



City of Sammamish

ECONOMIC DEVELOPMENT STRATEGIC RECOMMENDATIONS

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Presented by Community Attributes to the City of Sammamish





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INTRODUCTION AND BACKGROUND

About the Project

The City of Sammamish was awarded an economic development grant from the Port of Seattle through the Economic Development Partnership Program. The Port's primary goal with the grant program is to facilitate growth in business, jobs and economic activity in participating municipalities. The City and Port have collaborated to develop a project focused on improving the City's ability to attract and retain business while simultaneously preparing for future growth.

In 2013 Community Attributes worked with the City to prepare an economic development strategy. The work included a detailed analysis of the City's demographics and local economy. Community Attributes joined the City again in 2017 to help with the current economic development effort. Key components of the project include an update of the City's economic and demographic data, development of online business communication tools, and outreach with local businesses and community stakeholders. A core component of the project are strategic recommendations based on the aforementioned efforts.

Key Project Tasks

- ◆ Produce an updated demographic and economic profile of the City and leverage for new business communication materials
- ◆ Help the City establish a new business web portal and incorporate a new business fact sheet
- ◆ Provide opportunities for outreach with the public and local business stakeholders
- ◆ Develop recommendations for the City to guide future economic development efforts

Project Components

The following three tasks were key drivers of the strategic recommendations. They were leveraged to establish potential opportunities and also ensure that the recommendations reflect current market conditions, economic realities and sentiments from both business owners and the broader community.

- ◆ Economic Profile
- ◆ Business Portal Website and Fact Sheet
- ◆ Community View Points

Below is a brief summary of the Community Viewpoints report and Demographic and Economic Profile.

COMMUNITY VIEW POINTS

Community Attributes interviewed 11 business owners and evaluated comments from over 260 people that participated in a virtual town hall hosted by the City. The viewpoint of local residents and business owners were leveraged to develop the strategic recommendations for the City. On the following page is a summary of the common themes and findings from this effort. For more details please see the Sammamish Community Viewpoints 2017 report available through the City.

STRATEGIC RECOMMENDATIONS

Purpose and Use

The strategic recommendations developed for the City of Sammamish by Community Attributes Inc. (CAI) reflect both our recent analysis of the City (see the Demographic and Economic Profile as well as the Community Viewpoints report) and past economic development and technical analysis completed in 2014 and 2015. The recommendations represent our assessment of the City's opportunities for economic growth. They also represent what we heard from both local business owners and the broader community. They are intended to serve as a launching point to future economic initiatives for the City. The recommendations are also meant to be viewed as options for the City to consider and are not formally adopted by City leadership. In effect, the strategic recommendations can be used to guide future actions related to economic development if the City so chooses.

How to use the recommendations – Values and Observations

The strategic recommendations are organized by values that CAI recognized during our analysis of the community and local economy. They were informed by our observations and findings in the Demographic and Economic Profile as well as the Community Viewpoints report. These two elements form the organizing framework for our strategic recommendations.

I. DIVERSE

Expand and diversify retail, services and amenities to ensure that local needs can be met locally

II. HOMEGROWN

Encourage entrepreneurship, the creation of locally-owned businesses and community-minded development

III. DYNAMIC

Pursue economic vitality that makes Sammamish a more complete place, with options to live, work and play

IV. OPPORTUNISTIC

Capitalize on the plateau's unique geographic setting to harness local talent and captive consumers

V. LIVABLE

Ensure that economic growth occurs in a coordinated way that improves, not compromises, Sammamish's high quality of life

Definitions

As previously mentioned, the strategic recommendations are organized by values and observations. Each value contains a series of strategies and actions for the City to consider. Below is a summary of how CAI defines the organizing principles of the strategic recommendations.

Values: Issues of importance for Sammamish residents and businesses

Observations: Findings relevant to the values (from data and outreach)

Under each value/observation there is the following:

Strategy: An approach to support the value identified through the project

Potential Action: A specific and measurable task necessary to implement a strategy

I. DIVERSE

Expand and diversify retail, services and amenities to ensure that local needs can be met locally

Data showed approximately \$278 million in retail spending leakage in Sammamish, indicating that Sammamish residents do a significant portion of their spending outside of Sammamish; according to a City facilitated survey, 68% of residents surveyed wanted to see new businesses locate to Sammamish, and 81% of respondents indicated that they currently did less than half of their retail shopping in Sammamish; interviews with business owners pointed toward a business opportunity in filling retail and services gaps on the Plateau; the interviews make it clear that the business community believes that demand for additional retail and services in Sammamish is strong.

POTENTIAL STRATEGIES AND ACTIONS

1. Identify the types of retail and services that are under-represented in Sammamish

- ◆ Produce a detailed trade capture and leakage analysis to supplement survey findings and understand impact of new development
- ◆ Develop “need profiles” for each underrepresented sector to guide retention and attraction efforts

2. Catalogue and market vacant retail spaces and/or properties to retailers that meet target criteria

- ◆ Maintain a list of available commercial properties and assist small businesses looking for space; make this information available on-line

3. Pursue active recruitment of retailers that meet target criteria

- ◆ Coordinate with the Chamber of Commerce to develop a targeted retail recruitment strategy

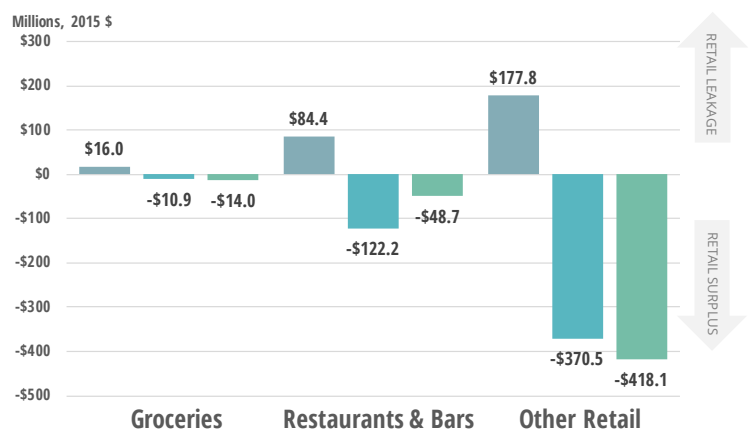
4. Provide appropriate incentives to retail developers with formal plans for high-quality retail space, and ensure that development regulations are efficient and predictable

- ◆ Appoint a designated position to assist new business owners navigating local development regulations and obtain access to federal, state and county-based financial incentives

5. Connect local shoppers with retail and services options in Sammamish

- ◆ In coordination with the Chamber of Commerce plan, design and host a “buy local” campaign
- ◆ Partner with Sammamish businesses to develop a Sammamish shoppers program discount card or similar to encourage local shopping and dining

Retail Trade Capture



Source: Washington State Office of Financial Management, 2016; Washington State Department of Revenue, 2016; Community Attributes Inc., 2017

Retail Leakage: Positive values represent categories where supply is less than demand and local residents are traveling elsewhere to find such retail goods.

Retail Surplus: Negative values represent categories that draw people in from outside the City limits, meaning the retail category draws customers from throughout the region.

II. HOMEGROWN

Encourage entrepreneurship, the creation of locally-owned businesses and community-minded development

Business interviews highlighted a desire by business owners to work in the community that they live in, as well as the importance of community cohesion, and a reliance on “regular” customers, for local businesses; interviewees suggested increasing small-scale, local and non-chain retail options; a survey indicated that the type of new employment that residents would most like to see in Sammamish is “small/local businesses” as well as “restaurants” (50% of respondents selected these as highest priority)

POTENTIAL STRATEGIES AND ACTIONS

1. Identify, catalog, survey and improve support for all home-based businesses in Sammamish

- ◆ Publish a home-based business user guide that is distributed to current and prospective home-based business owners
- ◆ Schedule round table discussions to routinely interact with home-based business owners and other entrepreneurs to determine policy priorities within the City
- ◆ Hold a regular home-based business expo to provided proprietors with marketing opportunities and to make Sammamish residents aware of locally-owned options for shopping and service provision

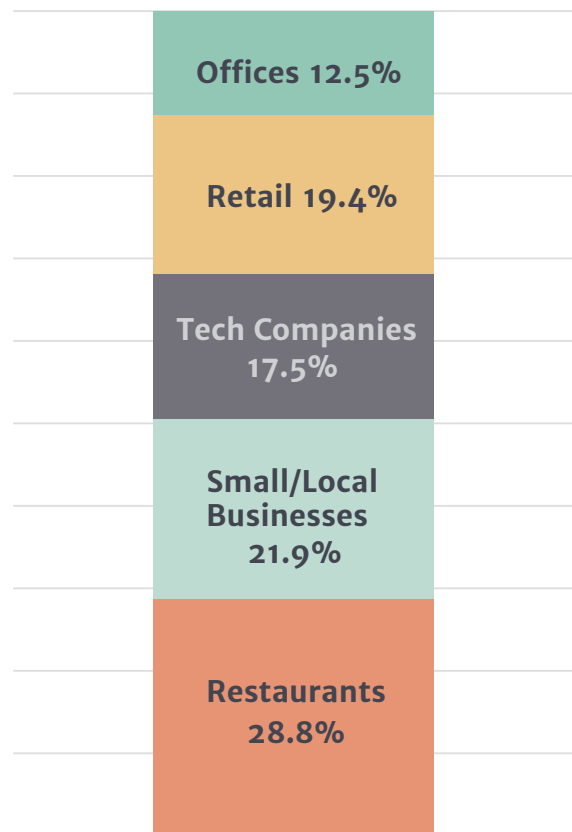
2. Connect entrepreneurs with local and regional resources for small business development

- ◆ Utilize assets like the Small Business Development Center (SBDC), Small Business Administration (SBA), Bellevue College and the Northwest Innovation Resource Center (NIRC) for coaching, professional development and support for existing businesses and entrepreneurs
- ◆ Sponsor and initiate an entrepreneurial fair to bring together prospective entrepreneurs, developers, and other stakeholders (e.g. banks, investors)

3. Provide space for growing businesses to innovate new products and expand operations

- ◆ Evaluate a public-private partnership and related tools to create a makerspace (or similar) in Sammamish

What type of employment opportunities would you like to see in Sammamish?



Source: Sammamish Community Viewpoints Report, 2017.

CAI and the City of Sammamish surveyed local residents and this is what they said about local employment opportunities.

III. DYNAMIC

Pursue economic vitality that makes Sammamish a more complete place, with options to live, work and play

Business interviews repeatedly pointed toward a need for improved transit and walkability, as well as a broader range of entertainment options, such as a bowling alley or performing arts center; survey respondents want to see small-scale, mixed-use centers that provide a range of commercial options and, where appropriate, additional housing

POTENTIAL STRATEGIES AND ACTIONS

- 1. Evaluate the potential for a broader and comprehensive economic development strategic plan**
 - ◆ Conduct a workshop with City Council to discuss economic goals and priorities
 - ◆ Create a complete economic development strategic plan for the City that unites current and future economic development efforts
- 2. Continue to implement the vision for Town Center**
 - ◆ Produce a developer outreach strategy to recruit new development projects in Town Center
- 3. Support the existing business community**
 - ◆ Help to organize a lecture series that features local businesses and residents and also feature outside perspectives on entrepreneurship and economic development
- 4. Improve multi-modal connections in and around Sammamish**
 - ◆ Continue to enhance bicycle and pedestrian infrastructure citywide with a focus on connecting existing and emerging commercial centers

IMPROVE TRANSIT ACCESSIBILITY AND WALKABILITY

Enhancing transit options and service could reduce traffic and provide commuting employees with a quicker, more cost-effective way to get to work. Linking commercial centers with walkways would increase foot traffic as well as ease parking challenges.

– Community Viewpoints Summary , 2017

IV. OPPORTUNISTIC

Capitalize on the plateau's unique geographic setting to harness local talent and captive consumers

Only 4% of Sammamish residents (who are employed) currently work in Sammamish, though these resident-workers are talented and well-educated: 73% of Sammamish residents age 25+ held at least a bachelor's degree in 2015; geographic isolation and traffic provide practical reasons for employees to stay on the plateau during working hours; 54% of residents surveyed believe that Sammamish's location is an economic strength, and 69% of respondents see the city's talented resident base as an economic strength, pointing to an opportunity to keep workers in Sammamish

POTENTIAL STRATEGIES AND ACTIONS

1. Provide opportunities for local residents to work remotely or telecommute to jobs throughout the region

- ◆ Discuss potential for teleworking with Microsoft and other major employers to confirm that a cohort of Sammamish workers are eligible to work outside their corporate office
- ◆ Evaluate a public-private partnership and related tools to create a co-working space in Sammamish
- ◆ Approach developers interested in Town Center with metrics related to market demand and case studies for how similar spaces have operated in other places, as well as letters of support from regional employers

2. Continue to invest in education and workforce development

- ◆ Work with the new CWU campus to align curriculum and offerings with the needs of local residents and businesses alike
- ◆ Through the new CWU campus, explore options for additional programs that are oriented towards professional development and on-going training/certification
- ◆ Support high school jobs fairs and entrepreneurship workshops

- ◆ Aid Sammamish schools in providing programming that will prepare Sammamish youth for work in emerging industries and develop skills required by evolving economic and demographic trends (e.g. computer skills, language proficiency)

3. Expand the Sammamish brand to highlight local productivity

- ◆ Engage in a re-branding and marketing effort for the City
- ◆ Develop a separate web page that focuses on marketing and branding the City and its attraction efforts (Phase II of the business web portal)
- ◆ Build a social media presence and update frequently with content highlighting positive growth and changes underway related to both economic development and quality of life in Sammamish
- ◆ Position Sammamish as an excellent place to incubate technology start-ups and compete aggressively through branding and marketing for spin-off companies that emerge from the clustered talent associated with Microsoft, Amazon, etc.



As part of the City's new business portal CAI developed an icon that could be leveraged in the future to further develop the City's brand.

Ensure that economic growth occurs in a coordinated way that improves, not compromises, Sammamish’s high quality of life

Both businesses owners (via interviews) and residents (through the survey) indicated that the quality of life in Sammamish is an asset; both groups expressed concern over increased traffic and other challenges related to growth; residents were highly conflicted about becoming more of an employment center (about 70% of respondents said “no” or “maybe”) and only 8% identified infrastructure as an economic strength, while 34% and 50% saw infrastructure and traffic as Sammamish’s greatest economic challenge, respectively

POTENTIAL STRATEGIES AND ACTIONS

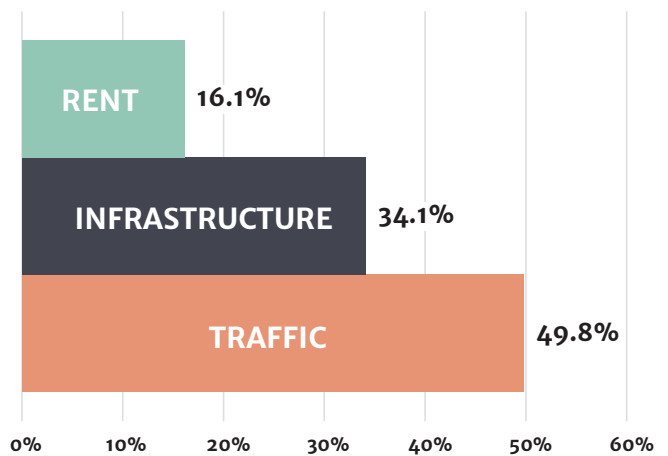
1. Prioritize infrastructure investments that improve the flow of traffic on and off the plateau

- ♦ Invest in the creation of a transit center and transit routes that facilitate movement around, as well as on and off the Plateau or provide alternative transportation routes that easily access such facilities in Issaquah Highlands
- ♦ Coordinate the City’s TMP with economic development efforts to ensure that multimodal connections are supportive of current and future business needs
- ♦ Continue to modernize road network and prioritize streetscape improvements

2. Ensure that new development, where appropriate, provides community amenities such as open space and protects the natural environment

- ♦ Use the UZDP process to achieve a sustainable development pattern in Town Center, focusing on the use of low impact development techniques to minimize storm water runoff and protect valuable wetlands and waterways
- ♦ Analyze the feasibility of incentive programs for private property owners that contribute to environmental remediation and habitat restoration programs

What are the greatest challenges you see for Sammamish’s local economy?



Source: Sammamish Community Viewpoints Report, 2017.

Many residents cited infrastructure and traffic as major challenges facing the City of Sammamish.

Using the Implementation Matrix

A key component of the strategic recommendations is CAI's assessment of the timing, cost and role of the City for each potential action we've identified. The following section provides an implementation matrix for the City to leverage when evaluating CAI's economic development strategic recommendations. The key below provides an explanation of the matrix and the terminology used.

- ◆ Provides details on the role of the City
- ◆ Provides an order of magnitude estimate on potential costs associated with the specific action we recommended
- ◆ Provides an assessment of potential timing for the action based on the City's role, the potential cost of the action and the relative impact the action might have

Implementation Matrix Key

Timing

| | |
|------------|-----------|
| Short Term | 1-2 years |
| Mid Term | 3-5 years |
| Long Term | 5+ Years |

Cost

| | |
|--------|--|
| \$ | Minimal upfront investment required |
| \$\$ | Moderate investment required |
| \$\$\$ | Substantial investment and commitment required |

City Role

| | |
|------------------|--|
| Lead | City would be in a lead role |
| Indirect Support | City would help indirectly through facility usage and staffing assistance |
| Direct Support | City would directly support the project through financial, staffing and facilities |

IMPLEMENTATION

| Value | Strategy | City Role | Timing | Cost |
|--|---|------------|------------|--------|
| I. DIVERSE | Strategy 1: identify the types of retail and services that are underrepresented in Sammamish | | | |
| | <i>Potential Action: produce a detailed trade capture and leakage analysis to supplement survey findings and understand impact of new development</i> | DIRECT | SHORT TERM | \$ |
| | <i>Potential Action: develop “need profiles” for each underrepresented sector to guide retention and attraction efforts</i> | DIRECT | SHORT TERM | \$ |
| | Strategy 2: catalogue and market vacant retail spaces and/or properties to retailers that meet target criteria | | | |
| | <i>Potential Action: maintain a list of available commercial properties and assist small businesses looking for space; make this information available on-line</i> | LEAD | SHORT TERM | \$ |
| | Strategy 3: pursue active recruitment of retailers that meet target criteria | | | |
| | <i>Potential Action: Coordinate with the Chamber of Commerce to develop a targeted retail recruitment strategy</i> | LEAD | MID TERM | \$ |
| | Strategy 4: provide appropriate incentives to retail developers with formal plans for high-quality retail space, and ensure that development regulations are efficient and predictable | LEAD | MID TERM | \$\$ |
| | <i>Potential Action: appoint a designated position to assist new business owners navigating local development regulations and obtain access to federal, state and county-based financial incentives</i> | LEAD | SHORT TERM | \$ |
| | Strategy 5: connect local shoppers with retail and services options in Sammamish | | | |
| <i>Potential Action: in coordination with the Chamber of Commerce plan, design and host a "buy local" campaign</i> | INDIRECT | SHORT TERM | \$ | |
| <i>Potential Action: partner with Sammamish businesses to develop a Sammamish shoppers program discount card or similar to encourage local shopping and dining</i> | INDIRECT | MID TERM | \$ | |
| II. HOMEGROWN | Strategy 1: identify, catalog, survey and improve support for all home-based businesses in Sammamish | | | |
| | <i>Potential Action: publish a home-based business user guide that is distributed to current and prospective home-based business owners</i> | LEAD | SHORT TERM | \$ |
| | <i>Potential Action: schedule roundtable discussions to routinely interact with home-based business owners and other entrepreneurs to determine policy priorities within the City</i> | LEAD | MID TERM | \$ |
| | <i>Potential Action: hold a regular home-based business expo to provided proprietors with marketing opportunities and to make Sammamish residents aware of locally-owned options for shopping and service provision</i> | LEAD | SHORT TERM | \$\$ |
| | Strategy 2: connect entrepreneurs with local and regional resources for small business development | | | |
| | <i>Potential Action: utilize assets like the Small Business Development Center (SBDC), Small Business Administration (SBA), Bellevue College and the Northwest Innovation Resource Center (NIRC) for coaching, professional development and support for existing businesses and entrepreneurs</i> | INDIRECT | SHORT TERM | \$ |
| | <i>Potential Action: sponsor and initiate an entrepreneurial fair to bring together prospective entrepreneurs, developers, and other stakeholders (e.g. banks, investors)</i> | DIRECT | MID TERM | \$\$ |
| | Strategy 3: provide space for growing businesses to innovate new products and expand operations | | | |
| | <i>Potential Action: evaluate a public-private partnership and related tools to create a makerspace (or similar) in Sammamish</i> | DIRECT | LONG TERM | \$\$\$ |

| Value | Strategy | City Role | Timing | Cost | |
|--|--|---|------------|------------|--------|
| III. DYNAMIC | Strategy 1: evaluate the potential for a broader and comprehensive economic development strategic plan | | | | |
| | <i>Potential Action: conduct a workshop with City Council to discuss economic goals and priorities</i> | LEAD | SHORT TERM | \$ | |
| | <i>Potential Action: create a complete economic development strategic plan for the City that unites current and future economic development efforts</i> | DIRECT | SHORT TERM | \$\$ | |
| | Strategy 2: continue to implement the vision for Town Center | | | | |
| | <i>Potential Action: produce a developer outreach strategy to recruit new development projects in Town Center</i> | LEAD | SHORT TERM | \$ | |
| | Strategy 3: support the existing business community | | | | |
| | <i>Potential Action: help to organize a lecture series that features local businesses and residents and also feature outside perspectives on entrepreneurship and economic development</i> | LEAD | MID TERM | \$\$ | |
| | Strategy 4: improve multimodal connections in and around Sammamish | | | | |
| | <i>Potential Action: continue to enhance bicycle and pedestrian infrastructure citywide with a focus on connecting existing and emerging commercial centers</i> | LEAD | LONG TERM | \$\$\$ | |
| | IV. OPPORTUNISTIC | Strategy 1: provide opportunities for local residents to work remotely or telecommute to jobs throughout the region | | | |
| | | <i>Potential Action: discuss potential for teleworking with Microsoft and other major employers to confirm that a cohort of Sammamish workers are eligible to work outside their corporate office</i> | LEAD | SHORT TERM | \$ |
| | | <i>Potential Action: evaluate a public-private partnership and related tools to create a co-working space in Sammamish</i> | DIRECT | LONG TERM | \$\$\$ |
| <i>Potential Action: approach developers interested in Town Center with metrics related to market demand and case studies for how similar spaces have operated in other places, as well as letters of support from regional employers</i> | | DIRECT | MID TERM | \$ | |
| Strategy 2: continue to invest in education and workforce development | | | | | |
| <i>Potential Action: work with the new CWU campus to align curriculum and offerings with the needs of local residents and businesses alike</i> | | INDIRECT | LONG TERM | \$ | |
| <i>Potential Action: through the new CWU campus, explore options for additional programs that are oriented towards professional development and on-going training/certification</i> | | INDIRECT | LONG TERM | \$\$ | |
| <i>Potential Action: support high school jobs fairs and entrepreneurship workshops</i> | | INDIRECT | MID TERM | \$ | |
| <i>Potential Action: aid Sammamish schools in providing programming that will prepare Sammamish youth for work in emerging industries and develop skills required by evolving economic and demographic trends (e.g computer skills, language proficiency)</i> | | INDIRECT | MID TERM | \$\$ | |
| Strategy 3: expand the Sammamish brand to highlight local productivity | | | | | |
| <i>Potential Action: engage in a rebranding and marketing effort for the City</i> | | DIRECT | SHORT TERM | \$\$ | |
| <i>Potential Action: develop a separate webpage that focuses on marketing and branding the City and it's attraction efforts (Phase II of the business web portal)</i> | | DIRECT | SHORT TERM | \$\$ | |
| <i>Potential Action: build a social media presence and update frequently with content highlighting positive growth and changes underway related to both economic development and quality of life in Sammamish</i> | | LEAD | SHORT TERM | \$ | |
| <i>Potential Action: position Sammamish as an excellent place to incubate technology start-ups and compete aggressively through branding and marketing for spinoff companies that emerge from the clustered talent associated with Microsoft, Amazon, etc.</i> | | LEAD | MID TERM | \$\$ | |

IMPLEMENTATION

| Value | Strategy | City Role | Timing | Cost |
|---|--|-----------|-----------|--------|
| V. LIVABLE | Strategy 1: prioritize infrastructure investments that improve the flow of traffic on and off the plateau | | | |
| | <i>Potential Action: invest in the creation of a transit center and transit routes that facilitate movement around, as well as on and off the Plateau or provide alternative transportation routes that easily access such facilities in Issaquah Highlands</i> | INDIRECT | LONG TERM | \$\$\$ |
| | <i>Potential Action: coordinate the City's TMP with economic development efforts to ensure that multimodal connections are supportive of current and future business needs</i> | LEAD | MID TERM | \$\$ |
| | <i>Potential Action: continue to modernize road network and prioritize streetscape improvements</i> | LEAD | LONG TERM | \$\$\$ |
| | Strategy 2: ensure that new development, where appropriate, provides community amenities such as open space and protects the natural environment | | | |
| | <i>Potential Action: use the UZDP process to achieve a sustainable development pattern in Town Center, focusing on the use of low impact development techniques to minimize storm water runoff and protect valuable wetlands and waterways</i> | LEAD | LONG TERM | \$ |
| <i>Potential Action: analyze the feasibility of incentive programs for private property owners that contribute to environmental remediation and habitat restoration programs</i> | LEAD | LONG TERM | \$\$ | |