

REPORT TO THE CITY COUNCIL OF MILL CREEK FROM THE ECONOMIC DEVELOPMENT COMMITTEE

September 2014

This report is the summary efforts of the Economic Development Committee, which met six times since June 9th. First, the committee would like to thank the Council for the opportunity to serve Mill Creek. We especially want to thank the Council for their encouragement and inspiring us to “think outside the box” in our deliberations. The committee would also like to thank Tom Rogers and his staff for their support, plus input we received from Landy Manual during his visit.

FINDINGS After reviewing the background materials provided by the Community Development Department and other data from the committee members, we found:

- Mill Creek has the amenities and quality of life that’s attractive to families and retirees; and the citizens living here are protective of that quality of life AND would like to keep it that way.
- The City has comparatively well educated and affluent population.
- There is an active interest in having more family-oriented community activities, like the annual Mill Creek Festival, Trunk or Treat, various runs and the Easter egg hunt.
- There are amenities like the North Creek Trail that are underutilized because citizens are not aware of them.

- Mill Creek has little or no control over the access or through traffic in the City.
- The City of Mill Creek has relatively low business taxes (no utility or B&O taxes).
- There's about a 14% vacancy rate in professional commercial space and just below 8% vacancy rate in retail commercial space. Both these rates are trending down and the vacant retail space is limited to several pockets in the City such as Thomas Lake Center, Creekside Village and two properties near Safeway.
- The financial resources have been adequate in the past but the City needs additional revenue sources to assist in preventing a budget shortfall in the next 2-4 years.
- There is no coordinated effort to market or promote the City as a place to do business or to visit retail outlets or restaurants.
- Current budgetary concerns and potential annexations are burdened by the Fire District #7 contract payments.

IDENTIFIED PROBLEMS

Here are some of the problems identified by the committee that need consideration:

- No dedicated space to hold public family-oriented events without disturbing commercial establishments and normal traffic patterns within the City.
- There is no web page that developers can access to get information about the City and what types of development the City is seeking.

- There is no coordinated effort to market or promote the good things the City has to offer.
- Fire District #7 contract payments create budgetary challenges and make annexations highly improbable.
- Current zoning codes restrict development.
- There is no City staff dedicated to foster economic development.
- The City has transportation issues with access and through traffic.

SUMMARY STATEMENT

It is not lost on the committee that the City of Mill Creek is in the precarious position of facing a budget shortfall in the near future. At the guidance of the Council, the City has done an admirable job of balancing expenses against tight revenues. And though the committee would not argue for throwing out fiscal prudence, it is the consensus of this committee that the City must take some risks in the near term to address the coming revenue shortfall. It is evident that fiscal management alone will not be enough to shore up the deficit.

So it is the opinion of the committee that the City must place a priority on revenue generation. This would include not only pursuing options in the form of utility taxes, fees and permits, but more importantly aggressive business development. The 2012 Strategic Plan alludes to annexation policies being evaluated fiscally instead of by the longer term strategic value. It is our contention that a premium must be given to the longer term strategic value of such decisions, not only for possible annexation, but other business development opportunities, as well. Economic gain cannot be made without the accompaniment of risk.

This committee has reviewed a number of the different suggestions presented in the background material provided by City staff, which had previously been reviewed by the City Council, and the suggestions presented by the members of this committee. We believe a number of these ideas have merit and should be investigated further as a means to generate and attract more business development within Mill Creek.

AREAS FOR CONSIDERATION

A consensus was reached on the following areas for consideration by the members of the committee who have participated for these last three months. They are divided into short-term (1 year) and long-term (2+ years and up).

SHORT TERM

- Add an Economic Development position to City staff.
- Promote the concept of a “big box” store in the EGUV for a reasonable time period and then if no contract evolves, offer an alternative design with focus on an arts and entertainment complex, restaurants and surrounding retail outlets. See Attachment A for a design example.
- Create an Economic Development web page to use as a resource for property owners, developers and brokers to use as a marketing tool, by highlighting the benefits of living in Mill Creek or owning/developing a business in the City. The web page would feature the types of businesses the City would like to see in Mill Creek and provide a one-stop shop for development information and support.

- Create relationships with business organizations to determine necessary information to incentivize potential new businesses to locate in Mill Creek.
- Streamline and promote the online permitting process to make it simple and more pro-business.
- Create a City motto or tag line and use it in all promotions.
 - Mill Creek – a place where good things happen.
 - Mill Creek – come see why we love Mill Creek.
 - Mill Creek – where families are proud to call our City home.
 - Mill Creek – a community of families, nestled among parks and trails.
 - Or make it a city-wide contest to create the favorite one.
- Continue to provide community-oriented activities to enhance the character of the City, such as “Movies in the Park.”
- Optimize North Creek Trail through promotion, signage for parking, addition of exercise stations and restrooms.
- Review and revise the current annexation policy document to modify it from a “pencil out” numbers focus to add elements of future control and potential new developments.
- Gather preliminary data for annexing the 164th corridor to I-5 in order to manage future development and control a key artery from I-5 to our City.
- Encourage the creation of a wetlands bank whereby developers could buy financial offsets to be used as mitigation in the same watershed.
- Change zoning codes to allow “mixed-use” in CB zones and increased building heights.

- Create a standing five member Economic Development Committee to advise the City Council, support the Economic Development Director and provide oversight on the economic development direction in the City.

LONG TERM

- Provide a dedicated facility for family-oriented public activities such as the Annual Mill Creek Festival, Easter Egg Hunt, and future possibilities such as the Munch at Mill Creek, etc.
- Reconsider the south-end annexation without the burden of the Fire District payments and using the rewritten annexation policy.
- Pursue partnerships with businesses to advance community enhancements such as the position the City of Monroe took in partnering with a movie theater in order to secure its establishment.
- As the Council approaches the 2017-18 budget process and plan, we understand there will be difficult decisions to be made. Besides reviewing the possibilities of increased property taxes, instituting a new utility tax, cutting services to the citizens, we think you should seriously consider annexing into Fire District #7.