR Development (Woodinville Wine Village)
12. Patrick McFarland; Marketing Manager, Willows Lodge
13. Jens Molbak, Owner, Molbak's
14. Lisa Norrgard, Owner, Norrgard's Optic
15. Kay Carlson, TRF Pacific
16. Tom Quigley, Owner, Olympic Nursery
17. Dan Ramirez, Executive Director, Woodinville Chamber of Commerce
18. Roy Schiferl, President, Woodinville Lumber
19. Tom Waithe, General Manager, Willows Lodge
20. Bob Wallace, CEO, Wallace Properties
21. Susan Webster, Owner, Gathering Fabric Quilt Shop

City Council

22. Don Brocha, Mayor
23. Cathy VonWald, Deputy Mayor
24. Scott Hageman, City Councilmember
25. Gina Leonard, City Councilmember

City Commissions

26. Cherry Jarvis, Planning Commission Vice-Chair
27. Michael Corning, Planning Commission
28. Kari Powers, Parks and Recreation Commission Chair

City of Woodinville

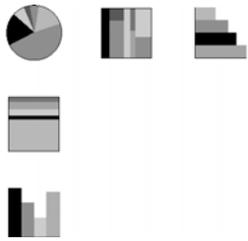
29. Jim Katica, Finance Director
30. Lane Youngblood, Parks and Recreation Director

ATTACHMENT B: INTERVIEW QUESTIONS

- What is your vision for Woodinville: what do you hope it is like 20 years from now?
- Thinking about economic development broadly, considering economic vitality, livability/quality of life, and community identity, what are Woodinville's greatest strengths and assets?
 - What are the City's greatest challenges?
 - What are the City's greatest opportunities?
- What are examples of successes elsewhere that we should try to duplicate in Woodinville? What are examples elsewhere that we should try to avoid?
- What are the key factors affecting your business in the next three to five years?
OR What are key trends in the economy or in the political and social environment that will affect Woodinville's economy in the next three to five years?
- What businesses or industries are appropriate to target in attraction efforts given the City's strengths and position in the regional economy?
- Are there ways the City's tourism sector could be grown? Are there ways to better capitalize on existing tourism?
- What supports exist to strengthen the City's workforce?
 - What more should be done?
 - What should the City's role be?
- What supports exist to strengthen entrepreneurship and the success of new businesses?
 - What more should be done?
 - What should the City's role be?
- How would you describe the business environment in the City, considering such factors as taxes, permitting, the regulatory environment and other City policies and practices?
- What are the City's key infrastructure needs (water, power, telecommunications, roads, parks, schools)? Are limitations in any of these negatively impacting your business?
 - Would you benefit from investment in data transmission infrastructure?
 - Is this a role you would like to see the City play?
- What role would you like the City play in terms of economic development?
 - What are the top two or three actions you would like to see the City take?
- Who else should we be talking to?

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Fiscal Implications of Land Use Alternatives



MEMORANDUM

DATE: July 8, 2005
TO: Woodinville Economic Development Team
FROM: Brett Sheckler
RE: **Fiscal Implications of Land Use Alternatives**

The following memorandum provides a high-level assessment of the fiscal implications of alternative land uses. The goal of the memo is to inform decisionmakers at the City of Woodinville about implications for fiscal sustainability as they make choices to help foster economic development in the City.

Any use of land within City boundaries generates two counteracting fiscal forces:

1. It generates a stream of tax revenues, principally from property tax, utility taxes, and retail sales tax; and
2. It generates additional demand for City services, including construction and maintenance of infrastructure, public safety services, parks construction and maintenance, recreation and community services, and a host of other City services that may be consumed less directly, but are no less real.

Every type of land use generates a unique mix of City revenues and service costs. Inevitably, some land uses are net “winners” for the City (meaning that they generate more dollars in new revenues to the City than they do costs) and some are net “losers”.

While it is beyond the scope of this memo to trace all revenues and cost implications of land use for the City of Woodinville, Berk & Associates *has* performed detailed cost- and revenue-accounting for other cities in Washington State. While no two cities are exactly alike in their cost and revenue structures, trends in fiscal attractiveness do emerge.

For a city like Woodinville, with no business or employee taxes, the net attractiveness of land uses could generally be ranked as follows (ranking from most to least attractive).

1. Automobile dealer
2. Retailers of high-cost items like furniture, home electronics, etc.
3. Big and medium box retailers and restaurants
4. Small retailers and consumer service providers
5. Office park*
6. Industrial*
7. High value residential (assessed value in excess of \$150,000 per resident)
8. Mid-to-low value single family residential
9. Low value multifamily residential

Fiscal Implications of Land Use Alternatives

* Assumes that office and industrial uses that do not generate retail sales taxes. Currently, a handful of non-retail businesses *do* generate substantial sales taxes for the City. However, with expected changes from Sales Tax Streamlining, the number of non-retail businesses that generate large amounts of sales taxes will be reduced.

Having ventured to present a ranked list of land uses, the very next thing we will say is that such a ranked list is of limited value.

The inter-relationships between land uses and fiscal impacts are extremely complex, varying based on the place, time, and conditions surrounding the development in question.

For example, while multifamily housing is not a net winner for a city, *on average*, there are some circumstances where multifamily may be crucial to the city's fiscal success. In many cities, for example, dense, close-in pockets of multifamily provides crucial support for adjacent commercial centers, serving as the foundation for the cities' ongoing economic development.

If multifamily housing works to support a city's desired urban form, such development can be a key component to the city's fiscal sustainability. If, on the other hand, multifamily units are built on the periphery of a city, where they provide little support for the city's commercial nodes, it is often the case that those developments serve as a net drain on city resources.¹

When reviewing the above list, it is also important to bear in mind that the relative attractiveness of uses depend on future events. For example, if taxation of internet transactions becomes a reality, and households' purchasing patterns continue to shift towards internet purchases, then residential land uses become more attractive, across the board.

Ultimately, rather than concentrating on the *average* fiscal attractiveness of land uses, it is more valuable to understand the underlying mechanisms through which land use and fiscal sustainability relate.

The following sections of this memo examine more specifically the nature of those relationships. The section that follows immediately provides a brief overview of fiscal challenges that Woodinville currently faces. Subsequent sections then move on to provide brief examinations of fiscal considerations surrounding individual land-use types. The concluding section of this memo provides a brief summary of the fiscal implications of Sales Tax Streamling for the City.

¹ Of course, there are many good reasons why a city would support inexpensive rental housing even if that housing, in and of itself, is not a fiscal winner for the city.

Woodinville's Fiscal Position

Woodinville, like many cities in Washington State, faces future fiscal challenges. At least four key factors will influence the City's fiscal position in years to come:

1. **Increasing costs of doing City business:** Personnel costs (the principal cost of providing city services) are growing at a rate that exceeds inflation. These costs are driven by (1) big annual increases in the costs of health care and (2) wage increases that exceed the rate of general inflation (driven by long-run increases in worker productivity in the private sector).
2. **Long-term erosion of the real (inflation-adjusted) value of the City's property tax levy:** With passage of I-747, absent a public vote to increase a city's levy, the revenues a city is allowed to collect from property taxes cannot grow by more than 1% per year (excluding the effects of new construction). Due to compounding effects, given the gap between cost and revenue growth, over a period of 10 years, the purchasing power of a city's existing property tax base could erode by 33% or more.
3. **Loss of revenue sources such as Motor Vehicle Excise Tax and Vehicle License Fee distributions;** and
4. **Potential large revenue losses from sales tax sourcing rule changes|:** In an effort to pave the way for collection of sales taxes on internet transactions the Washington State Department of Revenue has proposed changes to rules that govern the recorded "*place of sale*" for delivered goods. The new rules would change the place of sale for delivered goods from the place where the delivery *originates* to the place where the product is actually *delivered*. This means that, for a hot tub that is delivered from a business in Woodinville to a home in Bothell, local sales tax revenues that up-to-now have gone to Woodinville will begin go to Bothell. With a high concentration of businesses that sell delivered goods, Woodinville has the potential to be heavily affected by proposed sourcing changes.

These challenges notwithstanding, Woodinville's fiscal position is relatively strong.

In 2003, Woodinville's generated nearly \$800 per city resident in general fund revenues, hundreds of dollars more than the typical city in Washintong State. At the same time Woodinville spends relatively little on law enforcement (the single most costly service most cities provide). While many cities in King County spend \$250 or more per resident on law enforcement, in 2005, Woodinville expects to spend less than \$170. On the other hand, Woodinville spends a little more than the average Puget Sound city on provision of parks services.

Fiscal Implications of Land Uses

Following are brief discussions of the fiscal implications of eight land use categories.

High Value Retail

Among all potential uses of a given property, high value retail generates the greatest fiscal benefit to a city. An auto dealership can generate city sales taxes of \$100,000 to \$500,000 or more. At the same time, because the value of each transaction is so high, an auto dealership generates very little incremental demand for city services. To a lesser degree, other retailers of high value goods, including furniture, appliances, or home electronics all generate relatively high revenues, while attracting relatively few trips.

Another benefit of high value retailers is that they have the ability to attract customers from a very large area. Auto dealers in Puyallup, for example, attract customers from a large portion of the Puget Sound area, allowing the City of Puyallup to draw on a tax base that extends far outside City boundaries. In the realm of furniture stores, Ikea performs in a similar manner for the City of Renton, drawing customers from across King County and beyond, and probably generating close to \$1 million in City tax revenues.

From a fiscal perspective, all cities would like to attract an auto dealership or an Ikea. Most cities face two challenges: (1) Does the city have the locational characteristics that auto dealerships seek? (2) Does the city have developable properties available that would support these kinds of uses?

In most instances, if a city does not already have an auto dealership, the answer to one or both of these questions is: **no**.

Big Box Retail

Like auto dealerships and other high-value retailers, big box retailers like Costco, Walmart, Target, Home Depot, or Lowes can generate anywhere from \$100,000 to \$500,000 or more, in sales tax revenues for a city. The difference between the two categories is that big box retailers (1) generally attract greater numbers of trips and (2) generally draw on a slightly smaller trade area to attract their customers.

Overall, big box retail is very beneficial to a city's fiscal position, but they do generate greater demand for city services like public safety and transportation infrastructure. For the typical city in Washington State, a single big box store might generate \$300,000 in sales tax revenues, while at the same time, creating enough activity to demand for one additional commissioned police officer on the city's police force.

Restaurant and Entertainment

By themselves, movie theaters, other entertainment venues, and restaurants can generate substantial revenues to a city. An added benefit of these categories of uses is that, in addition to generating revenues on their own, they also generate positive spillover effects.

Major shopping centers and traditional downtowns seek out restaurants, movie theaters, and performing arts venues as a way to attract a critical mass of activity. In most instances, people who travel to a commercial center to see a movie or a play will venture out for an entire evening, eating at a nearby restaurant and shopping at nearby stores. The more pleasant and seamless a district can make that experience, the better position that center is to generate revenues.

From a public amenity perspective, the benefits of establishing a shopping/entertainment center are substantial. From a fiscal-balance perspective, the net benefits are substantial as well, but entertainment uses *do* generate certain demands for city services. High levels of evening activity often drives additional demand for increased law enforcement staffing. Also, depending on the configuration of the district, public investment in infrastructure and amenities may be necessary to make the district attractive to potential visitors.

The good news is that public investments that make an entertainment district attractive to visitors are often the same investments that help to create a venue and focus for *community* activity—a goal that most cities have identified as desirable in its own right.

Lower Value Retail and Consumer Services

From a fiscal-balance perspective, the bottom rung in the hierarchy of retail attractiveness falls to community retail and consumer service uses. This category includes grocery stores, drug stores, fast food chains, banks, auto-services, video stores, and various other retail and consumer services.

All of these uses are attractive, first, because they generate net fiscal benefits to the city and, second, because they provide services the community needs. However, because the level of activity around these centers is relatively high compared to the revenues they generate, the *net* fiscal benefits of these uses do not match those of big box and higher value retail. While the ratio of revenues to costs for higher value or big box retail probably well exceeds 2 to 1, community commercial uses may generate revenues that exceed costs by a factor of 1.5 to 1.0.

Ultimately, regardless of the fiscal benefits of community commercial uses, such land uses are important to the community for the services they provide and, when well executed, for what they provide in terms of community focus.

Office

Because Woodinville does not levy any substantial business or employee tax, office uses in the City will not match retail uses for revenue generation. A typical, higher-end office building might generate \$70 per employee in City property tax and another \$100 in utility taxes, if Washington State's sales tax sourcing rules were to change, then office uses will generate additional tax revenues from delivery of supplies, furniture and equipment. Depending on the nature of the office, these sales tax revenues from deliveries might equal an additional \$20 or \$30 per employee.

Fiscal Implications of Land Use Alternatives

In addition to direct revenue, office employees typically make daytime expenditures for food, drink, and convenience purchases in nearby retail areas. In addition to generating sales tax revenues (perhaps \$20 per year), the relatively dense pool of daytime population provides important support for local shops and restaurants. For most districts, the key to a successful, active commercial center is the combination of daytime support from office workers with day and evening support from households.

Another benefit of office uses is that they generally drive only modest demand for services. Office uses generate relatively few vehicle trips, they generate very little in the way of demand for police services, and any demand they generate for parks facilities is likely to occur during mid-day periods when existing park capacity may be underutilized.

Industrial

Like office, industrial uses in Woodinville do not generate business or employee taxes, but they do generate property and utility taxes. In addition, under existing sales tax sourcing rules, a small subset of industrial uses can generate *substantial* retail sales tax. With expected changes in sourcing rules, these sales tax revenues from industrial users will probably all but disappear.

The difference between industrial and office uses is that a typical industrial use generates less revenue per acre of land. Industrial buildings cost less to construct (per square foot), and industrial uses typically require a lower ratio of building square footage to square footage of land (typically referred to as floor-area-ratio [FAR]).

While a suburban office building might support more than 70 employees per acre, a typical industrial use is likely to support 25 or fewer.² Lastly, analysis that Berk & Associates has performed in the past suggest that, on average, office uses generate more utility taxes than do industrial uses. While there are certainly exceptions where industrial uses demand large amounts of electricity or natural gas, we have found that, on average, office uses are more intensive in their use of electricity (to power lights, computers, etc.) and telephones.

Another disadvantage of industrial uses, in comparison with office, is that the lower density of workers in industrial settings provides more modest daytime expenditures to support nearby commercial centers.

The demands for service introduced by industrial uses can vary depending on the nature of the use and the general level of activity. Manufacturing and warehouse and distribution uses tend to put more stress on a city's road network. For police services, industrial uses may generate as little demand as does an acre of office.

² Assuming an FAR of 0.5 for office and 300 square feet per employee, versus an FAR of 0.3 for industrial, with 500 square feet per employee.

Ultimately, the evidence suggests that after changes in sales tax sourcing rules, industrial uses are likely to generate *somewhat* more in city revenues than they generate in costs. However, net fiscal benefits from industrial uses will not match those of office or retail uses.

Single Family Housing

For cities like Woodinville, single family homeowners represent the vast majority of the city's constituents, and as a result, most of the cities service costs stem from serving these constituents. Typically, cities rely on excess revenues generated by taxes from high value housing (which generate high property taxes) and commercial uses to subsidize provision of services to households who live in lower value housing.

In Woodinville, the median single family house was valued at \$322,000, which will generate approximately \$440 in property tax revenues for the City. The household also directly generates, perhaps, \$125 per year in utility taxes, which brings its combined City tax contribution to \$565. Although we have not performed a detailed analysis of Woodinville's cost structure, we believe it is safe to say that Woodinville's incremental cost of serving this typical household easily exceeds \$600.

For Woodinville, it is probably safe to say that households who live in a house valued at \$400,000 or more (\$150,000 per resident) cover their average cost of service through property and utility taxes, while housing below that level probably does not.

Of course, in addition to property and utility taxes, all households also make retail purchases at retail stores in the City—which represents additional tax support. Further, when rule changes for sales tax sourcing are enacted, households' purchases of delivered goods will bolster the tax revenues Woodinville receives from its residential areas (with "gains" to the City of perhaps \$20 to \$80 per household depending on income and shopping patterns).

In the end, when one looks at the incremental fiscal impact of adding housing to the City of Woodinville, the impact depends on the specifics:

- What is the market value of the housing?
- Is the housing located in an area where it will support Woodinville's commercial center and generate retail sales tax? Or is it likely to support commercial centers in neighboring jurisdictions?

From a purely strategic perspective, it is sometimes the case that a city can see relatively little housing growth within its boundaries, while its commercial centers benefit from rapid growth in adjacent areas. This is the case for cities like Issaquah—which has benefited greatly from development in places like Sammamish, Snoqualmie, and unincorporated King County—or Tukwila and Renton—which have both benefited from development in the Fairwood/Soos Creek areas on the plateau to the east. In these instances, Issaquah, Renton, and Tukwila all see fiscal benefits from importing sales tax revenues from households who live outside their city boundaries and therefore consume fewer city services.

Multifamily Housing

Much of the discussion of single family housing also applies to multifamily housing. However, from a decisionmaker's perspective, a few key characteristics distinguish multifamily housing:

- **Higher costs of police services:** Berk & Associates has analyzed experiences of hundreds of cities across Washington State and has found that, on average, the addition multifamily housing tends to increase demand for police services more than the addition of an equivalent number of single family units.

When we talk with police chiefs at different cities, they all agree that some forms of multifamily *do* generate higher demand for police services, but they suggest that not all multifamily housing is created equal. Most suggest that higher value multifamily tends to behave in a manner more similar to single family.³

Other anecdotal evidence suggests that demand for police services depends on how the housing relates to the surrounding urban environment. For decades, city planners have noted the importance of “eyes on the street”—the notion that, in settings where a few stories of multifamily housing are strongly connected to the street, residents of the buildings take a certain degree of ownership over what happens in and around their building, increasing safety and security.

- **Opportunities for support of commercial and civic centers:** For many commercial and entertainment centers, the dense, close-in support of multifamily housing is a key component of the center’s success. The close support of multifamily housing provides restaurants and retailers with a guaranteed base of sales. Moreover, multifamily support also provides a foundational baseline of *activity* in the center that makes the center more attractive to residents in its broader market. In this sense, multifamily housing can often act as a *critical* ingredient to the success of the center.

In the end, the fiscal attractiveness of multifamily is heavily dependent on the *type* of multifamily in question and careful consideration of *how the housing relates* to the Woodinville’s commercial centers. If the housing is relatively low value and does not actively support the City’s commercial centers, then addition of new multifamily is likely to introduce a net drain to the City’s fiscal structure. If multifamily is of higher value and/or is designed to provide support to the City’s commercial centers, then it can be attractive, and perhaps even crucial, to the City’s long-run fiscal sustainability.

Finally, as many people will undoubtedly point out, there are plenty of very good reasons for cities to support multifamily and low cost housing that have nothing to do with the City’s fiscal position.

³ It is also worth noting that, statistically, renter-occupied single family housing tends to drive even higher demand for police services than does renter-occupied multifamily.

Fiscal Implications of Sales Tax Streamlining

In recent years, the Washington State Department of Revenue has engaged in a cooperative effort among states and private industries to create more uniform sales tax structures. This cooperative effort is referred to as the Streamlined Sales Tax Project and its mission is to simplify the rules surrounding the levying of sales taxes. The ultimate goal of the project is to pave the way for taxation of delivered goods (e.g catalog and Internet sales) whose sale originates out-of-state.

States that wish to follow the path developed by the Streamlined Sales Tax Project are altering their sales tax laws to be consistent with provisions of the Streamlined Sales and Use Tax Agreement (SSTA), a set of provisions developed by participants in the by the Streamlined Sales Tax Project.

In 2003, the Washington State Legislature enacted Senate Bill 5783 (Chapter 168, Laws of 2003) and thereby adopted several provisions of the SSTA. However, due to concerns voiced by affected jurisdictions, Senate Bill 5783 did not include key provisions that redefine the “sourcing” of delivered retail sales.

The “source” of a sale determines the *place of sale*, which in turn determines the jurisdiction to which the local portion of sales tax accrues for a given transaction.

Under current State law, the “source” of sale for most delivered goods is deemed to be the store or warehouse from which the delivery originates. Under the sourcing provisions of the SSTA, the “source” of most delivered goods would change to the point of delivery.

For example, under current law, a hot tub that is delivered to a house in Bothell from a facility in Woodinville will generate local sales taxes for the City of Woodinville, where the delivery originates. If enacted, the sourcing provisions of SSTA will change the “source” of that sale (and therefore the recipient of the local sales tax dollars) to the destination of the deliver—the City of Bothell.

Adopting the sourcing provisions of SSTA will have little impact on state revenue. The State receives its portion of sales taxes regardless of whether the sale is deemed to take place in Woodinville or Bothell. The provisions will, however, result in significant shifts in the accrual of sales tax revenues among local jurisdictions. This is the reason many local jurisdictions originally objected to legislative passage of the SSTA sourcing provisions.

Changes in the State’s sourcing rules have not yet been enacted. When they are enacted, most stakeholders believe that *mitigation* funds will be made available to soften the blow for cities that stand to see a drop in revenues. It remains to be seen how such mitigation will be provided. It also remains to be seen how far the mitigation payments will be carried into the future.

With a substantial concentration of companies that deliver products, Woodinville stands to lose substantial revenue from a change in sourcing. These losses will come from delivered goods from lumber dealers (who deliver the vast majority of their sales), computer equipment companies, and a variety of other manufacturers or distributors.

At a more fundamental level, changes in sales tax sourcing (and future taxation of sales that originate out of state) will change the fiscal implications of different land uses. On average, industrial uses will become less fiscally attractive (because their potential as sales tax sources will diminish). Simultaneously, as destinations for delivered goods, residential and office uses will become more fiscally attractive.

Conclusion

Ultimately, a city's strategy for attaining fiscal sustainability has to approach questions of governance and land use as a whole.

From a purely fiscal perspective, all cities would like to attract or retain an auto dealership, an Ikea, or a Costco. For the most part, however, whether or not a city gets such a fiscal boon depends in large part on the luck of geography and the availability of suitable sites.

For most cities, the key to achieving fiscal sustainability is (1) to have a realistic understanding of where the city stands (2) to provide development opportunities that will serve the City well, both fiscally and in terms of achieving the city's overall vision, and (3) to take advantage of the potential for supportive relationships between land uses.

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Comments Received at Public Open House

WOODINVILLE ECONOMIC DEVELOPMENT PLAN

Comments Received at Public Open House

August 17, 2005

I. Grow the City's Diverse and Vital Mix of Businesses

- It's very important to retain small & local businesses, not just those that serve ethnic groups, but a broader range. Don't become mostly chain stores!! Maintain retail, but don't try to serve an overly large area – don't try to be Bellevue.
- I feel we should also pay attention to senior citizen needs – more housing opportunities in assisted living facilities and housing for the care-bearers (as in a little low income housing also).

II. Ensure Future Development Advances the City's Vision

- Looks good!
- Future development needs to maintain good street services that residents use regularly, rather than mostly upscale stores catering to employees with high-end incomes.

III. Enhance Woodinville's Livability for a Range of Residents

- Agree very much!
- I like living in a community with a vibrant mix of ages and cultures. And I like when people invest in their community by living and working here. But probably the average new teacher can't afford the cost of housing here – we need more apartments.
- Build something like Redmond Town Center – walkable, and maybe condos above the shops.

V. Grow and Benefit from the City's Tourism Sector

- I love the idea of the Wine Village!! Yes! The roundabout is going to make it easier to travel to the area.
- Very important to retain Molbak's. They are wonderful!
- More connections as in trail bridges, between trails, like the new identity signs on 522 (Woodinville & attractions). The wine identity is unique for now but will this be sustainable?

IV. Promote the City's Image and Identity

- Being a "ville" will keep us rural and small by definition. It's certainly not a strong, vibrant, growing name – like "Woodland" or "Woodmund".
- I'm okay with marketing the city as business-friendly to a point – but don't be overly friendly! Keep Woodinville's character.
- Wine, horses, rural feeling – it's a great place.

Additional Comments

- How can we keep Molbak's when so many other nurseries have closed? Surely Molbak's is a vital rural attraction – better than a feed store or livery.
- The concerts at the wineries are a nice draw. These destination sites could use more parking and services, but it's good for business.
- The parks' future looks good, especially with their orientation towards schools. Where there are schools, there are kids needing places to play and grow. Can we have some vacant lots, with down trees to hide behind, low lawn features with logs randomly placed for climbing, balance walking, imagining places, and unusual climbing structures? Perhaps with a small goat herd for lawn maintenance.
- A town trolley is needed to connect shopping venues.
- Being rural will mean more costly taxes. As land values increase, can we afford to be a small town?
- Traffic is a big problem. There are so many big trucks entering and leaving Roy/Woodinville/522. There are big holdups that discourage me from shopping in Woodinville from 11 am to 7 pm.
- I wish we had more destination restaurants. The Herb Farm and Barking Frog are a good start, but something a little less expensive, please?
- I really like the agricultural feel of the sod farm and Arabian horse farm.

Ideas for Woodinville Branding

- Small town feeling, "homey"
- Agritourism
- Banner identity
- Art: sculpture and baskets
- Basset hounds
- Create a path or a trail, linking the downtown & Tourist District around a theme
- French flare: chocolate, wine, bakeries, bikes, cognac, flowers, hot air balloons, pastries, and French cuisine. Viva la Woodinville!

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

**North King County Economic Survey –
Executive Summary**



Carolyn Edmonds,

Metropolitan King County Councilmember

District One

Dear Partners in North County,

The Future is Here. The theme for this economic summit was carefully chosen. In the last 12 years, all five North County cities have undergone enormous change, either incorporating or doubling in size through annexations. Each city is developing its own distinctive character, yet all five share important ties. Now is the time to position North County cities as an economic force, to appeal to businesses and people to live, play and invest here.

Businesses, non-profits, educational institutions and governments must be active partners to effectively drive economic growth. I hope this study can be a starting point for all stakeholders to formulate a joint framework for the future. Now is the time to create the vision and begin to actively promote ourselves both locally and regionally.

The five municipalities of Bothell, Kenmore, Lake Forest Park, Shoreline and Woodinville have partnered with local businesses, non-profits and educational institutions to facilitate this study. We are on our way to making North County smarter, quicker and more decisive in this competitive market. By using the data from this study, we can combine existing local strategies and expand them into one comprehensive North County strategy.

I want to thank *Forward Shoreline's* Chairman, Jeff Lewis, for his collaboration on this project. Jeff's support, leadership and strategic advice were invaluable.

Community assets attract talented people and capital investments. Effective infrastructure, excellent schools, community open space and parks, and cultural attractions all have a very direct impact on quality of life and therefore drive the economy and our ability to be competitive. As we move forward in our next steps, we need to define what features are necessary to keep North County a great place to live and work for generations to come.

The Future is Here today. It's time to get on the map as a regional player in the Greater Puget Sound Area.

With Best Regards,

Carolyn Edmonds

Metropolitan King County Councilmember,

District One



Jeff Lewis,

Forward Shoreline Chairman

Dear North King County Citizens and Employers:

On behalf of my fellow volunteers in *Forward Shoreline*, I wish to acknowledge what a pleasure it has been to serve as project managers for the North King County Economic Summit. The CEO Survey and Summit accomplishes two things: *it opens eyes and opens avenues*.

The data has opened eyes to the breadth of opportunities in North King County. There are opportunities for business growth and development. There are opportunities for expanded communication and interaction between business, government and education. There is an opportunity for the opinion leaders of North King County to assert themselves in discussions about the economic future of the Puget Sound Region.

The North King County Summit has also opened wide avenues for further cooperation among the five cities. With respect to certain issues, we realize the benefit of thinking of ourselves as one unit instead of five. Transportation along the 522 corridor seems like one such issue for further collaboration. There are others. The avenue is now available for the five cities to continue to talk about economic development priorities and whether we can help each other in meaningful ways in the years ahead.

I wish to especially thank Metropolitan King County Councilmember Carolyn Edmonds for her leadership on this project. For the first time ever the five cities of North King County have come together to identify their strengths and understand their weaknesses. Her vision has started something great. I also want to acknowledge the fine work of Dave Endicott, of Endicott Consulting Group Inc. His public affairs and organizational skills are remarkable. Hebert Research is also to be thanked for their contribution of excellent research and creative thinking skills. The cities of Bothell, Kenmore, Lake Forest Park, Shoreline and Woodinville Mayors, City Council members and staff are to be thanked for supporting Councilmember Edmond's vision. Finally, our sponsors are to be thanked for their generosity in assisting the County, and Cities in funding this project.

The theme of this Summit is “The Future is Here.” Whether your area of interest is world wide, regional or in one of the cities of the five North King County Cities, your future is here in North King County. Thank you for joining us today and in joining us as we assimilate what we’ve learned and identify our next steps.

If you would like to be included in future meeting notifications please email david@davidencott.us .

Sincerely,

Jeffrey P. Lewis

Chairman, Forward Shoreline and

President and CEO, Shoreline Bank

*North King County Cities Economic Summit
Executive Summary
March 2005*

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Elected Officials

City of Bothell

18305 101st Ave NE
Bothell, WA. 98011
425-486-3256

City Council

Patrick Ewing, Mayor
Mike Johnson, Deputy Mayor
Tim Tobin
Andrea Perry
Jeff Merrill
Mark Lamb
Sandy Guinn
Bob Stowe, City Manager (425-486-3256)

City of Lake Forest Park

17425 Ballinger Way NE
Lake Forest Park, WA 981055
206-368-5440

City Council

David Hutchinson, Mayor
Carolyn Armanini
Mary Jane Goss
Nate Herzog
Alan Kiest
Roger Olstad
Ed Sterner
Dwight Thompson
Karen Haines, City Administrator (206-368-5440)

City of Kenmore

6700 NE 181st St.
Kenmore, WA 98028
425-398-8900

City Council

Mayor, Steven Colwell
David Baker, Deputy Mayor
Jack Crawford
John Hendrickson
Bob Hensel
Glenn Rogers
Marcia Schwendiman
Stephen Anderson, City Manager (425-398-8900 x.227)

City of Shoreline

17544 Midvale Ave. N.
Shoreline, WA 98133
206-546-1700

City Council

Ron Hansen, Mayor
Scott Jepson, Deputy Mayor
John Chang
Rich Gustafson
Bob Ransom
Maggie Fimia
Paul Grace
Steve Burkett, City Manager (206-546-1700)

Woodinville

17301 - 133rd Ave NE
Woodinville, WA 98072
Phone: (425) 489-2700
Fax: (425) 489-2705

City Council

Don Brocha, Mayor
Kathy VonWald, Deputy Mayor

Chuck Price
Michael Huddleston
Scott Hageman
Robert Miller
Gina Leonard
Pete Rose, City Manager (425-489-2700)

North King County Businesses Speak About Economic Development

Throughout North King County, business leaders and citizens have been discussing what they think their city should do next to launch economic development. The following is a sample of quotes from members of the community:

"I'm not sure that our city understands that economic development is not solely about recruitment of new businesses, but that it's also about retaining and growing existing businesses. Sometimes our company feels forgotten or that our input is not valued..."

Kevin Reeve, Carter Subaru
Shoreline

"We've been here for 16 years and the things that would help our business the most would be bringing in a larger mix of retail business. Even more than more retailers we need to be accessible to our customers. We need transportation fixes and we need a parking structure."

YeeMan Lee, VSP Jewelry Design Gallery
Lake Forest Park

"Strengthen what we already have here with the wonderful relationship between the Third Place Commons, Third Place Books, the Library and all of the small businesses in the neighborhood. That means making the business district an even more attractive place for people to come explore, discover and spend the afternoon."

Colleen Brazil, King County Library
Lake Forest Park

"What would help my business and other Bothell businesses for small retail shops is to launch a "shop local" campaign."

Leeann Tesorieri, Country Village
Bothell

"Making the downtown more accessible and less congested would be the place to start."

Mark Day, Italianissimo Ristorante
Woodinville

"Expand the mix of retailers to create a critical mass of retail buying opportunities."

Fred Jossy, REMAX Northwest Realtors
Kenmore

"Funding for transportation in Canyon Park and Interstate 405. Road capacity is a big issue, and in general, the regulations are constraining development...the CAO is a killer. Use scientific evidence. The urban area needs to have different standards than the rural area."

Roger Belanich, Business Property Development
Bothell

Research Objectives

This Executive Summary summarizes the key findings of economic research that was conducted by Hebert Research on behalf of the North King County cities of Bothell, Shoreline, Kenmore, Lake Forest Park and Woodinville. The research summarized here has two components: Volume 1 includes the results of a survey of 301 North King County employers that was designed to measure employer confidence and other factors which may impact the local economy. The findings of that survey are described in detail in the recently published report, *North King County Cities Employer Survey Results*. The study also included an in-depth economic profile of the five North King County cities which is described in *North King County Cities: Volume 2: Economic Data and Analysis*.

OBJECTIVES

The following research objectives were addressed in the research:

- 1) Develop a predictive and prescriptive economic theory that explains current conditions in North King County and examines points of convergence and divergence between the five cities and the region as a whole.
- 2) Develop an employer profile of the region.
- 3) Describe the employment base of the region and the value of this base in development efforts.
- 4) Determine the demographics of the region.
- 5) Identify the ability of the region to compete economically with others within the Puget Sound area and elsewhere.
- 6) Analyze the major industries that are represented in North King County:
 - A. Finance and service sectors within the region
 - B. Manufacturing, including high-tech and bio-tech products
 - C. Wholesale and Retail Sectors
 - D. Construction
- 7) Describe the infrastructure and public sector resources within North King County that serve the business community.

Employer Profile of Region

The employers of Bothell, Kenmore, Woodinville, Lake Forest Park and Shoreline share many commonalities. The convergence of specific attributes within the regions illustrates the fact that while there are some important distinctions among cities, North King County should be viewed as a region and cohesive economic community. The following points illustrate the key attributes that are common to employers in the five cities.

1) The Majority Of North King County Employers Are Small

Most employers within the region are small. A majority, 87.6%, have fewer than 20 employees and only 5.18% of employers within the region have more than 50 employees. Over half, 54.8%, generate less than \$250,000 in annual revenues while less than a quarter, 24%, generate more than \$1,000,000 per year.

2) The Typical North King County Employer Is In Services Or Finance

There are a total of 1,845 services establishments in North King County, out of 4,960 total employers (37.2%). Another 427 establishments are in the finance/insurance/real estate category (8.6%). Another 725 are in retail (14.6%), 311 operate in the tourism sector (6.3%) and 251 are involved in manufacturing (5.1%). The North King County area generally follows the Puget Sound area in this distribution.

3) The Majority Of North King County Employers Are Well Established

Nearly three quarters, 72%, of employers in North King County are more than five years old and over a quarter, 26.2%, have been established for 20 or more years. This contributes to the long-term sustainability of the employer base.

4) A Majority Of North King County Employers Are Growing

Revenue growth is a key economic indicator. It is important to note that 63.4% of North King County employers increased revenues during 2004. A total of 68.8% of North King County employers expect to increase their total revenues in 2005.

5) North King County Employers Are Optimistic

Anticipated rises in revenues, increases in number of employees and willingness to increase spending on short and long-term capital expenditures all point to the optimism of employers in North King County.

6) A Majority Of North King County Owners and Managers Live In The Region

Due to a high quality of life and available housing choices, nearly eighty percent (79.5%) of the leaders of local employers live within the North King County area. There is a strong orthogonal relationship between the residence of the employer leadership and their commitment to the local community. This preference for local residence stands in contrast to other economic regions such as Seattle and South King County, where many of the leaders choose to live elsewhere.

Critical Employment Statistics

The appeal of affordable housing, the quality of the local primary, secondary and higher education, and family-oriented communities help to make the North King County region a strong employment base. Employees that were raised in this area tend to be well-educated. The strong local educational system, including the Northshore and Shoreline primary and secondary public schools, as well as convenient local higher education classes and programs is clearly an asset for the retention and attraction of new employees.

The employment forecast indicates that 1,912 jobs were created during 2004, 2,651 jobs will be created in 2005 and another 2,827 jobs will be created in 2006. This represents a positive growth rate and points to a generally healthy business outlook. Moreover, two-thirds (65.6%) of all North King County employers who were surveyed expect to give their current employees a raise in the coming year.

Number of Jobs by Major Industry Category

Business Description	North County	King County	Seattle MSA	Statewide
<i>All Industries</i>	<i>60,986</i>	<i>1,175,442</i>	<i>1,453,922</i>	<i>3,063,758</i>
Manufacturing, except wineries	6,457	121,877	165,602	283,292
Construction	4,605	49,145	69,110	157,204
Retail, except restaurants	8,157	142,048	181,234	398,324
Tourism-related (incl. restaurants & hotels)	5,584	103,344	125,500	285,437
Services, except hotels	20,999	448,432	528,004	1,081,483
Finance/insurance	3,215	80,784	97,370	174,981
Wholesale trade	5,182	57,890	69,437	166,315
Transportation/communications/utilities	1,483	75,956	85,903	160,746
Agriculture & Mining	781	9,059	13,402	52,760
Non-profit/membership organizations	764	18,756	22,659	51,142
Public Sector	2,208	44,484	69,652	207,574

North King County Economic Survey – Executive Summary

The North King County share of regional employment varies considerably by type of industry. For example, while the North County cities have 1.99% of statewide jobs overall, they represent 2.93% of the state's construction jobs and only 0.87% of the transportation and utilities jobs.

North County Share of King County, Region and State

Business Description	Share of King	Share of MSA	Share of State
<i>All Industries</i>	5.19%	4.19%	1.99%
Manufacturing	5.30%	3.90%	2.28%
Construction	9.37%	6.66%	2.93%
Retail, except restaurants	5.74%	4.50%	2.05%
Tourism-related	5.40%	4.45%	1.96%
Services, except hotels	4.68%	3.98%	1.94%
Finance/insurance	3.98%	3.30%	1.84%
Wholesale trade	8.95%	7.46%	3.12%
Transportation/communications/utilities	1.95%	1.73%	0.92%
Mining & agriculture	8.62%	5.83%	1.48%

Critical Population Statistics

The population growth rate of North King County has been less than that of King County, the region and the State. Between 1990 and 2000, the North King County population grew by 11.0% compared to 15.2% in the County, 18.8% in the Region and 21.1% statewide. Recent growth within North King County continues to be slower than that seen in other areas.

Population Growth Comparison

Year	North County	King County	Seattle MSA	Washington State
1990	112,395	1,507,312	2,033,149	4,866,692
2000	124,738	1,737,034	2,414,616	5,894,121
2004	125,495	1,784,619	2,510,743	6,182,560
% Chg. '90-'00	11.0%	15.2%	18.8%	21.1%
% Chg. '00-'04	0.6%	2.7%	4.0%	4.9%

North King County under-indexes relative to the region and State for household and housing unit growth. The slower growth can be attributed to natural geographic barriers such as Lake Washington and freeways, the lack of available areas to annex since nearly all of the region is already incorporated, and environmental constraints such as wetlands, rivers and stream buffers, which reduce the supply of potentially buildable land. One implication of slower household growth is that in seeking a stronger economic base, North King County will need to capture additional consumer spending from outside the area.

Household Growth Comparison

Year	North County	King County	Seattle MSA	Washington State
1990	42,537	615,789	809,289	1,872,431
2000	48,487	710,916	963,552	2,271,398
2004	49,204	730,107	1,001,533	2,381,877
% Chg. '90-'00	14.0%	15.4%	19.1%	21.3%

% Chg. '00-'04	1.5%	2.7%	3.9%	4.9%
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Average Household Income

Average household incomes in North County are comparable to those in King County and the region but are higher than Washington State averages. As described in the following table, average household incomes have grown steadily in the last 15 years and are projected to keep pace with the region. Factors that affect the household income include education, type of employment and the cost of the local housing stock. Middle to upper middle class demographics point to a capacity to afford discretionary retail items and a full range of services, beyond basic goods and services.

Income Comparison

Year	North County	King County	Seattle MSA	Washington State
1990	\$47,402	\$44,884	\$44,117	\$38,156
2000	\$70,347	\$71,101	\$68,591	\$58,653
2004	\$75,305	\$75,434	\$73,458	\$64,169
2009	\$80,905	\$81,788	\$80,128	\$71,319

Ability of the Region to Compete

North King County employers were asked to rate the competitiveness of the region based on a 0-10 scale with 0 being “not at all competitive” and 10 being “highly competitive.” Average ratings above a 6.0 generally indicate that a large segment of employers are giving high ratings and fewer are giving low ratings. Overall, the data points to the North King County area as being highly competitive in the following (note: the k value is a measure of how similar or homogenous are the ratings across the employers surveyed; a value above 0 indicates more similarity than difference while a negative value indicates segmentation and lack of similarity).

- A desirable place to live (overall average = 7.97)(k = 3.21)
- Quality K-12 schools (average = 7.83)(k = 2.92)
- Variety of local retail, restaurants and services (average = 6.57)(k = .155)
- Convenience of getting to major urban centers like Seattle, Bellevue or Everett (6.47)(k = -.746)

However, employers gave mediocre ratings for the performance of local government staff in promoting business growth and ensuring competitive taxes and policies, averaging only 5.26.

Differences in ratings of affordable housing, variety of local retail, strong local CBD, appeal as a place to visit, ease of getting around within the city, convenience of getting to major urban centers and growth of the local economy are statistically significant; average ratings on other attributes are essentially the same among cities.

Competitiveness of North King County Cities - Community Attributes						
Characteristics	North County	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville
A desirable place to live	7.97	7.96	7.12	8.42	8.13	8.04
Quality of local K-12 schools	7.83	7.65	7.75	8.10	7.82	7.99
Variety of local retail, restaurants and services	6.57	6.86	5.96	5.39	6.74	6.63
Convenience of getting from your city to major urban centers like Seattle, Bellevue or Everett	6.47	6.26	5.67	7.00	7.29	5.85

North King County Economic Survey – Executive Summary

Appeal of city as a place to visit	6.35	6.32	4.73	6.44	5.88	7.69
Growth of local consumer base	6.20	6.34	5.71	5.85	5.96	6.71
Ease of getting around within city	6.19	6.56	5.67	6.69	7.19	4.60
Growth of local economy and local employment base	5.87	5.61	5.29	5.50	5.87	6.48
A strong local central business district ("CBD")	5.16	5.35	4.24	4.76	4.45	6.46
Affordable commercial real estate	5.01	5.07	4.47	4.74	5.24	4.91
A place to find affordable housing options within King County	4.91	5.44	4.41	5.26	5.43	3.74
Average Community Attributes	6.23	6.31	5.55	6.20	6.36	6.28

The quality K-12 education offered by local schools has helped create a strong base of entry level workers. Moreover, while a minority of employers (19.1%) have used local higher education for worker training, they have very high levels of satisfaction with the results.

Service, Finance and Insurance Sectors

“Location quotients” are measures of industrial specialization that compare the share of total employment within particular industrial categories to the share it represents within the state. This analysis found that Kenmore has 27% more service jobs than the statewide norm and Shoreline has 21% more. Woodinville has far fewer jobs in the service industry but over-indexes in tourism (49% more than the statewide average). Bothell and Lake Forest Park have essentially the same number of service jobs as the statewide average.

The table below describes the number of service employees and the proportion of total jobs within the four areas that are service related. As can be seen, North King County as a whole has essentially the same proportion as the state. The variance, therefore, is not among this economic area and the state but between the five North King County cities, which have very distinct micro-economies and differences in the mix of services.

Industry Share in Services (Except Hotels, Museums & Nonprofits)

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees	20,999	448,432	528,004	1,081,483
Industry Mix by Area, County, Region and State	34.43%	38.15%	36.32%	35.30%

Summary Table: Services (Except Hotels, Museums & Nonprofits)

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State
Number of businesses	479	201	127	648	390	1,845	32,888	41,067	89,207
Number of employees	7,155	1,988	659	8,007	3,190	20,999	448,432	528,004	1,081,483
Annual revenues	\$749.5	\$164.0	\$69.6	\$660.4	\$324.9	\$1,968	\$43,568	\$43,272	\$100,258
Jobs per business	14.9	9.9	5.2	12.4	8.2	11.4	13.6	12.9	12.1
Revenues per business	\$1.6	\$0.8	\$0.5	\$1.0	\$0.8	\$1.1	\$1.3	\$1.1	\$1.1

North King County Economic Survey – Executive Summary

**Note: Revenues are in millions*

In the area of finance and insurance, the proportion of jobs in North King County is slightly lower than the statewide proportion. Note, however, that Lake Forest Park has 54% more finance and insurance jobs than the statewide average while Woodinville and Kenmore under-index in this area.

Industry Share in Finance, Insurance and Real Estate

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees	3,215	80,784	97,370	174,981
Industry Mix by Area, County, Region and State	5.27%	6.87%	6.70%	5.71%

Services and Finance Continued...

Overall, financial sector businesses in North King County are about 70% of the size of the typical King County establishment, based on average revenues of \$1.5 million versus \$2.1 million per location countywide. Bothell, Shoreline and Woodinville had the highest averages while Lake Forest Park and Kenmore financial establishments were smaller. There were an average of 7.5 workers per firm in North King County, compared to 10.5 in King County.

Summary Table: Finance/Insurance/Real Estate

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State
Number of businesses	140	40	28	142	77	427	7,687	9,743	29,098
Number of employees	1,307	166	157	1,090	495	3,215	80,784	97,100	174,981
Annual revenues	\$256.7	\$35.7	\$26.5	\$198.2	\$104.4	\$622	\$16,228	\$19,633	\$71,124
Jobs per business	9.3	4.2	5.6	7.7	6.4	7.5	10.5	10.0	6.0
Revenues per business	\$1.8	\$0.9	\$0.9	\$1.4	\$1.4	\$1.5	\$2.1	\$2.0	\$2.4

**Note: Revenues are in millions*

There is a high probability that the “smaller” size of financial services within the North King County region will begin to change as the region develops. The relocation of larger financial services employers in Seattle and the Eastside can be a direct function of proactive economic development efforts. The advantages of locating in North King County include a well-educated employment base, the accessibility to regional cultural and economic centers and amenities in Seattle, lower rents and taxes, and more favorable commercial zoning.

Manufacturing

While manufacturing comprises a relatively small percentage of the total jobs in North King County, its share is typical for the region and state. Manufacturing normally only represents around 10% of all jobs, but these positions tend to be higher-paying than other entry-level jobs in retail or services, and the business activity of manufacturing helps support a wide range of other secondary industries such as wholesale, retail and services.

In the past, North King County was considered a bedroom community to Seattle. However, compared to Washington State and King County, this area actually has a greater share of manufacturing jobs. Generally, suburban communities surrounding major metro cities like Seattle either have no manufacturing or a share that is substantially less than statewide or county levels. The primary benefit North King County cities enjoy is that manufacturing has higher economic multipliers and therefore creates more indirect jobs and spending within the area.

While the North King County area as a whole is “normal” in the amount of manufacturing activity relative to the state, two cities within the region, Woodinville and Bothell, have a very high level of specialization in this area. In terms of their industry mix (percent of all jobs in the industry), these cities have far more manufacturing jobs than would be expected for their size. A total of 18.8% of Woodinville’s jobs and 15.2% of Bothell’s jobs are in manufacturing.

Industry Share In Manufacturing (Except Wineries)

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees	6,457	121,877	165,602	283,292
Industry Mix by Area, County, Region and State	10.59%	10.37%	11.39%	9.25%

Summary Table: Manufacturing (Except Wineries)

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State

North King County Economic Survey– Executive Summary

Number of businesses	65	18	8	38	122	251	4,033	5,280	11,326
Number of employees	2,945	196	43	249	3,114	6,457	121,877	165,602	283,292
Annual revenues	\$215.5	\$8.5	\$2.8	\$20.9	\$242.9	\$491	\$8,343	\$11,910	\$21,609
Jobs per business	45.3	10.9	5.4	6.6	25.5	25.7	30.2	31.4	25.0
Revenues per business	\$3.3	\$0.5	\$0.4	\$0.6	\$2.0	\$2.0	\$2.1	\$2.3	\$1.9

**Note: Revenues are in millions*

The two sub-sectors of manufacturing that have the greatest levels of concentration or specialization are both technology-oriented:

- *Chemicals and allied products (543% greater than the norm)*
- *Measuring instruments (506% greater than the norm)*

Each of these two areas of manufacturing have more than five times the “normal” concentration of jobs than would be expected for an economic region the size of North King County. This means that manufacturing is an area of convergence, drawing employees on a regional basis to work in North King County cities, and adding to the base of available consumer spending.

Retail And Wholesale

The following are key factors contributing to retail sales within North King County:

- A. *A large local base* of nearly 50,000 households.
- B. *The ability of local specialty retailers and big box stores to successfully capture consumer spending from households outside of North King County*, adding to the local base of spending from residents.
- C. *The ability of local retailers to target the captive base of nearly 61,000 local employees* who may choose to shop at a store on their lunch break or to and from their place of employment.
- D. *Strong household incomes* at or exceeding regional norms, which allow for spending on discretionary and luxury items rather than merely basic household goods and services.
- E. *A favorable age distribution* and household sizes that include many families with children – supporting a wide range of consumer purchases.

In thinking about retail development, there are basically three major types that will work in North King County:

- A. *Community retail*, anchored by the local supermarket or drug store, which is supported by the local resident population. This type of retail will continue to be supported by increases in population, strong household incomes and further income growth within the five cities.
- B. *Specialty retail*, that offers hard-to-find retail goods or a different type of atmosphere or experience, such as Molbak's, Sky Nursery and Country Village in Bothell. Specialty retail can provide a compelling reason to make a special shopping trip to a smaller suburban city rather than to a major mall location.
- C. *Big box retail*, such as Costco or Home Depot. The positive effect of big box development is that it substantially increases the draw area for a local shopping center or retail district – turning it into a competitive destination rather than simply a local choice for convenience shopping.

At 13.4%, the proportion of retail trade jobs within North King County is equivalent to that in the state and is slightly greater than in King County. This indicates that the North King County area, as an economic region, has been able to compete in this area and while there is no major regional mall, within the five cities there are a diverse range of retail stores and shopping options that generally meet local needs and in some cases also meet regional needs and capture spending from out of the area.

Industry Share For Retail Trade (Except Restaurants)

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees, minus restaurants	8,157	142,048	181,234	398,324
Industry Mix by Area, County, Region and State	13.38%	12.08%	12.47%	13.00%

The summary business data also demonstrates how North King County retailers are similar to King County averages in terms of jobs per business (11.3 and 12.4) and revenues per business (\$1.8 million versus \$2.0 million). This further supports the above observation that North King County retailers are generally doing well meeting local, and in some cases, regional needs.

Retail and Wholesale Continued...

Summary Table: Retail (Except Restaurants)

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State
Number of businesses	194	73	37	240	181	725	11,458	15,139	37,255
Number of employees	1,861	632	337	3,327	2,000	8,157	142,048	181,234	398,594
Annual revenues	\$340.9	\$104.4	\$38.5	\$515.4	\$298.0	\$1,297	\$23,266	\$28,901	\$64,616
Jobs per business	9.6	8.7	9.1	13.9	11.0	11.3	12.4	12.0	10.7
Revenues per business	\$1.8	\$1.4	\$1.0	\$2.1	\$1.6	\$1.8	\$2.0	\$1.9	\$1.7

Lake Forest Park (18.8%) and Shoreline (17.7%) both have a much higher proportion of retail trade jobs than the statewide proportion of 13%. Kenmore’s share (14.2%) is slightly higher and Bothell (9.6%) and Woodinville (12.1%) both have slightly lower shares of retail jobs compared to the state.

Retail Specialization

An index of retail specialization was developed, using location quotients. Every North King County city has at least one retail sub-sector that offers a particularly high level of specialization – attracting visits and capturing consumer spending from other cities as well as local residents. As the following table shows, Bothell specializes in home furniture/furnishings/equipment (which includes big box home electronics stores). The index is 2.48, meaning that the number of jobs in this sector is actually 248% greater than normal based on statewide patterns of jobs for this size of city. Woodinville’s building materials/hardware store sector is 198% greater than average in concentration. Kenmore, Lake Forest Park and Shoreline each have multiple areas of specialization.

Retail categories that rank lower than average, and point to instances of net leakage (consumer spending being made outside the local area by local residents) include the traditional mall-related category of apparel, with an index of only .45 for North King County. Given the extensive selection of apparel at the Bellevue Square and Alderwood Mall retail clusters, it would be difficult to significantly raise this index. Auto dealers and gas stations were lower than average in all cities except Shoreline, which has a strong dealer presence along Highway 99, both in new and used vehicles. Overall, food stores (including grocery stores) were below average, but this regional index was driven by low rankings in Bothell and Woodinville (in the other three cities there was a heavier than average concentration of food store jobs). General Merchandise, which includes Costco, was strong only in Shoreline, which had an index of 2.35. All other North King County cities rated below average. General Merchandise is another category that directly competes with retail located in major regional mall districts such as in Bellevue and Lynnwood.

Indexes of Retail Specialization (Location Quotients)

Industry Sector	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North King County
Building Materials, Garden Supply and Mobile Homes	1.12	0.95	0.77	1.66	1.98	1.50
General Merchandise Stores	0.03	0.84	0.09	2.35	0.74	1.00
Food Stores	0.45	1.21	3.52	1.36	0.49	0.88
Automobile Dealers and Gas Service Stations	0.43	0.84	0.19	1.20	0.54	0.72
Apparel and Accessory Stores	0.38	0.42	0.00	0.14	0.93	0.45
Home Furniture, Furnishings and Equipment	2.48	1.45	0.41	1.01	1.04	1.50
Eating and Drinking Places	0.86	1.42	1.44	1.18	1.07	1.08
Miscellaneous Retail	0.72	1.40	2.44	1.10	1.08	1.03

Retail and Wholesale Continued...

Wholesale Sector

North King County has a level of specialization in the area of wholesale trade. The area over-indexes the state in the proportion of total jobs within this area. This activity is heavily concentrated in Bothell (9.4% of all jobs) and Woodinville (11.0% of total jobs), indicating these two cities have warehouse districts within their commercially zoned business areas.

Industry Share For Wholesale Trade

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees	5,182	57,890	69,437	166,315
Industry Mix by Area, County, Region and State	8.50%	4.92%	4.78%	5.43%

Wholesale operations include importing and exporting, lumber and building material supply that is not classified as “retail” because it is only available to the business customer, wine distributors, auto parts suppliers and auto wrecking yards.

Examples of major wholesalers within North King County include ADT Security, Brooks Sports, Matsushita Avionics and Radar Inc. (all in Bothell) and Advanced Fire Protection, Boise Cascade, Container Home Supply, Fitz Auto Parts and International Wine & Spirits (all in Woodinville). Each of these employers has at least 50 employees at their North King County facility.

North King County actually has larger wholesale companies, on average, than in King County, as can be seen in the summary table on the following page. The average North King County wholesaler made \$2.9 million in sales, compared to \$2.4 million for King County and \$2.5 million statewide.

Summary Table: Wholesale Trade

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State

North King County Economic Survey– Executive Summary

Number of businesses	71	30	15	64	111	291	4,354	5,387	11,786
Number of employees	1,821	219	56	1,265	1,821	5,182	57,890	69,437	166,315
Annual revenues	\$278.5	\$41.6	\$10.4	\$200.8	\$307.0	\$838	\$10,243	\$12,236	\$29,779
Jobs per business	25.6	7.3	3.7	19.8	16.4	17.8	13.3	12.9	14.1
Revenues per business	\$3.9	\$1.4	\$0.7	\$3.1	\$2.8	\$2.9	\$2.4	\$2.3	\$2.5

**Note: Revenues are in millions*

Wholesale managers indicated the following were major challenges they faced in operating their businesses in North King County: (Quotes provided below)

- A tax issue. In Woodinville, businesses are leaving town because the rent is too high and they are moving north to places like Everett where the rent is lower. My sales to businesses have declined.
- Cost of doing business, taxes i.e. L & I, B&O and the whole works.
- Unable to compete with international competitors.

Construction

Construction is another important industry category in North King County, offering relatively high wage jobs and business activity that supports other industries such as wholesale and retail (i.e. tools and building materials). The North King County region as a whole clearly over-indexes construction jobs: North King County has 47% more construction jobs than the statewide norm (147% of the state). The proportion of total jobs dedicated to construction in Woodinville is 149% of the statewide norm. It is 67% higher in Kenmore and 88% higher in Lake Forest Park.

Industry Share for Construction

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees	4,605	49,145	69,110	157,204
Industry Mix by Area, County, Region and State	7.55%	4.18%	4.75%	5.13%

The average North King County construction firm makes \$1.5 million, only slightly below King County's average of \$1.7 million. A total of 513 construction businesses operate in one of the five North King County cities, equivalent to 9.7% of King County's establishments.

Summary Table: Construction

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State
Number of businesses	120	59	35	151	148	513	5,314	7,984	9,816
Number of employees	1,086	381	173	845	2,120	4,605	49,145	69,110	157,204
Annual revenues	\$179.1	\$69.4	\$31.4	\$147.6	\$344.4	\$771.9	\$9,083	\$12,705	\$29,046
Jobs per business	9.1	6.5	4.9	5.6	14.3	9.0	9.2	8.7	16.0

North King County Economic Survey– Executive Summary

Revenues per business	\$1.5	\$1.2	\$0.9	\$1.0	\$2.3	\$1.5	\$1.7	\$1.6	\$3.0
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**Note: Revenues are in millions*

Within the construction industry, the economic activity was heavily concentrated in the special trades, rather than among the general contractors. Overall, North King County has 182% of the statewide normal amount of jobs in special trades, while it has only 102% for jobs within general building contractors and 110% for jobs working within general heavy construction contractors.

Economic development is a multi-pronged effort to launch a region toward planning for and creating a livable and sustainable community. Construction employers are sending a universal message to elected officials and the five city's staffs in the North King County Area. To do their job well they need to have fewer restrictions and they need local officials to streamline the development process and keep it affordable.

Infrastructure And Public Sector

North King County has a lower proportion of public sector and infrastructure related jobs when compared with the state. However, due to the large share of government workers in Olympia, the county and MSA level is really more appropriate for comparisons. North King County is quite close to the overall King County share of public sector jobs, at 3.62% versus 3.78%.

The infrastructure-related industries of transportation, communications and utilities, on the other hand, are clearly not well-represented as a group compared to King County levels (2.43% versus 6.46% of total jobs). This means that local businesses often need to rely on transportation services and utilities that are based outside of the area, which may have negative effects on responsiveness, quality and accessibility.

Industry Share for Public Sector

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees	2,208	44,484	69,652	207,574
Industry Mix by Area, County, Region and State	3.62%	3.78%	4.79%	6.78%

Industry Share for Transportation/Communication/Utilities

Business Description	North County	King County	Seattle MSA	Statewide
Number of Employees	1,483	75,956	85,903	160,746
Industry Mix by Area, County, Region and State	2.43%	6.46%	5.91%	5.25%

Government-related employers in North King County are slightly smaller in jobs per establishment than in King County, but larger than the statewide average. However, within the transportation/communications/utilities industry group, North King County businesses were around one-half the size in terms of jobs per employer and revenues per business.

Summary Table: Public Sector

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State
Number of employers	29	6	4	29	9	77	1,425	1,928	9,011
Number of employees	764	167	44	1,154	79	2,208	44,484	69,652	207,574
Jobs per employer	26.3	27.8	11.0	39.8	8.8	28.7	31.2	36.1	23.0

Summary Table: Transportation/Communication/Utilities

	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville	North County	King County	Seattle MSA	State
Number of businesses	26	15	9	39	24	113	2,768	3,474	9,128
Number of employees	523	152	60	429	319	1,483	75,956	85,903	160,746
Annual revenues	\$106.5	\$13.6	\$12.7	\$33.4	\$27.1	\$193	\$8,545	\$9,591	\$17,082
Jobs per business	20.1	10.1	6.7	11.0	13.3	13.1	27.4	24.7	17.6
Revenues per business	\$4.1	\$0.9	\$1.4	\$0.9	\$1.1	\$1.7	\$3.1	\$2.8	\$1.9

**Note: Revenues are in millions*

Infrastructure/Public Sector Continued...

A closer look at the individual components of the transportation/communications/utilities industry group reveals that North King County still has some areas of specialization. The following table profiles the sub-sectors in which at least one city has an area of concentration or specialization (an index of 1.2 means there are 20% more jobs than normal given the size of the total economy).

As one of the largest seaplane based airlines in the country, Kenmore Air is a particularly competitive regional business, which explains Kenmore’s high index of 2.15 for air transportation. Having local air transport immediately available within the North King County area can be a significant strategic advantage for employers who need to transport workers or special business guests quickly across the Puget Sound and between Seattle, the greater Bellingham/San Juan Island area and Vancouver B.C.

Indexes of Specialization (Location Quotients)

Industry Sub-Sector within Transportation/Communications/ Utilities	Bothell	Kenmore	Lake Forest Park	Shoreline	Woodinville
Local, Suburban and Interurban Transportation	0.00	0.00	0.00	1.26	0.91
U.S. Postal Service	0.25	0.25	0.42	2.08	1.26
Transportation by Air	0.27	2.15	0.00	0.01	0.20
Transportation Services	0.33	0.62	4.06	0.50	0.36
Electric, Gas and Sanitary Services	1.82	1.04	1.48	0.18	0.10

The Theory of Economic Convergence-Divergence

Economic development is most commonly defined as the creation of jobs and wealth and the improvement of life. The process can also be described as one that drives the growth and restructuring of an economy in a manner that enhances the well-being of a community.

The process of economic development begins when a community readies itself to accommodate the retention, startup, location or expansion of an enterprise. Economic development occurs when a local economy is vitalized by the creation of one or more jobs, an increase in community wealth, or the useful distribution of capital from outside sources.

The cities of Bothell, Shoreline, Woodinville, Kenmore and Lake Forest Park have combined their economic resources for the purpose of designing and implementing an economic development program that will enhance the economic status of all the participating cities. The combining of economic resources for the purpose of economic growth and development rests on the theory of economic convergence/divergence. Convergent economic systems are those which work together in ways that add value and mutually support each other. The convergence, or pooling, of these resources stimulates the generation of new business development, job creation and area wealth. Divergent economic systems function independently without the benefit of pooled resources. Consequently divergent systems tend to grow at a slower pace and do not enjoy the range or quality of benefits enjoyed by convergent systems.

Economic convergence-divergence is a mathematical model that helps provide a context for interpreting and applying the findings in the North King County economic study.

Convergence-Divergence Equation

•

$$a_k x^k = a_0 + a_1 x^1 + a_2 x^2 + \dots$$

k=0

The Metaphor of the Cherry Tree

A cherry tree and orchard provides a good illustration of this economic concept for North King County. Each tree represents one of the North King County cities. The center of the tree represents the focal point of greatest concentration within the city (normally a point within the commercially zoned business district in the center of town, with the exact location based on where the major dominant industry is for that city), and a city can have more than one focal point depending on its industry mix and how the development is clustered. A city can have one point or more than one point, just as in nature where the center of a tree can have a single base but then divide into two major trunks at higher elevations, each one supporting a different set of branches. An example of two points might be a city that has a strong retail sector clustered in the center of the CBD area, and then a large manufacturing cluster south of the CBD, which also acts as a major focal point and requires a lot of support services and infrastructure, which radiate out from that second focal point.

The branches of the tree represent the various industries within the city. Each industry contributes to the health of the entire city through attracting visitors, customers, economic activity and tax revenues to the city just as a branch supports the leaves, which take in sunlight and help support the entire tree. When the connections between the tree and branches are healthy and solid, the industries are connected to, and interested in, the overall health of the city. When there are branches lying on the ground or the connection is not solid to the tree there may be situations where industries or individual companies are not clustered effectively or are not fully supported so they can be successful and support the city. Also, the closer one moves to the trunk of the tree, the thicker the branches become, akin to the greater levels of synergy achieved when economic activity concentrates or clusters in one place.

Just as in nature there are different varieties of cherry trees, there are different types of cities within the North King County economic region, each bringing to the table a unique mix of assets, industries, constraints and opportunities. Consider that the five cities together represent an orchard of cherry trees, even though they are not identical in the type of tree. The orchard itself is in competition with other orchards for resources. The North King County area, as a single economic region, must compete with other regional economies in King, Snohomish and Pierce Counties, to attract funding for public sector infrastructure, grant money, customers and new businesses.

Convergence and Divergence At the Local Level

In the case of a single city, a high degree of convergence refers to a situation where the various components of a local economic system within the city limits are working together in such a way as to add value and act mutually supportive both in terms of geographic proximity and in the way in which the system is clustered or concentrated around a central focal point.

For example, a downtown CBD or a key industry such as software, manufacturing or tourism that helps to drive other secondary industries and provides a clearly defined theme or identity for the area. Or there may be two central points, mutually reinforcing, such as a successful retail base and a strong wholesale sector. It is important for these central points to be understood by local civic and business leaders in order to guide long-term planning so that a successful and competitive economy can be built and maintained. In a competitive economy, cities themselves must compete for customers, sales, visitors, jobs, and tax base against other cities that are also making efforts to improve their performance and standing within the region. This takes strong leadership and vision, and cannot be accomplished in the absence of private sector input and participation.

The focal point becomes a driver that maintains the energy of the entire system, bringing in tax revenues, sales, new visitors and shoppers, new residents, etc. Of course, every city has a planning department that is tasked with trying to manage development so that essential city services and infrastructure continue to be available at an affordable price, roads maintained to handle traffic flows, sidewalks are available where needed, etc. This typically results in the attempt to cluster major commercial development and retail around a central business district (i.e., “CBD”) in the center of town, with secondary suburban development surrounding this denser core business area. However, government cannot force or require convergence – they can only help create conditions within which convergence is likely to occur over time. There are plenty of decaying and largely forgotten central business districts in small towns, where development and markets simply went elsewhere, despite the good intentions of city planners. There are also examples of fragmented, random and haphazard development, where one glance around town will tell you there is no single theme or central point of focus for the city that is effective in driving energy and activity.

Regional Convergence

In a regional economy there is more “convergence” than “divergence” when the sum total of business activity, consumer spending and revenues for the cities or communities included exceeds the value of how each individual city would perform operating in isolation. In other words, when a regional economy is said to have more “convergence” than “divergence” it has already developed in a manner where the cities and industries are able to complement and support one another, creating greater efficiencies for the region.

Economic regions that have discovered the secret of convergence tend to work well together in planning broad economic development strategies that will help advance the entire region rather than only one city or an isolated industry. Just like in the example of the city, to promote and work towards convergence, an economic region needs to have one or two major focal points from which to define and market itself in competition with other economic regions. This requires research, collaboration and joint decision making among leaders and stakeholders from each community, who are committed to regional economic development

that will eventually benefit every city by helping the entire area to succeed as opposed to merely their own local town or city. Otherwise, an economic region is nothing more than a collection of various cities that happen to be located next to one another, each operating independently in competition with each other (generally supporting a situation of “economic divergence”).

Examples of Regional Convergence: Seattle, Eastside and South King County

The three economic “regions” in King County that have achieved a situation of greater economic convergence than divergence through joint economic development in recent years and decades include Seattle, the Eastside and South King County. Seattle’s economy is oriented around its revitalized downtown CBD, major corporate headquarters and government facilities. The Eastside specializes in retail and high-tech computer-related services. The South King County area has developed into one of the largest manufacturing/distribution corridors on the West Coast.

Conclusions

1. North King County has not yet emerged as an economic community, as has the Eastside, South King County and City of Seattle. This North King County economic development effort clearly provides the economic research findings to help develop a viable local economic community among the five cities of Bothell, Kenmore, Lake Forest Park, Shoreline and Woodinville.

2. The vision, leadership and implementation of this will result in the emergence of an economic area that has the potential of becoming as prominent as the larger established communities of the Eastside, South King County and Seattle. North King County can be viewed as being in a state of transition from a general suburban area to one that has its own distinct economic composition.

3. The economic theory of convergence and divergence will be critical to understand and apply in the economic development of this area. Basically, regional development will come out of the convergence of the 5 cities that comprise the area, their major employment centers, community retail and big box stores. This convergence has the potential of drawing additional retail sales beyond North King County as well as even more effectively capturing local spending. Convergence around the major employment centers such as the larger manufacturing firms will entail drawing from an employment base not only within North King County but throughout the surrounding cities of King and Snohomish Counties. While the employment and retail sales are being more tightly clustered and pooled within the North King County communities, a divergence effect will also be taking place in the stream of goods and services that will be increasingly exported to other regions in all directions, to points in Washington State, out-of-state and even internationally.

4. At this point the business community is largely represented by small employers, however these employers have considerable expectations for growth in sales and jobs in the near-term. What is most important to note is that the leadership within the employment centers live within the North King County area. Hebert Research has proven in its other studies that as the CEOs, leaders and corporate directors go, so go their organizations. Company headquarters have been known to shift to areas more convenient to the places of residence of the management.

5. The quality and future priorities of K-12 and higher education are essential to providing the employment base within the region. There is an orthogonal relationship between investment in quality education and the ability of an economic region to compete for a highly skilled workforce. The strategic alignment with educational institutions and high-tech/bio-tech employers is absolutely essential.

6. The North King County economic region has already demonstrated its ability to compete, which was clearly illustrated in the survey findings. The key will be to maintain these competitive variables and build on the existing strengths while improving in weaker areas. The top rated areas of competitiveness include 1) a desirable place to live, 2) quality K-12 schools, 3) variety of local retail, restaurants and services, and 4) convenience of getting to major urban centers like Seattle, Bellevue or Everett. In each of these factors North King County was ranked very high in comparison to other areas.

7. Based on the research and analysis that was conducted, the research team arrived at the following conclusions about the five industry categories examined in this report:

Services Sector

As the largest industry, services is expected to continue its growth driven by national trends that show conspicuous consumption being replaced by the priorities of time, expertise and special knowledge that are the fundamental variables of this sector.

Finance/Insurance/Real Estate

Further growth within the financial-related industries will require a skilled local workforce that North King County already provides. Increasingly, the finance and insurance sectors have been attracted to communities that have this employment base. This is clearly an inherent strength of North King County, which bodes well for meeting the needs of financial businesses as they keep pace with the growth of the local economy.

Manufacturing

There have been a lot of economic “prophets” that have stated the location of manufacturing is all about finding the lowest labor costs possible. These economic cost-driven models have not been sustainable over the long-term in the greater Seattle area. What has worked well is attracting and retaining manufacturers that are increasingly developing innovative new technologies and products requiring skilled labor, capital investment and the application of cutting-edge technology. These types of employers are able to command higher prices for products from their positions of leadership and

innovation within their respective industries, often protected initially by patents and trademarks for their new inventions and processes. Specifically, North King County has demonstrated its ability to compete in the biotech and high-tech manufacturing sectors. Amgen and Icos are good examples of these corporate leaders.

Retail-Wholesale

Mall shopping has been declining on a national basis in recent years. One of the emerging trends in retail is in the area of greater efficiencies within the large retail “box store” concepts, which do not have to be sited in a regional mall and offer a major draw area as a regional destination for shoppers. The Costco warehouse concept and Home Depot are examples in the general merchandise and home improvement categories. The major highway transportation corridors of I-5, I-405, Highway 99 and 522 are essential for the attraction of these 21st Century venues.

“Community retail” is also important for North King County, which operates largely on the basis of selection and convenience for local shoppers, helping to capture local spending that might otherwise leave the area for larger mall shopping choices. Community retail clusters are expected to have increased growth in the future, particularly from the higher household incomes and growing local employment base that is actually larger than the number of households.

Construction

Construction is an important industry in North King County, offering relatively high wage jobs and business activity that supports other industries such as wholesale and retail (i.e. tools and building materials). North King County construction firms actually over-index the region in their business activity. This points to the presence of a number of independent specialty contractors who recognize the growing construction and homeowner repair market that is driven by the segment of middle to upper-middle class North King County homeowners living in older homes.

Transportation/Utilities/Public Sector

Lack of transportation accessibility and traffic congestion are problems throughout the Puget Sound area. Fortunately, North King County has a competitive advantage among the congested King County cities with its available public transportation system. Furthermore, it has a diversity of major transportation corridors including I-5, I-405 and Highways 99 and 522. There is no question that the existing transportation corridors need to be expanded to support a sustainable long-term economic development process. Furthermore, by expanding these corridors, this will reduce the impacts on

secondary roads and arterials, which increases retail demand by optimizing the capacity of the transportation system to move more shoppers per hour and avoid delays in travel. Transportation is of course only one of the major areas of infrastructure. Significant public sector funding will be required in the future to expand the current North King County infrastructure including roads and highways, public utilities as well as educational facilities and resources. North King County will need to begin to work together to advance their common interests and goals for funding sources to help make these investments happen.

8. In creating economic development strategies, emphasis should be placed on preserving the unique character and existing assets of each North King County city. This includes appreciating the input and needs of the existing employers. In the verbatim comments and the moderate ratings for local government efforts recorded in the survey, it was apparent that local employers often do not feel their perspectives and needs are adequately understood by planners and civic leaders. While there needs to be discussion about how to attract new businesses to the area, economic development needs to ensure that the existing employers are provided with the accessibility, infrastructure, parking, visibility and regulatory environment they need to successfully compete in the region. To create the most livable and sustainable communities, new retail and service establishments should be targeted with the goal of complementing the current mix within each city and helping the entire retail sector to be more competitive.

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Existing Policy Direction for Economic Development

WOODINVILLE ECONOMIC DEVELOPMENT TASK FORCE EXISTING CITY POLICY DIRECTION FOR ECONOMIC DEVELOPMENT

This document gathers existing City policy direction related to economic development planning.

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WOODINVILLE MISSION STATEMENT

Council, staff, Boards and Commissions honor our commitment to serve the Woodinville community by:

Providing customer service that is:

Efficient - Personalized - Consistent - Responsive -Educational

Encouraging partnerships with:

Citizens - Neighborhoods - Business communities - Educational and social networks

Protecting and enhancing:

Quality of life - public health, safety and welfare - natural and built environment - spirit of neighborhood character

Balancing:

Public expectations and resources - Economic well-being and environmental protection - individual and community interests

WOODINVILLE VISION STATEMENT

Woodinville is a safe, friendly, family-oriented community that supports a successful balance of neighborhoods, parks and recreation, tourism and business. We have preserved our Northwest woodland character, our open space, and our clean environment. We have enhanced our ability to move freely throughout the community by all modes of travel. Woodinville is a pleasant place in which to live, work, play, and visit, with a compact, inviting downtown that is attractive and functional.

2005-2006 CITY COUNCIL GOALS & OBJECTIVES

CENTRAL GOAL

Establish goals for the City that rest firmly on the foundation of the Comprehensive Plan, that support the City's Vision and Mission Statements, and that are implemented using the City's Guiding Principles.

Objectives:

Revisit Vision Statement, Mission Statement, and Guiding Principles on an annual basis.

Review Guiding Principles and include expression of commitment to staff.

I. LAND USE GOAL

ESTABLISH LAND USE PATTERNS AND GUIDE POPULATION GROWTH IN A MANNER THAT MAINTAINS OR IMPROVES WOODINVILLE'S QUALITY OF LIFE, ENVIRONMENTAL ATTRIBUTES, AND NORTHWEST WOODLAND CHARACTER. CONTINUE TO PLAN, REFINE, AND DEFINE THE DEVELOPMENT CHARACTERISTICS OF WOODINVILLE THROUGH MASTER AND SUB-AREA PLANNING.

A. Adopt Downtown Little Bear Creek Master Plan (Community Development)

1. Regulatory update (2005)
2. Initial Implementation (2005)
 - a. Conduct implementation studies as directed by City Council
 - b. Conduct a downtown parking study (2005)

B. Complete City-wide Strategic Visioning Plan (Community Development)

1. Consultant Selection (January, 2005)
2. Plan Development (April, 2005)
3. Plan Adoption (September/2005)

C. Complete an Economic Development Study (Community Development)

1. Assure economic development study and strategic visioning plan are coordinated
2. Assure other anticipated sub-area plans are considered, especially Tourist District Plan Update

D. North Gateway Subarea/Master Planning (Community Development)

1. Grace Annexation: Determine whether to proceed with any sections of Grace (2005)
2. North Industrial Subarea Plan (2006)

E. Valley Gateway Subarea/Master Planning (Community Development)

1. Tourist District Master Plan Update (2005)
 - a. Coordinate work plan with Tourism Task Force and task group with participation
 2. Northwest Gateway (2006)
 3. Valley Industrial (2007)
-

II. HOUSING GOAL

PRESERVE EXISTING HOUSING AND NEIGHBORHOODS, AND PROVIDE A DIVERSITY OF HOUSING TYPES THAT PROMOTES HOUSING OPPORTUNITIES FOR ALL ECONOMIC SEGMENTS OF THE CITY'S POPULATION .

A. Assure a variety of housing options and types are addressed in deliberations of the Downtown Master Plan (Community Development, 2005)

B. Continue study of Transit Oriented Housing Development for Woodinville (Community Development, 2005)

1. Analyze impacts on Downtown-LBC Corridor Master Plan elements
2. Compare against alternatives to achieve affordable housing (*Planning Commission*)

C. Review conditional/temporary use permitting process for homeless encampment/temporary housing (Community Development & Executive 2005)

1. Develop new criteria for permit process
 2. Participate with ARCH in short-term preparation and long-term effort
- 

III. HUMAN SERVICES GOAL

PROMOTE A VARIETY OF HUMAN SERVICES THAT REFLECT AND RESPOND TO HUMAN NEEDS OF THE COMMUNITY.

A. Conduct an assessment of service gaps left in Woodinville by King County and Seattle budget reductions (2005, Executive, Parks & Recreation, City Council)

1. Remain plugged into regional decision-making that may impact area service provision (*Ongoing*)
 - a. Explore interest in sub-regional options as regional safety net weakens (*Ongoing*)
 - b. Mayor to send letter of concern to ARCH cities (*2005*)

B. Conduct an assessment of Woodinville's ability to meet its human service needs through traditional means of investing in providers and more creative means of direct or procured services delivered in Community Center buildings. (2005, Executive, Parks & Recreation)

1. Report on first year outcome of City-based English As Second Language (ESL) program. (*Parks & Recreation 2005*)
 2. Evaluate potential, cost effective, in-house or contracted human services that could be offered at Community Center. (*Parks & Recreation – Executive 2005*)
 3. Include Human Service delivery analysis of Tent City 4 to determine if other needs exist (*Executive, 2005*)
- 

IV. ECONOMIC DEVELOPMENT GOAL

TAKE A POSITIVE PARTNERSHIP ROLE IN RETAINING AND ENHANCING THE EXISTING DIVERSE AND VITAL ECONOMIC BASE IN THE CITY.

A. Assure that economic diversity and opportunity are addressed in the Downtown/Little Bear Creek Corridor Master Plan, toward creating an economically balanced community.

(Community Development, 2005)

B. Continue to collaborate with the Tourism Task Force *(Community Development, Executive, ongoing)*

C. Develop Downtown linkage – cooperate with Tourist District Master Plan and Tourism Task Force to make sure economic development goals are closely coordinated so areas give each other customers.

D. Review options to secure economic development assistance via employee, shared employee, consultant or public agency, such as the Seattle/King County Economic Development Council and Puget Sound Regional Council.

E. Continue to evaluate multi-agency opportunities such as Redmond Tourism Initiative.

F. Complete an Economic Development Study *(Community Development)*

1. Coordinate with Strategic Visioning Plan.
2. Coordinate with Tourist District Master Plan update.

V. PARKS, RECREATION, AND OPEN SPACE GOAL

PROVIDE QUALITY PARKS, OPEN SPACE, PLUS ADEQUATE AND ENRICHING RECREATIONAL ACTIVITIES FOR WOODINVILLE’S CITIZENS AND VISITORS.

A. Study and design Civic Center parking, field and interim improvements identified as priorities by CIP process. *(Parks & Recreation)*

1. Consultant/designer under contract by end of 2004;
 - a. Design input and policy decisions to Council *(July, 2005)*
2. Financing draft plan to City Council *(May, 2005)*

B. Continue to investigate opportunities to land bank key parcels for future planned parks & facilities. *(Parks & Recreation, ongoing)*

1. Recommend types of property and areas of need as implementation task of PRO Plan *(2005)*
2. Staff and agent analyze key GIS, critical area data and agency comprehensive plans to inform this process (*Public Works, Parks & Recreation, Executive*)
 - a. Work with property acquisition specialist to acquire available parcels
3. Assist the Council in developing neighborhood land banking opportunities.
4. Identify system deficiencies
 - a. Analyze key parcels
 - b. improve pedestrian circulation
 - c. provide views

City Policy for Economic Development

- d. increase neighborhood parks
- e. protect open space
- f. preserve neighborhood character

C. Formalize Small Neighborhood Action (Parks) Project (SNAP) Program (*Parks & Recreation*)

1. Develop neighborhood application & Commission recommendation process
2. Coordinate public outreach for park SNAP projects.

D. Assist the Council in implementing the DTLBCMP Park Elements. (*Parks & Recreation*)

1. Review zoning and ordinance changes needed to realize Council vision.
2. Collaborate with Community Development Department to draft potential development incentive packages.
3. Study methods for reducing the City's share of investment in the park elements.
4. Explore "festival street" concept

E. Assist the Council in expanding the use of the Woodinville Community Center through development and implementation of a Business Plan. (*Parks & Recreation*)

1. Coordinate Business Plan with Interim Improvements for Sustainable Growth
2. Expand teen offerings
3. Improve Outdoor Basketball Court
4. Create Facility Rental Marketing Tools to Support Interim Improvements.

F. Coordination implementation of online registration through E-Gov system for Myparksandrec.com (*Parks and Recreation, Executive*)

G. Continue promotion of public art through the Public Art Advisory Committee.

VI. COMMUNITY DESIGN GOAL

PROMOTE A VISUALLY COHESIVE COMMUNITY THAT PRESERVES AND ENHANCES THE NORTHWEST WOODLAND CHARACTER, THE HERITAGE OF WOODINVILLE, AND CREATES A HUMAN SCALE, PEDESTRIAN FRIENDLY ENVIRONMENT IN ITS COMMUNITY DESIGN.

A. Develop design and streetscape standards for approved Downtown/Little Bear Creek Corridor Master Plan. (*2005, Community Development*)

VII. TRANSPORTATION GOAL

ESTABLISH AND MAINTAIN A TRANSPORTATION SYSTEM THAT SUPPORTS THE LAND USE PLAN AND INCORPORATES TRANSPORTATION/LAND USE LINKAGES.

A. Adopt a Non-motorized Transportation Plan *(Public Works, Parks & Recreation, 2005)*

1. Review and identify funding strategy
2. Develop early-action, quick turnaround, small projects to connect areas.

B. Evaluate Citywide traffic circulation planning

1. Develop new Concurrency Ordinance *(2005, Public Works)*
 2. Evaluate and model CIP's to assist City Council in identifying tentative priority and schedule. *(2005, Public Works)*
 3. Review feasibility of AM peak modeling to help identify potential relief projects in selected areas
 4. Continue to develop use of modeling to educate public and to assist in project priority selection.
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VIII. CAPITAL FACILITIES GOAL

ENHANCE THE QUALITY OF LIFE IN WOODINVILLE THROUGH THE PLANNED AND COORDINATED PROVISION OF PUBLIC AND PRIVATE CAPITAL FACILITIES.

A. Develop a review of Capital Improvement Plan (CIP) methodology for City Council discussion and direction *(Executive, January, 2005)*

B. Develop a set of criteria for investment in downtown grid roads *(Executive, Public Works, January 2005)*

C. Review potential funding CIP streams and borrowing opportunities to give City Council its options to incur non-voted and voted debt to achieve capital projects *(Executive, Administrative Services, May, 2005)*

D. Analyze Utility Tax flexibility as a CIP funding source and determine whether utilization should sunset with current projects, should be expanded to city-wide capital, should be used as a fund source for debt service or should be used for operating costs . *(Executive, Administrative Services, May, 2005)*

E. Review existing CIP Projects and analyze current trends in construction pricing. Re-evaluate currently funded and proposed projects to update project cost estimates. *(Executive, Public Works, P&R, March 2005)*



City Policy for Economic Development

IX. UTILITIES GOAL

ENHANCE THE EFFICIENCY AND QUALITY OF SERVICE FROM PUBLIC AND PRIVATE UTILITY PROVIDERS THROUGH THE COORDINATION OF UTILITY, LAND USE, AND TRANSPORTATION PLANNING.

A. Participate in the Woodinville Water District Comprehensive Plan process. Analyze opportunities and threats to City policy trajectories *(Public Works, 2005)*

B. Analyze potential for right of way user impact fees for reducing life of pavement. *(Analyze 2005, Implement 2006, Public Works)*

X. ENVIRONMENT GOAL

CREATE A COMMUNITY THAT REDUCES WASTE STREAM, PROMOTES ENERGY CONSERVATION, PRESERVES AND ENHANCES AQUATIC AND WILDLIFE HABITAT, PROTECTS AND IMPROVES WATER QUALITY, AND PROTECTS THE PUBLIC FROM NATURAL HAZARDS.

A. Remain an active partner in the WRIA Region 8 effort to develop, fund and implement early action strategies. *(Community Development, City Council, Ongoing)*

B. Work collaboratively through WRIA 8 with NMFS, State, tri-county and other public and private partners to develop a recovery plan for Puget Sound Chinook salmon. *(Ongoing, Community Development)*

1. Work with Council, Commissions and Salmon Task Force to review and respond to the WRIA 8 Draft Salmon Conservation Plan. *(Community Development, Public Works, Executive)*
 2. Evaluate current mapping of Critical Aquifer Recharge Areas (CARA) in Woodinville and determine need for additional study and mapping, including identification of any fuel storage tanks *(Community Development, Public Works)*
 - a. Consider policy to ban fuel storage tanks in CARA's.
-

XI. BUDGET

SUPPORT THE PROGRAMS AND SERVICES OF WOODINVILLE WITH WELL-CONCEIVED BUDGET POLICIES.

A. Conduct a strategic budgeting review process & develop a strategic budgeting plan. *(Admin Services/Finance, 2005)*

1. Use study to inform on sustainability of overall staffing levels

B. Analyze and develop a response strategy to streamlined sales tax initiative. *(Finance, 2005-2006)*

C. Conduct an analysis of new City structures constructed since incorporation and determine whether there is an unfunded liability for system repair and replacement.

D. Conduct an analysis of the Equipment Replacement Fund and the replacement set-aside methodology to determine whether replacement is properly reserved and funded.

E. Conduct an analysis of inter-fund charges and overhead to make sure that capital, enterprise and other funds are fairly compensating the Current Expense Fund for services received.

F. Conduct a financial analysis of future pay and benefit projected costs, highlighting significant trends, and bring a comprehensive assessment to the City Council of a Total Compensation approach to employee compensation. (Exec, Admin, June, 2005)

G. Prepare a briefing for the Finance Committee and City Council on the 2006 changes in public sector accounting requirements, including any recommended adjustments to the biennial budget, and other areas (Admin, June, 2005)

XII. OPERATIONS

CONTINUE TO DEFINE, IMPROVE, AND ENHANCE THE OPERATIONAL AND SERVICE-LEVEL ENVIRONMENT OF WOODINVILLE.

A. Conduct study of development services departments to identify systemic changes and improvements and to inform about right staffing levels (Executive, 2005)

1. Analyze option of enterprise fund for Permit Center

B. Review effectiveness, development and enhancement of communications with citizens. (Executive)

1. Proactively tell positive City story; address topical community issues through communications programs (Ongoing)
2. Develop Government Access Channel television Implementation Plan (2005)

C. Continue to facilitate meaningful interaction among our citizens. (Executive, Ongoing)

1. Examine methods to have quicker, lower maintenance, high-contact interactions with citizens.
2. Increase Council and Commission member participation in city and community events and public outreach.
3. Launch simple electronic distribution of City information (e-alerts)

D. Use surveys and other methods to determine levels of citizen understanding of City programs and projects. (Ongoing, Executive)

1. Review options for statistically valid surveys including means other than telephone due to refusals and diminishing number of land lines (Executive, Ongoing)
2. Continue to develop multi-lingual options and outreach (i.e. brochures, web, recordings, language banks)

E. Continuous improvement of Emergency Management capabilities. (Ongoing, Emergency Manager)

1. Participate in King County Region 6 Emergency Management Exercise,

F. Support sustainable growth of Community Center Operations within the budget and service level prioritization process.

G. Implement IT Strategic Plan. (Executive, 2005)

1. Discuss and prioritize IT Strategic Plan initiatives
 - a. Determine in-house vs. out-sourced solutions.
 2. Develop and adopt a program to coordinate information storage and maintenance between departments.
 3. Develop and adopt a decision-making process for technology acquisition and oversight.
 - a. Evaluate the impact of technology purchases on existing operations and maintenance.
 - b. Establish defined performance measures and post-implementation review.
 - c. Review business practices to justify IT purchases to avoid costly customization.
 4. Finalize and test emergency operations procedures.
 5. Continue to enforce hardware, software and data standards and naming conventions.
 6. Continue to identify and eliminate redundant databases and processes.
 7. Consider a separate replacement fund for server and network infrastructure during the bi-annual budget review to ensure that upgrades continue to be a planned process rather than a reactive event.
- 

XIII. REGULATORY

CONTINUE TO DEFINE, IMPROVE, AND ENHANCE THE REGULATORY ENVIRONMENT OF WOODINVILLE.

A. Conduct study of Development Services to determine best practices and best staffing configuration. *(Executive, 2005)*

B. Examine feasibility of disguised cell towers. *(Community Development)*

C. Review options to have compatibility with adjacent jurisdictions. *(Community Development, Ongoing)*

D. Sign Code: Develop sign code update program and study options with Planning Commission and City Council, including: *(Community Development)*

1. Billboard Amortization: Further analysis and fiscal analysis
 2. A Board Signs: Analyze options for use; present Report to City Council *(2005)*
 3. Complete review of subdivision signs in Right-of-Way
- 

XIV. REGIONAL/INTERLOCAL

MAINTAIN AN ACTIVE POSTURE ON REGIONAL ISSUES AFFECTING WOODINVILLE AND REPRESENT THE INTERESTS OF WOODINVILLE ON AGENCY INTERACTIONS AND SERVICES WITHIN WOODINVILLE.

A. Brightwater Regional Wastewater Facility *(Executive, Parks & Recreation, Community Development)*

1. Permit review and mitigation plan.

B. Be an active participant in the Parks & Recreation Service Area study to resolve area aquatics needs. *(Parks & Recreation)*

C. Be an active participant in response to jail, court, and solid waste service provision issues. *(Executive, Police & Administrative Services, Ongoing)*

D. Be active in the development of partnership options to meet the service gap in playing fields. *(Parks & Recreation, Ongoing,)*

**COMPREHENSIVE PLAN
– CHAPTER 6, ECONOMIC DEVELOPMENT ELEMENT**

6.1 Introduction

The City of Woodinville has evolved from a rural crossroads into a modern urban area with a high quality of life. The vision of future economic development rests on the continuing health and diversity of commercial, industrial, and residential activity. During the past two decades, the Eastside area has experienced rapid growth. With the Growth Management Act and an increase in development, Woodinville has experienced a transformation from quasi-rural to an urbanized area with a vibrant downtown core.

Woodinville's current economic base is more diverse than that in typical urban areas. The retail base for Woodinville serves area residents and includes some regional, specialized retail, and regional tourist attractions. The industrial areas of Woodinville serve a wide variety of firms. Tourism and associated businesses have grown since incorporation and is a larger portion of the economic base. These areas continue to evolve. Destination sites include wineries, restaurants, hotels, and other support businesses. During the 1990's, the City of Woodinville experienced a period of rapid development. Some downtown parcels were consolidated and developed into a regional retail center. The northern and valley industrial areas have seen considerable development.

The Planning Commission, in developing this Element, recognizes the importance of several factors to the economic future of the City as follows:

- a. Preserving industrial and commercial land,
- b. Encouraging high-quality industrial and commercial development (including flex-tech),
- c. Planning for infrastructure improvements to meet the desired economic viability of the community,

- d. Focusing attention on future mixed-use development and redevelopment,
- e. Promoting high-quality retail base,
- f. Promoting the tourist and recreation based industries in Woodinville, and
- g. Encouraging a range of quality residential options.

The following goals, policies, and implementation strategies represent a conscious compromise between an aggressive economic growth strategy and a policy of non-intervention by the City. The City's economic development philosophy is to continue the balance and diversity that currently exists between industrial, commercial and residential activities. This strategy also recognizes the specialized needs of the downtown, tourist areas, and industrial areas to develop their highest potential consistent with Woodinville's quality of life.

6.2 Goals and Policies

GOAL ED-1: To take a positive, partnership role in retaining and enhancing the existing diverse and vital economic base in the City by assisting existing firms and welcoming new firms that will enhance the quality of the economic base.

Policies

- ED-1.1** Maintain and enhance the existing level of industrial development which may allow a mixture of business and employment opportunities.
- ED-1.2** Provide assistance to the public, applicants, and developers through an efficient and economical permitting process as a means of enhancing the City's goal for quality customer service.
- ED-1.3** Offer a menu of incentives for businesses to develop or expand in a manner consistent with the goals and policies of the Comprehensive Plan.
- ED-1.4** Plan for infrastructure to:
 - 1. Accommodate redevelopment, infill development, and new development,
 - 2. Mitigate the adverse impacts of such development, and
 - 3. Meet or maintain level of service standards in both residential and non-residential areas.
- ED-1.5** Take full advantage of local, County, State, Federal, and private organizations with marketing resources, programs, grants, and other information aimed at enhancing economic development planning and other activities.
- ED-1.6** Encourage effective combinations of public and private transportation to facilitate work and shopping trips to and from Woodinville's businesses and residential areas.
- ED-1.7** Stimulate effective dialogue between the business community and the City of Woodinville's plans, programs, policies, and regulations.
- ED-1.8** Support our economic development goals and policies through cooperation with the private sector on public/private projects.
- ED-1.9** Provide flexible standards which allow businesses to expand, grow, diversify and redevelop by promoting infill at appropriate sites.

- ED-1.10** Encourage additional infrastructure to meet technological needs that provides state of the art quality of service and current trends in business technology needs.
- ED-1.11** Cooperate with educational institutions to make quality educational opportunities available to the community.

GOAL ED-2: To maintain a quality environment, recognizing that this is one of Woodinville’s most important assets in attracting economic activity.

Policies

- ED-2.1** Insure that the implementation of the Economic Development Goals, Policies and Strategies reflect the Community’s vision of Woodinville.
- ED-2.2** Protect the beauty of the natural environment to maintain a community where residents want to live and work.
- ED-2.3** Encourage continued high-quality housing for a mix of income levels, recognizing that availability of a mix of housing is closely related to the quality and quantity of businesses and the job base.
- ED-2.4** Encourage a balance of quality residential areas and employment opportunities within the City to minimize commute distances and maintain a high level of well-paying jobs.
- ED-2.5** Improve the aesthetics and site designs of existing City-owned non-residential developments through landscaping and urban design principles.
- ED-2.6** Evaluate incentives for the private sector to improve the aesthetics of existing non-residential sites.

GOAL ED-3: To address the potential increasing shortage of commercial and industrial land within the City’s current boundaries.

Policies

- ED-3.1** Maintain a current inventory of available land for non-residential redevelopment and new development, and carefully assess the most appropriate zoning category based on future employment needs consistent with the community vision and character.
- ED-3.2** Increase the intensity of commercial and industrial areas by encouraging redevelopment and infill development.
- ED-3.3** Preserve the amount of land in the Comprehensive Plan designated for commercial and industrial development.

GOAL ED-4: To recognize and support the commercial districts within the City.

Policies

- ED-4.1** Build on Woodinville’s strengths in regional tourism and recreation by linking these areas with other parts of the community.

City Policy for Economic Development

- ED-4.2** Encourage the non-residential areas abutting the freeways, highways, arterials, and railways to present a more aesthetically appealing image of the community.
- ED-4.3** Develop programs and projects which encourage a healthy, vibrant business community and set priorities for capital facilities, such as a downtown master plan, and Little Bear Creek corridor plan.
- ED-4.4** Continue to monitor and refine, as necessary, programs and projects which, encourage a healthy, vibrant business community. These programs and projects include: General Business, Commercial, Industrial & Multi-family (as commercial real estate) design principles and guidelines, and tourist district master plan.

GOAL ED-5: To coordinate with other jurisdictions to ensure regionally sound economic development.

Policies

- ED-5.1** Participate in regional planning efforts to develop strategies that promote economic diversification.
- ED 5.2** Study and identify Woodinville's role in the regional economy to understand our impact to other jurisdictions.
- ED-5.3** Cooperate with other jurisdictions to identify and plan common infrastructure needed for economic development.

6.3 Implementation Strategies and Monitoring

1. Identify the firms that support regional job base and that offer economic stability. (Implements ED-1.1 & 5.1)
2. Maintain, monitor and create, as necessary, design and development regulations to improve and maintain the appearance of commercial and industrial areas and buffer them from residential areas. (Implements ED-1.1 & ED-4.2)
3. Maintain adequate staffing, which facilitates all land use, environmental, and building permits and approval processes in a timely manner. (Implements ED-1.2)
4. Create and monitor a process to maximize funding resources for the community. (Implements ED-1.3)
5. Work regularly with the local Chamber of Commerce, Downtown Association, and other business groups, Seattle-King County and Snohomish Economic Development Councils, private and public utilities as well as Community, Trade and Economic Development (Washington State), and other cities to identify firms and/or industries consistent with a viable economy and quality of life in Woodinville. (Implements ED-1.1, 1.4 & 1.7)
6. Review City's parking requirements to ensure they meet current and reasonable industry

standards. (Implements ED-1.8)

7. Create an outreach program that reviews the goals, policies, plans and implementation actions of the City to ensure input from citizens, local business and real estate communities. (Implements ED-1.2 & 1.8)
8. Develop and maintain working documents of land use inventories to monitor the amount of land available and potentially available for development and redevelopment. (Implements ED-3.1, 1.1 & 3.3)
9. Draw on resources from organizations, groups, and/or agencies to assist with the City's effectiveness to increase the development, redevelopment, and rehabilitation potential of economic development. (Implements ED-3.2)
10. Identify opportunities for siting shared parking and other amenities for workers and residents. (Implements ED-3.2 & 3.3)
11. Provide outreach programs to the community that offer opportunities to identify any obstacles for redevelopment of commercial and industrial properties. (Implements ED-1.1, 1.2 & 3.2)
12. Continue to provide mechanisms to encourage development and redevelopment on smaller parcels that have environmental constraints without endangering environmentally sensitive areas (i.e., TDRs land banking, off-site mitigation). (Implements ED-1.4 & 3.2)
13. Continue to review and update land use design and zoning regulations to allow flexibility in development that encourages higher densities, mixed uses, innovative approaches to land assembly, utilization, redevelopment, in-fill development, and rehabilitation of significant or economically viable buildings. (Implements ED-1.2, 1.4 & 3.2)
14. Develop and maintain, as required, area specific plans and infrastructure plans to encourage commercial and industrial development without time-consuming, expansive, and piecemeal development. (Implements ED-1.4, 1.5 & 4)
15. Cooperate with local business organizations and owners and operators of tourist attractions to develop signage coordinated with maps that can be available and distributed locally and within the region to visitor industry information outlets. (Implements ED-4.1)
16. Cooperate with local business organizations and tourist attraction owners and operators to organize, promote, coordinate, and publicize celebrations, festivals, etc., to stimulate local visitor industries. (Implements ED-4.1)
17. Consider and support innovative transportation and other techniques to minimize or mitigate impacts on local businesses and residents during times of and in areas of intense visitor impact. (Implements ED-4.1)
18. Cooperate with local business organizations and tourist attraction owners and operators to examine the feasibility of a transit system to tie together tourist and other areas with appropriate business concentrations. (Implements ED-4.1)

19. Develop a Downtown Master Plan that may contain the following economic aspects: (Implements ED-4.3)
 - a. A market analysis that depicts current conditions, opportunities, and constraints,
 - b. A strategy(ies) for retaining and augmenting downtown Woodinville's economic vitality and encourage retention and recruitment of business,
 - c. Develop a cohesive design strategy for downtown,
 - d. Traffic analysis to monitor grid street and other improvements and identify other possible improvements, (Implements ED-1.5) and
 - e. Analyze opportunities for public investment in public amenities and infrastructure. (Implements ED-1.5)
20. Develop a Little Bear Creek Master Plan. (Implements ED-4.3)
21. Cooperate with other jurisdictions by participating in regional committees, meetings, and projects. (Implements ED-6.4)
22. Develop a Citywide Economic Development Plan that may contain the following economic aspects:
 - a. Survey the Woodinville business community directly to discover detailed characteristics about the existing businesses and determine in an anonymous way their problem areas and their suggestions for improvement,
 - b. Survey the households in the market area within and outside of the City of Woodinville to ascertain where they typically shop, what would keep them shopping here, what products they are buying, and opinions about local businesses,
 - c. Build understanding and support between the local businesses and residential community and involve the business and development community in formulating a strategy for improving the local economy,
 - d. Maintain close contact and coordination with local business and property owner organizations, city's decision-makers, staff and other key community leaders,
 - e. Have a significant public information/public relations/advertising component that would be provided by a firm that specializes in this set of actions,
 - f. Develop a market analysis that depicts current conditions, opportunities, and constraints,
 - g. Develop a strategy or strategies for retaining and augmenting Woodinville's economic vitality and encourage retention and recruitment of businesses,
 - h. Develop a cohesive design strategy for Woodinville.
 - i. Develop a traffic analysis to monitor grid street and other improvements and identify other possible improvements,
 - j. Analyze opportunities for public investment in public amenities and infrastructure, and
 - k. Create a menu of incentives for businesses to develop or expand in a manner consistent with the Citywide Economic Development Plan

ITEMS REQUESTED IN CITY'S ECONOMIC DEVELOPMENT PLAN RFP

- Identification of the City's short- and long-term economic development opportunities

- Identification of strategic goals and actions the City can take to:
 - Retain and help grow the City's existing businesses
 - Encourage and attract new business and employment opportunities in the City
 - Encourage balanced and sustainable growth
 - Link and integrate the downtown to the City's other commercial areas
 - Grow the City's tourism industry and its direct economic impact to the City

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

**Downtown and Little Bear Creek Corridor Master Plan
Summary**

DOWNTOWN AND LITTLE BEAR CREEK CORRIDOR MASTER PLAN SUMMARY

The text that follows is taken directly from the Downtown and Little Bear Creek Corridor Master Plan (Planning Commission Recommended Draft; January, 2004). The Recommendation and Implementation Strategies from that report are brought forward to the Task Force as a condensed version of the key actions proposed in the report. This information is presented solely for Task Force meeting discussions. The January 2004 draft presents supporting documentation and more context and rationale for the recommendations.

Key Features Proposed for the Downtown Core

- New pedestrian-oriented retail street as an extension of Garden Way between 175th Street and 171st Street,
- New grid road extensions to improve traffic flow,
- Additional road connections in “traffic circulation improvement areas” to provide additional ways to get through downtown,
- Incentives for multi-story, mixed-use buildings with structured parking, with either retail, office or housing on the ground floor and housing or office uses on upper floors, to encourage a vibrant downtown neighborhood,
- New “Park Blocks” linear open space for aesthetics, urban amenity, and environmental quality benefits,
- A Limited height increase area to encourage the type of pedestrian-oriented development envisioned in the Comprehensive Plan, and
- Street improvements for aesthetics and safety.

Building Heights

Recommendations

Downtown Core Area

- Base Height: Increase the base height from the present 35 feet to 39 feet, not to exceed three floors. For example, this would allow a ground floor of retail and two floors of office or housing (15 feet + 12 feet + 12 feet = 39 feet).
- Stepback Requirement: Require a stepback on street facing elevations for buildings over two stories (not to exceed 28 feet).
- Downtown – Little Bear Creek Corridor Master Plan 11 Planning Commission Recommended Draft
- Additional Incentive Potential: An additional floor (maximum of four floors, with a height not to exceed 51'), can be obtained through the provision of one or more additional City approved incentives. For example, this would allow a ground floor retail and three floors of office or residential (15' + 12' + 12' + 12' = 51'). The additional incentives are intended to mitigate the impacts to the City of taller buildings and/or provide a public benefit. These can be determined at the time of development review from an approved list in the City's development regulations or design standards.

Park Blocks Overlay

- Base Height: Increase the base height from the present 35 feet to 39 feet, not to exceed three floors. For example, this would allow a ground floor of retail and two floors of office or housing (15 feet + 12 feet + 12 feet = 39 feet).
- Stepback Requirement: Require a stepback on street facing elevations for buildings over two stories (not to exceed 28 feet).
- Additional Incentive Potential: An additional floor (maximum of four, with a height not to exceed 51 feet), can be obtained through the provision of one or more additional City approved incentives. For example, this would allow a ground floor retail and three floors of office or residential (15 feet + 12 feet + 12 feet + 12 feet = 51 feet). The additional incentives are intended to mitigate the impacts to the City of taller buildings and/or provide a public benefit. These can be determined at the time of development review from an approved list in the City's development regulations or design standards.
- Structured Parking Incentive: With the structured parking incentive the building could be up to five floors in height, not to exceed 57 feet. For example, this would allow a ground floor of retail, one floor of office and three floors of residential (15 feet + 12 feet + 10 feet + 10 feet + 10 feet = 57 feet).

Implementation Strategies

- Review and amend the City's development regulations to establish design standards that include incentives and procedures intended to mitigate development impacts, provide a public benefit and encourage development that meets the goals of the Comprehensive Plan.
 - Examples of incentives include features such as structured parking, public open space, courtyards, art, water features, kiosks, weather canopies, street furniture, pedestrian, bicycle and transit facilities, affordable housing, and exceptional design in architectural features of structures and/or site layout.
- Review the permitted uses for the Central Business District Zone as shown in WMC 21.08, and amend if/as required for the Downtown Core Area.

Downtown Core Residential Density

Recommendations

- Regulate residential density in the Downtown Core Area by use of the "Floor Area Ratio" (FAR) method instead of the existing method using dwelling units per acre. Allow a FAR that results in additional residential density and provides for flexibility in dwelling unit sizes, development cost and price range.

Implementation Strategies

- Determine a recommended FAR after analyzing the traffic impacts on a range of FAR's using the City's traffic model.
- Review for possible amendment, the City's existing zoning incentives shown in WMC 21.12.040, and permitted uses shown in WMC 21.08.
- Establish design standards for quality development within the Downtown Core.

Transit Oriented Housing Development

Recommendations

Future work on implementing a TOHD project should consider the following issues:

- Site remains a Park & Ride,
- Confirm feasibility of project,
- Community involvement in project and design,
- Adequate roadway capacity for added vehicle trips,
- Adequate on-site open space appropriately designed for residents, and
- Support use of floor area ratio.

Implementation Strategies

- Investigate a density increase through the use of Floor Area Ratio (FAR) to allow a TOHD,
- Analyze traffic impacts through modeling a range of housing densities with the City's transportation model,
- Review the existing zoning incentives as shown in WMC 21.12.040 and existing uses as shown in 21.08, and amend if required, and
- Establish design standards for development within the Downtown Core.

Little Bear Creek Corridor Land Use

Recommendations

- To enhance the flexibility of commercial uses and add to the City's limited supply of land zoned for office uses;
- Planning Commission Recommended Draft Downtown – Little Bear Creek Corridor Master Plan 25
 - Retain most of the uses currently permitted in the General Business (GB) zone,
 - Include most uses currently permitted in the Office (O) zone, and
 - Maintain the current prohibition on residential use.

Implementation Strategies

- Modify the Comprehensive Plan description of the GB designation to include the range of uses and the inclusion of office development. Office use addresses the shortage of Office designated property in the City,
- Amend WMC 21.08 to allow additional permitted uses with the intent of promoting flexible compatible land use,
- Make design review more prescriptive by adopting design standards to ensure quality site and building design,
- Study for possible revision of the existing incentives as shown in WMC 21.12.040 to assure their appropriateness in relation to adopted recommendations, and
- Evaluate potential incentives for access to the Little Bear Creek Corridor.

Corridor Building Height

Recommendations

- Base Height: Increase the base height from the present 35 feet to 39 feet, not to exceed three floors. For example, this would allow a ground floor of commercial or industrial and two floors of office (15 feet + 12 feet + 12 feet = 39 feet).
- Stepback Requirement: Require a stepback on street facing elevations for buildings over two stories (not to exceed 30 feet). "Streets" does not include SR-522.
- Additional Incentive Potential: An additional floor (maximum of four, with a height not to exceed 51 feet), can be obtained through the provision of one or more additional City approved incentives. For example, this would allow a ground floor of commercial or industrial and three floors of office (15 feet + 12 feet + 12 feet + 12 feet = 51 feet). The additional incentives are intended to mitigate the impacts to the City of taller buildings and/or provide a public benefit. These can be determined at the time of development review from an approved list in the City's development regulations or design standards.
- Structured Parking Incentive: With the structured parking incentive, the building could be up to five floors in height, not to exceed 60 feet. For example, this would allow five floors of office (12 feet + 12 feet + 12 feet + 12 feet + 12 feet = 60 feet).

Implementation Strategy

- Review and amend the City's development regulations to establish design standards that include incentives and procedures intended to mitigate development impacts, provide a public benefit and encourage development that meets the goals of the Comprehensive Plan.
 - Examples of incentives include features such as structured parking, public open space, courtyards, art, water features, kiosks, weather canopies, street furniture, pedestrian, bicycle and transit facilities, and exceptional design in architectural features of structures and/or site layout.

R48/Office Building Height

Recommendations

- Increase allowable building height from the current 45 feet up to 55 feet, subject to compliance with existing design guidelines or new standards.

Implementation Strategy

- Review, for possible amendment, the existing design guidelines with the goal of enhancing the ability of these measures to control development impacts and provide flexibility in design review.

Traffic Improvements

Recommendations

- Include the new street running east – west (proposed NE 174th St) on the north side of the Park Blocks between 133rd Ave and the Garden Way extension,
- New commercial development along Garden Way and other downtown commercial streets should incorporate strong design standards to make the development pedestrian-oriented,
- The street standards should follow the “downtown street” design with pedestrian-oriented features such as on-street parking, wide sidewalks, and corner “bulb-outs” with special pavement or markings for pedestrian crossings, and
- In areas identified as numbered “Traffic Circulation Improvement Areas”, maintain the intent of additional point to point road connections as described in Comprehensive Plan policies T-2.3, T-2.10, T-2.18 and T-9.3.1(4) to improve circulation as part of future development approval.

Implementation Strategies

- Add any additional streets adopted as part of this Plan to the Comprehensive Plan 20-year list of Capital Improvements and consider them for funding during the annual CIP process, and Review and revise, as necessary, the City’s street standards to achieve the intent of the Plan, subject to sound engineering principles and life-safety needs.

Street Design

Recommendations

- Revise the City's street standards to incorporate improvement schemes,
- Landscaping plans for future medians and any additional street trees or landscape standards should include input from the Parks and Recreation Commission and the Tree Board,
- Street improvement schemes should include design "themes" to be determined by the Planning Commission based on community input, and
- New street improvement schemes should be carefully reviewed to ensure adequate emergency access and access to businesses along the street.

Implementation Strategy

- Review and revise, as necessary, the City's street standards to achieve the intent of the Plan subject to sound engineering principles and life-safety needs.

Rail Line Right of Way Improvements

Recommendations

- Add landscape screening to transition areas, and Add pedestrian amenities to transition areas such as informative signs, historic markers or plaques, view points and pathways.

Implementation Strategy

- Work with railroad officials toward agreement on the recommended measures to improve the aesthetics along railroad transition areas in the City.

Park Blocks

Recommendations

Northern Alignment (Preferred):

- Maintain the original location with a total right-of-way width of 176 feet and park area width of 108 feet. (173rd Street is the south boundary and the proposed 174th Street is the north boundary.)
- Rationale:
 - Provides direct physical and visual connection with City Hall & Wilmot Park.
 - Provides a centerpiece for the City.
 - Meets Park Blocks guiding principles listed in Appendix H.
 - Park Blocks will merge into Woodin Creek buffer at the east end of NE 173rd.

Southern Alignment:

- Park Blocks are shifted to the south onto Canterbury Square property so that 173rd Street is the north boundary.
- Rationale:
 - Impacts one property owner, instead of several.
 - Provides direct alignment with Woodin Creek buffer on the east end of the Park Blocks. Reduces impact on existing development.

Implementation Strategy

- Use the Woodinville Zoning Code and a combination of incentives, creative financing alternatives, impact fees, developer mitigation, grants, and public-private partnerships to acquire and create the Park Blocks.

Civic Center Master Plan

Recommendation

- Support the adoption and implementation of the Civic Center Master Plan.

Implementation Strategy

- Civic Center improvements should be consistent with the Downtown/Little Bear Creek Corridor Master Plan.

Little Bear Creek Master Plan

Recommendation

- Support the adoption and implementation of the Little Bear Creek Linear Park Master Plan.

Implementation Strategy

- Consider the Little Bear Creek Linear Park Master Plan during discussion of potential amendments to land use regulations and development of design standards to implement the Downtown and Little Bear Creek Corridor Master Plan.
- Little Bear Creek Linear Park Improvements should be consistent with the Downtown and Little Bear Creek Corridor Master Plan.

Non-motorized System

Recommendations

- Include the pedestrian/bike system in the Plan and show connection of the system to other neighborhoods to the Sammamish River Trail and across the river, using pedestrian and bike bridges.
- Include the pedestrian/bike system in the City's non-motorized plan, a separate plan that is being developed by the Parks and Recreation Commission.
- The pedestrian overpass should include thoughtful design and quality materials so the bridge can serve as a symbolic "gateway" to the City.
- The overpass should be constructed concurrently with sidewalk improvements along 136th Avenue and other improvements for the Pedestrian Circulation System.
- Until the overpass can be accomplished, consider the feasibility of improvements to surface routes to improve pedestrian safety.
- Siting of the overpass on the east side of SR-522 will need to be accomplished in cooperation with any affected private property owners.
- Enhancement of 132nd Avenue NE, including a new surface crossing of the railroad tracks, is the preferred initial method of providing pedestrian/bicycle linkage between the Little Bear Creek Corridor, downtown and the regional trail.
- To provide the most direct connection between the Little Bear Creek and Regional Trail should be a long term goal.

Implementation Strategy

- Future public projects, such as parks, streets, storm water or utility improvements, should include adjacent sections of the pedestrian/bike loop as part of overall project priority, funding, design and construction.
- Include the SR-522 pedestrian/bike overpass on future Capital Improvement Project lists to be rated for funding prioritization as part of the standard CIP process.
- Include a pedestrian and bike route crossing and connections to other trail segments in any plans for improvements to 132nd Avenue or SR-202.

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Development Economics of Mixed-Use with Higher Density

DEVELOPMENT ECONOMICS OF MIXED-USE WITH HIGHER DENSITY

Economic Development Plan Task Force Summary

Development Economics of Mixed-Use with Higher Density

- High-density, mixed-use development in the Downtown Core requires revenues from rents or condo sales covering the cost of land and development.
- More building stories require greater amounts of parking, which either requires buying more land for surface parking, or more expensive development to include structured parking.
- The costs that most affect the feasibility include building and construction costs and the type of parking structure
 - Structured parking, either above or below ground, makes sense only buying more land to accommodate more surface parking costs more than building structured parking (at \$25 to \$35 per s.f. for above-ground parking; or \$65 to \$85 per s.f. for below-ground parking)
 - Sloped parcels can sometimes provide less expensive alternatives; unfortunately, most parcels in the Woodinville City Center are flat
- Development of high-density, mixed-use development with structured parking requires moderately higher costs, with approximate revenues in the following ranges:
 - Rental housing requires \$1.50 per s.f. or more (per month)
 - Some new construction in Bothell and Redmond are getting close to that amount
 - Woodinville units, all at least 10 years old, currently average around \$1.00 per s.f.
 - Rental market is weak currently, though prices are expected to rise next year, for the first time in several years
 - Condo sales call for units priced in the range of \$250 to \$300 per s.f. higher
 - This range is in line with Greater Eastside averages for 2004
 - Similar prices targeted for Wine Village
 - Retail requires rental rates at \$20 per s.f. (per year) or more
 - Retail in Woodinville currently in this range
 - Attractiveness of leasing the ground-floor of a mixed-use building (and therefore, the rental rate) depends on the attractiveness of the location for retail; customer access and parking; ample ceiling heights and other considerations – sometimes these attributes are less attractive for residences above
 - Office, as a cost-covering revenue source, would require rental rates at \$18 per s.f. (per year) or more
 - Equivalent to Class A asking prices for suburban Eastside

Development Economics of Mixed-Use with Higher Density

- Higher than current office rates in Woodinville (reportedly \$10-\$12 per s.f., triple net)
- From a developer's perspective, Woodinville market is still unproven
- Understanding short-term versus long-term.
 - Short-term conditions above point to market prices that are fairly close to making mixed-use development feasible Downtown
 - Long-term improvement on the conditions require strategies that foster demand for space in Downtown

City Strategies

- A complementary set of strategies focusing on the regulatory system and public investments targeted to both reducing costs and creating an environment that could support higher real estate values.
 - Continuing to invest in transportation improvements and public amenities will make Downtown and the Little Bear Creek Corridor a more attractive place to live, work, shop and play.
 - Pedestrian corridors, parks access and retail amenities all fit the description of a vibrant urban village; multifamily and mixed-use developments locate amidst such attractions.
 - Buying parcels of land as they become available and bundling land for developers is another such way to affect directly the feasibility of land for developers.
 - Communities that have had the greatest success have fostered collaborative relationships with the development community to identify actions mutually beneficial to each other's interests.

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Quality of Life Issues

WOODINVILLE ECONOMIC DEVELOPMENT ACTION PLAN

QUALITY OF LIFE ISSUES

July 8, 2005

This document summarizes issues related to quality of life in Woodinville. Two sources are drawn from: the 2004 Community Opinion Survey and the Draft Park, Recreation and Open Space Plan dated May 27, 2005.

2004 COMMUNITY OPINION SURVEY

Survey Methodology

In 2004, a request was made by the City of Woodinville to conduct an opinion survey of residents. Proposed questions were reviewed and approved by City Council and city administrators, and the survey was conducted by Sound Communication during the May 2004.

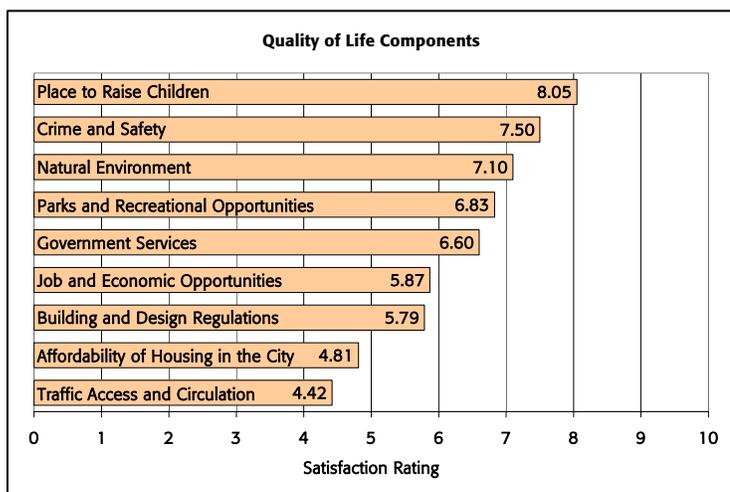
Using a 2004 reverse phone directory of the region, a pool of 2,218 phone numbers were drawn to constitute the survey sample, and a total of 281 people completed a full, valid phone survey.

Current Quality of Life

Residents have a mostly positive attitude about their current quality of life in Woodinville. On a 0-10 satisfaction scale, the median score was 8, and 93% of respondents responded with 7 or higher. When asked to describe the city in one word or phrase, most residents use positive terms, such as "friendly," "pleasant," and "quaint."

Components of quality of life rated the highest were "a place to raise children," "crime and safety," and "natural environment," while the lowest rated components were "traffic access," "affordable housing," and "building and design regulations."

When residents were asked to compare their quality of life with two years earlier, there were mixed reviews. Only 5% felt considerable improvement, and 28% saw some improvement. Nearly half saw no real change, and 21% reported decreased quality of life.



Quality of Life Issues

Factors that seem to harm quality of life satisfaction center on traffic congestion and related parking problems, as well as threats to the rural, small town atmosphere that has traditionally defined Woodinville.

Satisfaction with City Services

On a 0-10 satisfaction scale with government services, the median score was 7, with 80% of responses coming in the 5-8 range. The specific government services that residents rated the highest were Police, Public Information, and City Staff, while the lowest-rated were Public Transit, Affordable Housing, and Road Maintenance/Expansion.

Downtown/Little Bear Creek Master Plan

The City's proposed Master Plan for Downtown and Little Bear Creek Corridor includes public investment in parks, grid roads, and pedestrian connections from outlying neighborhoods to downtown. When asked about how essential these investments are on a 0-10 scale, residents responded with a median score of 8, with 76% responding with 6 or higher.

The proposed plan seems to mesh well with residents views on what would make downtown more appealing. Their top responses were "reducing traffic congestion," "making downtown more pedestrian-friendly," and "bringing in new retail business," all items covered by the plan.

While residents were mostly in agreement about the essential nature of the investments covered by the plan, their opinions were split on whether to pursue changes in regulation that would allow taller buildings (up to 5 stories) or more housing density downtown. While 50% of residents claimed to be either "very willing" or "somewhat willing" to allow these kinds of development, 46% fell into the "not very willing" or "totally against" camps.

Parks & Recreation

City residents seem to have mixed feelings about their park and recreation facilities and services. The median response to a question regarding satisfaction with parks and recreation was a 7, but residents saw three other factors as more important to their quality of life, and parks and recreation finished squarely in the middle of respondents' satisfaction with government services, coming in eighth out of thirteen services surveyed.

Additional parks were only the third most important recreation facilities as indicated by residents; a swimming pool and sports fields were considered more pressing needs. When asked what recreation services are needed most, 3 out of residents' top 4 responses centered on youth services.

Priority for Capital Improvements

The first order of business for residents seems to involve roadways. The top two responses to a question about prioritizing capital funding were to widen existing streets and congestion points, and to build new roads to improve current connections. After the roads, respondents turned to green space, making various park and trail investments the third, fourth, and fifth highest priorities.

To fund these improvements, residents rate options that would not directly impact them (increased developer fees, no new tax) significantly higher than those that would impact them (bond measure via increased property tax, raising the utility tax).

DRAFT PARK, RECREATION AND OPEN SPACE PLAN

The City's Park, Recreation and Open Space Plan (Pro Plan) is part of its Comprehensive Plan and 6-year CIP. It is currently in draft form. It is reviewed for consistency with the attitudes and desires of the people every six years.

The full draft is available at <http://www.ci.woodinville.wa.us/regulations/regs-stds.asp>.

The document summarizes current inventory, compares this inventory to national standards, establishes desired additional resources based on projected population growth, and establishes funding strategies to implement this new development.

Parks and Open Spaces

As shown in the grey columns in the tables on page 6, the City's existing level of service (ELOS) is currently below for all the City park categories in 2004 falls below applicable NRPA or IAC (Interagency Committee for Outdoor Recreation) standards, except for resource/open space parks. The total parkland ELOS for all park categories is 9.66 acres per one thousand persons. The surplus shown as resource/open space lands distorts the overall existing level of service in a category that is entirely passive recreation

The 2010 planned level of service (PLOS) is the result of a review of various standards from sources such as the NRPA, IAC, and public input, especially from the Parks and Recreation Commission. Based on this PLOS, the first table indicates a need for 30.08 acres of total parkland and 3.5 additional off-road trail miles for walking and biking by 2010.

Recreation Resources

Activity projections in the second table say that all residential neighborhoods in Woodinville require playgrounds and development of sport court games in close proximity to the neighborhood population. Off-road walking and hiking trails and bicycle trails are needed in all neighborhoods and linkage from neighborhoods to park resources and to Downtown is a major citywide issue.

Funding and Strategic Tasks for Implementation

The Plan lists financial strategies for 2004-2010 and notes that a quality park and recreation system does not have to be implemented strictly by public monies or purchase. But, it should be developed using creative interplay of public and private market resources and a variety of techniques, including leases, easements, tax incentives, design and development innovations, incentives and enlightened private property interests.

The Plan notes the follow strategic tasks for implementation:

1. Keep park impact fees current - Residential Neighborhoods

Woodinville City Council should regularly recalculate the park impact fee and process to be instituted for the maintenance of the existing level-of-service (ELOS) within Woodinville residential neighborhoods. The fee separately collects and distributes impact monies for:

- a. Neighborhood park, recreation and open space facilities that are to be spent within the immediate benefit area in accordance with the nexus of benefit requirements of the GMA.
- b. Community park, recreation and open space facilities that may be spent anywhere within the city or urban area as project particulars or market circumstances determine to be of most benefit.

2. Resolve joint use agreements with Northshore, Lake Washington, and Monroe School Districts

Woodinville City Council should enter into inter-local agreements with the school districts to make available, schedule, and potentially jointly improve and operate city facilities on an after-hours basis for local community park and recreation use.

3. Resolve access to native growth protection (NGP) easements, common properties, and other open space lands with Homeowner Associations (HOA)

Woodinville City Council should enter into inter-local agreements with Homeowner Associations (HOA) or other property owners for public access to and potentially park improvements on private properties with trail, picnic, playground, and other opportunities of interest to the homeowner associations, adjacent neighborhood residents, and city-at-large citizens.

4. Develop integrated road/trail capital facilities program (CFP)

Woodinville Planning, Parks, and Public Works departments should jointly coordinate or consolidate city projects, particularly road improvements, to realize common development standards, reduce construction costs and mitigate construction impacts, particularly concerning the development of on-road bicycle lanes, sidewalks and trail corridors.

5. Apply for an ISTE A grant for the SLS&E Rail Trail

In cooperation with King and Snohomish County, Woodinville should apply for an Inter-modal Surface Transportation Enhancement Act (ISTEA) grant to begin converting portions of the historic Seattle, Lake Shore & Eastern (SLS&E) railroad and adjacent road rights-of-way for the proposed parallel multipurpose trail corridor from downtown Woodinville to Maltby and eventually north to Snohomish and south to Redmond.

6. Apply for an IAC grant for the Little Bear Creek Lineal Park

In cooperation with King and Snohomish County, Woodinville should apply for a Washington Interagency Committee for Outdoor Recreation (IAC) grant to complete acquisition of the corridor along the potential salmon-bearing Little Bear Creek from the Sammamish River to the headwaters in Snohomish County.

7. Develop/submit parks GO Bond for PLOS enhancements

Woodinville City Council should develop and test the feasibility for a general obligation bond or councilmanic bond to finance the proposed level-of-service (PLOS) enhancements, especially neighborhood parks, outlined in this plan. The Council may further define and design specific PLOS enhancement projects and develop potential project and cost particulars to be evaluated with city residents before being placed on a referendum.

8. Design and Build the Woodinville Community Center

Woodinville should seek funding from all available sources, including exploring the possibility of using councilmanic bonds to complete the design and construction of the planed Community Center to meet a long standing need for the facility in the Town Center.

2005-2011 Park Level of Service and Needs Assessment

PARK TYPES	Existing Acres	2004 Existing		2010 Planned Level of Service	2010 Unit Needs***
		Level of Service*	NRPA Standard**		
Neighborhood Parks	2.64	0.26 AC./1000 pop.	1 AC./1000 pop. 1/4 - 1/2 mile	1.0 AC./1000 pop. 1/4-1/2 mile radius	9.13 AC.
Community Parks	14.36	1.41 AC./1000 pop.	5 AC./1000 1-3 miles	3.0 AC./1000 pop. 2 mile radius	20.95 AC.
Resource Parks/Open Space	75.86	7.47 AC./1000 pop.	NONE	5.0 AC./1000 pop. As needed	17.0 AC. Surplus
Special Use Parks	5.26	.052 AC./1000 pop	NONE	N/A	N/A
Trails (off road)	1.78	0.18 MI./1000 pop	0.45 miles/ 1000 pop 11 acres	0.45 MI./1000 pop	3.5 MI.
Total Parks	98.2 acres	9.66AC./1000 pop.	N/A	9.0 AC./1000 pop.	30.08 AC.

* Based on 2004 population of 10,153

** National Recreation and Park Association

*** Based on 2010 projected population of 11,772 (Use PLOS x Population (POP.) = existing facilities needs)

2010 Park Activity Needs

ACTIVITY	2004 Unit Total	2004 LOS	2010 City Standard	2010 Total PLOS Needs	2010 Unit Needs	Planned Service Area	Recreation Activity Needs by Neighborhood
Playgrounds	4	0.4	0.6	7.08	3+	¼ - ½ mi	WW, EW, U, L, TC, R, W
Outdoor Basketball	1.5	0.15	0.2	2.36	2	1.0 mi	U, R, WH, W, TC
Outdoor Volleyball	0	0	0.2	2.36	2+	1.0 mi	U, R, WH, W, TC
Tennis Courts	1	0.1	0.5	5.9	5	½ mi	L, U, TC, W, R, EW,
Soccer/Football	1	0.1	0.32	3.78	3	1.0 mi	WW, EW, R, W, U, L
Baseball (250')	1	0.1	0.28	3.3	2	2.0 mi	WW, WE, R
Softball (200')	3	0.3	0.25	2.95	0	1.0 mi	WW, WE, W, U, L, R
Picnic Tables	27	2.65	1.77	20.89	0	¼ mi	L, U, T, TC, W, R, EW, WW, WH
Swimming Pools	0	0	540.82	6,372*	1	3.0 mi	City
Walking Trails	2.19	0.14	0.15 mi 1 Ac	2.94	0.75	N/A	All Neighborhoods
Bike Trails	1.18	0.06	0.30 mi 1 Ac	3.58 mi	2.34	N/A	All Neighborhoods
Biking On Roads	1.91	0.19	0.25	2.94 mi	1.03	N/A	All Neighborhoods

*Based on LOS/1000 not radius method

2004 Population – 10,153 / 2010 Projection – 11,772

**L – Lower West Ridge, U – Upper West Ridge, T – Tourist District, V – Valley Industrial, TC – Town Center, N – North Industrial, W – Wedge, R – Reinwood/Leota, EW – East Wellington, WW – West Wellington, WH – Woodinville Heights

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Land Use Data Related to Vacant and Redevelopable Lands

VACANT AND REDEVELOPABLE LAND USE DATA

2002 Comprehensive Plan			December 2002				
Table A3-2 2001 Residential Carrying Capacity Under Existing Comprehensive Plan/Zoning Code							
			City Method 1		Buildable Lands Method 2		
	Acres	Acres	X	Min. Density Factor	Housing Unit Capacity	Assumed Future Density	Housing Unit Capacity
Low Density Residential							
R-1 Vacant Gross Acres		114.83					
Critical Areas	(10.62)						
15% Rights-of-Way	(15.63)						
5% Public Purposes	(5.21)						
Total Reductions		(31.46)					
Net Acres		83.37					
15% Market Factor		(12.51)					
Adjusted Net Acres		<u>70.86</u>		1.0	71	0.97	68
R-1 Redevelopable Gross Acres							
Critical Areas	(18.92)	245.40					
10% Rights-of-Way	(22.65)						
5% Public Purpose	(11.32)						
Total Deductions		(52.89)					
Net Acres		192.51					
20% Market Factor		(38.50)					
Adjusted Net Acres		<u>154.01</u>		1.0	154	0.97	90
R-4 Vacant Gross Acres							
Critical Areas	(54.02)	128.93					
15% Rights-of-Way	(11.24)						
5% Public Purposes	(3.75)						
Total Deductions		(69.01)					
Net Acres		59.93					
15% Market Factor		(8.99)					
Adjusted Net Acres		<u>50.94</u>		3.0	153	5.40	275
R-4 Redevelopable Gross Acres							
Critical Areas	(16.79)	82.96					
10% Rights-of-Way	(6.62)						
5% Public Purposes	(3.31)						
Total Deductions		(26.72)					
Net Acres		56.24					
20% Market Factor		(11.25)					
Adjusted Net Acres		<u>44.99</u>		3.0	135	5.40	222
TOTAL NET ACRES		320.80					
TOTAL DWELLING UNIT CAPACITY LOW DENSITY RESIDENTIAL					513		655
Moderate Density Residential							
R-6 Vacant Gross Acres		16.26					
Critical Areas	(12.47)						
15% Rights-of-Way	(0.57)						
5% Public Purposes	(0.19)						
Total Decuctions		(13.23)					
Net Acres		3.03					
15% Market Factor		(0.45)					
Adjusted Net Acres		<u>2.58</u>		4.5	11.61	6.84	17
R-6 Redevelopable Gross Acres							
Critical Areas	(22.34)	159.47					
10% Rights-of-Way	(13.71)						
5% Public Purposes	(6.86)						
Total Deductions		(42.91)					
Net Acres		116.56					
20% Market Factor		(23.31)					
Adjusted Net Acres		<u>93.25</u>		4.5	420	6.84	581
December 2002							Appendix 3, page 5

Vacant and Redevelopable Land Use Data

2002 Comprehensive Plan				December 2002			
	Acres	Acres	X	City Method 1 Min. Density Factor	Housing Unit Capacity	Buildable Lands Method 2 Assumed Future Density	Housing Unit Capacity
R-8 Vacant Gross Acres (Greenbrier Development)		21.68					
Critical Areas	(6.02)						
15% Rights-of-Way	(0.96)						
5% Public Purposed	0.00						
Total Deductions		(6.98)					
Net Acres		14.70					
15% Market Factor		(2.21)					
Adjusted Net Acres		12.49		6.8	85		170
TOTAL NET ACRES		108.32					
TOTAL DWELLING UNITS CAPACITY MODERATE DENSITY RESIDENTIAL					517		768
High Density Residential							
R-24 Redevelopable Gross Acres		0.68					
Critical Areas	(0.33)						
10% Rights-of-Way	(0.04)						
5% Public Purposes	(0.02)						
Total Deductions		(0.39)					
Net Acres		0.29					
20% Market Factor		(0.06)					
Adjusted Net Acres		0.23		16.8	4	20.00	4
R-48/O Vacant Gross Acres		24.14					
Critical Areas	(6.10)						
15% Rights-of-Way	(2.71)						
5% Public Purposes	(0.90)						
Total Deductions		(9.71)					
Net Acres		14.43					
15% Market Factor		(2.16)					
Adjusted Net Acres		12.27		31.2	383	42.36	520
TOTAL NET ACRES		12.50					
TOTAL DWELLING CAPACITY HIGH DENSITY RESIDENTIAL					387		524
TOTAL RESIDENTIAL NET ACRES		441.62					
TOTAL RESIDENTIAL CARRYING CAPACITY					1417		1947
Remaining GMA Allocation					1149		1149
Net Surplus					268		798

1. Assumes a minimum required number of units per acre per zone based on Woodinville Municipal Code Title 21.12.030.
 2. Assumes future densities based on actual past development densities (See Table A3-3 for additional information)

Table A3-4 2001 Supply of Developable Non-Residential Land in the City of Woodinville

	CBD	COMMERCIAL		INDUSTRIAL		
		GB	NB	I		
Vacant Land						
Gross Acres	1.97	21.23	5.94	33.26		
- Critical Areas	(0.47)	(6.09)	(1.33)	(4.87)		
- 10% Rights-of-Way	(0.15)	(1.51)	(0.46)	(2.84)		
- 5% Public Purposes	(0.08)	(0.76)	(0.23)	(1.42)		
Total Deductions	(0.70)	(8.36)	(2.02)	(9.13)		
Net Reduction	1.27	12.87	3.92	24.13		
- 15% Market Factor	(0.19)	(1.93)	(0.59)	(3.62)		
Net Vacant Acres	1.08	10.94	3.33	20.51		
		15.35		20.51		
Total Vacant Non-Residential Land		35.86				
Redevelopable Land						
Gross Acres	44.91	31.85	19.13	77.51		
- Critical Areas	(4.10)	(5.61)	(0.00)	(9.29)		
- 10% Rights-of-Way	(4.08)	(2.62)	(1.91)	(6.82)		
- 5% Public Purposes	(2.04)	(1.32)	(0.96)	(3.41)		
Total Deductions	(10.22)	(9.55)	(2.87)	(19.52)		
Net Reduction	34.69	22.30	16.26	57.99		
- 20% Market Factor	(6.94)	(4.46)	(3.25)	(11.60)		
Net Redevelopable Acres	27.75	17.84	13.01	46.39		
		58.60		46.39		
Total Redevelopable Non-Residential Land		104.99				
NON-RESIDENTIAL DEVELOPABLE ACRES		COMMERCIAL		INDUSTRIAL		
		73.95		66.90		
Total Supply		140.85				

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Situation Assessment

WOODINVILLE ECONOMIC DEVELOPMENT ACTION PLAN

SITUATION ASSESSMENT

June 30, 2005

Existing and Emerging Strengths	Challenges and Needs
Geographic location and rural feel	
Strong sense of community; well-educated & affluent populace	
Robust, diverse economy	
Strong retail and industrial sectors concentrated in distinct neighborhoods	Attract desirable businesses
Strong small and professional business sector	Diversify retail for residents and tourists Affordable/workforce housing
Downtown opportunities	Higher density housing, multifamily housing High-quality development, attractive environment Pedestrian orientation with north/south grid streets
Tourism	
Wineries	Promote of Woodinville as a tourist destination
Sammamish River Trail, Tolt Trail	Stronger connections between Downtown and Tourist District (transportation, ambience, retail/restaurants)
Fine dining and lodging	Diversify dining and lodging options
Agritourism	
Molbak's and other nurseries	

Situation Assessment

Farmers Market: 2.1 Acres Project

Garden Walk/Heritage Garden

Image and Identity

Woodinville = 1) wine; 2) gardens

Image that promotes wineries, agritourism, business, residence

Vision and plan for the City's future

Diversify and strengthen City revenues

Infrastructure investments

Transportation infrastructure through town, in town, for vehicular and non-vehicular travel

Parks

Wireless network

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

KEY FINDINGS AND POTENTIAL STRATEGIES

**WOODINVILLE ECONOMIC DEVELOPMENT ACTION PLAN
KEY ISSUES AND POTENTIAL STRATEGIES**

Revised July 6, 2005

The following outcomes and strategies are offered as a sampling of choices the Task Force can make. They are not meant to presuppose the priorities or preferences for the Task Force, but to provide material to work from. Some of these ideas may be incorporated in the final Plan, others will not.

The ideas presented below represent different degrees of aggressiveness, resulting in duplication among Potential Strategies. Implementation of one Strategy may make implementation of another unnecessary. Some of the Potential Strategies may even be contradictory, indicating different directions the Task Force could take.

Potential Desired Outcomes	Potential Strategies
Encourage a robust and diverse mix of businesses	
Establish a proactive business attraction effort	<ul style="list-style-type: none"> - Target business attraction efforts to a limited number of uses or sectors, including general office (finance, insurance), high-tech, and biotech. - Develop material which promotes City's attributes attractive to business - Dedicate staff time to business attraction and business retention efforts - Target mid-sized businesses or national firms which will have a strong local presence - Target business headquarters - Target businesses which will benefit the City's tax revenues, particularly large scale retail - Target anchor tenants which will create positive ripple effects

Key Findings and Potential Strategies

Potential Desired Outcomes

- Retain and encourage the expansion of existing businesses
- Connect businesses and developers with vacancies
- Ensure balanced and sustainable growth

Potential Strategies

- Create a regular forum for businesses to give input to the City; respond by addressing business concerns
- Create incentives for expansion by existing businesses
- Maintain an inventory of available or redevelopable properties
- Catalog current and future property needs of existing businesses and desired new businesses
- Consider environmental impacts of development alternatives
- Require high-quality development

Be Development- and Business-Friendly

Support a development- and business-friendly culture at the City

- Establish economic development as a central or overarching City priority
- Establish a customer service orientation; conduct a customer satisfaction survey
- Analyze existing incentives and regulations to understand their net impact on development and to ensure expectations of developers are clear
- Streamline the permit and development review process
- Approve contractors that developers can hire to expedite process
- Coordinate and align water district, fire district and City policies and priorities

Create a unique and focused Downtown

Key Findings and Potential Strategies

Potential Desired Outcomes

Create a dense, pedestrian-oriented Downtown with mixed-use development

- Encourage adoption of the Downtown Little Bear Creek Corridor Master Plan OR Encourage adoption of portions of the Downtown Little Bear Creek Corridor Master Plan
- Encourage dense, mixed-use development in the Downtown area with high residential capacity
- Develop north/south grid streets to facilitate traffic flow and create a pedestrian scale Downtown
- Utilize art and arts events to invite people out of their cars
- Encourage a range of housing styles and prices in Downtown
 - OR Discourage the placement of affordable housing in Downtown
- Allow height limits that support structured parking in the Downtown
- Pursue public/private parking solutions for Downtown
- Acquire available properties and make them available for desired development

Maintain high standards for new development

- Require cohesion through common Northwest Woodland character design elements

Integrate Downtown with other areas

- Create motorized and non-motorized connections between Downtown, the neighborhoods, and the Tourist District
- Enhance signage

Grow and benefit from the City's tourism sector

Key Findings and Potential Strategies

Potential Desired Outcomes

Potential Strategies

Grow the existing tourism industry	<ul style="list-style-type: none">- Focus on three tourism draws areas: wine, agritourism, and food- Enhance lodging options and promote the City as an overnight destination- Promote the City as a regional destination, partnering with Seattle and Bellevue hotels- Coordinate with Eastside cities to promote the sub-region as a destination- Partner with the Farmers Market and Garden Walk/Heritage Garden to promote agritourism options and create connections to Downtown- Encourage mid-level lodging and dining options- Connect the Sammamish River Trail to Downtown, encouraging trail users to visit Downtown
Connect wine tourism, agritourism, and active recreation to Downtown	<ul style="list-style-type: none">- Physically connect the Tourist District and Downtown with motorized and non-motorized options- Operate a trolley or shuttle to transport visitors within town- Enhance signs to draw trail users to Downtown- Conduct market analysis of tourists and attract retail and restaurants in this niche

Maximize the potential of specific geographic areas of focus

Maximize benefits from the Tourism District	<ul style="list-style-type: none">- Extend the tourism overlay- Promote the establishment of wineries on the hillside
Pursue strategic annexations	<ul style="list-style-type: none">- Pursue annexation of Grace to provide opportunities for commercial development and to maintain availability of lower rent space
Concentrate – or diffuse – large scale development	<ul style="list-style-type: none">- Concentrate large scale development (big box retail) in the Little Bear Creak Corridor and Grace Annexation Area- Promote mixed-use development in the north, diversifying uses of this area

Make strategic investments in infrastructure

Key Findings and Potential Strategies

Potential Desired Outcomes

- Ease transportation difficulties
 - Establish Downtown grid roads
 - Facilitate pass-through traffic through investments routing traffic around town
 - Promote public transit options
 - Institute a transportation impact fee for road improvements
 - Evaluate opportunities for a transportation bond measure
- Expand the City's network of parks, open spaces and trails
 - Prioritize parks and open spaces in future Capital Improvement Plans
 - Evaluate opportunities for a parks bond measure
 - Pursue locating a regional pool in Woodinville
- Establish a wireless network Downtown
 - Evaluate the benefits and costs of a wireless network in Downtown

Potential Strategies

Promote the City's image & identity

- Refine and enhance the existing Woodinville brand
 - Engage a branding firm to develop a compelling and consistent brand for the City
 - Create a cohesive brand that represents the City's wine tourism, agritourism, businesses, and residential qualities

Invest in workforce development activities

- Enhance the capabilities of the Woodinville workforce
 - Partner with local educational institutions to do workforce training
 - Survey local businesses to determine workforce needs
- Ensure the availability of affordable housing
 - Create incentives for the development of affordable housing
 - Market the City to developers who specialize in affordable housing

Encourage entrepreneurship and small business success

Key Findings and Potential Strategies

Potential Desired Outcomes

Support small and professional businesses

- Preserve lower cost incubator space through zoning and incentives
- Partner with the Chamber and local educational institutions to provide business support programs
- Be a supportive partner in the development of a UW entrepreneurship center
- Provide low interest loans to small businesses
- Promote the City's small and professional businesses
- Assess impacts of the City's sign ordinances on small businesses
- Create a business assistance center for small businesses
- Allow warehouse businesses to do more retail (now limited to 10% of space)

Potential Strategies

Support minority-owned businesses

- Assess difficulties facing minority-owned businesses, including language barriers and access to City services

Create stable, sustainable City finances

- Consider fiscal impacts to the City and sales tax streamlining implications when considering business attraction and business retention efforts
- Consider City operating costs of plans before adoption
- Enhance City revenues by allowing retail development in industrially zoned areas
- More information is forthcoming.

Consider adjusting taxes and fees

Enhance and draw on community resources

Promote the arts community

- Hold arts events
- Place art in public spaces

Key Findings and Potential Strategies

Potential Desired Outcomes

Promote neighborhood cohesiveness

- Work with neighborhood groups to understand their priorities
- Provide neighborhood grants ala Bellevue or Seattle
- Hold city-wide events
- Hold neighborhood events
- Use signs to enhance neighborhood identity

Business members

- Engage the business community in civic duties, creating a culture of business participation

Participate in regional and sub-regional efforts

Partner with neighboring cities

- Develop an Eastside sub-regional economic development plan, including coordinated promotion of tourism
- Share economic development staff with neighboring cities
- Partner with neighboring cities to address transportation issues
- Be a champion for a Renton/Monroe light rail line, with a hub in Woodinville

**WOODINVILLE ECONOMIC DEVELOPMENT
STRATEGIC ACTION PLAN**

Key Findings and Corollary Strategic Themes

Woodinville Economic Development Action Plan

Key Findings and Corollary Strategic Themes

Updated July 27, 2005

The following Key Findings are derived from the Economic Profile, Stakeholder Summary, Quality of Life Issues summary, and North King County Survey documents. References to the Key Issues & Potential Strategies document in the Corollary Strategic Themes column point to more detailed discussion of these strategies in this other document.

Key Findings	Corollary Strategic Themes	References
<p>1. Population and Demographics</p> <ul style="list-style-type: none"> - Projected low to moderate population growth within City limits, with more substantial growth in immediate vicinity north, northwest, east and southeast - The City lies within a high growth area of the region - Population growth in the area will continue to provide nearby labor and retail markets - Growth in surrounding areas will impact traffic conditions 	<ul style="list-style-type: none"> - Provide zoning and public policies to accommodate growth within City commensurate with regional growth - Improve and maintain traffic access into and out of the City 	<p>EconProfile Ex. 4-5</p>
<p>2.</p> <ul style="list-style-type: none"> - Overall foreign born and minority race populations are similar to North King County - Foreign born total is increasing: from 6% to 11% of total population from 1990 to 2000 - Greatest concentrations are Asian and South/Central Americans or Latinos 	<ul style="list-style-type: none"> - Evaluate business outreach and support efforts targeted at Asian- and Latino-owned businesses - Make City materials available in translation - Celebrate diversity of the area through City-sponsored events 	<p>EconProfile Ex. 6-9</p>

Key Findings and Corollary Strategic Themes

Key Findings	Corollary Strategic Themes	References
<p>3.</p> <ul style="list-style-type: none"> - Woodinville is seen as a desirable place to live, with a high quality of life, an attractive natural setting and good schools - Strong family presence with a relatively high concentration of teenagers & children; large population under 5 years of age 	<ul style="list-style-type: none"> - Be family-friendly - Market Woodinville as attractive for families - Focus on household needs 	<p>EconProfile Ex. 10-12</p> <p>Stakeholder p. 3-4</p> <p>Quality of Life p. 1</p> <p>N. King County Vol 1, p. 19</p>
<p>4. Income</p>	<ul style="list-style-type: none"> - Higher median income than all neighbors and the region - Because of high number of families with children, income per capita is lower than many neighbors and peers - Low percentage of households in low-income brackets 	<p>EconProfile Ex. 13-15</p> <p>Stakeholder p. 6, 14</p>
<p>5. Housing</p>	<ul style="list-style-type: none"> - Relative lower share of multifamily housing as a percentage of all housing units - High share of multifamily housing is owner-occupied - The high-end condominium market is underserved 	<p>EconProfile Ex. 16-18</p> <p>Stakeholder p. 9</p>

Key Findings and Corollary Strategic Themes

Key Findings	Corollary Strategic Themes	References
<p>6. Employment and Business Mix</p> <ul style="list-style-type: none"> - Employment base is “right sized” for the City’s population - Approximately twice as many workers commute to Woodinville to work as commute from Woodinville to work elsewhere - Of those commuting to Woodinville, 45% from immediate area around Woodinville and south Snohomish County - Woodinville residents work in Woodinville (29%), the Eastside (28%) and Downtown Seattle (14%) 	<ul style="list-style-type: none"> - Increase housing options for residents, including multifamily rental and owner-occupied stock - Improve transit links between Woodinville and Snohomish County, the Eastside and Downtown Seattle 	<p>EconProfile Ex. 19-23</p>
<p>7.</p> <ul style="list-style-type: none"> - 84% of leaders of local employers live in area - Stakeholders feel business owners are untapped community resource 	<ul style="list-style-type: none"> - Implement outreach strategy to deepen relationship between City and businesses - Leverage local businesses as strategic partners - Recognize business contributions/leaders 	<p>N. King County Vol 1, p. 9 Stakeholder p. 9</p>

Key Findings and Corollary Strategic Themes

Key Findings	Corollary Strategic Themes	References
<p>8.</p> <ul style="list-style-type: none"> - Employment base is well-balanced; many services are available locally - Employment strengths are retail, construction and manufacturing - Services are strong in accommodations and food service - Niche retail, family-oriented dining and additional lodging options are desired - City government rated not as high in business retention/expansion and competitive taxes, rules and regulations - Stakeholders appreciate City staff and service, desire more support - A comparatively high percentage of Woodinville businesses are considering a move out of N. King County - 80% of residents polled rated their satisfaction with City serves between 5 and 8 on a 10-point scale 	<ul style="list-style-type: none"> - Target economic growth that attracts businesses and fosters entrepreneurial activity in financial sectors, high-tech, biotech, corporate headquarters - Target office development - Target service sub-sectors other than food service - Target niche retail, family-oriented dining and mid-range lodging options - Target anchor tenants for multi-tenant commercial development - Dedicate staff resources to business attraction and retention efforts; develop marketing materials and consistent messages - Incent expansion of existing businesses - Connect businesses/developers with vacancies - Encourage a development- and business-friendly culture at the City 	<p>EconProfile Ex. 24-27</p> <p>Stakeholder p. 4,11-12,14-15</p> <p>N. King County Vol 1, p. 20</p> <p>Vol 1, p. 48</p> <p>Quality of Life p. 2</p>
<p>9.</p> <ul style="list-style-type: none"> - Woodinville retailers capture 3.5 times as many sales as would be expected based on population and income - Building materials, apparel, home furnishings, general merchandise, and restaurants/bars are strong - Auto-oriented sales are relatively weak 	<ul style="list-style-type: none"> - Maintain Woodinville's strong regional retail position <ul style="list-style-type: none"> o Improve access to retailers through traffic circulation improvements and parking strategies - Foster growth of high-end, boutique retail in Tourism District and in new development Downtown - Attract auto sales establishments to northern corridors 	<p>EconProfile Ex. 35-36</p>

Key Findings and Corollary Strategic Themes

Key Findings	Corollary Strategic Themes	References
<p>10.</p> <ul style="list-style-type: none"> - 85% of businesses have 25 or fewer employees, constituting 36% of employment base – more than the regional average and comparable cities - Jobs are distributed evenly across establishments of different sizes 	<ul style="list-style-type: none"> - Preserve the vibrant small to mid-sized business environment - Support small and professional businesses (Key Issues & Potential Strategies p. 4) 	<p>EconProfile Ex. 28-29 Stakeholder p. 15</p>
<p>11.</p> <ul style="list-style-type: none"> - Population growth in Woodinville’s trade capture area will create demand for 350-500,000 sqft. of retail development by 2025 	<ul style="list-style-type: none"> - Be proscriptive in type and character of retail development 	<p>EconProfile Ex. 37-39 Stakeholder p. 22</p>
<p>12.</p> <ul style="list-style-type: none"> - Employment is concentrated in two industrial areas and Town Center - Distinct business types are concentrated and separated 	<ul style="list-style-type: none"> - Concentrate large-scale retail in North Industrial - Consider allowing retail in some areas zoned industrial, given fiscal realities of sales tax streamlining - Support heavier industrial and distribution businesses by managing traffic impacts and access for commercial vehicles - Cultivate distinct but synergistic neighborhood identities – vibrant downtown, tourist district, industrial/large-scale retail - Improve transportation links between these neighborhoods 	<p>EconProfile Ex. 31-32</p>
<p>13. Land Use</p>	<ul style="list-style-type: none"> - Vacant land is zoned for low-density residential (72%) and industrial (14%). There is little vacant land for high-density residential, mixed use commercial and tourist business uses. - Consider annexations to increase availability of commercial land - Explore opportunities with redevelopable land and denser development - Evaluate zoning changes consistent with long-range city goals and vision 	<p>EconProfile Ex. 40-41</p>

Key Findings and Corollary Strategic Themes

Key Findings	Corollary Strategic Themes	References
<p>14. Downtown</p> <ul style="list-style-type: none"> - Strong stakeholder support for Downtown Vision - Residents view 76% of residents polled rated Downtown infrastructure investments as 6 or higher on 1-10 scale of importance - Only 50% of polled residents support more than 5 stories and greater residential density Downtown 	<ul style="list-style-type: none"> - Create a dense, pedestrian-oriented Downtown with mixed-use development - Maintain high standards for new development (Key Issues & Potential Strategies p. 2) 	<p>Stakeholder p. 2,5,19-21 Quality of Life p. 2</p>
<p>15. Infrastructure</p> <ul style="list-style-type: none"> - Stakeholders desire infrastructure investments in transportation and parks/recreation; divided about desirability of wireless communications - The City's parks and recreation offerings are currently below population-based standards - 80%+ of employers stated internet access limitations do not currently limit ability to do business 	<ul style="list-style-type: none"> - East transportation difficulties (Key Issues & Potential Strategies p. 3) - Expand the City's network of parks, open spaces and trails (Key Issues & Potential Strategies p. 3) by supporting the Parks and Open Space Plan - Evaluate benefits/costs of wireless infrastructure 	<p>Stakeholder p. 5, 17-19 Quality of Life p. 3 N. King County Woodinville verbatims</p>
<p>16. Workforce Development</p> <ul style="list-style-type: none"> - Fewer Woodinville employers surveyed reported using higher education services for working training than in other N. King County cities - Low percentage of Woodinville employers felt colleges in N. King County provide adequate quality and amount of training for their workforce 	<ul style="list-style-type: none"> - Evaluate business workforce needs - Promote workforce development opportunities offered by partner institutions 	<p>N. King County Vol 1, p. 47</p>

Key Findings and Corollary Strategic Themes

Key Findings	Corollary Strategic Themes	References
<p>17. City Finances</p> <ul style="list-style-type: none"> - Stakeholders are concerned about City finances, particular in light of pending sales tax streamlining - Approximately \$1 million of approximately \$5 million sales tax revenues anticipated to be lost under sales tax streamlining 	<ul style="list-style-type: none"> - Attract large-scale retail and other fiscally beneficial uses under sales tax streamlining - Consider allowing greater retail use in industrial zones - Consider adjusting taxes and fees 	<p>Stakeholder p. 7</p>
<p>18. Tourism</p> <ul style="list-style-type: none"> - Stakeholders see great opportunities in interregional tourism related to wineries, agritourism and active recreation - Highest score in North King County Survey: “appeal of the city as a place to visit” 	<ul style="list-style-type: none"> - Grow the existing tourism industry - Connect wine tourism, agritourism and active recreation to Downtown (Key Issues & Potential Strategies p. 3) - Extend the Tourism Overlay to increase land available for tourist business uses 	<p>Stakeholder p. 8, 12-14 N. King County Vol 1, p. 19</p>
<p>19. Image and Identity</p> <ul style="list-style-type: none"> - Stakeholders see need for cohesive image and identity that supports tourism, business and livability 	<ul style="list-style-type: none"> - Refine and enhance the existing Woodinville brand (Key Issues & Potential Strategies p. 4) 	<p>Stakeholder p. 13</p>