



**Land Use & Economic
Development
Committee Agenda**
Mukilteo City Hall - 11930 Cyrus
Way
February 2, 2022
5:30 PM - 7:00 PM
Zoom Virtual Meeting

Join Zoom Meeting

<https://us02web.zoom.us/j/84006796607?pwd=MDIyQj9HQmRNMzF6eDFhVmMyMGR3Zz09>

By Phone

1 253 215-8782 US (Tacoma)
1 669 900-9128 US (San Jose)

Meeting ID: 840 0679 6607
Passcode: 066151

CALL TO ORDER - 5:30 PM

Meeting Objectives:

1. Economic Recovery
2. LU&ED 2021 Committee Discussions - Summary

ADJOURNMENT - 7:00 PM

Next Meeting Date: *To be determined pending council committee assignments*

- For accessibility information and for accommodation requests, please call the ADA Coordinator at (425) 263-8005 (or TRS (800) 833-6384 or dial 711), or visit

<https://mukilteowa.gov/departments/executive/ada-program/>

LAND USE & ECONOMIC DEVELOPMENT COMMITTEE AGENDA REPORT

SUBJECT TITLE: LU&ED 2021 Committee Discussion Items - Summary	FOR AGENDA OF: February 2, 2022
Contact Staff: David Osaki, Community Development Director	EXHIBITS: None.
Department Director: David Osaki	

SUMMARY

The February 14, 2022 City Council Agenda includes City Council committee assignments, which means there may or may not be a different composition of Land Use & Economic Development (LU&ED) Committee members in 2022. At a minimum, though, a new LU&ED committee member would be needed to take the place of Mayor Marine.

The following summarizes certain items that the LU&ED Committee discussed in 2021. Its purpose is to recap for the 2021 LU&ED Committee what transpired, but also to inform the 2022 LU&ED Committee of what was discussed in 2021.

BACKGROUND

The three-member Land Use & Economic Development (LU&ED) Committee is, along with the Finance/IT, Infrastructure and Public Safety committees, one of four City Council committees.

The City Council Extended Agenda has City Council committee assignments to take place February 14, 2022. To assist the incoming 2022 LU&ED Committee, the following summarizes certain 2021 LU&ED Committee work. Should current 2021 LU&ED Committee members wish to elaborate on any topic for the incoming 2022 LU&ED Committee, then those comments will be included in the February 2, 2022 LU&ED Committee meeting notes.

- The 2021 LU&ED Committee met 12 times from January 2021 to December 2021.
- The 2021 LU&ED Committee membership initially included Council Vice President Kneller and councilmembers Champion and Marine. This group of LU&ED Committee members met once, in January 2021. This meeting was a carryover of the LU&ED's 2020 Committee membership until new 2021 City Council committee assignments were made.
- The City Council's 2021 LU&ED Committee assignments made in January 2021 included Councilmembers Marine, Harris and Emery.

- **Economic Recovery.** As was the case with the 2020 LU&ED Committee, Economic Recovery continued to be a 2021 LU&ED Committee priority due to the pandemic. The 2021 LU&ED Committee continued to make Economic Recovery a standing agenda item to better understand the business community's pandemic related issues and needs, and to identify opportunities for City support.

As was also the case in 2020, Kandace Barnes, Mukilteo Chamber of Commerce President and CEO, had an ongoing standing invitation to attend 2021 LU&ED Committee meetings and provide information about what is taking place in the business community.

Among items mentioned by Chamber of Commerce President and CEO Barnes during 2021 included, but were not limited to:

- A Chamber of Commerce ("Chamber") strategic planning effort took place at the very end of 2020. The strategic planning effort addressed topics such as what services the Chamber can provide and ways the Chamber could more effectively partner with the City to support business resiliency.
 - Discussion of how the Chamber and City might partner to effectively meet the needs of potential and existing businesses.
 - The Chamber of Commerce distribution of Personal Protective Equipment (PPE) packets.
 - Early in 2021, concerns of the business community included being able to sustain itself given capacity/occupancy limitations. Unemployment tax rates was also mentioned as a business community concern at that time.
 - Impact of the labor shortage on the business community's ability to find workers. For Mukilteo, an example was cited of a business that cannot stay open at all times that it normally might because it cannot find sufficient employees.
- **EASC Garry Clark Presentation.** The LU&ED Committee heard a presentation from new Economic Alliance Snohomish County (EASC) President and CEO Garry Clark. Mr. Clark discussed items such as:
 - How the EASC wants to listen to communities.
 - The importance of planning in economic development. The plan needs to recognize people, infrastructure and advance our talent.
 - Transportation, housing and infrastructure are key components to economic development planning, as is diversity, equity and inclusiveness (DEI).

- Mukilteo and Snohomish County’s beauty. Mr. Clark recognizes tourism is one of our largest industries. Other cities do not share the amenities and natural features Mukilteo has. Mukilteo should build this up.
- **EASC Outreach.** Separate from Mr. Clark’s presentation above, the LU&ED Committee was informed of an EASC outreach effort to local jurisdictions. The purpose of the outreach was to better understand each local jurisdictions important economic development initiatives, opportunities, and challenges. The LU&ED Committee mentioned the following economic development issues for staff to pass on to the EASC:
 - Making Mukilteo distinctive and compatible with regional marketing.
 - Developing the job base to take advantage of engineering expertise in the area and explore other industries such as biotech and artificial intelligence.
 - Green focused businesses given that there is a greater need for reduced emissions.
- **American Rescue Plan Act (ARPA) Funding.** The LU&ED discussed ARPA funds and expressed interest in using ARPA funds to develop a strong economic development vision for the future and put it into action. A local currency program - creation of a local form of currency that is used and accepted within a community to support locally-owned businesses within a geographically defined market - was also discussed.
- **2021 Comprehensive Plan Amendment/Code Amendment Docket.** As follow up to a City Council discussion, the LU&ED Committee discussed the 2021 Comprehensive Plan Amendment/Code Amendment docket. The discussion focused on two docket items the City Council expressed interest in including:
 - Increased acknowledgment of Indigenous Peoples and respect for their longstanding and sacred relationship with traditional territories; and,
 - Climate change narrative and/or policies.
- **Regional Climate Action Planning.** In response to a request by Councilmember Emery, the LU&ED Committee discussed the Thurston Regional Planning Council (“TRPC”) 2018 Climate Adaptation Plan. The TRPC 2018 Climate Adaptation Plan was presented by Councilmember Emery as an example of how to deal with climate change on a regional level to address important regional issues that a city climate action plans might not.

Examples of regional climate action issues include, but were not limited to, drought, wildfires, flooding, changes in precipitation and how that affects aquifers and wells, and regional alternatives to reduce fossil fuels.

Councilmember Emery expressed interest in seeing how feasible it might be to prepare a regional climate action plan in Snohomish County.

- **Development Activity Update.** The LU&ED Committee was briefed twice during 2021 on development projects taking place in the City: once in June 2021 and again in November 2021. These briefings were provided in response to LU&ED Committee interest in this topic expressed earlier in the year.

The LU&ED Committee was told that information about complete submitted development applications is available on the City of Mukilteo website.

- **Sector 3 Development Agreement (Harbour Pointe Townhomes).** The LU&ED Committee was briefed on a request to amend the 2007 Sector 3 Development Agreement (“Development Agreement”) for properties generally located along Harbour Place and Mukilteo Speedway. The Sector 3 Development Agreement “Vision” was to create a “Mukilteo Town Square” anchored by a major tenant such as a grocery store along with other retailers and services (e.g. service station) typically found in a neighborhood shopping center.

A formal amendment proposal and informal inquiries with/from developers/property owners for the three remaining vacant parcels in the Sector 3 Development Agreement area have been received by the City including:

- A submitted development agreement amendment application to allow a proposed townhome development on the vacant lot south of the Montessori School; and,
- Inquiries about developing either a hotel or senior/retirement housing on a vacant lot south of the Staybridge Suites Hotel (no formal application submitted).

The proposals identified above require major amendments to the existing Development Agreement, or termination of the existing Development Agreement and approval of a new development agreement.

The LU&ED Committee expressed a desire to achieve the 2007 Development Agreement Vision, but also discussed why the three remaining vacant lots have not developed over time consistent with the Vision.

- **Public Noticing.** The LU&ED Committee discussed public noticing for land use projects. This discussion was follow up to a City Council code amendment public hearing related to expanding the minimum mailed notification area for land use permits. That code amendment did not pass.

The LU&ED Committee identified the following projects/criteria for expanded mailing notice:

- Essential Public Facilities. e.g. Multimodal Ferry Terminal project, Wastewater Treatment Plant Expansion, Sound Transit Commuter Rail Station
- Project Size. Large industrial development by acreage and/or by building size
- Peak PM Trip Generation. e.g. Commercial parking lot, Commercial day care, New street segments (Harbour Reach Corridor)
- Non-Residential Uses (Industrial, commercial, and public) within/adjacent to Residential Area, including if project access/traffic occurs along a transitional street or into/through a residential area e.g. transition area along 44th Ave W, Hawthorne Hall
- Special Projects. e.g. Major Comprehensive Plan Update, new subarea plans
- Other proposed development projects not specifically identified above as determined by the Department Director to warrant an additional mailing notice radius

The LU&ED Committee’s discussion also included:

- The expanded public notice mailing radius could go up to, but not exceed, 1,000 feet.
 - The specific mailing radius distance would be determined by staff and based on factors such as the surrounding development pattern (that would determine the how many properties might receive notice) and characteristics of the proposal (e.g. traffic pattern).
 - The increased public notice mailing radius would be implemented using guidance provided in the list above rather than by a code amendment.
 - Full implementation of the notice procedure will occur when Permit Services staffing returns to full levels
- **Lighthouse Park Conversion.** The LU&ED Committee discussed the Washington State Recreation and Conservation Office (“RCO”) requirement that projects built with State RCO funding be maintained for public use. However, the RCO does allow for “conversion” of grant funded projects if the project sponsor provides for adequate substitution or replacement of the converted property and meets other requirements.

“Conversion” was explored by the City in 2014 for certain Lighthouse Park sidewalk space next to Diamond Knot to allow that area to be leased to Diamond Knot for outdoor seating. Pursuit of that conversion did not occur due to costs for Diamond Knot to implement the conversion.

The LU&ED Committee was asked if exploring conversion again with Diamond Knot would be an item that staff should pursue. Staff could look into possible use of American Rescue Plan funds to offset costs. The LU&ED Committee direction was that it was appropriate for Staff to explore the conversion process more.

- **Land Use and Growth Management Informational Discussion.**

The LU&ED Committee was provided information about the Growth Management Act (“GMA”), comprehensive plan requirements, and permitting requirements and timelines.

Puget Sound Regional Council VISION 2050, City subarea plans, the 2024 GMA Update (planning period will be to 2044), including countywide planning policies (CPP’s) and population/housing and employment growth targets, were also discussed. Different types of land use processes and various types of City code requirements were mentioned as was capital facility financing.

- **Comprehensive Plan Capital Facilities Element Amendments.** The LU&ED Committee reviewed Comprehensive Plan Capital Facilities Element amendments that included an updated and reformatted Six-Year 2022-2027 Capital Improvement Program (CIP).

Only very minor changes to Comprehensive Plan Capital Facilities Element goals and policies were being proposed; the main amendment was the updated and reformatted Six-Year 2022-2027 Capital Improvement Program (CIP) and 20-year project lists. Individual project sheets and detailed Six-Year financial tables were included in the CIP. Deleted from this Comprehensive Plan was the Six-Year 2015-2020 CIP and prior 20-year project lists.

- **Mukilteo Boys and Girls Club Public Use Agreement.** A draft of a Public Use Agreement between the City of Mukilteo and the Boys and Girls Clubs of Snohomish County (BGCSC) was presented and discussed. The agreement was to allow for the public use of the Mukilteo Boys and Girls Club facility (building and ballfield), subject to availability and proposed fees. The LU&ED Committee consensus was that the draft agreement was acceptable.

- **Parking Resolution Amendment.** The LU&ED Committee was briefed on an existing City Resolution that identifies geographic areas subject to parking programs and related restrictions (e.g. where paid and permit parking is allowed, limited, and prohibited).

The Washington State Department of Transportation (WSDOT) Mukilteo Multimodal Terminal Project impacted the number and location of waterfront parking spaces identified in the Resolution. WSDOT developed a new 38 stall parking area to replace City parking displaced by the Multimodal Terminal Project.

A determination of how the parking in this parking area will be used needs to be reflected in the City Resolution. The LU&ED Committee discussed the

requirements of the current Resolution and past, existing and anticipated commuter parking permit demand.

The LU&ED Committee felt that the reconstructed parking area should, if possible, provide a single type of parking rather than allow for alternative types of parking permits. This would minimize confusion to the public.

The LU&ED Committee suggested that the new 38 parking space area be all commuter parking permits. Employee parking permits could be located in part of the commuter parking area behind Diamond Knot.

- **Datafy**. The LU&ED Committee received a presentation from Datafy, a company involved in data analytics for communities to better understand their visitor/tourist base. This information can help develop targeted marketing campaigns to reach audiences information on the services its company offers as it relates to tourism. The LU&ED Committee felt that Datafy was a good tool.

RECOMMENDED ACTION

None.